

**THE QUARTER IN BRIEF OCTOBER-DECEMBER 2023 (OCTOBER-DECEMBER 2022)**

- Total operating income increased by 9 percent to SEK 116.4 million (106.4)
- Operating expenses decreased by 36 percent to SEK -74.4 million (-116.0)
- Net credit losses increased by 8 percent to SEK -39.4 million (-36.6)
- Operating profit (EBT) was SEK 2.6 million (-46.1)
- Profit/loss for the period was SEK 1.5 million (-37.1)
- Earnings per share before and after dilution amounted to SEK 0.08 (-1.95)

**THE PERIOD IN BRIEF JANUARY-DECEMBER 2023 (JANUARY-DECEMBER 2022)**

- Total operating income increased by 9 percent to SEK 448.5 million (410.9)
- Operating expenses decreased by 22 percent to SEK -318.6 million (-410.3). Adjusted for items affecting comparability, operating expenses decreased by 16 percent to SEK -316.4 million (-374.4)
- Net credit losses increased by 5 percent to SEK -121.7 million (-116.1)
- Operating profit (EBT) was SEK 8.2 million (-115.5) Operating profit (EBT) for the period adjusted for items affecting comparability amounted to SEK 10.4 million (-79.6)
- Profit/loss for the period was SEK 4.1 million (-93.5) Profit/loss for the period adjusted for items affecting comparability amounted to SEK 5.9 million (-65.0)
- Earnings per share before and after dilution amounted to SEK 0.22 (-4.90)

**SIGNIFICANT EVENTS IN THE FOURTH QUARTER 2023**

- Qliro signed extended collaboration agreement with Nelly Group.
- Qliro reached financial target of positive operating profit (EBT) for the full year 2023.

**SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

- Qliro's Board of Directors convened Extraordinary General Meeting to authorize a long-term incentive program for 2024, including issue and transfer of warrants, and a short-term incentive program for 2024.
- Qliro appointed new payment partner of enterprise merchants Skruvat Reservdelar and Bythjul Norden.

**“QLIRO’S AMBITION IS TO DELIVER A WORLD-LEADING EXPERIENCE TO E-MERCHANTS AND THEIR CUSTOMERS.”**

**+9%**

Income growth<sup>1)</sup>

**+11%**

Income growth, Payment Solutions<sup>1)</sup>

**3,575**

SEKm, Total Payment Volume<sup>3)</sup>

**-3%**

Total Payment Volume growth<sup>1)</sup>

**5.6 M**

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

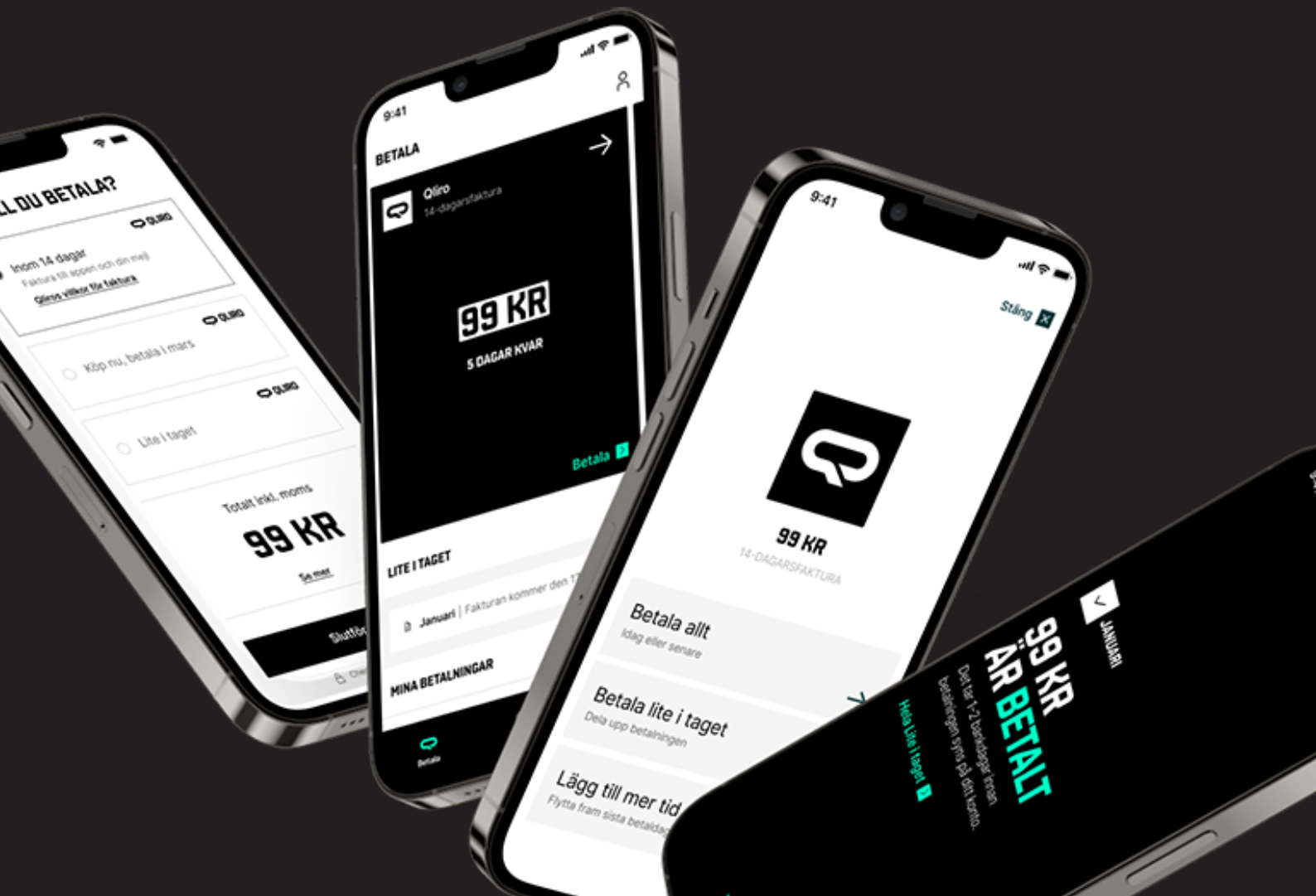
**-3%**

Lending growth<sup>1)</sup>

1) Fourth quarter 2023 in comparison with fourth quarter 2022.

2) Refers to unique consumers that have used Qliro's checkout through the company's merchants in the last 12 months

3) Total payment volume processed in Qliro's checkout, including VAT on direct payments and Qliro's payment products in the fourth quarter 2023.





## CONTINUED GROWTH, QLIRO REACHED FINANCIAL TARGET FOR 2023

We concluded 2023 by reaching our financial target of full-year positive operating profit (EBT) as a result of sustained positive income growth and a profitable Q4. We strengthened our market position by extending the collaboration with Nelly Group. After the end of the quarter, we entered into agreements with Skruvat and Bythjul, who are expected to contribute significant combined sales volume of over SEK 1 Bn.

Qliro's positive momentum continued in the final quarter. Total income increased by 9 percent, driven by growth in Payments Solutions. Operating profit (EBT) increased by SEK 48.7 million to SEK 2.6 million (-46.1).

During the full year 2023, total income increased by 9 percent to SEK 448.5 million (410.9). Operating profit (EBT) increased by SEK 123.7 million to SEK 8.2 million (-115.5) in the same period. Adjusted for items affecting comparability, operating profit (EBT) increased by SEK 90 million to SEK 10.4 million (-79.6).

### QLIRO PROFITABLE IN FULL YEAR 2023

With four consecutive quarters of profitable operations, we reached our financial target for the full year 2023. This was made possible by a previously implemented profitability program with the aim of rationalizing and digitalizing operations. The profitability program also allowed us to create scope for, and invest in, a new tech strategy, improve the product offering and increase sales capacity. In combination with earlier organizational changes, we strengthened Qliro's total delivery capacity in the year. This is paying off in record numbers of connected merchants on Qliro's platform 75 (58), a higher conversion rate in Qliro's Checkout, new product launches, and the highest results to date in customer surveys, both from merchants and end customers.

### INCREASED INCOME DESPITE LOWER SALES VOLUME

Qliro made positive progress in the quarter, and income increased despite a reduction in sales volumes of 3 percent.

This should be viewed against the background of the general trend for e-commerce, with the Swedish Trade Federation's e-commerce indicator reporting a decrease in e-commerce trade of 11 percent in the fourth quarter, and 8 percent for the full year.

### NORMALIZED SALES VOLUMES IN JANUARY 2024

Several of Qliro's enterprise merchants reported lower sales volumes in Q4. This decrease is judged to be transient and is due to an ongoing shift in the industry where many merchants are switching to a greater focus on profitability, which implied reduced discounting during Black Week and the Christmas trade. In January, we are already returning to more normalized volumes, in line with previous quarters. Sales volumes, which are calculated from the date an item is dispatched, were also affected by the Christmas sales concluding on a weekend, which meant that some volumes were not processed until in the new year.

### BLACK WEEK & CHRISTMAS TRADE

Despite the challenges faced by e-merchants and end consumers, our most intensive period of the year, including Black Week and the Christmas trade showed positive development. Investments in Qliro's platform and new modern tools for continuous testing contributed to ensuring an incident-free period. The investments have had the desired long-term effect, with the average uptime for Qliro's checkout remaining at 99.99 percent over the past two years.

### INCREASED VALUE THROUGH UNIFIED PAYMENTS

The higher number of new merchants on Qliro's platform in the year indicated growing demand for a strategic payment partner focused on the e-merchant's interests. In this context, our recently launched Unified Payments service is a significant milestone and provides an important platform for future growth. The service represents a new complete offering which involves Qliro packaging all the relevant payment methods, as well as handling payment flows and associated processes. Since launch in Q2 2023, four of the company's ten largest customers have signed agreements relating to the service, which also ensures increased capitalization on our growing Pay Now volumes. With the focus on the e-merchants' customer journey and the technical pre-conditions in place, we are continuing to focus on the transformation towards becoming a focused payments company.

### ENTERPRISE AGREEMENTS GENERATE LONG-TERM GROWTH

In December, we had the great pleasure of announcing an expanded agreement with Nelly Group, which means that we will extend our partnership to process an additional 500 million SEK of Pay Now volume per year in addition to the existing volume. The agreement was made possible by the launch of Unified Payment, and confirms the strong confidence shown in us by one of the company's biggest merchants.

After the end of the period, we also had the pleasure of announcing new agreements with Skruvat Reservdelar and Bythjul for Qliro Checkout, including Pay Now and Pay Later services. Skruvat Reservdelar and Bythjul are expected to contribute annual sales volumes totaling over SEK 1 Bn, and to go live on Qliro's platform by the third quarter 2024.

The three new agreements are in line with the company's strategy to grow in the area of Payment Solutions. A key factor for the business segment's growth relates to interest income generated over time through the company's Pay Later products. From the date a merchant is onboarded on Qliro's platform, income grows gradually over a three-year period before the full financial effect is seen. This means that there is a natural delay in income from recently onboarded customers.

### MERCHANT TALKS REACH RECORD LEVELS

Despite the gloomy headlines, the e-commerce market is very active as merchants explore new routes towards generating growth and profitability. We are seeing this in the form of the unprecedented number of ongoing merchant talks. At present, we are in discussions with a number of new merchants who could make a significant contribution to the company's total sales volumes. In some cases, we are seeing some delays to decision-making processes as a result of the current market climate. In addition to the large number of ongoing dialogs, we are currently onboarding several new merchants from agreements signed towards the end of 2023, who have chosen to wait to go live until after the end of the Christmas period.

### DIGITAL BANKING SERVICES

In Digital Banking Services, net interest income increased by 1 percent to SEK 17.7 million (17.5), while lending decreased to SEK 787 million (879). Credit losses in the business segment decreased to SEK -7.3 million (-8.0). Progress in the quarter was due to less intensive marketing of the company's digital banking services.

### OUTLOOK

2023 was a successful year for Qliro, characterized by successful organizational, technical and financial transformations that position us well ahead of future growth. Despite a challenging year for e-commerce as a whole, we succeeded in realigning the company towards profitability and reaching our financial target. Against this background, we believe that the time is ripe for the next step, and we are extending our geographical presence to include Norway. At present, we are actively working to establish local team and look forward to providing further updates relating to this during the year. In parallel with this, we will continue to pursue growth initiatives within Payment Solutions – always focusing on our e-merchants and their customer journey. Based on the positive progress made over the past year, I am convinced that Qliro is on the right track.

Stockholm, Sweden, February 08, 2024

Christoffer Rutgersson, CEO, Qliro AB

## QLIRO IN BRIEF

Founded in 2014, Qliro is a fintech company that provides online payment solutions to leading e-merchants and their consumers. The offering includes a complete checkout solution optimized for increased sales and profitability. The operations are divided into two complementary business segments: Payment Solutions and Digital Banking Services.

Qliro provides all relevant payment methods and follows the e-merchants on their international expansion journey. Qliro focuses primarily on e-merchants based in the Nordic

region where Qliro also offers its own payment methods to consumers: invoicing, part payment and direct payment. Qliro also offers other digital financial services to individuals in Sweden, such as savings accounts and personal loans.

Qliro is a credit market company under the supervision of the Swedish Financial Supervisory Authority. Qliro's registered office is located in Stockholm, Sweden. Qliro's shares are listed on Nasdaq Stockholm under the ticker "Qliro".

## QLIRO'S BUSINESS SEGMENTS IN BRIEF

### PAYMENT SOLUTIONS

Payment Solutions are offered to large, small and medium-sized e-merchants in the Nordics. The payment 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 and various types of part payments. Qliro's payment solution Pay Now includes a range of payment methods offered through partnerships, such as card payments, direct payments from bank accounts or Vipps, Mobilpay and Swish, and PayPal. Qliro has the capacity to handle payments on more than 30 markets and the checkout solution is available in eight languages.

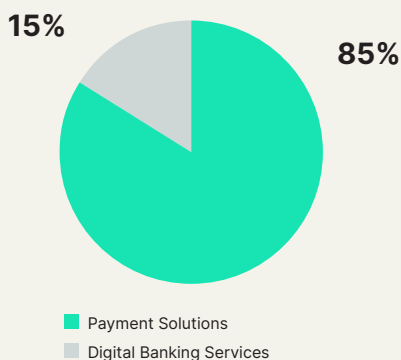
The number of unique consumers who used Qliro's checkout through the company's merchants over the last 12 months was 5.6 million.

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.

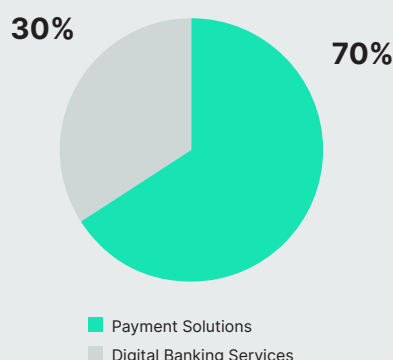
### DIGITAL BANKING SERVICES

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.

SHARE OF TOTAL OPERATING INCOME



SHARE OF LENDING TO THE PUBLIC



## KEY PERFORMANCE MEASURES

SEK million unless otherwise stated	2023 Oct-Dec	2022 Oct-Dec	% Δ	2023 Jan-Dec	2022 Jan-Dec	% Δ
<b>Income statement</b>						
Total operating income <sup>1) 6)</sup>	116.4	106.4	9%	448.5	410.9	9%
Total expenses before credit losses	-74.4	-116.0	-36%	-318.6	-410.3	-22%
of which depreciation	-19.5	-23.9	-18%	-73.1	-105.6	-31%
Total expenses before credit losses adjusted						
for items affecting comparability	-74.4	-98.2	-24%	-316.4	-374.4	-16%
Net credit losses <sup>6)</sup>	-39.4	-36.6	8%	-121.7	-116.1	5%
Operating profit <sup>1)</sup>	2.6	-46.1	n/a	8.2	-115.5	n/a
Operating profit adjusted for items affecting comparability <sup>1)</sup>	2.6	-28.4	n/a	10.4	-79.6	n/a
Profit/loss for the period	1.5	-37.1	n/a	4.1	-93.5	n/a
Profit/loss for the period adjusted						
for items affecting comparability	1.5	-23.0	n/a	5.9	-65.0	n/a
Earnings per share before and after dilution, SEK	0.08	-1.95	n/a	0.22	-4.90	n/a
<b>Balance sheet</b>						
Lending to the public <sup>1)</sup>	2,612	2,687	-3%	2,612	2,687	-3%
of which Payment Solutions	1,825	1,807	1%	1,825	1,807	1%
of which Digital Banking Services	787	879	-10%	787	879	-10%
Deposits and borrowings from the public	2,951	3,320	-11%	2,951	3,320	-11%
<b>Key performance measures</b>						
Payments Take-Rate (% Total operating income in relation to total payment volume) <sup>5) 6)</sup>	2.8%	2.4%	14%	3.2%	2.8%	12%
Operating margin, % <sup>1) 6)</sup>	18.4%	16.6%	11%	16.9%	15.1%	12%
Credit loss level, (% <sup>1) 6)</sup>	6.2%	5.7%	9%	4.6%	4.3%	8%
Cost/income ratio, % <sup>1) 6)</sup>	63.9%	109.0%	-41%	71.0%	99.9%	-29%
Return on equity (% <sup>1)</sup>	1.3%	neg	-	0.9%	neg	-
CET 1 capital ratio, % <sup>3)</sup>	15.6%	13.2%	18%	15.6%	13.2%	18%
Total capital Ratio, % <sup>3)</sup>	19.7%	17.1%	15%	19.7%	17.1%	15%
Liquidity coverage ratio (LCR), % <sup>3)</sup>	508%	239%	113%	508%	239%	113%
Payment volume <sup>5)</sup>	3,575	3,683	-3%	11,868	12,051	-2%
of which Pay Now volume <sup>5)</sup>	1,803	1,714	5%	5,831	5,470	7%
of which Pay Later volume <sup>2,4)</sup>	1,772	1,969	-10%	6,037	6,581	-8%
BNPL volume	749	770	-3%	2,436	2,354	3%
Invoice volume	1,023	1,199	-15%	3,601	4,227	-15%
Pay Now transactions <sup>5)</sup>	2,709	2,514	8%	8,585	7,946	8%
Pay Later transactions	1,829	2,112	-13%	6,112	6,841	-11%
Average order value <sup>5)</sup>	788	796	-1%	808	815	-1%
Average order value, Pay Now <sup>5)</sup>	665	682	-2%	679	688	-1%
Average order value, Pay Later <sup>5)</sup>	969	932	4%	988	962	3%
Number of connected merchants <sup>2)</sup>	75	58	29%	75	58	29%
Average number of employees <sup>2)</sup>	202	174	16%	188	181	4%

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

6) Key figures from the previous year have been recalculated, see Note 1, p.19.

# FINANCIAL PERFORMANCE

## THE FOURTH QUARTER 2023 COMPARED WITH THE FOURTH QUARTER 2022

### RECOVERED OVERDUE RECEIVABLES

Qliro considers that it is more relevant for amounts recovered through third parties relating to overdue receivables previously presented as commission income to be included in the calculation and presentation of net credit losses.

The change does not impact total operating profit or profit for the year, nor does it affect primary financial reporting other than the Income Statement.

In the fourth quarter 2023, commission income and net credit losses decreased by SEK 2.6 million.

Please see Note 1 for more information on which amounts have retroactively reduced commission income and net credit losses.

### ITEMS AFFECTING COMPARABILITY

No items affecting comparability were reported in the fourth quarter of 2023.

Items affecting comparability of SEK 17.8 million were reported in the fourth quarter 2022, of which SEK 28.0 million was attributable to the profitability program and negatively impacted profit, while an item affecting comparability relating to a VAT correction had a positive impact on profit of SEK 10.3 million.

### TOTAL OPERATING INCOME

Total operating income increased by 9 percent to SEK 116.4 million (106.4). The increase was mainly driven by growing interest in Qliro's Payment Solutions products.

Net interest income increased by 12 percent to SEK 70.5 million (63.0), where interest income increased to SEK 100.9 million (81.0) and interest expenses amounted to SEK -30.4 million (-18.1). Interest income increased as a result of growing interest in the company's Pay Later products, benefiting invoicing, and as a result of an earlier interest adjustment relating to a customer. Interest expenses increased as a result of higher funding costs on the market.

Net commission income increased by 1 percent to SEK 45.2 million (44.7).

Net gains and losses on financial transactions amounted to SEK 0.2 million (-1.6).

### OPERATING EXPENSES

Operating expenses decreased to SEK -74.4 million (-116.0).

General administrative expenses, comprising consultancy and IT expenses, decreased to -52.8 million (-81.0), mainly due to lower consultancy costs and efficiency gains in the completed profitability program, including digitalization of customer communication.

Other operating expenses decreased to SEK -2.1 million (-11.1) due to re-negotiated supplier agreements and VAT correction.

Depreciation, amortization and impairment fell by 18 percent to SEK -19.5 million (-23.9) and primarily related to amortization of previously capitalized development expenses for e-merchant payment solutions, as well as consumer products, website and app solutions.

### CREDIT LOSSES

Total net credit losses amounted to SEK -39.4 million (-36.6) after divestment of assets, which reduced provisions and led to changes to provision reserves in the quarter.

Credit losses in Digital Banking Services decreased as a result of reduced inflow of new loan volumes.

### PROFIT/LOSS FOR THE PERIOD

Operating profit (EBT) amounted to SEK 2.6 million (-46.1). This was due to increased income and reduced fixed costs.

The high tax level of SEK -1.1 million in relation to operating profit (EBT) of SEK 2.6 million, was due to interest on subordinated debt of SEK -2.7 million not being tax-deductible, which had a tax impact of SEK -0.6 million.

Profit/loss for the period amounted to SEK 1.5 million (-37.1).



# FINANCIAL PERFORMANCE

## THE PERIOD JANUARY–DECEMBER 2023 COMPARED TO THE CORRESPONDING PERIOD 2022

### RECOVERED OVERDUE RECEIVABLES

Qliro considers that it is more relevant for amounts recovered through third parties relating to overdue receivables previously presented as commission income to be included in the calculation and presentation of net credit losses.

The change does not impact total operating profit or profit for the year, nor does it affect primary financial reporting other than the Income Statement.

In the period January–December 2023, commission income and net credit losses decreased by SEK 18.0 million.

Please see Note 1 for more information on which amounts have retroactively reduced commission income and net credit losses.

### ITEMS AFFECTING COMPARABILITY

Items affecting comparability related to redundancies totaling SEK 2.3 million were recognized in the period January – December 2023, which had a negative effect on the company's profit for the quarter.

Items affecting comparability recognized in the period January–December 2022 had a negative impact on profit for the period of 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 2022, which negatively impacted profit.

### TOTAL OPERATING INCOME

Total operating income increased by 9 percent to SEK 448.5 million (410.9). The increase was primarily driven by generally increased interest in Qliro's Payment Solutions products, and higher BNPL volumes in Pay Later.

Net interest income increased by 14 percent to SEK 272.0 million (238.5), where interest income increased to SEK 372.8 million (288.9) and interest expenses to SEK -100.8 million (-50.4). Interest income increased as a result of growing interest in the company's Pay Later products, benefiting invoicing, and as a result of an earlier interest adjustment relating to a customer. Interest expenses increased as a result of higher market funding costs.

Net commission income increased marginally to SEK 176.7 million (175.7).

Net gains and losses on financial transactions amounted to SEK -1.4 million (-4.0).

### OPERATING EXPENSES

Operating expenses decreased to SEK -318.6 million (-410.3). Adjusted for items affecting comparability, operating expenses decreased to SEK -316.4 million (-374.4). General administrative expenses, comprising consultancy and IT expenses, decreased to -226.2 million (-279.9), mainly due to lower consultancy costs and rationalizations in the previously completed profitability program.

Other expenses amounted to SEK -19.3 million (-24.8). The year-on-year decrease was primarily attributable to renegotiated supplier agreements.

Depreciation, amortization and impairment decreased to SEK -73.1 million (-105.6) and primarily related to amortization of previously capitalized payment solutions for e-merchants, as well as consumer products, website and app solutions.

### CREDIT LOSSES

Credit losses totaled SEK -121.7 million (-116.1), driven by divestments of assets and a changed customer mix.

In Payment Solutions, credit losses totaled SEK -92.6 million (-89.1), and SEK -29.0 million (-27.0) in Digital Banking Services.

The credit loss ratio was 4.6 percent (4.3) of average lending.

It is noteworthy that credit losses for the period are growing at a slower rate than income, indicating an improved risk-adjusted operating margin.

### PROFIT/LOSS FOR THE PERIOD

Operating profit (EBT) amounted to SEK 8.2 million (-115.5). Operating profit (EBT) for the period adjusted for items affecting comparability increased to SEK 10.4 million (-79.6). The progress was due to lower costs in combination with increased total operating income.

The high tax level of SEK -4.1 million in relation to profit before tax of SEK 8.2 million, was due to interest on subordinated debt of SEK -10.3 million not being tax-deductible, which had a tax impact of SEK -2.1 million.

Profit/loss for the period was SEK 4.1 million (-93.5). Profit/loss for the period adjusted for items affecting comparability amounted to SEK 5.9 million (-65.0).



**BUSINESS SEGMENT**

**PAYMENT SOLUTIONS**

Comparisons with the fourth quarter 2022 unless otherwise indicated.

**ABOUT THE BUSINESS AREA**

Qliro offers digital payment solutions to e-merchants in the Nordics. Qliro’s checkout is provided both for web and app use, and includes relevant payment methods for direct payments through Pay Now as well as Qliro’s own payment methods through Pay Later functionality. 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 payment volumes increase, which gradually drives growth in the loan portfolio and generates income over time.

Qliro’s payment solution includes all relevant payment methods for direct payments, referred to as Pay Now. Other payment methods offered in Pay Now include card payments, direct bank payment, mobile payment through Vipps, Mobilpay and Swish, and payment via PayPal and iDeal.

The number of connected merchants was 75 (58) at the end of the fourth quarter.

**UNIFIED PAYMENTS**

Unified Payments is a complete offering comprising several different payment methods. The service involves Qliro acting as an intermediary between e-merchants and payment solution providers, handling payment flows and related processes. This means that Unified Payments simplifies administration and reporting, as well as ensuring a faster onboarding process for new merchants. The service is based on PCI-DSS approval, which means that Qliro is authorized to offer proprietary services as a payment services provider. The launch of Unified Payments is also a key step towards enabling growth in the SME segment, where e-merchants are increasingly requiring packaged solutions.

**INCREASED PAY NOW VOLUMES IN A WEAK MARKET**

The Swedish Trade Federation’s e-commerce indicator forecasts continued weak progress for e-commerce in Sweden, with a decline of 11 percent in Q4 2023. At the same time, Qliro’s total sales volume decreased by 3 percent to SEK 3,575 million compared to the corresponding period in the previous year. The decrease was due to lower volumes

**PAYMENT SOLUTIONS**

SEK million unless otherwise stated	2023 Oct-Dec	2022 Oct-Dec	% Δ	2023 Jan-Dec	2022 Jan-Dec	% Δ
Net interest income	52.8	45.5	16%	198.5	166.7	19%
Net commission income <sup>3)</sup>	45.1	44.5	1%	176.3	175.3	1%
Total operating income	98.6	88.9	11%	374.6	338.6	11%
Credit losses <sup>3)</sup>	-32.1	-28.6	12%	-92.6	-89.1	4%
Total operating income less credit losses 3)	66.6	60.3	10%	282.0	249.5	13%
Lending to the public	1,825	1,807	1%	1,825	1,807	1%
Payment volume <sup>2)</sup>	3,575 <sup>1)</sup>	3,683	-3%	11,868	12,051	-2%
of which Pay Now volume <sup>2)</sup>	1,803	1,714	5%	5,831	5,470	7%
of which Pay Later volume <sup>1)</sup>	1,772	1,969	-10%	6,037	6,581	-8%
BNPL volume	749	770	-3%	2,436	2,354	3%
Invoice volume	1,023	1,199	-15%	3,601	4,227	-15%
Payments Take-Rate (% Total operating income in relation to total payment volume) <sup>2)6)</sup>	2.8%	2.4%	14%	3.2%	2.8%	12%
Credit losses, %, in relation to Pay Later volume <sup>1) 3)</sup>	1.8%	1.5%	25%	1.5%	1.4%	13%
Average order value, Pay Now <sup>2)</sup>	665	682	-2%	679	688	-1%
Average order value, Pay Later <sup>1,2)</sup>	969	932	4%	988	962	3%
Number of connected merchants	75	58	29%	75	58	29%

1) Pay Later was termed Pay After Delivery (PAD) in previous reports

2) New KPIs Q1 2023

3) Key figures from the previous year have been recalculated, see Note 1, p.19.

**3,575**  
Payment volume, SEK m

**-2%**  
Total Payment Volume growth

**5.6m**  
Number of active customers

**+11%**  
Income growth

reported by two of the company's largest merchants.

Pay Now volumes increased by 5 percent to SEK 1,803 million while Pay Later volumes decreased by 10 percent to SEK 1,772 million year-on-year. The loan portfolio grew by 1 percent in the quarter, to SEK 1,825 million.

**INCREASED TOTAL OPERATING INCOME AND IMPROVED INCOME MARGIN**

Total operating income increased by 11 percent to SEK 98.6 million (88.9), mainly due to increased interest in Qliro's various products in Payment Solutions.

The income margin increased to 22.6 percent (21.3). Net interest income increased by 16 percent to SEK 52.8 million (45.5). In Q2 2023, Qliro adjusted the interest rate applying

to a customer, which had a continued positive effect on net interest income in Q4 2023.

Net commission income increased by 1 percent to SEK 45.1 million (44.5).

Credit losses in the quarter increased to SEK -32.1 million (-28.6) primarily due to the divestment of assets, which implied changes to provisions in the quarter.

It is noteworthy that credit losses for the period January - December 2023 only increased by 4 percent to SEK -92.6 million (-89.1), while total operating income in Payment Solutions increased by 11 percent in the same period.

For Pay Later volumes, credit losses increased to 1.8 percent (1.5) as a result of a changed customer mix combined with restricted increased lending of 1 percent.

**BUSINESS SEGMENT**

**DIGITAL BANKING SERVICES**

Comparisons with the fourth quarter 2022 unless otherwise indicated.

**DIGITAL OFFERING FOR EXISTING CUSTOMERS**

Within Digital Banking Services, Qliro offers personal loans and savings accounts to individuals in Sweden. Qliro's app makes it easy to manage payments, loans and savings. In Q3 2023, the company expanded its service offering to include fixed-rate accounts for three and six month periods. Qliro already offers a 12-month fixed-rate account and a savings account with variable interest and unrestricted withdrawals.

**INCREASED INCOME MARGIN DESPITE LOWER LENDING**

A majority of borrowers had an existing relationship with Qliro, implying low customer acquisition costs and good customer knowledge for loan applicants. Credit checks are automated and based on a combination of internal and ex-

ternal 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 787 million (879) while net interest income increased by 1 percent to SEK 17.7 million (17.5). The trend was due to higher average interest rates in the quarter. The income margin improved to 9.0 percent (7.9) in the quarter.

**CREDIT LOSSES IN LINE WITH PREVIOUS QUARTERS IN 2023**

Credit losses were SEK -7.3 million (-8.0) in the quarter, a decrease of 9 percent year-on-year. Credit losses in relation to average lending amounted to 3.7 percent (3.6), in line with the trend for previous quarters of 2023.

**DIGITAL BANKING SERVICES**

SEK million unless otherwise stated	2023 Oct-Dec	2022 Oct-Dec	% Δ	2023 Jan-Dec	2022 Jan-Dec	% Δ
Net interest income	17.7	17.5	1%	73.5	71.9	2%
Total operating income	17.8	17.6	1%	73.9	72.4	2%
Net credit losses	-7.3	-8.0	-9%	-29.0	-27.0	8%
Total operating income less credit losses	10.5	9.6	9%	44.8	45.4	-1%
Lending to the public	787	879	-10%	787	879	-10%
Credit loss level,%, in relation to average lending	3.7%	3.6%	3%	3.5%	2.8%	25%

**15%**

Share of total operating income

**30%**

Share of lending to the public

**-10%**

Lending growth

**+2%**

Income growth

## CAPITAL, FUNDING AND LIQUIDITY

### QLIRO IS WELL-CAPITALIZED

Qliro AB's own funds (see Note 9 Capital adequacy) increased to SEK 480 million (439). 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 2,446 million (2,563) due to marginally lower lending in year-on-year terms.

Qliro is well-capitalized and the total capital ratio was 19.6 percent (17.1), compared with the regulatory requirement of 12.5 percent, and the Common Equity Tier 1 capital ratio was 15.5 percent (13.2), compared with the regulatory requirement of 9 percent.

### DIVERSIFIED FUNDING PLATFORM

In addition to equity, lending to the public was funded by SEK 2,951 million (3,320) 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 comprises 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 2,481 million (2,604) and deposits in Germany to SEK 470 million (717).

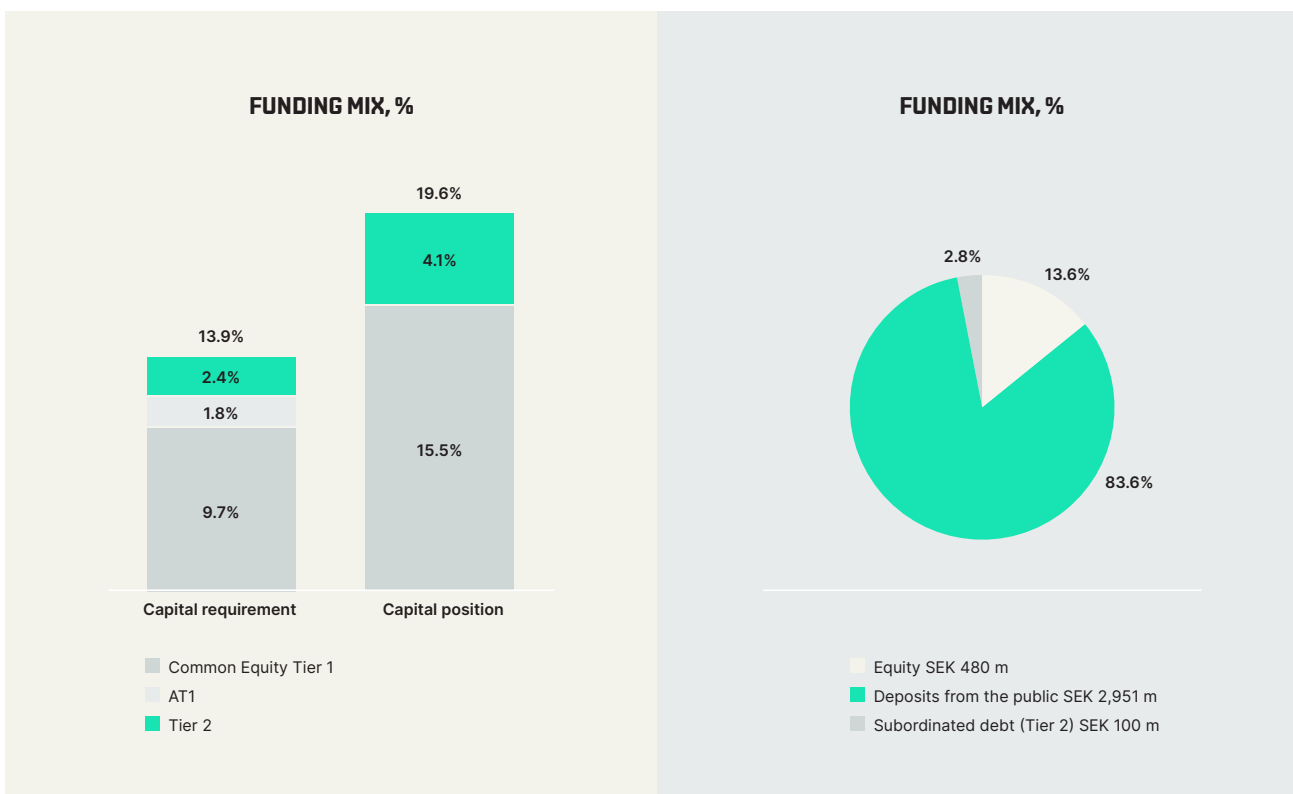
### QLIRO HAS SOLID LIQUIDITY

Qliro has solid liquidity, and as of December 31, 2023 Qliro's cash and cash equivalents totaled SEK 714 million (1,192).

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 141 days.

The Liquidity Coverage Ratio (LCR) as of December 31, 2023 was 508 percent, compared with the legal requirement of 100 percent.

The net stable funding ratio (NSFR) was 126 percent and the leverage ratio was 10.9 percent.



## OTHER INFORMATION

### DIVIDEND

The Board of Directors proposes that the Annual General Meeting 2024 resolve not to pay a dividend for the financial year 2023.

### EMPLOYEES

The average number of employees was 202 in the fourth quarter. For the period January–December 2023, the average number of employees was 188.

### SEASONAL EFFECTS

Qliro's Pay Later volumes have historically fluctuated between quarters. For example, Qliro has experienced higher volumes in the fourth quarter due to Black Friday and Christmas shopping through Qliro's merchants' web stores. Conversely, volumes are normally lower in the first and third quarter compared to the fourth quarter. The seasonally strong volumes in the fourth quarter usually result in increased income at the beginning of the year when invoices, to some extent, are converted to flexible part payments and BNPL campaigns, to some extent, are converted to interest-bearing credits.

### QLIRO'S TOP 10 SHAREHOLDERS AS OF DECEMBER 31, 2023

#### Proportion of capital

1. Rite Ventures 24.3%
2. Avanza Pension 9.9%
3. Mandatum Life Insurance Company 9.2%
4. Staffan Persson 4.5%
5. Christoffer Rutgersson 4.0 %
6. Nordnet pensionsförsäkring 3.9%
7. Patrik Enblad 3.0%
8. Thomas Krishan 2.8%
9. Peter Lindell 2.4%
10. Mikael Kjellman 1.6%

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

### QLIRO'S SHARES AND SHARE CAPITAL

The company's registered share capital as of December 31, 2023 was SEK 53,404,324 distributed over 19,072,973 shares with a quotient value of SEK 2.79999 per share. The share price as of December 29, 2023 was SEK 21.00.

### TRANSACTIONS 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. In April 2023, the Patent and Market Court confirmed the judgment. Svea Ekonomi AB has appealed the ruling to the Supreme Court. If the ruling gains legal force, it could affect the industry as a whole and have a negative effect on Qliro's future income.

The last few years' challenging macroeconomic conditions in the form of higher interest rates, rising inflation and increased energy prices, could have a negative impact on consumer demand and consumers' ability to pay their debts. Qliro cannot currently see any discernible effect on the company's income or underlying credit losses.

# FINANCIAL STATEMENTS

## CONSOLIDATED INCOME STATEMENT

SEK million	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Interest income		100.9	81.0	372.8	288.9
Interest expenses		-30.4	-18.1	-100.8	-50.4
<b>Net interest income</b>	<b>2</b>	<b>70.5</b>	<b>63.0</b>	<b>272.0</b>	<b>238.5</b>
Commission income <sup>1)</sup>	3	46.7	47.7	184.1	185.0
Commission expenses	3	-1.5	-3.0	-7.4	-9.3
Net profit/loss from financial transactions		0.2	-1.6	-1.4	-4.0
Other operating income		0.5	0.4	1.2	0.6
<b>Total operating income</b>		<b>116.4</b>	<b>106.4</b>	<b>448.5</b>	<b>410.9</b>
General administrative expenses		-52.8	-81.0	-226.2	-279.9
Depreciation/amortization and impairment of property, plant and equipment and intangible assets		-19.5	-23.9	-73.1	-105.6
Other operating expenses		-2.1	-11.1	-19.3	-24.8
<b>Total expenses before credit losses</b>		<b>-74.4</b>	<b>-116.0</b>	<b>-318.6</b>	<b>-410.3</b>
<b>Profit/loss before credit losses</b>		<b>42.0</b>	<b>-9.6</b>	<b>129.9</b>	<b>0.6</b>
Net credit losses <sup>1)</sup>	4	-39.4	-36.6	-121.7	-116.1
<b>Operating profit</b>		<b>2.6</b>	<b>-46.1</b>	<b>8.2</b>	<b>-115.5</b>
Income tax expense		-1.1	9.0	-4.1	22.0
<b>Profit/loss for the period</b>		<b>1.5</b>	<b>-37.1</b>	<b>4.1</b>	<b>-93.5</b>
<b>Earnings per share before and after dilution</b>		<b>0.08</b>	<b>-1.95</b>	<b>0.22</b>	<b>-4.90</b>
Average number of shares before and after dilution, thousands		19,073	19,073	19,073	19,073

1) In Q3 2023, debt collection commission was reclassified from commission income to credit loss, which means that comparable figures have been adjusted. For Jan-Dec 2022 the amount is SEK 18.0 million and for Q4 2022 SEK 4.4 million. See Note 1, page 19.

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Profit/loss for the period</b>		<b>1.5</b>	<b>-37.1</b>	<b>4.1</b>	<b>-93.5</b>
<b>Other comprehensive income</b>					
<b>Items that can be reversed to the income statement</b>					
Financial assets recognized at fair value through other comprehensive income (net of tax)		0.1	0.4	-0.1	-3.8
<b>Other comprehensive income for the period</b>		<b>0.1</b>	<b>0.4</b>	<b>-0.1</b>	<b>-3.8</b>
<b>Comprehensive income for the period</b>		<b>1.7</b>	<b>-36.8</b>	<b>4.0</b>	<b>-97.3</b>

## CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK million	Note	12/31/2023	12/31/2022
<b>Assets</b>			
Lending to credit institutions		101.0	900.6
Lending to the public	5	2,612.5	2,686.6
Bonds and other fixed-income securities		616.1	293.6
Intangible assets		198.7	168.7
Property, plant and equipment		16.8	13.9
Deferred tax assets		56.0	60.2
Other assets		61.7	58.5
Derivatives		–	1.7
Prepaid expenses and accrued income		32.1	21.1
<b>Total assets</b>		<b>3,694.9</b>	<b>4,204.9</b>
<b>Liabilities and Equity</b>			
<b>Liabilities</b>			
Deposits and borrowing from the public	6	2,950.9	3,320.5
Other liabilities		106.0	228.6
Derivatives		0.4	–
Accrued expenses and deferred income		57.4	85.3
Subordinated liabilities		100.0	100.0
<b>Total liabilities</b>		<b>3,214.7</b>	<b>3,734.4</b>
<b>Equity</b>			
Share capital		53.4	53.4
Reserves		–4.0	–3.9
Retained profit or loss		426.7	514.5
Profit/loss for the year		4.1	–93.5
<b>Total equity</b>		<b>480.2</b>	<b>470.5</b>
<b>Total liabilities and equity</b>		<b>3,694.9</b>	<b>4,204.9</b>

## CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Opening balance	475.3	497.2	470.5	548.1
Profit/loss for the period	1.5	–37.1	4.1	–93.5
Other comprehensive income for the period	0.1	0.4	–0.1	–3.8
New issue of shares	–	9.0	–	18.7
Issue of warrants	0.0	1.1	2.5	1.1
Share-based remuneration	3.3	–	3.3	–
Deferred tax	–0.2	–	–0.2	–
<b>Closing balance</b>	<b>480.2</b>	<b>470.5</b>	<b>480.2</b>	<b>470.5</b>



## CONSOLIDATED CASH FLOW STATEMENT

SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Operating activities</b>				
Operating profit	2.6	-46.1	8.2	-115.5
Adjustments	58.7	69.1	180.7	266.3
Changes in the assets and liabilities of operating activities	-180.5	348.0	-884.9	772.4
<b>Cash flow from operating activities</b>	<b>-119.2</b>	<b>370.9</b>	<b>-696.0</b>	<b>923.3</b>
<b>Investing activities</b>				
Acquisition of property, plant and equipment	-0.7	-0.5	-1.8	-2.8
Acquisition of intangible assets	-25.6	-28.4	-94.9	-88.9
<b>Cash flow from investing activities</b>	<b>-26.2</b>	<b>-29.0</b>	<b>-96.7</b>	<b>-91.6</b>
<b>Financing activities</b>				
Amortization lease	-1.4	-2.0	-5.6	-8.2
New issue of shares	-	9.0	-	18.7
Issue of warrants	-	1.1	2.5	1.1
<b>Cash flow from financing activities</b>	<b>-1.4</b>	<b>8.1</b>	<b>-3.1</b>	<b>11.6</b>
<b>Cash flow for the period</b>	<b>-146.8</b>	<b>350.0</b>	<b>-795.8</b>	<b>843.2</b>
Cash and cash equivalents at the beginning of the period	250.1	550.6	900.6	57.5
Exchange rate differences in cash and cash equivalents	-2.3	-	-3.8	-
Cash flow for the period	-146.8	350.0	-795.8	-
<b>Cash and cash equivalents at the end of the period</b>	<b>101.0</b>	<b>900.6</b>	<b>101.0</b>	<b>900.6</b>

## PARENT COMPANY INCOME STATEMENT

SEK million	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Interest income		100.9	81.0	372.7	288.9
Interest expenses		-30.3	-18.0	-100.4	-50.3
<b>Net interest income</b>	2	<b>70.6</b>	<b>63.0</b>	<b>272.4</b>	<b>238.5</b>
Commission income <sup>1)</sup>	3	46.7	47.7	184.1	185.0
Commission expenses	3	-1.5	-3.0	-7.4	-9.3
Net profit/loss from financial transactions		0.2	-1.6	-1.4	-4.0
Other operating income		0.4	0.4	1.1	0.6
<b>Total operating income</b>		<b>116.4</b>	<b>106.5</b>	<b>448.8</b>	<b>411.0</b>
General administrative expenses		-54.2	-83.0	-231.8	-288.1
Depreciation/amortization and impairment of property, plant and equipment and intangible assets		-18.8	-21.9	-68.4	-97.4
Other operating expenses		-2.1	-11.1	-19.3	-24.8
<b>Total expenses before credit losses</b>		<b>-75.2</b>	<b>-116.0</b>	<b>-319.6</b>	<b>-410.2</b>
<b>Profit/loss before credit losses</b>		<b>41.2</b>	<b>-9.6</b>	<b>129.2</b>	<b>0.8</b>
Net credit losses <sup>1)</sup>	4	-39.4	-36.6	-121.7	-116.1
<b>Operating profit</b>		<b>1.8</b>	<b>-46.2</b>	<b>7.5</b>	<b>-115.3</b>
Income tax expense		-1.0	9.0	-4.0	22.0
<b>Profit/loss for the period</b>		<b>0.8</b>	<b>-37.2</b>	<b>3.5</b>	<b>-93.3</b>
<b>Earnings per share before and after dilution</b>		<b>0.04</b>	<b>-1.95</b>	<b>0.18</b>	<b>-4.89</b>

1) In Q3 2023, debt collection commission was reclassified from commission income to credit loss, which means that comparable figures have been adjusted. For Jan-Dec 2022 the amount is SEK 18.0 million and for Q4 2022 SEK 4.4 million. See Note 1, page 19.

## PARENT COMPANY STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Profit/loss for the period</b>		<b>0.8</b>	<b>-37.2</b>	<b>3.5</b>	<b>-93.3</b>
<b>Other comprehensive income</b>					
<b>Items that can be reversed to the income statement</b>					
Financial assets recognized at fair value through other comprehensive income (net of tax)		-0.1	0.4	-0.1	-3.8
<b>Other comprehensive income for the period</b>		<b>-0.1</b>	<b>0.4</b>	<b>-0.1</b>	<b>-3.8</b>
<b>Comprehensive income for the period</b>		<b>0.7</b>	<b>-36.8</b>	<b>3.4</b>	<b>-97.1</b>

## PARENT COMPANY STATEMENT OF FINANCIAL POSITION

SEK million	Note	12/31/2023	12/31/2022
<b>Assets</b>			
Lending to credit institutions		98.0	898.1
Lending to the public	5	2,612.5	2,686.6
Bonds and other fixed-income securities		616.1	293.6
Shares and units		0.1	0.1
Intangible assets		198.7	168.7
Property, plant and equipment		6.1	7.9
Deferred tax assets		56.2	60.2
Other assets		64.6	61.0
Derivatives		–	1.7
Prepaid expenses and accrued income		33.5	21.1
<b>Total assets</b>		<b>3,685.8</b>	<b>4,198.9</b>
<b>Liabilities and equity</b>			
<b>Liabilities</b>			
Deposits and borrowing from the public	6	2,950.9	3,320.5
Other liabilities		96.5	221.8
Derivatives		0.4	–
Accrued expenses and deferred income		57.4	85.3
Subordinated liabilities		100.0	100.0
<b>Total liabilities</b>		<b>3,205.3</b>	<b>3,727.6</b>
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		53.4	53.4
Reserve for development costs		164.1	127.5
<b>Total restricted equity</b>		<b>217.5</b>	<b>180.9</b>
<b>Non-restricted equity</b>			
Reserves		–4.0	–3.9
Share premium reserve		21.7	19.2
Retained profit or loss		241.8	368.3
Profit/loss for the year		3.5	–93.3
<b>Total non-restricted equity</b>		<b>263.1</b>	<b>290.4</b>
<b>Total equity</b>		<b>480.6</b>	<b>471.3</b>
<b>Total liabilities and equity</b>		<b>3,685.8</b>	<b>4,198.9</b>

## PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
Opening balance	476.2	498.0	471.3	548.7
Profit/loss for the period	0.8	-37.2	3.5	-93.3
Other comprehensive income for the period	0.1	0.4	-0.1	-3.8
New issue of shares	-	9.0	-	18.7
Issue of warrants	0.0	1.1	2.5	1.1
Share-based remuneration	3.3	-	3.3	-
<b>Closing balance</b>	<b>480.6</b>	<b>471.3</b>	<b>480.6</b>	<b>471.3</b>

## PARENT COMPANY CASH FLOW STATEMENT

SEK million	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Operating activities</b>				
Operating profit	1.8	-46.1	7.5	-115.3
Adjustments	58.4	67.0	176.0	258.0
Changes in the assets and liabilities of operating activities	-180.8	348.0	-885.5	772.4
<b>Cash flow from operating activities</b>	<b>-120.6</b>	<b>368.9</b>	<b>-702.0</b>	<b>915.1</b>
<b>Investing activities</b>				
Acquisition of property, plant and equipment	-0.7	-0.5	-1.8	-2.8
Acquisition of intangible assets	-25.6	-28.4	-94.9	-88.9
<b>Cash flow from investing activities</b>	<b>-26.2</b>	<b>-29.0</b>	<b>-96.7</b>	<b>-91.6</b>
<b>Financing activities</b>				
New issue of shares	-	9.0	-	18.7
Issue of warrants	-	1.1	2.5	1.1
<b>Cash flow from financing activities</b>	<b>-</b>	<b>10.1</b>	<b>2.5</b>	<b>19.8</b>
<b>Cash flow for the period</b>	<b>-146.8</b>	<b>350.0</b>	<b>-796.2</b>	<b>843.2</b>
Cash and cash equivalents at the beginning of the period	247.2	548.1	898.1	54.9
Exchange rate differences in cash and cash equivalents	-2.3	-	-3.8	-
Cash flow for the period	-146.8	350.0	-796.2	843.2
<b>Cash and cash equivalents at the end of the period</b>	<b>98.0</b>	<b>898.1</b>	<b>98.0</b>	<b>898.1</b>

# NOTES

## Note 1. Accounting policies

The Year-End Report for Qliro AB covers the period January 1 to December 31, 2023. Qliro's registered office is in Stockholm and the corporate ID no. is 556962-2441.

The Year-End Report has been prepared in accordance with IAS 34 Interim Financial Reporting. The consolidated accounts have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretive statements on these standards as approved for application within the EU. Supplementary information ensuing from the Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), as well as the Swedish Financial Supervisory Authority's regulations and general advice on annual accounts for credit institutions and securities companies (FFFS 2008:25), have been applied.

RFR 1 Complementary Accounting Rules for Groups and the statement from the Swedish Financial Reporting Board have also been applied in the Consolidated Accounts.

The Parent Company has prepared the Year-End Report in accordance with ÅRKL and the Swedish Financial Supervisory Authority's regulations and general advice on annual accounts for credit institutions and securities companies (FFFS 2008:25). The Parent Company also applies RFR 2

Accounting for Legal Entities and statements by the Swedish Financial Reporting Board. In accordance with the Swedish Financial Supervisory Authority's general advice, the Parent Company has applied international financial reporting standards as approved by the EU in the preparation of the financial reports.

Qliro's Year-End Report has been prepared in accordance with the accounting policies and calculation methods applied in the Annual Report for 2022.

### Reclassification of debt collection commission

Qliro considers that it is more relevant for amounts recovered through third parties relating to overdue receivables previously presented as commission income to instead be included in the calculation and presentation of credit loss. This change is being made proactively henceforth, and has been applied retroactively in this Interim Report. The change does not impact total operating profit or profit for the year, nor does it affect primary financial reporting other than the Income Statement. The following amounts have retroactively reduced commission income and credit loss:

SEK million	2022 Jan-Mar	2022 Apr-Jun	2022 Jul-Sep	2022 Oct-Dec	2023 Jan-Mar	2023 Apr-Jun	2023 Jul-Sep	2023 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
	5.2	4.0	4.4	4.4	6.7	5.2	3.5	2.6	18.0	18.0

## Note 2 Net interest income

SEK million	Group			
	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Interest income</b>				
Lending to credit institutions	2.6	2.9	9.9	3.3
Lending to the public	94.2	76.2	351.2	282.0
Interest-bearing securities etc.	4.1	1.9	11.6	3.6
Other interest income	-	-	0.1	-
<b>Total interest income</b>	<b>100.9</b>	<b>81.0</b>	<b>372.8</b>	<b>288.9</b>
<b>Interest expenses</b>				
Liabilities to credit institutions	-	-0.6	-0.2	-5.7
Deposit guarantee	-1.2	-0.9	-7.3	-5.0
Deposits and borrowings from the public	-26.4	-14.4	-82.6	-31.4
Interest-bearing government securities etc.	-0.1	-	-	-0.7
Subordinated liabilities	-2.7	-2.2	-10.3	-7.5
Lease liabilities	-0.1	-	-0.4	-0.1
<b>Total interest expenses</b>	<b>-30.4</b>	<b>-18.1</b>	<b>-100.8</b>	<b>-50.4</b>
<b>Net interest income</b>	<b>70.5</b>	<b>63.0</b>	<b>272.0</b>	<b>238.5</b>

SEK million	Parent Company			
	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Interest income</b>				
Lending to credit institutions	2.6	2.9	9.9	3.3
Lending to the public	94.2	76.2	351.2	282.0
Interest-bearing securities etc.	4.1	1.9	11.6	3.6
Other interest income	-	-	0.1	-
<b>Total interest income</b>	<b>100.9</b>	<b>81.0</b>	<b>372.7</b>	<b>288.9</b>
<b>Interest expenses</b>				
Liabilities to credit institutions	-	-0.6	-0.2	-5.7
Deposit guarantee	-1.2	-0.9	-7.3	-5.0
Deposits and borrowings from the public	-26.4	-14.4	-82.6	-31.4
Interest-bearing government securities etc.	-0.1	-	0.0	-0.7
Subordinated liabilities	-2.7	-2.2	-10.3	-7.5
<b>Total interest expenses</b>	<b>-30.3</b>	<b>-18.0</b>	<b>-100.4</b>	<b>-50.3</b>
<b>Net interest income</b>	<b>70.6</b>	<b>63.0</b>	<b>272.4</b>	<b>238.5</b>

**Note 3 Net commission income**

SEK million	Group and Parent Company			
	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Commission income</b>				
Lending commissions	37.6	40.8	156.8	161.6
Other commission income <sup>1)</sup>	9.1	6.9	27.4	23.5
<b>Total commission income</b>	<b>46.7</b>	<b>47.7</b>	<b>184.1</b>	<b>185.0</b>
<b>Commission expenses</b>				
Other commission expenses	-1.5	-3.0	-7.4	-9.3
<b>Total commission expenses</b>	<b>-1.5</b>	<b>-3.0</b>	<b>-7.4</b>	<b>-9.3</b>
<b>Net commission income</b>	<b>45.2</b>	<b>44.7</b>	<b>176.8</b>	<b>175.8</b>

1) In Q3 2023, debt collection commission was reclassified from commission income to credit loss, which means that comparable figures have been adjusted. For Jan-Dec 2022 the amount is SEK 18.0 million and for Q4 2022 SEK 4.4 million. See Note 1, page 19.

**Note 4 Net credit losses**

SEK million	Group and Parent Company			
	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Expected credit losses on Balance Sheet items</b>				
Net loss provision for the period, Stage 1	2.5	-2.1	-3.4	-1.4
Net loss provision for the period, Stage 2	1.6	-4.6	6.6	-4.4
<b>Total credit losses, net of non credit-impaired lending</b>	<b>4.1</b>	<b>-6.7</b>	<b>3.2</b>	<b>-5.9</b>
Net loss provision for the period, Stage 3	18.4	-10.1	5.3	-23.8
Realized net credit losses for the period <sup>1)</sup>	-61.8	-19.8	-130.2	-86.4
<b>Total credit losses, net of non credit-impaired lending</b>	<b>-43.4</b>	<b>-29.9</b>	<b>-124.9</b>	<b>-110.2</b>
<b>Total net credit losses</b>	<b>-39.4</b>	<b>-36.6</b>	<b>-121.7</b>	<b>-116.1</b>
<b>Loss provisions on loans measured at amortized cost</b>	<b>-134.3</b>	<b>-143.8</b>	<b>-134.3</b>	<b>-143.8</b>

1) In Q3 2023, debt collection commission was reclassified from commission income to credit loss, which means that comparable figures have been adjusted. For Jan-Dec 2022 the amount is SEK 18.0 million and for Q4 2022 SEK 4.4 million. See Note 1, page 19.



**Note 5 Lending to the public**

12/31/2023, SEK million	Group and Parent Company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2,296.9	276.4	173.5	2,746.8
Provisions for expected credit losses	-21.0	-32.6	-80.8	-134.3
<b>Net lending to the public</b>	<b>2,275.9</b>	<b>243.8</b>	<b>92.8</b>	<b>2,612.5</b>

12/31/2022, 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>

Loans with modified conditions, where the loan is not derecognized from the Balance Sheet and replaced with new loan, amounted December 31 2023 to SEK 59.7 million (32.5).

**Note 6 Deposits and funding from the public**

SEK million	Group and Parent Company	
	12/31/2023	12/31/2022
Deposits and borrowings from the public	2,950.9	3,320.5
<b>By category</b>		
Individuals	2,950.9	3,320.5
Companies	-	-
<b>Total</b>	<b>2,950.9</b>	<b>3,320.5</b>
<b>By currency</b>		
Swedish currency	2,480.8	2,604.0
Foreign currency	470.0	716.5
<b>Total</b>	<b>2,950.9</b>	<b>3,320.5</b>

**Note 7 Financial instruments**

**Classification of financial instruments**

12/31/2023, SEK million	Group			Total carrying amount
	Fair value through other comprehensive income	Fair value through the Income Statement	Amortized cost	
<b>Assets</b>				
Bonds and other fixed-income securities	616.1	-	-	616.1
Lending to credit institutions	-	-	101.0	101.0
Lending to the public	-	-	2,612.5	2,612.5
Other assets	-	-	56.3	56.3
Accrued income	-	-	9.7	9.7
<b>Total financial instruments</b>	<b>616.1</b>	<b>-</b>	<b>2,779.5</b>	<b>3,395.5</b>
Other non-financial instruments				299.3
<b>Total assets</b>				<b>3,694.9</b>
<b>Liabilities</b>				
Deposits and borrowing from the public	-	-	2,950.9	2,950.9
Other liabilities	-	-	101.0	101.0
Derivatives	-	0.4	-	0.4
Accrued expenses	-	-	54.0	54.0
Subordinated liabilities	-	-	100.0	100.0
<b>Total financial instruments</b>	<b>-</b>	<b>0.4</b>	<b>3,205.9</b>	<b>3,206.3</b>
Other non-financial instruments				8.4
<b>Total liabilities</b>				<b>3,214.7</b>

**Note 7 Financial instruments cont.**

**Classification of financial instruments**

12/31/2022, SEK million	Group			Total carrying amount
	Fair value through other comprehensive income	Fair value through the Income Statement	Amortized cost	
<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>				
Deposits and borrowing from the public	–	–	3,320.5	3,320.5
Other liabilities	–	–	221.5	221.5
Accrued expenses	–	–	77.8	77.8
Subordinated liabilities	–	–	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>

**Classification of financial instrument to fair value in the Balance Sheet**

The fair value of financial instruments traded in an active markets (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. 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)

12/31/2023, SEK million	Group			Total
	Level 1	Level 2	Level 3	
<b>Assets</b>				
Bonds and other fixed-income securities	616.1	–	–	616.1
<b>Total assets</b>	<b>616.1</b>	<b>–</b>	<b>–</b>	<b>616.1</b>
<b>Liabilities</b>				
Derivatives	–	0.4	–	0.4
<b>Total liabilities</b>	<b>–</b>	<b>0.4</b>	<b>–</b>	<b>0.4</b>

12/31/2022, SEK million	Group			Total
	Level 1	Level 2	Level 3	
<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>				
	–	–	–	–
<b>Total liabilities</b>	<b>–</b>	<b>–</b>	<b>–</b>	<b>–</b>

**Note 8 Operating segments**

The CEO of Qliro AB is the company's chief operating decision maker. Management has determined the segments based on the information addressed by the CEO and used for the purposes of allocating resources and evaluating results. The CEO evaluates the results for Payment Solutions and Digital Banking Services. The CEO evaluates segment progress based on total operating income less net credit losses. Segment reporting is based on the same principles as the Parent Company's external accounting.

SEK million	Group					
	2023 Oct-Dec			2022 Oct-Dec		
	Payment Solutions	Digital Banking Services	Total	Payment Solutions	Digital Banking Services	Total
Interest income	73.9	27.0	100.9	57.5	23.5	81.0
Interest expenses	-21.1	-9.3	-30.4	-12.0	-6.0	-18.1
Net commission income <sup>1)</sup>	45.1	0.1	45.2	44.5	0.1	44.7
Net profit/loss from financial transactions	0.2	-	0.2	-1.6	-	-1.6
Other operating income	0.5	-	0.5	0.4	-	0.4
<b>Total operating income</b>	<b>98.6</b>	<b>17.8</b>	<b>116.4</b>	<b>88.9</b>	<b>17.6</b>	<b>106.4</b>
Net credit losses	-32.1	-7.3	-39.4	-28.6	-8.0	-36.6
<b>Total income less credit losses</b>	<b>66.6</b>	<b>10.5</b>	<b>77.0</b>	<b>60.3</b>	<b>9.6</b>	<b>69.9</b>

SEK million	Group					
	2023 Jan-Dec			2022 Jan-Dec		
	Payment Solutions	Digital Banking Services	Total	Payment Solutions	Digital Banking Services	Total
Interest income	267.0	105.8	372.8	198.9	90.0	288.9
Interest expenses	-68.5	-32.2	-100.8	-32.2	-18.1	-50.4
Net commission income <sup>1)</sup>	176.3	0.5	176.7	175.3	0.5	175.7
Net profit/loss from financial transactions	-1.3	-0.1	-1.4	-4.0	-	-4.0
Other operating income	1.2	-	1.2	0.6	-	0.6
<b>Total operating income</b>	<b>374.6</b>	<b>73.9</b>	<b>448.5</b>	<b>338.6</b>	<b>72.4</b>	<b>410.9</b>
Net credit losses	-92.6	-29.0	-121.7	-89.1	-27.0	-116.1
<b>Total income less credit losses</b>	<b>282.0</b>	<b>44.8</b>	<b>326.8</b>	<b>249.5</b>	<b>45.4</b>	<b>294.9</b>

Of lending to the public totaling SEK 2,612 million (SEK 2,686 million as of December 31, 2022), SEK 1,825 million (SEK 1,807 million as of December 31, 2022) was attributable to Payment Solutions and SEK 787 million (SEK 879 million as of December 31, 2022) to Digital Banking Services.

**Commission income<sup>1)</sup> by geographical market and segment**

SEK million	Group and Parent Company			
	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
	<b>Payment Solutions</b>			
<b>Lending commissions</b>				
Sweden	29.2	32.3	120.5	127.8
Finland	2.1	1.8	9.2	7.4
Denmark	1.1	1.0	4.4	3.9
Norway	5.2	5.7	22.3	22.2
<b>Total</b>	<b>37.5</b>	<b>40.8</b>	<b>156.3</b>	<b>161.3</b>
<b>Other commission income</b>				
Sweden <sup>1)</sup>	6.5	6.5	20.3	22.0
Finland	0.4	0.1	1.2	0.4
Denmark	0.3	-	0.8	-
Norway	1.9	0.2	5.0	0.9
<b>Total</b>	<b>9.1</b>	<b>6.8</b>	<b>27.3</b>	<b>23.3</b>
<b>Total commission income, Payment Solutions</b>	<b>46.6</b>	<b>47.6</b>	<b>183.7</b>	<b>184.6</b>
<b>Digital Banking Services</b>				
<b>Lending commissions</b>				
Sweden	0.1	0.1	0.5	0.5
<b>Total commission income, Digital Banking Services</b>	<b>0.1</b>	<b>0.1</b>	<b>0.5</b>	<b>0.5</b>
<b>Total commission income</b>	<b>46.7</b>	<b>47.7</b>	<b>184.1</b>	<b>185.0</b>

<sup>1)</sup> In Q3 2023, debt collection commission was reclassified from commission income to credit loss, which means that comparable figures have been adjusted. For Jan-Dec 2022 the amount is SEK 18.0 million and for Q4 2022 SEK 4.4 million. See Note 1, page 19.

**Note 9 Capital adequacy analysis**

In accordance with 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 Financial Supervisory Authority's regulations regarding prudential requirements and capital buffers (FFFS 2014:12), Qliro AB ("Qliro") hereby discloses 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 approved annually by the CEO. The procedures include roles and responsibilities as well as Qliro's framework for internal control of financial reporting.

**Performance measures**

Template "EU KM1 – Key metrics template" is disclosed below as stipulated by the Commission's implementing regulation 2021/637.

		12/31/2023	09/30/2023	06/30/2023	03/31/2023	12/31/2022
<b>Available own funds (SEKm)</b>						
1	Common Equity Tier 1 (CET1) capital	379.7	328.4	323.6	331.9	339.1
2	Tier 1 capital	379.7	328.4	323.6	331.9	339.1
3	Total capital	479.7	428.4	423.6	431.9	439.1
<b>Risk-weighted exposure (SEKm)</b>						
4	Total risk-weighted exposure	2,445.9	2,289.9	2,323.8	2,302.1	2,562.8
<b>Capital ratios (as a percentage of risk-weighted exposure)</b>						
5	Common Equity Tier 1 ratio (%)	15.5	14.3	13.9	14.4	13.2
6	Tier 1 ratio (%)	15.5	14.3	13.9	14.4	13.2
7	Total capital ratio (%)	19.6	18.7	18.2	18.8	17.1
<b>Additional own funds requirement to manage other risks than the risk of excessive leverage (as a percentage of risk-weighted exposure)</b>						
EU 7a	Additional own funds requirement to manage risks other than the risk of excessive leverage (%)	0	0	0	0	0
EU 7b	of which: to comprise CET1 capital (%)	0	0	0	0	0
EU 7c	of which: to comprise Tier 1 capital (%)	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)</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
9	Institution-specific countercyclical capital buffer (%)	2.0	2.0	1.9	1.0	1.0
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 (%)	4.5	4.5	4.4	3.5	3.5
EU 11a	Overall capital requirements (%)	12.5	12.5	12.4	11.5	11.5
12	CET1 available after meeting total SREP own funds requirement (%)	7.5	6.3	5.9	6.4	5.2
<b>Leverage ratio</b>						
13	Total exposure (SEKm)	3,482.2	3,274.8	3,347.8	3,322.6	4,067.2
14	Leverage ratio (%)	10.9	10.0	9.7	10.0	8.3
<b>Additional own funds requirement to manage risk of excessive leverage (as a percentage of total exposure measure)</b>						
EU 14a	Additional own funds requirement to manage risk of excessive leverage (%)	0	0	0	0	0
EU 14b	of which: to comprise CET1 capital (%)	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
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)	576.1	365.8	211.2	308.4	293.6
16a	Cash outflows – total weighted value (SEKm)	327.7	333.1	370.6	264.0	492.0
16b	Cash inflows – total weighted value (SEKm)	214.4	302.1	514.2	408.4	934.5
16	Total net cash outflows (adjusted value) (SEKm)	113.3	83.3	92.7	66.0	123.0
17	Liquidity coverage ratio (%)	508.5	439.3	227.9	467.3	238.7
<b>Net Stable Funding Ratio</b>						
18	Total available stable funding (SEKm)	3,137.1	3,094.6	3,161.5	3,133.7	3,656.5
19	Total required stable funding (SEKm)	2,493.1	2,460.3	2,417.6	2,383.8	2,831.2
20	NSFR ratio (%)	125.8	125.8	130.8	131.5	129.1

**Note 9 Capital adequacy analysis cont.**

Statement of total capital requirements and capital base

Risk-weighted capital requirements and capital requirements in relation to gross leverage

	12/31/2023		09/30/2023		06/30/2023		03/31/2023		12/31/2022	
<b>Risk-weighted capital requirements</b>			SEKm	%	SEKm	%	SEKm	%	SEKm	%
<b>Risk-weighted exposure</b>										
Total risk-weighted exposure	2,445.9	-	2,289.9	-	2,323.8	-	2,302.1	-	2,562.8	-
<b>Leverage requirement (Pillar 1 requirement)<sup>1)</sup></b>										
Common Equity Tier 1 (CET1) capital	110.1	4.5	103.0	4.5	104.6	4.5	103.6	4.5	115.3	4.5
Tier 1 capital	146.8	6.0	137.4	6.0	139.4	6.0	138.1	6.0	153.8	6.0
Total capital	195.7	8.0	183.2	8.0	185.9	8.0	184.2	8.0	205.0	8.0
<b>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
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
<b>Combined buffer requirement<sup>3)</sup></b>										
Capital conservation buffer	61.1	2.5	57.2	2.5	58.1	2.5	57.6	2.5	64.1	2.5
Institution-specific countercyclical capital buffer	47.8	2.0	44.8	2.0	44.7	1.9	23.9	1.0	26.8	1.0
Combined buffer requirement	109.0	4.5	102.0	4.5	102.8	4.4	81.4	3.5	90.9	3.5
<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
Tier 1 capital	0	0	0	0	0	0	0	0	0	0
Total Pillar 2 guidance	0	0	0	0	0	0	0	0	0	0
<b>Overall leverage requirement</b>										
Common Equity Tier 1 (CET1) capital	219.0	9.0	205.1	9.0	207.3	8.9	185.0	8.0	206.2	8.0
Tier 1 capital	255.7	10.5	239.4	10.5	242.2	10.4	219.6	9.5	244.7	9.5
Total appropriate capital base	304.6	12.5	285.2	12.5	288.7	12.4	265.6	11.5	295.9	11.5
<b>Available own funds (capital base)</b>										
Common Equity Tier 1 (CET1) capital	379.7	15.5	328.4	14.3	323.6	13.9	331.9	14.4	339.1	13.2
Tier 1 capital	379.7	15.5	328.4	14.3	323.6	13.9	331.9	14.4	339.1	13.2
Total available own funds	479.7	19.6	428.4	18.7	423.6	18.2	431.9	18.8	439.1	17.1

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

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 (2014:966) on capital buffers

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

**Note 9 Capital adequacy analysis cont.**

Statement of total capital requirements and capital base

Risk-weighted capital requirements and capital requirements in relation to gross leverage

Leverage ratio – capital requirement	12/31/2023		09/30/2023		06/30/2023		03/31/2023		12/31/2022	
	SEKm	%	SEKm	%	SEKm	%	SEKm	%	SEKm	%
<b>Total exposure</b>										
Total exposure	3,482.2	–	3,274.8	–	3,347.8	–	3,322.6	–	4,067.2	–
<b>Leverage requirement (Pillar 1 requirement)<sup>1)</sup></b>										
Common Equity Tier 1 (CET1) capital	0	0	0	0	0	0	0	0	0	0
Tier 1 capital	104.5	3.0	98.2	3.0	100.4	3.0	99.7	3.0	122.0	3.0
<b>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
Tier 1 capital	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
Tier 1 capital	0	0	0	0	0	0	0	0	0	0
<b>Total capital requirement</b>	0	0	0	0	0	0	0	0	0	0
<b>Overall leverage requirement</b>										
Common Equity Tier 1 (CET1) capital	0	0	0	0	0	0	0	0	0	0
Tier 1 capital	104.5	3.0	98.2	3.0	100.4	3.0	99.7	3.0	122.0	3.0
<b>Total capital requirement</b>	104.5	3.0	98.2	3.0	100.4	3.0	99.7	3.0	122.0	3.0
<b>Overall leverage requirement</b>										
Common Equity Tier 1 (CET1) capital	379.7	15.5	328.4	14.3	323.6	13.9	331.9	14.4	339.1	13.2
Tier 1 capital	379.7	15.5	328.4	14.3	323.6	13.9	331.9	14.4	339.1	13.2
<b>Total capital requirement</b>	479.7	19.6	428.4	18.7	423.6	18.2	431.9	18.8	439.1	17.1

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)

**Internally assessed capital requirement**

As of December 31, 2023 the internal assessed capital requirement, 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 338 million, or 13.8% of the risk-weighted exposure.

**Note 10 Disclosure of liquidity risks**

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

**Sources of funding**

Qliro's net lending to the public amounted to SEK 2,612 (2,687) million at the end of the quarter. SEK 2,951 (3,320) million of the lending was financed by deposits from the public (savings accounts) in Sweden and Germany, of which 99.4 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 38 percent at variable rate and 62 percent fixed interest with an average term of 101 days (initially 3-month fixed, 6-month fixed and 1-year fixed) as of December 31, 2023. 24 percent of deposits from the public are invested in liquid interest-bearing securities and deposits with Nordic banks.

**Liquidity**

Qliro AB: s total liquidity reserve as of December 31, 2023 amounted to SEK 714 million, consisting of:

- Liquid investments: SEK 616 million
- Bank balances with Nordic Banks: SEK 98 million

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

- The total investment portfolio comprises liquid investments, of which SEK 511 million is denominated in SEK and SEK 105 million denominated in EUR.
- All bonds and certificates in the portfolio have a credit rating of AA+ with an average maturity of 141 days.

As of December 31, 2023 the liquidity coverage ratio amounted to 508 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 576 million, related to net outflows of SEK 214 million over a thirty-day period under stressed market conditions.

**Note 11 Events after end of period**

There were no significant events after the end of the period.



## ALTERNATIVE PERFORMANCE MEASURES

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

Performance measures	Definition	Purpose
<b>Return on equity, (%)</b>	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.
<b>Deposits and borrowing from the public</b>	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 derived from deposits from the public.
<b>Items affecting comparability</b>	Income and expenses that significantly affect comparability over time 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.
<b>C/I ratio, %</b>	Total expenses before credit losses as a percentage of total operating income.	The purpose is to provide an indication of the company's cost-effectiveness in relation to total operating income. Also used in benchmark comparisons.
<b>Net credit losses</b>	The period's expected credit losses on Balance Sheet items as well as the period's established credit losses, net.	The purpose is to track the scale and trend for credit risks in lending, and to explicitly do so for the scale of forecast-based credit losses reducing net income for the period.
<b>Credit loss level, % in relation to average lending</b>	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.
<b>Credit loss level Digital Banking Services, % in relation to average lending Digital Banking Services</b>	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.
<b>Credit loss level, % in relation to processed Pay Later volume <sup>2)</sup></b>	The period's credit losses for Pay Later <sup>1)</sup> , 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 Later volumes <sup>2)</sup> . The measure is critical to the analysis of credit risk between various periods and versus the competition.
<b>Profit/loss for the period adjusted for items affecting comparability</b>	Net income for the period after tax adjusted for items affecting comparability.	Net income for the period is tracked to monitor total return, after all expenses and tax. Adjustment for items affecting comparability improves the opportunity for evaluation and making comparisons over time.
<b>Net commission income</b>	Total commission income less commission expenses.	Net commission income is monitored to track the progress of the core business not attributable to lending and deposits. Largely reflects the scope and profitability of lending commissions related to Payment Solutions' products and other payment services.
<b>Net commission income adjusted for items affecting comparability</b>	Total commission income less commission expenses adjusted for items affecting comparability.	Net commission income adjusted for items affecting comparability improves the opportunity for evaluation and making comparisons over time.
<b>Net interest income</b>	Total interest income less interest expenses.	Net interest income is monitored to track the progress of the core business related to lending and deposits.
<b>Net interest income adjusted for items affecting comparability</b>	Total interest income less interest expense adjusted for items affecting comparability.	Net interest income adjusted for items affecting comparability improves the opportunity for evaluation and making comparisons over time.
<b>Operating profit</b>	The sum of operating income less administrative expenses, depreciation, amortization and impairment of property, plant and equipment and intangible assets, other operating expenses and credit losses, net.	Operating profit is monitored to track the profitability of overall operations, taking into account credit losses and all other expenses except tax.
<b>Operating profit adjusted for items affecting comparability</b>	Total 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 the opportunity for evaluation and making comparisons over time.
<b>Operating profit less depreciation, amortization and impairment</b>	Total operating profit less depreciation, amortization and impairment of property, plant and equipment and intangible assets	The purpose is to evaluate operating activities.
<b>Total expenses before credit losses</b>	Total operating expenses, representing total administrative expenses, depreciation, amortization and impairment of property, plant and equipment and intangible assets, and other expenses, in the period.	The purpose is to monitor the size of central expenses not directly related to lending and commissions.
<b>Total operating income</b>	Total net interest income, net commission income, net profit/loss on financial transactions, and other operating income.	Total operating income is monitored to track progress 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.
<b>Total expenses before credit losses</b>	Total operating expenses, representing total administrative expenses, depreciation, amortization and impairment of property, plant and equipment and intangible assets, and other expenses, in the period.	The purpose is to monitor the size of central expenses not directly related to lending and commissions.

1) Pay Later was termed Pay After Delivery (PAD) in previous reports

2) Pay Later volume was termed Pay After Delivery volume in previous reports

## ALTERNATIVE PERFORMANCE MEASURES cont.

Performance measures	Definition	Purpose
<b>Total operating income adjusted for items affecting comparability (accrual of merchant commission)</b>	Total net interest income, net commission income, net profit/loss on financial transactions, and other operating income, adjusted for items affecting comparability.	Total operating income adjusted for items affecting comparability improves the opportunity for evaluation and making comparisons over time.
<b>Total operating income margin, %</b>	Total 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.
<b>Lending to the public</b>	Loans receivable less provision for expected credit losses.	Net lending to the public is a central driver of total operating income.

## OPERATING PERFORMANCE MEASURES

Performance measures	Definition	Purpose
<b>Number of connected merchants</b>	The number of brands using Qliro as a payment provider.	The number of connected merchants is a central measure in the analysis of the growth forecast for Pay Later volumes <sup>1</sup> .
<b>Payment volume<sup>4)</sup></b>	The total payment volume processed in Qliro's checkout, including VAT for direct payments and Qliro's payment products. Pay Now volumes <sup>4)</sup> + Pay Later volumes <sup>2)</sup> .	The total payment volume for all payment methods offered through the Payment Solutions segment. This volume plays a key role in Qliro's earnings and the dynamics of the earnings structure, as well as for the structure of the loan portfolio.
<b>Pay Now volume<sup>4)</sup></b>	Total volume, including VAT, for direct payments (card, bank transfer, Swish, Paypal, MobilePay, etc.).	The Pay Now volume <sup>4)</sup> is an important part of the business model, enabling the company to offer customers an integrated solution in Qliro's checkout, and is also a driver of total operating income.
<b>Pay Later volume<sup>2)</sup></b>	Total volume of Qliro's payment products (invoice, BNPL or part payment), including VAT.	Pay Later volume <sup>2)</sup> is a central driver of total operating income. The measure is used as a complement to lending to the public to capture the high turnover in the loan portfolio of the Payment Solutions segment.
<b>BNPL volumes</b>	Total purchases completed 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 risk, income and profitability.
<b>Invoice volumes</b>	Total purchases completed using the invoicing product.	Invoiced volume is an important performance measure as it provides insight into growth, credit risk, income and profitability.
<b>Pay Now transactions<sup>4)</sup></b>	Number of transactions for direct payments (card, bank transfer, Swish, Paypal, MobilePay, etc.).	Pay Now transactions <sup>4)</sup> are an important part of the business model, enabling the company to offer customers an integrated solution in Qliro's checkout, and are also a driver of total operating income.
<b>Pay Later transactions<sup>3)</sup></b>	The number of transactions using Qliro's payment products (invoice, BNPL or part payment).	Pay Later transactions <sup>3)</sup> are a key driver of total operating income. The measure is used as a complement to lending to the public to capture the high turnover in the loan portfolio of the Payment Solutions segment.
<b>Average order value<sup>4)</sup></b>	Total Pay Later volumes <sup>2)</sup> and Pay Now volumes <sup>4)</sup> in relation to Pay Now transactions <sup>4)</sup> and Pay Later transactions <sup>3)</sup> .	The average value of an order is an important performance measure, which can be combined with other performance measures to improve the understanding of the progress and dynamics of earnings and the structure of the loan portfolio.
<b>Average order value, Pay Now<sup>4)</sup></b>	Total Pay Now volumes <sup>4)</sup> in relation to Pay Now transactions <sup>4)</sup> .	The average value of an order is an important performance measure, which can be combined with other performance measures to improve the understanding of the progress and dynamics of earnings.
<b>Average order value, Pay Later<sup>3,4)</sup></b>	Total Pay Later volumes <sup>2)</sup> in relation to Pay Later transactions <sup>3,4)</sup> .	The average value of an order is an important performance measure, which can be combined with other performance measures to improve the understanding of the progress and dynamics of earnings and the structure of the loan portfolio.
<b>Payments Take Rate (% Total operating income in relation to total payment volume)<sup>4)</sup></b>	Total operating income/Payment volume <sup>4)</sup> .	This metric is used to analyze value creation and profitability in relation to total volumes processed in Qliro's checkout.

## OTHER PERFORMANCE MEASURES

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

1) Pay Later was termed Pay After Delivery (PAD) in previous reports

2) Pay Later volume was termed Pay After Delivery volume in previous reports

3) Pay Later transactions were termed Pay After Delivery volume in previous reports

4) New KPIs Q1 2023

**RECONCILIATION TABLES**

for derivation of alternative performance measures

SEK million (unless otherwise stated)	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Payment volume</b>				
Pay Now volume <sup>2)</sup>	1,803	1,714	5,831	5,470
<b>Pay Later volumes<sup>1)</sup></b>	1,772	1,969	6,037	6,581
<b>Payment volume<sup>2)</sup></b>	<b>3,575</b>	<b>3,683</b>	<b>11,868</b>	<b>12,051</b>
<b>Return on equity, (%)</b>				
Total equity, opening balance	475	497	471	548
Total equity, closing balance	480	471	480	471
Average equity (OB+CB)/2	<b>478</b>	<b>484</b>	<b>475</b>	<b>509</b>
Profit/loss for the period	1.5	-37.1	4.1	-93.5
Average profit/loss for the period 12 month	6.1	-148.6	4.1	-93.5
<b>Return on equity, (%)</b>	<b>1.3%</b>	<b>-30.7%</b>	<b>0.9%</b>	<b>-18.4%</b>
<b>Items affecting comparability</b>				
VAT correction	-	-10.3	-	-15.2
Severance pay	-	-	2.3	2.1
Profitability project	-	28.0	-	46.5
Legal fees	-	-	-	2.5
<b>Items affecting comparability</b>	<b>-</b>	<b>17.8</b>	<b>2.3</b>	<b>35.9</b>
<b>Cost/income ratio, %<sup>3)</sup></b>				
Total expenses before credit losses	-74.4	-116.0	-318.6	-410.3
Total operating income <sup>3)</sup>	116.4	106.4	448.5	410.9
<b>C/I ratio, %</b>	<b>63.9%</b>	<b>109.0%</b>	<b>71.0%</b>	<b>99.9%</b>
<b>Credit loss level, %<sup>3)</sup></b>				
Lending to the public, opening balance	2,459	2,441	2,687	2,759
Lending to the public, closing balance	2,612	2,687	2,612	2,687
Average lending to the public (OB+CB)/2	<b>2,536</b>	<b>2,564</b>	<b>2,650</b>	<b>2,723</b>
Net credit losses <sup>3)</sup>	-39.4	-36.6	-121.7	-116.1
Average net credit losses 12 month	-157.5	-146.4	-121.7	-116.1
<b>Credit loss level, %</b>	<b>6.2%</b>	<b>5.7%</b>	<b>4.6%</b>	<b>4.3%</b>
<b>Credit loss level, Digital Banking Services, %</b>				
Lending to the public, Digital Banking Services, opening balance	795	910	879	1,060
Lending to the public, Digital Banking Services, closing balance	787	879	787	879
Average lending to the public, Digital Banking Services (OB+CB)/2	<b>791</b>	<b>895</b>	<b>833</b>	<b>970</b>
Net credit losses	-7.3	-8.0	-29.0	-27.0
Average net credit losses 12 month	-29.2	-32.1	-29.0	-27.0
<b>Credit loss level, Digital Banking Services, %</b>	<b>3.7%</b>	<b>3.6%</b>	<b>3.5%</b>	<b>2.8%</b>
<b>Credit loss level, % in relation to processed Pay Later volume<sup>1, 3)</sup></b>				
Net credit losses Pay Later <sup>1, 3)</sup>	-32.1	-28.6	-92.6	-89.1
Processed Pay Later volume <sup>1)</sup>	1,772	1,969	6,037	6,581
<b>Credit loss level, % in relation to processed Pay Later volume<sup>1)</sup></b>	<b>1.8%</b>	<b>1.5%</b>	<b>1.5%</b>	<b>1.4%</b>

**RECONCILIATION TABLES**cont.

SEK million (unless otherwise stated)	2023 Oct-Dec	2022 Oct-Dec	2023 Jan-Dec	2022 Jan-Dec
<b>Payments Take-Rate (% Total operating income Payment Solutions in relation to total payment volume)</b>				
Total operating income Payment Solutions	98.6	88.9	374.6	338.6
Payment volume	3,575	3,683	11,868	12,051
<b>Payments Take-Rate (% Total operating income Payment Solutions in relation to total payment volume)</b>	<b>2.8%</b>	<b>2.4%</b>	<b>3.2%</b>	<b>2.8%</b>
<b>Profit/loss for the period adjusted for items affecting comparability</b>				
Profit/loss for the period	1.5	-37.1	4.1	-93.5
Items affecting comparability	-	17.8	2.3	35.9
Tax effect on items affecting comparability	-	-3.7	-0.5	-7.4
<b>Profit/loss for the period adjusted for items affecting comparability</b>	<b>1.5</b>	<b>-23.0</b>	<b>5.9</b>	<b>-65.0</b>
<b>Net commission income</b>				
Commission income	46.7	47.7	184.1	185.0
Commission expenses	-1.5	-3.0	-7.4	-9.3
<b>Net commission income</b>	<b>45.2</b>	<b>44.7</b>	<b>176.8</b>	<b>175.8</b>
<b>Operating profit less depreciation, amortization and impairment</b>				
Operating profit	2.6	-46.1	8.2	-115.5
Depreciation/amortization and impairment of property, plant and equipment and intangible assets	19.5	23.9	73.1	105.6
<b>Operating profit less depreciation, amortization and impairment</b>	<b>22.1</b>	<b>-22.3</b>	<b>81.3</b>	<b>-9.9</b>
<b>Operating profit adjusted for items affecting comparability</b>				
Operating profit	2.6	-46.1	8.2	-115.5
Items affecting comparability	-	17.8	2.3	35.9
<b>Operating profit adjusted for items affecting comparability</b>	<b>2.6</b>	<b>-28.4</b>	<b>10.4</b>	<b>-79.6</b>
<b>Total operating income<sup>3)</sup></b>	<b>116.4</b>	<b>106.4</b>	<b>448.5</b>	<b>410.9</b>
of which Payment Solutions <sup>3)</sup>	98.6	88.9	374.6	338.6
of which Digital Banking Services	17.8	17.6	73.9	72.3
<b>Total operating income margin, %<sup>3)</sup></b>				
Lending to the public, opening balance	2,459	2,441	2,687	2,759
Lending to the public, closing balance	2,612	2,687	2,612	2,687
Average lending to the public (OB+CB)/2	2,536	2,564	2,650	2,723
<b>Total operating income</b>	<b>116.4</b>	<b>106.4</b>	<b>448.5</b>	<b>410.9</b>
Average income 12 months	465.7	425.7	448.5	410.9
<b>Total operating income margin, %</b>	<b>18.4%</b>	<b>16.6%</b>	<b>16.9%</b>	<b>15.1%</b>
<b>Lending to the public</b>	<b>2,612</b>	<b>2,687</b>	<b>2,612</b>	<b>2,687</b>
of which Payment Solutions	1,825	1,807	1,825	1,807
of which Digital Banking Services	787	879	787	879

1) Pay Later was termed Pay After Delivery (PAD) in previous reports

2) New performance measure

3) Key figures from the previous year have been recalculated, see Note 1, p. 19

## 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 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.

This report has not been subject to review by the Company's Auditors.

Stockholm, Sweden, February 08, 2024

Patrik Enblad  
Chairman

Alexander Antas  
Board member

Mikael Kjellman  
Board member

Lennart Francke  
Board member

Helena Nelson  
Board member

Christoffer Rutgersson  
CEO

## TELEPHONE CONFERENCE

Media, analysts and investors are invited to participate in a telephone conference on February 8, 2024 at 10 a.m. (CET) when CEO Christoffer Rutgersson and CFO Robert Stambro will present the results of operations.

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

**PARTICIPATE VIA TELEPHONE CONFERENCE:**

<https://conference.financialhearings.com/teleconference/?id=5005681>

**PARTICIPATE VIA WEBCAST:**

<https://ir.financialhearings.com/qliro--q4-report-2023>

The presentation and webcast will be published at: <https://www.qliro.com/sv-se/investor-relations/presentations/>

### Financial calendar 2024

April 19, 2024	Annual report 2023
April 26, 2024	Interim Report Q1
May 17, 2024	Annual General Meeting 2024
July 17, 2024	Interim Report Q2
October 25, 2024	Interim Report Q3

**For more information, please contact:**

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

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