



Nordnet AB (publ)

Interim Report.

January – June
2022.

The quarter in brief.

“Trading activity is lower than before due to the negative market sentiment, but higher interest rates provide significant revenue leverage moving forward.”

Lars-Åke Norling, CEO Nordnet.

Customer growth in the last 12 months¹:

15% (38%)

Adjusted operating profit SEK 420.1 million (535.7)	Operating income SEK 727.8 million (832.6)
Adjusted operating expenses SEK -295.7 million (-283.5)	Earnings per share after dilution SEK 0.88 (1.72)
Net savings SEK 8.3 billion (22.4)	Savings capital as of 30 June, SEK 691.1 billion (703.4)
Lending ² as of 30 June SEK 26.7 billion (23.2)	New customers ¹ 30,100 (86,600)

The figures above refer to the period April–June 2022, unless otherwise stated. The comparative figures in parentheses refer to the corresponding period in 2021.

- Lower trading activity but underlying growth in the business – 30,100 new customers and more than SEK 8 billion in net savings.
- A new record level for Nordnet's lending products with SEK 26.7 billion in lending volume.
- Licence received for Nordnet's new fund company, own funds launched in Sweden, Denmark and Finland.

- A high level of activity in product development – the launch of Nordnet One, a user-friendly tool to get started with fund savings, and electronic trading on the London Stock Exchange.
- Higher interest rates give considerable revenue leverage.
- Continued strong cost control.

MSEK	Q2 2022	Q1 2022	Change %	Q2 2021	Change %	Jan–Jun 2022	Jan–Jun 2021	Change %	Q3 2021–Q2 2022
Operating income	727.8	890.5	-18%	832.6	-13%	1,618.3	1,948.7	-17%	3,308.1
Operating expenses	-405.3	-263.8	54%	-283.5	43%	-669.2	-563.4	19%	-1,246.8
Credit losses	-8.8	-9.6	-9%	-10.9	-20%	-18.3	-15.0	22%	-39.6
Imposed levies: resolution fee	-3.3	-3.6	-9%	-2.5	29%	-6.9	-5.0	37%	-11.9
Operating profit	310.5	613.4	-49%	535.7	-42%	923.9	1,365.3	-32%	2,009.8
Profit after tax	236.8	501.1	-53%	440.4	-46%	738.0	1,106.2	-33%	1,616.4
Earnings per share before dilution (SEK)	0.89	1.95	-54%	1.73	-49%	2.84	4.36	-35%	6.27
Earnings per share after dilution (SEK)	0.88	1.94	-54%	1.72	-49%	2.82	4.34	-35%	6.24
Income in relation to savings capital	0.40%	0.45%	-0.05%	0.49%	-0.10%	0.43%	0.61%	-0.18%	0.45%
Operating margin %	43%	69%	-26%	64%	-22%	57%	70%	-13%	61%
Adjusted operating expenses ³	-295.7	-297.1	0%	-283.5	4%	-592.8	-563.4	5%	-1,170.4
Adjusted operating profit ³	420.1	580.2	-28%	535.7	-22%	1,000.3	1,365.3	-27%	2,086.2
Adjusted operating margin % ³	58%	65%	-7%	64%	-7%	62%	70%	-8%	63%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	1.26	1.86	-33%	1.75	-28%	3.12	4.40	-29%	6.59
Total number of customers ¹	1,643,000	1,618,900	1%	1,475,300	11%	1,643,000	1,475,300	11%	1,643,000
Net savings (SEK billion)	8.3	21.2	-61%	22.4	-63%	29.5	49.4	-40%	63.5
Savings capital at the end of the period (SEK billion)	691.1	772.7	-11%	703.4	-2%	691.1	703.4	-2%	691.1
Average savings capital per customer (SEK)	448 800	488 900	-8%	471 800	-5%	465 900	469 000	-1%	469 400

¹The number of new customers in 2022 amounts to 30,100 gross and 24,100 net, the latter figure includes customer relationships terminated due to the customer documentation project. In percentage terms, customer growth is 11% in the last twelve months and 1% in the last quarter, including those customer relationships that have been terminated within the customer documentation project.

²Loans to the public less pledged cash and cash equivalents, see Note 5.

³For items affecting comparability, see page 16.

For definitions of key performance indicators, refer to pages 43–44.

The English version of the Interim Report is a translation. In case of any discrepancy between the Swedish and the English version, the Swedish version shall prevail.

This is Nordnet.

Nordnet is a leading digital platform for savings and investments with operations in Sweden, Norway, Denmark and Finland. With user-friendliness, high availability, a broad offering and low prices, we give our customers the opportunity to take their savings to the next level.

The overall objective of Nordnet's business is to democratize savings and investments. By that, we mean giving private savers access to the same information and tools as professional investors. This purpose has driven us from the outset in 1996 and remains our direction to this day. At the beginning, it entailed offering easily accessible and inexpensive stock trading via internet, and building a mutual funds portal with products from a number of different distributors, where savers could easily compare returns, risk and fees. During the journey, we have simplified matters and pressured down fees on, for example, pension savings, index funds and private banking. In recent years, we have democratized savings and investments through, for example, our stock lending program and cost-effective index funds that cover the world markets. We are always on the savers' side, and pursue issues of, for example, fair terms in pension savings and reasonable and predictable taxation on holdings of shares and mutual funds.

Vision

Our vision is to become the Nordic private savers' first choice. To achieve this goal it requires us to always challenge and innovate, keeping user-friendliness and the benefit of savings at the top of the agenda and to succeed with the ambition of building a "one-stop shop" for savings and investments – a platform that can meet the needs of private savers in the Nordic region in managing their financial futures. Only then can we achieve the high level of customer satisfaction and brand strength required to become a leader in the Nordic region in terms of attracting new customers and producing loyal ambassadors for Nordnet.

Our product areas

Savings and investments

Nordnet's core business is savings and investments. Our customers can save and invest in shares, funds and other kinds of securities at low fees in several markets. We offer most account types that are available on the market, such as ISK and their Nordic equiva-

lents, regular custody accounts, occupational pension, endowment insurance and accounts for private pension savings. At Nordnet, there are a number of different interfaces available including the web, the app and more advanced applications. The less-active savers can also use one of our digital guidance services or invest in our index funds. Nordnet operates the Nordic region's largest social investment network Shareville, with more than 300,000 members.

Pension

In Sweden, Norway and Denmark, we offer pension savings without fixed fees with a wide range of investment opportunities.

Loans

Nordnet offers three kinds of loans – margin lending, residential mortgages and personal loans (unsecured loans). Margin lending with securities as collateral is available in all four of our markets, allows our customers to leverage their investments. Our residential mortgages are offered only to private individuals in Sweden. Personal loans are offered both through Nordnet's own brand and under the trade name Konsumentkredit, and are directed at private individuals in Sweden.



Financial targets.

Medium-term financial targets

- Around 15 percent annual customer growth.
- Average savings capital per customer (defined as average quarterly savings capital per customer over the last twelve months) of around SEK 450,000.
- Income in relation to savings capital (defined as adjusted revenues in the last twelve months divided by the average quarterly savings capital over the same period) of around 0.45 percent.
- Yearly increase of adjusted operating expenses of around 5 percent based on the 2021 adjusted operating costs.
- Nordnet intends to pay dividend of 70 percent of net profit for the year.

Status as of 30 June 2022

- Annual customer growth in the past 12 months amounted to 15 percent¹ (38).
- Average savings capital per customer amounted to SEK 469,400 (449,000).
- Adjusted operating income in relation to savings capital amounted to 0.45 percent (0.59) in the past 12 months.
- Adjusted operating expenses in the past 12 months amounted to SEK 1,170.4 million (1,108.4).
- A dividend of SEK 5.56 per share, equivalent to 70 percent of 2021 statutory net profit, was distributed in May, 2022.

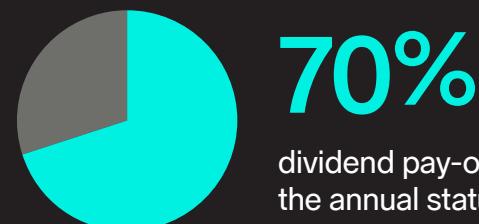
Numbers in parenthesis refer to progress toward the targets as of Q2 2021.

 **15%**
Annual customer growth¹

Savings capital
_____ **= 469 400**
customer SEK

Operating income²
_____ **= 0.45%**
savings capital

1,170 MSEK
Adjusted operating expenses²



dividend pay-out ratio of
the annual statutory net
profit.

¹ Customer growth is 11% in the last twelve months including those customer relationships that have been terminated within the customer documentation project.

² For items affecting comparability, see page 16.

Comments from the CEO.



In 2022, the sentiment regarding savings and investments changed in a negative direction. The Swedish stock market began the year with six consecutive months of decline and has dropped nearly 30 percent since the start of the year. The Danish and Finnish markets fared somewhat better while the Oslo Stock Exchange had a neutral trend for the year as a whole, although with a sharp decline in June. The challenging stock market situation, combined with high inflation, rising interest rates, falling housing prices, high energy prices and a deteriorating national security situation for the Nordic countries, has had a major impact on private individuals' actual and perceived financial situation, and has been reflected in the interest in savings in shares and mutual funds.

The number of transactions by our customers in the second quarter was slightly more than 13 million, which is 20 percent fewer than in the same period last year and 24 percent lower

than in the first quarter of 2022. The lower number of transactions is, of course, due to the negative market sentiment, but is also affected by a seasonal variation in which activity is historically lower in the middle of the year. Nordnet's customers' savings capital amounts to SEK 691 billion, which is 11 percent lower than at the start of the quarter and relatively unchanged compared to one year ago. Savings capital is negatively affected by lower stock market prices and positively affected by strong net savings, amounting to more than SEK 60 billion in the past year.

“Despite the negative sentiment, Nordnet's underlying business is growing continuously”

Despite the negative sentiment, Nordnet's underlying business is growing continuously. Customer growth and net savings show positive figures each month, albeit at a lower level than previously. In the second quarter, just over 30,000 new savers joined Nordnet's platform, and we now have more than 1.6 million customers in total. In October last year, we announced a project regarding due diligence, as we lacked complete documentation for a small number of customers in accordance with today's rules regarding money laundering. The project has now been completed and a total of 53,000 customers have been terminated with a total of SEK 430 million in savings capital. This is to be compared with the announced maximum negative outcome at the start of the project of 75,000 customers and SEK 7.9 billion in savings capital. Over the past 12 months, our underlying customer growth, excluding the customer relationships terminated as a result of this project, is 15 percent.

From a financial perspective, our income for the quarter was SEK 728 million, which is 13 percent lower than the corresponding quarter last year. However, our two largest types of income – commissions from savings in securities and net interest income – have developed in different directions, with commission income having fallen by about 20 percent due to lower trading and the stock market decline, and net interest income increasing by 29 percent as a result of rising market interest rates. Higher interest rates affect Nordnet's business in several ways where generally lower appetite for investing affects us negatively while a higher return on our liquidity portfolio is a positive. The liquidity portfolio amounts to approximately SEK 60 billion, which is mostly invested in interest-related instruments with a short maturity. The portfolio yielded zero profit in 2021, but so far in 2022 generated a return of more than SEK 40 million. There is a significant potential leverage moving forward in this component – assuming a liquidity portfolio of the same size as today, and interest rate trajectory in line with current market expectations, the return on the liquidity portfolio for Nordnet would increase by SEK 300 million in 2022 compared to 2021, and an additional SEK 600 million in 2023.

Rising market interest rates will also lead to higher income from our lending operations, where our customers currently have loans amounting to approximately SEK 27 billion, distributed over four markets and three different loan products. Our mortgage rate has been adjusted by 75 points, corresponding to the Riksbank's increase in the key interest rate, with 25 points having a full impact from July and the remaining increase from October. Some adjustments have also been made to the interest for margin lending and personal loans.

Our adjusted operating expenses for the period April – June amounted to SEK 296 million, which is an increase of 4 percent compared to the second quarter last year and in line with our financial targets. The adjusted operating profit for the quarter was SEK 420 million. The administrative fine of SEK 100 million issued to Nordnet by the Swedish Financial Supervisory Authority for lack of governance and control in relation to the Short Selling Regulation has been reported as an extraordinary expense. The matter is not finally settled, but a provision has been made for the maximum amount.

From a holistic perspective, a large number of factors have an effect on Nordnet's development. Some of them, such as stock market developments and events around the world, we cannot influence. We can however control other things such as how we deliver on our promise to build the world's best platform for savings and investments. Over the last three-month period, we have had a high level of activity in terms of product development, and we have launched new functions and services for both the less engaged savers and the more active customers. In May, we began offering our customers trading on the London Stock Exchange, which means that we now have electronic trading on stock markets in eight countries. We have also begun to offer private savers opportunities for trading in so-called dark pools, which, for example, suits investors who want to place larger orders in shares with slightly smaller turnover. During the quarter, the first funds from our new fund company also saw the light of day. These are three fund-in-funds, or "allocation funds", with a predetermined proportion of shares and interest-related instruments. The funds have been launched in Sweden, Denmark and Finland, and the corresponding launch will soon be done in Norway. At the same time, we have also launched a digital tool where savers can easily start long-term savings and receive

guidance in their fund selections. The new concept has been given the name "Nordnet One", and the launch is an important milestone in our ongoing effort to cater to the broader savers market.

Over the past two and a half years, our customer base has grown at an incredibly high pace, and we now have 80 percent more customers than at the start of 2020. The newly added savers are generally younger, include more women, and are more likely to invest in funds compared with the existing customer base. Our new customers are also active on the stock market to the same extent as the customer base in general in terms of the proportion of the customer base that trades shares. However, the customers who have been with us for a while make more transactions on average per day, which is mainly due to a larger portion of highly active customers among our early users. We are also pleased to see that the customers who have joined the platform in recent years put a lot of savings capital into the platform, and thereby quickly get started in taking control of their financial future. Combined with the high loyalty our customers have to Nordnet as a financial partner, our broad and continuously growing customer base is a stable platform for growing revenue when financial markets begin to improve.

And speaking of different times – periods that are challenging from a financial perspective recur throughout history. Over the past twenty years, we have experienced, among other things, an IT bubble, a financial crisis and a coronavirus crash, all of which had markedly negative impacts on the global stock markets and private individuals' faith in stocks and funds as a form of savings. However, the stock market and savers have always recovered from these less uplifting periods and this will also happen this time. Just like anyone else, I can't say exactly when this will happen. However, what I can say with certainty is that we at Nordnet are continuing to develop our platform with unabated strength, with user-friendliness and a rich and modern range of functions and savings products as a guiding principle. Thank you for joining us on the journey towards democratizing savings and investments.

Lars-Åke Norling, CEO Nordnet



Operations.

Events in the second quarter

The financial markets

After a tough start to the year the second quarter unfortunately offered no relief, as the market continued to decline and the six months performance for developed stock markets was the worst in more than 50 years. The primary explanation is the fear of sharply increased key interest rates to combat rising inflation, combined with increased uncertainty about companies' growth expectations. Higher consumer prices, energy prices and loan costs while the world's national banks fight inflation by raising key interest rates increases the risk of a recession. This is reflected in the household confidence indicator, an indicator of consumer optimism, which is globally at record low levels. In Sweden, the confidence indicator is at the lowest level since measurements began in 1995.

In the U.S., the Fed is expected to raise the key interest rate to 3.8 percent before the end of the year, which puts a damper on economic activity. This is clearly reflected in the housing market, where prices rose on average 40 percent during the pandemic and the now doubling interest rates are making home ownership much more expensive. On the positive side, the companies' market valuation in relation to their earnings is far below the average since 1990. The U.S. stock market declined 16 percent during the quarter.

The Russian stock market remains isolated from the outside world, and it is virtually impossible for foreign institutions to sell their holdings, which has caused several Eastern European and Russian funds to permanently close. In China, it is indicated that the latest omicron outbreaks are under control and the Chinese stock market closed positively for the quarter. However, emerging markets as a whole fell 11 percent.

In Europe, geopolitical risks as a result of the invasion of Ukraine are looming. The reduced availability of gas from Russia has pushed up energy prices to record levels and fears of rationing and temporary power grid shutdowns have increased. The European stock market fell 10 percent during the quarter. In the Nordic region, we saw a negative quarter with declining stock markets, increased key interest rates and worry about inflation. Higher interest rates, lower consumption and lower real wages had a negative impact, while several industries are running at a high pace and are only dampened by the lack of components. The invasion of Ukraine has an impact on the Nordic region and, above all, Finland, which has the greatest amount of trade with Russia. Increased energy prices had a negative impact, with the exception of Norway, which continued to benefit from increased oil prices. The shortage of natural gas mainly affects Denmark. It was also in Denmark that the stock market fell most during the quarter, with the OMXC25 closing at minus 11.8 percent. The Swedish

Market shares local stock exchanges ¹	Q2 2022		Q1 2021		Q2 2021	
Countries	No. of trades	Turnover	No. of trades	Turnover	No. of trades	Turnover
Sweden (Nasdaq Stockholm)	5.1%	3.6%	5.0%	3.9%	5,0%	4,0%
Norway (Oslo Stock Exchange) ²	n/a	8.4%	n/a	8.6%	n/a	9,2%
Denmark (Nasdaq Copenhagen)	6.4%	4.6%	6.9%	5.4%	6,1%	4,7%
Finland (Nasdaq Helsinki)	8.7%	5.1%	10.8%	6.7%	10,0%	5,0%

Trading information, Group ³	Q2 2022		Q1 2021		Q2 2021	
	No. of trades	Turnover	No. of trades	Turnover	No. of trades	Turnover
Traded value cash market (SEK million)	372,200		509,300		416,200	
Total number of trades	13,070,300		17,305,900		16,301,000	
whereof cross-border trading %	27%		26%		29%	
Average number of trades per day	221,300		273,800		274,700	

¹ Nordnet's monthly average market share of trading in financial instruments listed on the Nordic exchanges. The statistics for Oslo Stock Exchange only refer to trading in shares. Source: Market data from Nasdaq in Sweden, Denmark and Finland and from the Oslo Stock Exchange in Norway.

²Nordnet's market share of the volume on the Oslo Stock Exchange is reported as data for the number of transactions is not available.

³ Nordnet's total volume and number of trades on all stock exchanges and markets for all customers, as well as the average number of trades per day. The daily average is calculated as the total number of trades per market divided by the number of trading days on which the respective stock exchange was open.

OMXS30 fell 10.6 percent. In Finland, the OMXH25 fell 6.7 percent and in Norway, the OBX fell 6.6 percent.

Development of Nordnet's operations

During the period, our customers made a total of 13.1 million trades, and the number of trades outside the customers' home market was 27 percent. The number of trades during the quarter was 20 percent lower than the corresponding quarter last year and 24 percent lower than the previous quarter. This is primarily an effect of the continued uncertainty in the market and the seasonal effects that have contributed to lower trading levels.

The number of savers on Nordnet's platform on 30 June 2022 amounted to 1,643,000. Although the stock market has experienced a challenging second quarter, customer growth, excluding customer relationships ended in connection with the customer due diligence project, amounted to 15 percent on an annual basis. Denmark accounts for the highest growth and, over the past 12 months, has grown the customer base by more than 20 percent, which is attributable, among other things, to a successful launch in 2021 of the equity savings account. To date, a total of 35,000 equity savings accounts have been opened in the Danish market in 2022, of which Nordnet accounts for 70 percent. Interest in Nordnet has also continued to grow in Finland. In the second quarter, we reached the milestone of 500,000 active customers in Finland. We also have a 75 percent equity savings account market share. Net savings for the second quarter amounted to SEK 8.3 billion, and savings capital at the end of June amounted to SEK 691 billion, a decline of 1.8 percent compared with a year ago. The savings ratio, meaning net savings in the past 12 months divided by savings

capital 12 months back, amounted to 9 percent.

The total loan portfolio amounted to SEK 26.7¹ billion, which is again a new record high and an increase of 15 percent since 30 June of last year. The largest increase can be found in residential mortgages, where Nordnet continues to offer the lowest interest in the Swedish market; in one year, the volume has increased by 35 percent to SEK 10.3 billion. The margin lending product has grown by 7 percent compared with 12 months ago, and lending amounted to SEK 12.4 billion¹ at the end of the second quarter. The volume in personal loans was essentially unchanged in the past 12 months.

During the quarter, Nordnet made several high-profile launches. The automated savings tool Nordnet One has been introduced in the Danish, Swedish and Finnish markets, resulting in a positive reception. In connection with this, our new fund company Nordnet Fonder launched three "allocation funds" per market. Another high-profile launch was the offering of electronic trading on the London Stock Exchange. In addition to this, we have also presented a number of new and updated functions on the platform, including an allocation graph to show how the portfolio is weighted and the possibility of concealing the account overview in the app.

On the sustainability front, our first donations were made to the selected organizations in the Return Initiative for sustainability. Twelve non-profit organizations in Sweden, Norway, Denmark and Finland that, through their operations, contribute to solutions to meet the climate challenges, shared the donation based on our customers' wishes.

Engagement for Nordnet is also considerable among

January - June	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Number of customers	436,800	430,800	349,600	311,000	352,500	291,900	504,100	441,600	1,643,000	1,475,300
Savings capital SEK billion	271.0	298.6	124.1	115.6	157.6	150.6	138.4	138.6	691.1	703.4
of which shares/derivatives/bonds	173.7	203.7	74.6	72.5	117.6	117.9	107.2	111.7	473.2	505.8
of which funds	62.6	67.2	34.4	32.6	22.0	19.0	13.8	12.0	132.8	130.7
of which deposits ²	34.8	27.7	15.1	10.6	17.9	13.8	17.4	14.8	85.1	66.8
Number of trades	11,351,200	14,084,400	6,992,500	9,865,000	5,537,100	7,731,100	6,495,400	7,354,500	30,376,200	39,035,000
Whereof cross-border trading %	13%	16%	29%	31%	42%	55%	33%	40%	27%	32%
Net savings (SEK million)	6.4	11.1	5.9	12.7	10.3	18.0	6.9	7.6	29.5	49.4
Margin lending (SEK billion) ¹	4.2	4.3	2.6	2.4	2.5	2.2	3.0	2.6	12.4	11.5
Mortgage (SEK billion)	10.3	7.6	0.0	0.0	0.0	0.0	0.0	0.0	10.3	7.6
Personal loans (SEK billion)	4.0	4.0	0.0	0.0	0.0	0.0	0.0	0.0	4.0	4.0

¹Loans to the public less pledged cash and cash equivalents, see Note 5.

²Includes cash and cash equivalents from customers of the pension companies.

potential future employees. In the annual award ceremony for the Universum Awards, we climbed one spot and are now the sixth most attractive workplace in Finland among students.

Our overarching aim of democratizing savings and investments lies in raising awareness in public opinion and fighting for the best interests of savers. In Norway, in the second quarter, we raised the issue of double taxation on dividends from foreign shares for savers with a share savings account and fund account, and tried to influence the legislation in a savings-friendly direction. In Sweden, we recently won the prestigious Stora Kommunikationspriset in the category "Best Digital Communication", for our work for fair terms on investment savings accounts.

Consolidated net profit

April – June 2022

(April – June 2021)

Operating income amounted to SEK 727.8 million (832.6), which is 13 percent lower than the second quarter of 2021. Net commission income was SEK 119.3 million lower than in the year-earlier period and amounted to SEK 465.5 million (584.8). The lower net commission income can primarily be attributed to lower transaction-related income, which decreased by 22 percent compared with the year-earlier period. Transaction-related income decreased in all countries, mainly due to decreased trading volumes and slightly lower margins attributable to decreased trading outside the home market. It is notable that the comparative figures are based on the record-high trading activity that

started in the first quarter of 2021 and continued in the second quarter. Fund-related income decreased by 2 percent to SEK 102.7 million (104.8). The fund margin is 4 bps lower, which is mainly attributable to lower platform fees in Norway, but also SEK 4 million in decreased currency income from trading in funds outside the customer's home market. The decline was somewhat dampened by 12 percent higher average fund volumes. Net interest income increased by SEK 54.4 million to SEK 240.2 million (185.8). The increase is mainly related to higher key interest rates that affected the return on surplus liquidity. Higher lending volumes for margin lending and residential mortgages and increased income from Nordnet's stock lending program also contributed positively. The increase was somewhat dampened by the higher estimated cost of the government deposit guarantee.

Adjusted operating expenses are in line with the financial targets and amounted to SEK 295.7 million (283.5). The increase was mainly attributable to more employees in Tech, Product and the newly established fund company. Operating expenses amounted to SEK 405.3 million (283.5), which was SEK 121.9 million higher than the second quarter of 2021. The expenses affecting comparability amounted to SEK -109.6 million and consist of a SEK -100 million provision for a potential administrative fine related to shorting and SEK -9.6 million in expenses related to the review and upgrade of processes for monitoring transactions and collecting KYC data; see more information on page 14-15. During the same period last year, there were no items affecting comparability that affected profit.

Profit for our markets

January - June	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Operating income	596.0	677.1	418.8	412.7	314.5	474.3	288.9	384.6	1,618.3	1,948.7
Operating expenses	-230.0	-220.8	-127.2	-121.2	-121.8	-108.7	-113.7	-112.7	-592.8	-563.4
Operating profit before credit losses	366.0	456.3	291.5	291.5	192.7	365.7	175.2	271.9	1,025.5	1,385.3
Credit losses	-17.7	-13.0	-0.5	-1.5	0.1	-0.7	-0.2	0.1	-18.3	-15.0
Imposed levies: resolution fee	-1.8	-1.4	-1.1	-0.8	-1.9	-1.4	-2.0	-1.4	-6.9	-5.0
Adjusted operating profit	346.5	441.9	289.9	289.9	190.9	363.3	173.0	270.5	1,000.3	1,365.3
Items affecting comparability ¹	-102.9	0.0	-2.9	0.0	32.3	0.0	-2.9	0.0	-76.4	0.0
Operating profit	243.6	441.9	287.0	289.2	223.2	363.6	170.1	270.5	923.9	1,365.3
Operating margin %	58%	65%	69%	70%	61%	77%	60%	70%	62%	70%
Income in relation to savings capital	0.38%	0.49%	0.63%	0.79%	0.38%	0.70%	0.39%	0.62%	0.43%	0.61%

¹ For items affecting comparability, see page 16.

Financial overview, SEK million	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20	Q3 20
Consolidated income statement								
Net commission income	465.5	652.9	640.6	577.3	584.8	926.9	595.5	685.2
Net interest income	240.2	205.4	187.2	183.8	185.8	170.5	150.4	154.3
Net result of financial transactions	-1.1	-5.9	3.2	6.0	8.8	-0.1	-4.3	-232.1
Other operating income	23.3	38.1	61.5	30.2	53.2	18.8	27.7	11.9
Operating income	727.8	890.5	892.5	797.4	832.6	1,116.1	769.3	619.3
General administrative expenses	-352.9	-211.3	-236.1	-222.7	-229.8	-228.9	-324.6	-231.3
Depreciation, amortization and impairments	-41.7	-43.0	-41.7	-41.8	-39.6	-39.6	-41.1	-39.2
Other operating expenses	-10.8	-9.6	-21.6	-13.7	-14.0	-11.4	-20.5	-6.5
Operating expenses	-405.3	-263.8	-299.4	-278.2	-283.5	-279.9	-386.3	-277.1
Net credit losses	-8.8	-9.6	-12.5	-8.8	-10.9	-4.1	-7.1	-3.4
Imposed levies: resolution fee	-3.3	-3.6	-2.5	-2.5	-2.5	-2.5	-2.2	-2.2
Operating profit	310.5	613.4	578.1	507.8	535.7	829.6	373.8	336.6
Earnings per share before dilution, (SEK)	0.89	1.95	1.83	1.60	1.73	2.63	1.13	1.07
Earnings per share after dilution, (SEK)	0.88	1.94	1.82	1.60	1.72	2.62	1.13	1.07
Items affecting comparability ¹	-109.6	33.3	0.0	0.0	0.0	0.0	-99.4	-18.9
Adjusted operating expenses before credit losses	-295.7	-297.1	-299.4	-278.2	-283.5	-279.9	-286.9	-258.2
Adjusted operating profit ¹	420.1	580.2	578.1	507.8	535.7	829.6	473.1	355.6
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	1.26	1.86	1.85	1.63	1.75	2.65	1.48	1.17
Key figures								
Adjusted operating income in relation to savings capital - rolling 12 months %	0.45%	0.47%	0.53%	0.56%	0.59%	0.64%	0.61%	0.58%
Adjusted operating expenses in relation to savings capital - rolling 12 months %	0.16%	0.16%	0.17%	0.18%	0.20%	0.22%	0.24%	0.27%
Operating margin %	43%	69%	65%	64%	64%	74%	49%	54%
Adjusted operating margin %	58%	65%	65%	64%	64%	74%	61%	57%
Cost/income %	56%	30%	34%	35%	34%	25%	50%	45%
Adjusted cost/income %	41%	33%	34%	35%	34%	25%	37%	42%
Profit margin %	33%	56%	53%	51%	53%	60%	38%	45%
Return on equity - rolling 12 months %	33%	37%	44%	43%	43%	43%	37%	32%
Adjusted return on equity - rolling 12 months %	35%	37%	44%	45%	46%	46%	40%	34%
Adjusted return on equity excl intangible assets - rolling 12 months %	44%	46%	56%	58%	60%	63%	57%	51%
Customers	1,643,000	1,618,900	1,601,000	1,537,200	1,475,300	1,388,700	1,221,500	1,122,900
Annual adjusted customer growth %	15% ²	20% ²	31%	37%	38%	39%	34%	27%
Net savings (SEK billion)	8.3	21.2	18.7	15.3	22.4	27.0	35.2	9.7
Savings ratio %	9%	12%	15%	21%	22%	24%	21%	15%
Savings capital (SEK billion)	691.1	772.7	801.6	728.0	703.4	647.8	564.9	477.8
of which shares/derivatives/bonds	473.2	547.2	573.4	517.3	505.8	465.0	404.4	329.1
of which funds	132.9	145.0	153.7	138.2	130.7	117.8	100.2	88.2
of which deposits ³	85.1	80.5	74.5	72.6	66.8	65.0	60.3	60.5
Average savings capital per customer - rolling 12 months (SEK)	469,400	479,400	477,000	462,800	449,000	425,500	415,900	404,200
Lending (SEK billion)	26.7	26.5	25.4	24.2	23.2	22.1	19.7	17.8
of which margin lending ⁴	12.4	12.8	12.4	11.9	11.5	11.1	9.2	8.0
of which mortgages	10.3	9.6	8.9	8.2	7.6	7.0	6.5	5.8
of which personal loans	4.0	4.1	4.1	4.1	4.0	4.0	4.0	4.0
Investments in tangible assets (SEK million)	3.7	5.4	17.5	2.8	8.0	17.8	3.1	4.2
Investments in intangible assets excl. company acquisitions (SEK million)	33.3	31.6	31.1	27.8	32.7	29.9	28.6	20.7
Number of full-time equivalents at end of period	673	662	648	646	630	610	571	558

¹For items affecting comparability, see page 16.²Customer growth is 11% in the last twelve months including those customer relationships that have been terminated within the customer documentation project.³Includes cash and cash equivalents from customers of the pension companies⁴Lending excluding pledged cash and cash equivalents.

For definitions of key performance indicators, refer to pages 43–44.

Credit losses remain stable at a low level and credit quality remains unchanged at a good level. The reported credit losses amounted to SEK -8.8 million (-10.9). The decline is mainly related to changes in provisions regarding expected credit losses. For more information, see Note 5.

The adjusted operating profit is 22 percent lower compared with the same period last year and amounted to SEK 420.1 million (535.7), which results in an adjusted operating margin of 58 percent (64). Operating profit is 42 percent lower compared with the same period last year and amounted to SEK 310.4 million (535.7), with an operating margin of 43 percent (65).

Profit after tax for the period is 46 percent lower compared with the same period last year and amounted to SEK 236.8 million (440.4), resulting in a profit margin of 33 percent (53). Tax on profit for the period was SEK -73.6 million (-95.3), which is an effective tax of 23.7 percent (17.8) of operating profit. The higher tax rate is a result of the non-deductible administrative fine.

January-June 2022

(January-June 2021)

Operating income amounted to SEK 1,618.23 million (1,948.7), which is 17 percent lower than the corresponding period last year. Net commission income was SEK 393.3 million lower than in the year-earlier period and amounted to SEK 1,118.4 million (1,511.7). The lower net commission income can primarily be attributed to lower transaction-related income, which decreased by 30 percent compared with the year-earlier period. Transaction-related income decreased in all countries, mainly due to decreased trading volumes and slightly lower margins attributable to decreased trading outside the home market. It is notable that the comparative figures are based on the record-high trading activity that started in the first quarter of 2021 and continued in the second quarter. Fund-related income increased by 1 percent to SEK 210.5 million (209.2). The fund margin was 7 bps lower, which is mainly attributable to lower platform fees in Norway, but also SEK 14 million in decreased currency income from trading in funds outside the customer's home market. The decline was somewhat damped by 24 percent higher average fund volumes.

Net interest income increased by SEK 89.2 million to SEK 445.5 million (356.3). The increase is mainly related to higher key interest rates that affected income from surplus liquidity. Higher lending volumes for margin lending and residential mortgages and increased income from Nordnet's stock lending program also contributed positively. The increase was somewhat damped by the higher estimated cost of the government deposit guarantee.

Adjusted operating expenses amounted to SEK 592.8 million (563.4). The increase was mainly attributable to more employees in Tech, Product and the newly established fund company. Operating expenses amounted to SEK 669.2 million (563.4), which was SEK 105.8 million higher than the same period of 2021. The expenses affecting comparability amounted to SEK -76.4 million and consist of a SEK -100 million provision for a potential administrative fine related to shorting, SEK +37.5 million in repaid input VAT in Denmark and SEK -13.9 million in expenses related to the review and upgrade of processes for monitoring transactions and collecting KYC data; see more information on page 14-15. During the same period last year, there were no items affecting comparability that affected profit.

Credit losses remain low and credit quality remains unchanged at a good level. The reported credit losses amounted to SEK -18.3 million (-15.0). The increase is mainly related to changes in provisions regarding expected credit losses, with provisions related to the Corona situation being reversed in the first half of 2021. The increase is also related to changed models for calculating expected credit losses and a new agreement regarding the sale of overdue credits has been signed; also refer to Note 5.

The adjusted operating profit is 27 percent lower compared with the same period last year and amounted to SEK 1,000.3 million (1,365.3), which results in an adjusted operating margin of 62 percent (70). Operating profit is 32 percent lower compared with the same period last year and amounted to SEK 923.9 million (1,365.3), with an operating margin of 57 percent (70). Profit after tax for the period is 33 percent lower compared with the same period last year and amounted to SEK 738 million (1,106.2), resulting in a profit margin of 46 percent (56). Tax on profit for the period was SEK -185.9 million (-259.0), which is a tax of 20.1 percent

(19.0) of operating profit. The higher tax rate is a result of the non-deductible administrative fine.

Financial position

30 June 2022

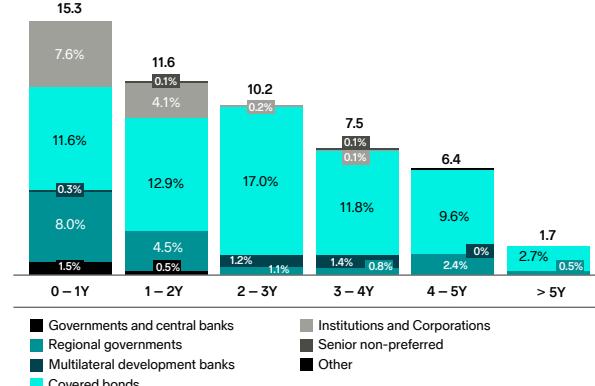
(31 December 2021)

The Nordnet Group's liquidity and capital situation is strong. Cash and cash equivalents amounted to SEK 61.3 billion (53.1) and equity amounted to SEK 5.1 billion (6.0). Own funds that will cover capital requirements in the consolidated situation amount to SEK 3.7 billion (3.8). In addition to the profit for the year, the change in equity is attributable to a dividend paid of SEK 1.4 billion, an issue of warrants of SEK 17.6 million and a buy-back of own shares of SEK 56.5 million. In addition, the market value of the investment portfolios had a negative impact on equity through other comprehensive income of SEK 229.7 million, as an effect of increased credit spreads. See the summary of the Group's comprehensive income on page 18.

Total assets amount to SEK 213.1 million (232.5), a decline of 8 percent, mainly due to a decline in the value of assets where the customers bear the risk. Total assets comprise SEK 124.3 billion (152.2) in assets where the customers bear the risk and where there is a corresponding item on the liability side. The value of these assets has decreased by SEK 27.9 billion since the start of the year. In addition, liquid assets increased by 15 percent during the year, corresponding to SEK 8.1 billion. Lending has increased by SEK 2.5 billion from the start of the year, corresponding to an increase of 9.5 percent. Most of the increased lending can be attributed to Margin lending and Residential mortgages, while Personal loans have been kept at a stable level during the period. Credit losses are at a low and stable level and have not been affected by the higher volatility or increased concerns about higher inflation. Deposits are Nordnet's primary source of financing at the same time that lending amounts to only slightly more than a third of deposits and the remaining liquid-

ty is invested in interest-bearing securities with a high credit quality and high liquidity, with a currency distribution corresponding to the deposits. The principal investment focus of the interest-bearing securities is to hold them to maturity. The maturity structure for the Group's investments in bonds and certificates divided by credit type and interest terms is shown below.

Maturity structure regarding credit category (SEK billion),
30 June 2022¹



Maturity structure regarding interest rate fixation (SEK billion),
30 June 2022¹

Nordnet has a strong and stable capital structure, which together with low risk in the lending and the investments give a good capital situation. Together with Nordnet's low credit risk business model, Nordnet has the prerequisites for a dividend policy of 70 percent of the year's profit.

Financial position	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	Q4 20	Q3 20
Own funds consolidated situation ²	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1	3,102.1	2,951.6	2,389.4
CET 1 ratio ²	13.5%	14.7%	15.3%	18.6%	17.6%	18.2%	18.1%	15.0%
Total capital ratio ²	19.4%	20.9%	21.6%	21.8%	20.9%	21.7%	21.8%	19.0%
Leverage ratio ²	4.23%	4.43%	4.76%	4.44%	4.26%	4.04%	4.02%	3.30%
Lending/deposits ²	38%	39%	39%	39%	38%	36%	34%	32%

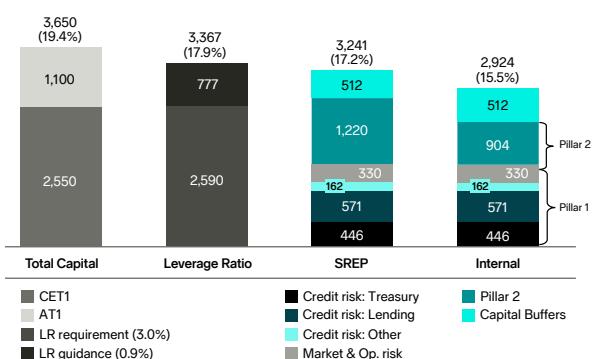
¹ Chart excludes cash and cash equivalents at central banks and credit institutions.

² Refers to consolidated situation.

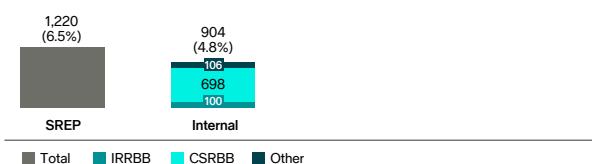
The regulatory capital requirement consists of two parts: the risk-weighted (capital coverage) and the non-risk-weighted (leverage ratio). The risk-weighted capital ratio of the consolidated situation is 19.4 percent (21.6) compared with a total risk-weighted capital requirement of 17.2 percent (17.1) and the leverage ratio is 4.2 percent (4.8). The lower risk-weighted capital ratio for the quarter is largely an effect of Nordnet Bank having a temporary investment in Nordnet Fonders recently launched allocation funds.

The risk-weighted capital requirement can be divided up into three components: pillar 1, pillar 2 and the combined buffer requirement. The pillar 1 requirement largely consists of credit risk and operational risk, where Nordnet applies the standard methods. The pillar 2 requirement is largely attributable to credit spread and interest rate risk in the bank book, which is largely a function of the interest and maturity structure in securities investments of surplus liquidity. The Swedish Financial Supervisory Authority has imposed a capital requirement of 6.47 percent on Nordnet's consolidated situation as a minimum for risks under pillar 2. Nordnet also monitors credit spread and interest rate risk based on internal models (CSRBB and IRRBB). Both the regulatory requirements and the internally calculated needs are illustrated below. For Nordnet, the combined buffer requirement consists of capital conservation buffer and countercyclical capital buffer.

Capital requirements SEK million (RWE%)



Pillar 2 requirement, SEK million (RWE%)



Nordnet's leverage ratio was 4.2 percent (4.8). The minimum requirement for the leverage ratio is 3.0 percent. With the pillar-2 guide of 0.9 percent, this means that Nordnet is recommended to maintain a leverage ratio of more than 3.9 percent. The guide only relates to the consolidated situation. It does not constitute a requirement and a violation of it does not automatically mean that the Swedish Financial Supervisory Authority would take action.

For Nordnet, the leverage ratio is indirectly driven by deposits. With a leverage ratio of 4.2 percent at 30 June, deposits can increase by SEK 35.3 billion or 46 percent without the leverage ratio dropping below the minimum requirement of 3.0 percent, and SEK 7.3 billion or 10 percent to not go below the Swedish Financial Supervisory Authority's guide for the leverage ratio of 3.9 percent in total.

If deposits were to increase stronger than that in a short period of time, Nordnet has readiness to quickly be able to handle further deposits of SEK 13.1 billion as at 30 June 2022. In total, this provides a readiness in relation to the minimum regulatory requirement to handle SEK 48.4 billion in further deposits, equivalent to an increase of around 64 percent.

Cash flow

January – June 2022

(January – June 2021)

Cash flow from operating activities was positively impacted during the year by greater liquidity on customer deposits of SEK 5,302.3 million (3,765.8), but was negatively impacted by greater lending of SEK -2,277.1 million (-4,218.7). During the quarter, cash flow in investing activities was negative due to increased investments in bonds and other fixed-income securities for SEK -4,915.4 million (-2,913.3). Cash flow from financing activities was negatively affected by the buy-back of own shares of SEK -56.5 million.

Parent Company

January – June 2022

(January – June 2021)

Nordnet AB (publ) is a holding company and conducts no operations beyond its role as the owner of Nordnet Bank AB and Nordnet Incentive AB. Operating income for January–June 2022 amounted to SEK 9.2 million (9.1) and relates to Group-internal administrative services. The Parent Company's profit after financial items for the period January–June 2022 amounted to SEK 1,383.8 million (-0.8). The Parent Company's cash and cash equivalents amounted to SEK 16.9 million (16.8 at 31 December 2021), and shareholders' equity to SEK 2,353.6 million (2,425.2 at 31 December 2021).

Significant risks and uncertainty factors

Risk taking is an essential part of Nordnet's business. Nordnet's profitability is directly dependent on its capacity to identify, analyse, control and price risk.

Risk management in Nordnet serves several purposes. Partly to achieve desired profitability and growth, given a deliberately accepted level of risk and to maintain a high level of trust from customers and the external community. A trust that is essential for Nordnet's long-term profitability and existence.

How risk management is conducted is described in the risk management framework. The framework describes the strategies, processes, procedures, internal regulations, limits, controls and reporting procedures related to risk management. Combined, these are intended to ensure that Nordnet can, on an on-going basis, identify, measure, guide, internally report and maintain control over the risks to which Nordnet is, or is likely to be, exposed. A detailed description of Nordnet's risk exposure and risk management can be found in the 2021 Annual Report, Note 7.

Special comment on Russia's invasion of Ukraine

Russia's invasion of Ukraine is one of several factors that has led to a changed macroeconomic situation, which has reduced interest in savings and investments among private individuals. Inflation, a higher interest rate level and high energy prices are making

most people tighten their belts, and in many cases, the focus of private finances is more on making ends meet than investing in shares and mutual funds. Combined with lower stock prices, this entails lower commission income for Nordnet; an effect that, of course, can last as long as previously mentioned factors do not change. However, a rising interest rate environment entails higher income through better returns on Nordnet's surplus liquidity and higher earnings in lending operations. Nordnet as a company has no direct exposures to Russia or Ukraine. The company's customers have certain holdings in mutual funds and other securities with links to Russia, which Nordnet has handled according to what is standard in the market. There are no credit losses within Nordnet's operations as a result of Russia's invasion of Ukraine, and the company's cash flows or financial position has not been significantly affected by the situation.

Investigation by the Swedish Financial Supervisory Authority

On 25 May, the Swedish Financial Supervisory Authority decided to issue a remark to Nordnet along with an administrative fine of SEK 100 million. The case was originally initiated in March 2021 and relates to internal governance and control regarding intraday shorting transactions. Nordnet has appealed the decision.

However, the Swedish Financial Supervisory Authority dismissed Nordnet's appeal on the grounds that the Authority considers that the appeal was received too late. Nordnet does not share this view and, at the beginning of July, appealed the decision to dismiss it to the Administrative Court in Stockholm. Consequently, the matter has not been finally decided, although Nordnet has made a provision for the entire fine amount of SEK 100 million in profit for the second quarter.

Other company events

Projects to obtain customer documentation and process update the AML system

In our financial report for the third quarter of 2021, we announced that, in relation to today's rules on anti-money laundering, Nordnet lacked the requisite documentation for a number of customers, and that we therefore probably needed to end a number of customer rela-

tionships. At the start of the due diligence project in autumn 2021, it was announced that the maximum negative outcome amounted to 75,000 terminated customers and SEK 7.9 billion in transferred savings capital. The project has now been completed and a total of 53,000 customer relationships were ended during the process. Regarding savings capital, SEK 430 million has been moved out as a result of the project.

In order to be even more effective in the work against money laundering and terrorist financing, Nordnet began work of a one-time nature in the first quarter of 2022, including reviewing and upgrading processes for monitoring transactions and collecting KYC data. The project is expected to be completed in 2022, and the total cost is estimated at SEK 25-30 million, which will be reported as an item affecting comparability. To date, the cost amounts to SEK 14 million.

Shares and shareholders

The number of shares outstanding was 249,625,000 as at 30 June 2022. At market close on 30 June 2021, the share price was SEK 133.70, which is a decrease by 22.98 percent since year-end. Since 25 November 2020, Nordnet AB (publ) has been listed on the Nasdaq Stockholm Large Cap list under the ticker SAVE. At 30 June 2022, the company had 26,964 shareholders, compared with 29,173 at 30 June 2021.

Annual General Meeting

At the Annual General Meeting held on 28 April 2022, Tom Dinkelspiel, Anna Bäck, Karitha Ericson, Christian Frick, Charlotta Nilsson and Per Widerström were re-elected as ordinary members of the Board for the period until the end of the next Annual General Meeting. Tom Dinkelspiel was re-elected as the Chairman of the Board. Gustaf Unger was elected as an ordinary Board member for the period until the end of the next Annual General Meeting. Hans Larsson and Jan Dinkelspiel had declined re-election.

In addition, the Board's proposal for a dividend of SEK 5.56 per share was approved.

Share-based incentive programs

The Annual General Meeting also resolved to establish a new incentive program 2022/2025 for all of the Nordnet

Group's employees. A total of 974,988 warrants were issued. The number of warrants issued to each participant depends on the respective participant's function in the Group. The program runs for three (3) years and every warrant can be utilized to subscribe to one (1) share in Nordnet AB (publ). For the warrants, the subscription price was 120 percent of the closing price of the company's share on Nasdaq Stockholm on 6 May 2022. The warrants were transferred on market terms at a fair value determined using the Black & Scholes valuation model. The program may cause a maximum dilution effect of less than half a percent of the company's share capital.

There were already two warrant programs, 2020/2023 and 2021/2024, covering a total of 6,717,418 warrants.

Employees

As of 30 June 2022, there were 673 full-time employees at Nordnet (648 as of 31 December 2021). Full-time employees include temporary employees but not employees on parental or other leave. The average number of employees for the period January-June was 697 (637 during the period January-June 2021). In addition to the number of full-time positions, the number of employees also includes staff on parental leave and leaves of absence. The increase was mainly attributable to more employees in Tech, Product and the newly established fund company.

Related party transactions

E. Öhman J:or AB with subsidiaries ("Öhman Group") are closely related to Nordnet AB (publ). The Öhman Group's owners, which among themselves have family relationships, also have a direct holding in Nordnet AB (publ). Nordnet Bank AB and Nordnet Pensionsförsäkring AB regularly enters into business relations with Öhman Group in the same way as with other financial players. For additional information, please refer to Note 6 in the 2021 Annual Report.

Events after 30 June, 2022

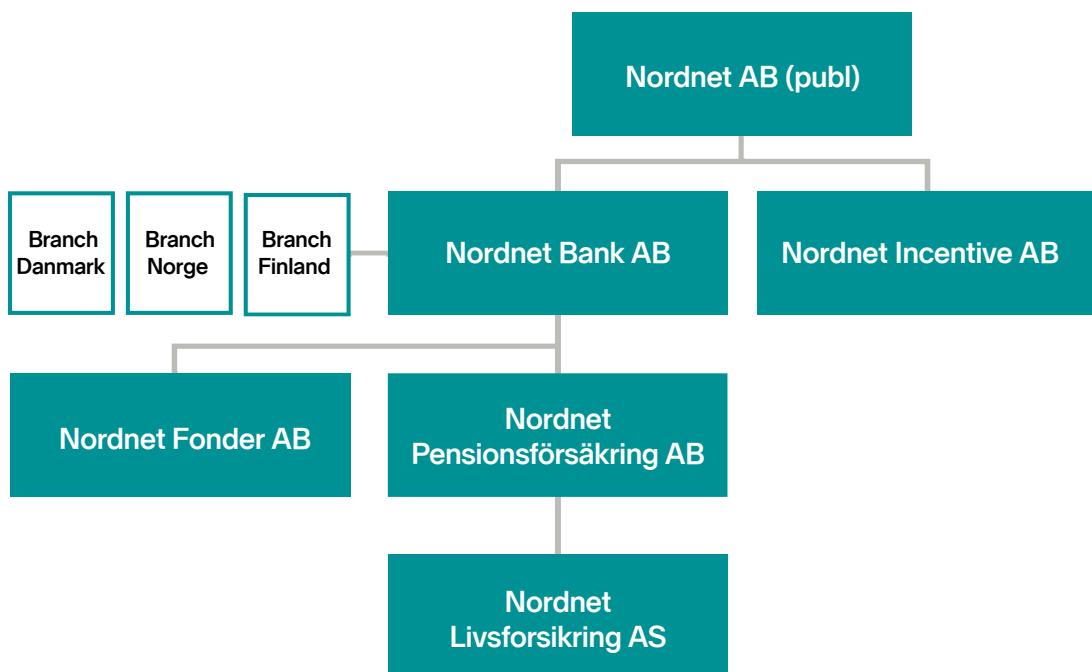
No significant events have occurred after the end of the reporting period.

Upcoming report events

Interim Report January–September	28 October 2022
Year-end report	31 January 2023
Annual and Sustainability Report	16 March 2023
Annual General Meeting	18 April 2023
Interim Report January–March	25 April 2023

Group overview

The illustration below shows the Nordnet Group chart as at 30 June 2022.



Items affecting comparability

SEK million	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21	2021	2020	2019	2018	2017
Acquisition of Netfonds									-35.3	-15.9	
Deduction right VAT		37.5					37.5		-20.0	-30.3	
AML/process upgrade	-9.6	-4.3					-13.9				
Sanction from SFSA	100						100				
Expenses related to the IPO								-109.3			
Revaluation of the shareholdings in Tink AB								65.8			
Total	-109.6	33.3	0	0	0	0	-76.4	0	-129.3	0.5	-15.9



Financial Statements.

Financial statements.

Consolidated income statement

SEK million	Note	3 months	3 months	3 months	6 months	6 months	12 months
		Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Commission income	3	615.0	763.6	851.5	1,466.4	1,929.3	3,476.4
Commission expenses	3	-149.4	-178.8	-198.6	-348.0	-417.6	-746.8
Interest income	4	340.4	230.8	294.0	634.4	441.6	945.2
Interest expenses	4	-100.3	-45.1	-88.6	-188.9	-85.3	-217.9
Net result of financial transactions		-1.1	8.8	-5.9	-7.0	8.7	18.0
Other operating income		23.3	53.2	38.1	61.4	72.0	163.7
Total operating income		727.8	832.6	890.4	1,618.3	1,948.7	3,628.4
General administrative expenses		-352.9	-229.8	-211.3	-564.2	-458.7	-917.5
Depreciation, amortization and impairments of intangibles and equipment		-41.7	-39.6	-43.0	-84.6	-79.2	-162.7
Other operating expenses		-10.8	-14.0	-9.6	-20.4	-25.5	-60.7
Total expenses before credit losses and imposed levies		-405.3	-283.5	-263.8	-669.2	-563.4	-1,140.9
Profit before credit losses and imposed levies		322.5	549.1	626.6	949.1	1,385.3	2,497.6
Credit losses, net	5	-8.8	-10.9	-9.6	-18.3	-15.0	-36.3
Imposed levies: resolution fees		-3.3	-2.5	-3.6	-6.9	-5.0	10.1
Operating profit		310.5	535.7	613.4	923.9	1,365.3	2,451.2
Tax on profit for the period		-73.6	-95.3	-112.3	-185.9	-259.0	-466.5
Profit for the period		236.8	440.4	501.1	738.0	1,106.2	1,984.7
Earnings per share before dilution, SEK	10	0.89	1.73	1.95	2.84	4.36	7.79
Earnings per share after dilution, SEK	10	0.88	1.72	1.94	2.82	4.34	7.79
Average number of shares before dilution	10	249,875,000	250,000,000	249,875,000	249,750,000	250,000,000	250,000,000
Average number of shares after dilution	10	251,040,269	251,029,051	250,916,782	250,962,950	250,902,081	251,146,045

Consolidated statement of other comprehensive income

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Profit for the period	236.8	440.4	501.1	738.0	1,106.2	1,984.7
Items that will be reversed to the income statement						
Changes in value of financial assets recognized at fair value through other comprehensive income	-157.0	-2.5	-72.7	-229.7	-4.2	-3.6
Tax on changes in value of financial assets recognized at fair value through other comprehensive income	32.3	0.6	15.0	47.3	0.9	0.7
Translation of foreign operations	-17.6	-11.8	35.4	17.8	19.6	45.0
Tax on translation of foreign operations	-0.6	0.3	-1.8	-2.4	-1.8	-3.1
Total other comprehensive income after tax	-142.9	-13.4	-24.1	-166.9	14.5	39.0
Total profit or loss and other comprehensive income ¹	94.0	427.0	477.0	571.1	1,120.7	2,023.7

¹ The entire profit accrues to the Parent Company's shareholders.

Consolidated balance sheet

SEK million	Note	30/06/2022	31/12/2021
Assets			
Cash and balances in central banks		5,727.1	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing		38,796.7	33,702.7
Loans to credit institutions		1,063.8	644.8
Loans to the general public	5	28,826.5	26,326.2
Bonds and other interest bearing securities		10,542.2	10,978.3
Shares and participations		74.0	5.2
Assets for which customers bear the investment risk		124,303.8	152,165.5
Intangible fixed assets		938.0	920.7
Tangible fixed assets		257.2	285.3
Deferred taxed assets		1.1	0.9
Current tax assets		17.7	0.6
Other assets		2,143.8	2,906.3
Prepaid expenses and accrued income		395.4	357.9
Total assets		213,087.2	232,544.2
Liabilities			
Deposits and borrowing from the general public		71,085.6	64,286.7
Liabilities for which customers bear the investment risk		124,309.9	152,168.3
Other liabilities		11,686.2	9,468.7
Current tax liabilities		490.2	327.6
Deferred tax liabilities		62.8	65.7
Accrued expenses and deferred income		347.9	237.1
Total liabilities		207,982.6	226,554.1
Equity			
Share capital		1.2	1.2
Additional Tier 1 (AT1) capital		1,100.0	1,100.0
Other capital contributions		7,086.8	7,125.9
Other reserves		-228.3	-61.4
Retained earnings/cumulative losses including profit and loss for the period		-2,855.1	-2,175.6
Total equity		5,104.5	5,990.1
Total liabilities and equity		213,087.2	232,544.2

Consolidated statement of changes in equity

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2022	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1
Profit after tax reported in the income statement	-	-	-	-	738.0	738.0
Other comprehensive income after tax	-	-	-	-166.9	-	-166.9
Total comprehensive income	-	-	-	-166.9	738.0	571.1
Transactions reported directly in equity						
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-	-0.7	-0.7
Tax on transaction cost with issue of Tier 1 capital	-	-	-	-	0.1	0.1
Interest on Tier 1 capital	-	-	-	-	-29.0	-29.0
Repurchase of own shares	-	-	-56.5	-	-	-56.5
Issue of warrants	-	-	17.6	-	-	17.6
Repurchase of warrants	-	-	-0.3	-	-	-0.3
Dividend	-	-	-	-	-1,387.9	-1,387.9
Total transactions reported directly in equity	-	-	-39.2	-	-1,417.5	-1,456.7
Equity carried forward 30 June 2022	1.2	1,100.0	7,086.8	-228.3	-2,855.1	5,104.6

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2021	1.2	500.0	7,112.4	-100.4	-3,301.5	4,211.7
Profit after tax reported in the income statement	-	-	-	-	1,106.2	1,106.2
Comprehensive income after tax	-	-	-	14.5	-	14.5
Total comprehensive income	-	-	-	14.5	1,106.2	1,120.7
Transactions reported directly in equity						
Interest on Tier 1 capital	-	-	-	-	-17.0	-17.0
Dividend	-	-	-	-	-377.5	-377.5
Total transactions reported directly in equity	-	-	-	-	-394.5	-394.5
Equity carried forward 30 June 2021	1.2	500.0	7,112.4	-85.9	-2,589.8	4,937.9

Consolidated statement of changes in equity

SEK million	Share capital	Additional Tier 1 (AT1) capital	Other contributed capital	Other reserves	Retained earnings including profit for the year	Total equity
Equity brought forward 1 January 2021	1.2	500.0	7,112.4	-100.4	-3,301.5	4,211.7
Profit after tax reported in the income statement	-	-	-	-	1,984.7	1,984.7
Other comprehensive income after tax	-	-	-	39.0	-	39.0
Total comprehensive income	-	-	-	39.0	1,984.7	2,023.7
Transactions reported directly in equity						
Issue of Tier 1 capital ¹	-	600.0	-	-	-	600.0
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-	-2.1	-2.1
Tax on transaction cost with issue of Tier 1 capital	-	-	-	-	0.4	0.4
Issue of warrants	-	-	13.5	-	-	13.5
Interest on Tier 1 capital	-	-	-	-	-37.1	-37.1
Dividend	-	-	-	-	-820.0	-820.0
Total transactions reported directly in equity	-	600.0	13.5	-	-858.8	-245.3
Equity carried forward 31 December 2021	1.2	1,100.0	7,125.9	-61.4	-2,175.6	5,990.1

¹ Issue of Tier 1 capital of SEK 600 million. The bonds have an indefinite maturity, with the first redemption after five years and runs with interest of three-month Stibor + 3,90 percent. The bonds are listed on Nasdaq Stockholm.

Consolidated cash flow

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating activities						
Cash flow from operating activities before changes in working capital	218.4	459.2	803.1	1,021.5	1,378.0	2,089.6
Cash flow from changes in working capital	3,718.8	1,555.6	3,563.4	7,282.2	2,125.5	11,522.6
Cash flow from operating activities	3,937.2	2,014.9	4,366.5	8,303.7	3,503.5	13,612.2
Investing activities						
Purchases and disposals of intangible and tangible fixed assets	-37.0	-40.7	-37.1	-74.1	-88.3	-167.6
Net investments in financial instruments	-666.5	-1,685.3	-4,248.9	-4,915.4	-2,913.3	-12,032.7
Cash flow from investing activities	-703.5	-1,726.0	-4,286.0	-4,989.5	-3,001.6	-12,200.3
Financing activities						
Cash flow from financing activities	-1,369.5	-380.0	3.2	-1,366.3	-382.2	-236.8
Repurchase of shares	-	-	-56.5	-56.5	-	-
Cash flow for the period	1,864.2	-91.1	27.3	1,891.4	119.7	1,175.1
Cash and cash equivalents at the start of the period						
Exchange rate difference for cash and cash equivalents	1.2	-5.5	3.6	4.8	11.3	15.5
Cash and cash equivalents at the end of the period¹	6,790.8	3,835.0	4,925.5	6,790.8	3,835.0	4,894.6
whereof cash and cash equivalents in Central Banks	5,727.1	3,315.4	4,437.8	5,727.1	3,315.4	4,249.8
whereof loans to credit institutions	1,063.8	519.6	487.7	1,063.8	519.6	644.8

¹ This amount includes blocked funds of SEK 434 million (525).

Parent Company income statement

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net sales	4.7	4.6	4.5	9.2	9.1	17.5
Total operating income	4.7	4.6	4.5	9.2	9.1	17.5
Other external costs	-3.7	-2.0	-3.0	-6.7	-1.5	-6.2
Personnel costs	-3.5	-3.3	-3.2	-6.7	-6.7	-13.2
Other operating expenses	-0.8	-0.7	-1.0	-1.8	-1.3	-2.5
Total operating expenses	-8.0	-6.0	-7.2	-15.2	-9.6	-21.9
Operating profit	-3.3	-1.4	-2.7	-6.0	-0.4	-4.4
Result from financial investments:						
Result from participations in Group companies	1,390.1	-	-	1,390.1	-	305.9
Interest expense and similar items	-0.2	-0.2	0.0	-0.2	-0.4	-0.8
Result from financial investments	1,389.9	-0.2	0.0	1,389.9	-0.4	305.0
Profit after financial items	1,386.6	-1.5	-2.7	1,383.9	-0.8	300.7
Tax on profit for the year	0.6	0.2	0.5	1.1	0.0	-0.3
Profit for the period	1,387.2	-1.3	-2.2	1,385.0	-0.8	300.4
Items that will be reversed to the income statement	-	-	-	-	-	-
Total other comprehensive income after tax	-	-	-	-	-	-
Total profit or loss and other comprehensive income	1,387.2	-1.3	-2.2	1,385.0	-0.8	300.4

Parent Company balance sheet

SEK million	30/06/2022	31/12/2021
Assets		
Financial fixed assets	2,412.8	2,409.2
Current assets	6.7	11.0
Cash and bank balances	16.9	16.8
Total assets	2,436.4	2,436.9
Equity and liabilities		
Restricted equity	1.2	1.2
Non-restricted equity	2,352.4	2,424.0
Current liabilities	82.8	11.7
Total equity and total liabilities	2,436.4	2,436.9

Notes.

Note 1 Accounting principles

This Interim Report for the Group has been compiled in accordance with IAS 34, Interim Financial Reporting. In addition, the Group adheres to the Annual Accounts Act of Credit Institutions and Securities Companies and the Financial Supervisory Authority's regulations (FFFS 2008:25) and RFR 1 Supplementary Accounting Rules for Groups. The Parent Company's Interim Report has been prepared in accordance with the Swedish Annual Accounts Act (1995:1554) and with application of the Swedish Financial Reporting Boards RFR 2 Accounting for legal entities.

The accounting principles applied in this Interim Report are those described in the 2021 Nordnet Annual Report, Note 5, the section entitled "Accounting principles applied". The accounting principles and bases of calculation applied remain unchanged compared with the 2021 Annual Report, except for the following amendments.

As of 1 June 2022, Nordnet has made a change in the presentation of the income statement and, accordingly, the comparison figures have also been restated. The Group has changed the presentation of the income statement by adding a new line, Fees charged; resolution fees for the income statement to be in line with industry practice. Resolution fees were previously reported within net interest. The line "Profit before credit losses" has been changed to "Profit before credit losses and resolution fees". The purpose of the changes is to clarify the reporting and to facilitate the comparison of operating profit between time periods.

The changes in the presentation have not affected the Group's earnings or equity. In order to reflect the current reporting and decision-making process, Nordnet has changed the presentation of reportable operating segments. For more information, please see Note 6 Segment.

Standards that will come into force in 2023 and beyond

IFRS 17 Insurance Contracts and IFRS 4 Insurance Contracts

The standard will replace IFRS 4 Insurance Contracts and aims at creating a uniform method of accounting for all types of insurance contracts, a higher degree of transparency of insurance companies' earnings

and increased comparability between companies and countries. IFRS 17 was published in May 2017, updated in June 2020, and applied from 1 January 2023.

IFRS 17 establishes principles for the recognition, presentation, measurement and disclosure of insurance contracts. IFRS 17 does not apply to accounting in a legal entity, but only at a Group level, as IFRS 17 is not compatible with the Annual Accounts Act for Insurance Companies. In a legal entity, insurance and investment agreements will continue to be reported as previously. Consequently, IFRS 17 will not have any significant impact on Nordnet's financial statements.

Note 2 Revenue from contracts with customers

Jan-Jun 2022	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	218.7	212.9	193.4	262.5	887.5
Commission income - non transaction-related	143.0	93.3	19.3	12.0	267.6
Currency exchange income	69.2	77.2	84.5	42.2	273.1
Other commission income	15.9	9.7	6.3	6.3	38.2
Income associated with IPOs and company events	6.8	4.3	0.9	14.5	26.5
Other operating income	16.6	5.5	10.3	6.4	38.8
Total	470.3	402.9	314.6	343.9	1,531.7

Timing of revenue recognition	Sweden	Norway	Denmark	Finland	Total
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	470.3	402.9	314.6	343.9	1,531.7

Jan-Jun 2021	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	264.8	273.9	313.0	338.2	1,189.9
Commission income - non transaction-related	143.5	80.3	13.9	10.0	247.8
Currency exchange income	109.5	116.7	146.2	74.2	446.6
Other commission income	17.9	8.8	10.9	7.4	45.0
Income associated with IPOs and company events	17.6	3.9	10.6	18.7	50.8
Other operating income	5.3	3.0	4.0	7.1	19.4
Total	558.5	486.6	498.7	455.6	1,999.5

Timing of revenue recognition	Sweden	Norway	Denmark	Finland	Total
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	558.5	486.6	498.7	455.6	1,999.5

Jan-Dec 2021	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	488.8	460.4	532.2	603.8	2,085.1
Commission income - non transaction-related	307.1	178.5	33.2	22.8	541.6
Currency exchange income	186.2	198.3	244.3	123.0	751.9
Other commission income	39.5	18.4	23.8	16.1	97.8
Income associated with IPOs and company events	33.6	7.2	16.0	58.1	115.0
Other operating income	13.0	6.5	9.6	13.0	42.0
Total	1,068.2	869.3	859.1	836.8	3,633.3

Timing of revenue recognition	Sweden	Norway	Denmark	Finland	Total
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	1,068.2	869.3	859.1	836.8	3,633.3

Note 3 Net commission income

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Commission income						
Commission income - transaction related ¹	353.5	452.6	534.1	887.5	1,189.9	2,085.1
Commission income - not transaction related ²	147.5	154.5	158.3	305.8	292.8	639.4
Currency exchange income	114.0	156.5	159.1	273.1	446.6	751.9
Total commission income	615.0	763.6	851.5	1,466.4	1,929.3	3,476.4
Commission expenses						
Commission expenses - transaction related	-96.0	-131.1	-144.0	-240.0	-323.1	-546.4
Commission expenses - not transaction related	-50.2	-47.7	-53.1	-103.4	-94.5	-200.4
Other commission expenses	-3.2	-	-1.5	-4.6	-	-
Commission expenses	-149.4	-178.8	-198.6	-348.0	-417.6	-746.8
Net commission income	465.5	584.8	652.9	1,118.4	1,511.7	2,729.6

¹ Refers to brokerage income

² Primarily pertains to commission income from mutual fund savings

Note 4 Net interest income

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Interest income according to the effective interest rate method						
Loans to credit institutions	45.6	37.9	42.9	88.6	68.0	158.7
Interest bearing securities	100.7	16.6	61.8	162.5	31.6	84.2
Loans to the general public	191.7	174.0	187.6	379.3	336.6	691.1
Other interest income	2.4	2.4	1.6	4.0	5.4	11.2
Total interest income	340.4	230.8	294.0	634.4	441.6	945.2
Interest expenses						
Liabilities to credit institutions	-5.2	-3.4	-5.4	-10.6	-8.3	-21.8
Interest bearing securities	-60.0	-15.2	-49.7	-109.7	-28.3	-74.4
Deposits and borrowing from the general public	-0.3	-0.1	-0.2	-0.5	-0.3	-0.2
Other interest expenses	-34.7	-26.3	-33.3	-68.1	-48.4	-121.5
Total interest expenses	-100.3	-45.1	-88.6	-188.9	-85.3	-217.9
Net interest income	240.2	185.7	205.4	445.5	356.3	727.3

Note 5 Loans to the public

Total lending amounts to SEK 28,826.5 million (26,326.2) as at 31 December 2021, of which SEK 2,145.7 million (950.3 as at 31 December 2021) consists of lending to the public that is fully covered by pledged cash and cash equivalents in endowment insurance and investment savings accounts (ISA). Above all, Residential mortgages have increased as a consequence of being a competitive product with the market's lowest interest rate.

Lending to the general public is reported after deduction of realized and expected credit losses. At the end of the period, the total provision for expected credit losses amounted to SEK 104.1 million (105.2 as at 31 December 2021). The total provision was largely unchanged compared with the previous quarter but decreased by SEK 3.5 million compared with the corresponding quarter in 2021.

The credit loss provisions for margin lending amount to SEK 10.7 million (11.8 as of 31 December 2021). The lower provision for margin lending is primarily a function of a small number of older provisions being reclassified to confirmed credit losses and custody accounts being closed due to deficiencies in customer information during Q1 2022. The volume-weighted average loan-to-value ratio in customers' custody accounts with a credit limit was 40.4 percent (36.2).

The credit loss provisions for residential mortgages amount to SEK 3.2 million (3.2 as of 31 December 2021). The provisions have remained largely unchanged since 31 December 2021. The credit risk in Nordnet's mortgage lending portfolio is deemed to be low and Nordnet has not yet had any default in the portfolio. Nordnet offers residential mortgages on the Swedish market with a maximum LTV of 60 percent. Nordnet offers residential mortgages to employees in Sweden with a maximum LTV of 75 percent. The average loan-to-value ratios for residential mortgages amounted to 43.0 percent at 30 June 2022 (41.1 at 31 December 2021). During the second quarter, the trend of rising housing prices for villas and tenant-owner apartments was broken. Uncertainty remains high, but nearly half of Swedish households believe in falling housing prices in the coming year. Nordnet is carefully monitoring developments, but based on the low maximum loan-to-value ratio offered, there are no elevated risks as a result.

The credit loss provisions for personal loans amount to SEK 90.2 million (90.2 as of 31 December 2021). The provision for personal loans remained largely unchanged over the year, but decreased in the second quarter mainly due to decreased lending in the first half of 2022. The level of risk in the portfolio is stable.

Loans, MSEK	30/06/2022	31/03/2022	Change %	31/12/2021	Change %
Margin loans	14,526.1	14,672.6	-1.0%	13,325.3	9.0%
Residential mortgage	10,265.3	9,570.8	7.3%	8,868.4	15.8%
Personal loans	4,035.1	4,107.3	-1.8%	4,132.5	-2.4%
Total lending to the public	28,826.5	28,350.7	1.7%	26,326.2	9.5%
whereof credits covered by pledged cash and cash equivalents	2,145.7	1,823.3	17.7%	950.3	125.8%

Credit loss reserve 30/06/2022	Stage 1	Stage 2	Stage 3	Total
Amortized cost	28,175.6	624.2	130.9	28,930.7
Provisions for expected credit losses	-21.5	-23.2	-59.5	-104.1
Total lending to the public	28,154.1	601.0	71.4	28,826.5

Credit loss reserve 31/12/2021	Stage 1	Stage 2	Stage 3	Total
Amortized cost	25,848.2	454.7	128.5	26,431.4
Provisions for expected credit losses	-24.0	-21.2	-60.0	-105.2
Total lending to the public	25,824.2	433.5	68.5	26,326.2

Cont. Note 5 Loans to the public

The manual downward provision adjustment of SEK 2.0 million introduced for personal loans in the first quarter in light of the fact that model validations showed that the risk of default is overestimated remains on the same basis as before. An effort is under way to recalibrate the bank's PD models for personal loans, and the project is expected to be completed in Q4. The manual provision adjustment is expected to remain in place until the project is completed and implemented in the bank's IFRS 9 model.

Nordnet reports provisions for credit losses on financial assets valued at amortized cost.

For all credit products, Nordnet has developed statistical models that consist of a combination of historical, current, future-oriented and macroeconomic data and benchmarks deemed relevant by Nordnet, as well as external data from multiple sources to be able to measure the credit risk and assess the potential risk of default. Measurement of credit exposure and calculation of expected credit losses are complex and include the use of models that are based on the probability of default, exposure at default and loss given default.

The calculation of expected credit losses includes future-oriented information with macro variables based on different scenarios. The forecasts for the three scenarios – base, positive and negative are based on different assumptions regarding future unemployment and economic recovery.

The invasion in Ukraine has caused considerable unease around the world, together with rising inflation and falling housing prices, there is uncertainty in the market that Nordnet is closely monitoring. Currently, the assessment is that the scenario weights do not need to be adjusted based on the facts that:

- The model for private loans includes changed unemployment forecasts and actual unemployment thus take into account a changing economy.
- As the stock market is forward-looking and has priced in higher inflation, increasing interest rates, weaker GDP and profits, clients with securities lending are monito-

red daily and forcibly adjusted if necessary to handle credit risk.

- No tendency to impaired ability to pay among the bank's customers have been noticed.

The following scenario weights have been applied since October 2021:

Scenario	Weighting
Positive	25%
Base	50%
Negative	25%

Note 6 Group - Segments

Jan-Jun 2022					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	344.1	263.2	257.2	254.0	1,118.4
Net interest income	241.2	144.4	45.9	13.9	445.4
Net result after financial transactions	-7.9	0.7	0.2	0.0	-7.0
Other interest income	18.5	10.5	11.3	21.1	61.4
Total operating income	595.9	418.8	314.5	288.9	1,618.2
Total operating expenses	-332.9	-130.1	-89.6	-116.6	-669.2
Total expenses before credit losses	-332.9	-130.1	-89.6	-116.6	-669.2
Profit before credit losses	263.0	288.6	225.0	172.3	949.0
Credit losses, net	-17.7	-0.5	0.1	-0.2	-18.3
Imposed levies: resolution fees	-1.7	-1.1	-1.9	-2.0	-6.7
Operating profit	243.6	287.0	223.2	170.1	923.9
Jan-Jun 2021					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	420.9	320.3	420.6	349.9	1,511.7
Net interest income	225.5	81.7	37.9	11.1	356.3
Net result after financial transactions	7.6	2.9	0.8	-2.5	8.7
Other interest income	23.1	7.9	15.0	26.1	72.0
Total operating income	677.1	412.7	474.3	384.6	1,948.7
Total operating expenses	-220.8	-121.2	-108.7	-112.7	-563.4
Total expenses before credit losses	-220.8	-121.2	-108.7	-112.7	-563.4
Profit before credit losses	456.3	291.5	365.7	271.9	1,385.3
Credit losses, net	-13.0	-1.5	-0.7	0.1	-15.0
Imposed levies: resolution fees	-1.4	-0.8	-1.4	-1.4	-5.0
Operating profit	441.9	289.2	363.6	270.5	1,365.3
Jan-Dec 2021					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	805.5	562.2	745.8	616.1	2,729.6
Net interest income	458.6	171.4	75.8	21.4	727.2
Net result after financial transactions	15.4	1.8	0.9	-0.1	18.0
Other interest income	47.4	15.5	27.4	73.4	163.7
Total operating income	1,327.0	750.8	849.9	710.8	3,638.5
Total operating expenses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Total expenses before credit losses	-448.1	-243.3	-223.1	-226.5	-1,140.9
Profit before credit losses	878.9	507.5	626.9	484.3	2,497.6
Credit losses, net	-35.7	-1.4	0.3	0.5	-36.3
Imposed levies: resolution fees	-2.8	-1.7	-2.8	-2.8	-10.1
Operating profit	840.4	504.4	624.4	482.0	2,451.2

Note 7 Group – Financial instruments

Categorization of financial instruments

Assets	30/06/2022	Fair value through consolidated income statement				Total
		Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	
Cash and balances in central banks	5,727.1	-	-	-	-	5,727.1
Treasury bills and other interest bearing securities eligible for refinancing ¹	16,205.4	-	-	22,591.3	-	38,796.7
Loans to credit institutions	1,063.8	-	-	-	-	1,063.8
Loans to the general public	28,826.5	-	-	-	-	28,826.5
Bonds and other interest bearing securities	236.7	-	-	10,305.4	-	10,542.2
Shares and participations, listed	-	73.3	-	-	-	73.3
Shares and participations, non-listed	-	0.7	-	-	-	0.7
Assests for which customers bear the investment risk ²	1,667.8	-	119,147.1	3,488.9	-	124,303.8
Other assets	2,143.8	-	-	-	17.7	2,161.5
Accrued income	311.6	-	-	-	-	311.6
Total assets	56,182.7	74.0	119,147.1	36,385.7	17.7	211,807.2
Liabilities						
Deposits and borrowing from the general public	71,085.6	-	-	-	-	71,085.6
Liabilities for which customers bear the investment risk	-	-	124,309.9	-	-	124,309.9
Other liabilities	11,686.2	-	-	-	553.0	12,239.1
Accrued expenses	347.9	-	-	-	-	347.9
Total liabilities	83,119.7	-	124,309.9	-	553.0	207,982.6

¹ The market value amounts to SEK 16,205.1 million

² SEK 3,488.9 million refers to re-investments in bonds and SEK 1,667.8 million refers to cash and cash equivalents.

Assets	31/12/2021	Fair value through consolidated income statement				Total
		Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	
Cash and balances in Central banks	4,249.8	-	-	-	-	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing ¹	17,413.6 ¹	-	-	16,289.1	-	33,702.7
Loans to credit institutions	644.8	-	-	-	-	644.8
Loans to the general public	26,326.2	-	-	-	-	26,326.2
Bonds and other interest bearing securities	299.0	-	-	10,679.2	-	10,978.3
Shares and participations, listed	-	4.4	-	-	-	4.4
Shares and participations, non-listed	-	0.7	-	-	-	0.7
Assests for which customers bear the investment risk ²	1,893.2	-	148,561.6	1,710.7	-	152,165.5
Other assets	2,906.3	-	-	-	0.6	2,906.9
Accrued income	294.0	-	-	-	-	294.0
Total assets	54,027.0	5.2	148,561.6	28,679.0	0.6	231,273.3
Liabilities						
Deposits and borrowing from the general public	64,286.7	-	-	-	-	64,286.7
Liabilities for which customers bear the investment risk	-	-	152,168.3	-	-	152,168.3
Other liabilities	9,468.7	-	-	-	393.2	9,862.0
Accrued expenses	237.1	-	-	-	-	237.1
Total liabilities	73,992.5	-	152,168.3	-	393.2	226,554.1

¹ The market value amounts to SEK 17,480.8 million

² SEK 1,710.7 million refers to re-investments in bonds and SEK 1,893.2 million refers to cash and cash equivalents.

Cont. Note 7 Group – Financial instruments

Determination of fair value of financial instruments

When the Group determines fair values for financial instruments, different methods are used depending on the degree of observability of market data in the valuation and the market activity. An active market is considered either a regulated or reliable trading venue where quoted prices are easily accessible with regularity. An ongoing assessment of the activity is done by analysing factors such as differences in buying and selling prices.

The methods are divided into three different levels:

Level 1 – Financial assets and financial liabilities measured on the basis of unadjusted listed prices from an active market for identical assets or liabilities.

Level 2 – Financial assets and financial liabilities measured on the basis of input data other than that included in Level 1, either directly (prices) or indirectly (derived from prices) observable. Instruments in this category are measured applying:

- a) Quoted prices for similar assets or liabilities, or identical assets or liabilities from markets not deemed to be active, or
- b) Valuation models based primarily on observable market data.

Level 3 – Financial assets and financial liabilities measured on the basis of observable market data.

The level of the fair value hierarchy to which a financial instrument is classified is determined based on the lowest level of input data that is significant for the fair value in its entirety.

In cases where there is no active market, fair value is determined using established valuation methods and models. In these cases, assumptions that cannot be directly derived from a market can be applied. These assumptions are then based on experience and knowledge about valuation in the financial markets. However, the goal is always to maximize the use of data from an active market. In cases when deemed necessary, relevant adjustments are made to reflect a fair value, in order to correctly reflect the parameters contained in the financial instruments and to be reflected in its valuation.

For financial instruments recognized at fair value through the income statement, mainly consisting of assets where the customer bears the investment risk, fair value is determined based on quoted purchase prices on the balance sheet date for the assets. Liabilities where the customer bears the investment risk receive an indirect asset valuation, which classifies them as Level 2 instruments.

Forward rate agreements are valued at fair value by discounting the difference between the contracted forward rate and the forward rate available on the balance sheet date for the remaining contract period. The discount rate is the risk-free rate based on government bonds.

The fair value of interest-bearing securities has been calculated by discounting anticipated future cash flows, with the discount rate being set based on the current market interest rate.

Fund units not considered to be traded in an active market at listed prices are measured at fair value based on NAV (net asset value).

For lending and deposits with flexible interest rates, including lending with financial instruments or housing as collateral, which are reported at amortized cost, the carrying amount is considered to be fair value. For assets and liabilities in the balance sheet with a remaining maturity of less than six months, the carrying amount is considered to reflect the fair value.

Cont. Note 7 Group – Financial instruments

Financial instruments recognized at fair value

30/06/2022	SEK million	Level 1	Level 2	Level 3	Total
Financial assets at fair value					
Treasury bills and other interest bearing securities eligible for refinancing	22,591.3	-	-	-	22,591.3
Bonds and other interest bearing securities	10,305.4	-	-	-	10,305.4
Shares and participations ¹	73.3	-	-	0.7	74.0
Assets for which customers bear the investment risk	122,170.6	271.4	1,861.8	-	124,303.8
Subtotal	155,140.6	271.4	1,862.5	-	157,274.6
Financial assets where fair value is given for information purposes					
Cash and balances in Central Banks	5,727.1	-	-	-	5,727.1
Loans to credit institutions	-	1,063.8	-	-	1,063.8
Loans to the general public	-	28,826.5	-	-	28,826.5
Treasury bills and other interest bearing securities eligible for refinancing	-	16,205.1	-	-	16,205.1
Bonds and other interest bearing securities	-	237.5	-	-	237.5
Other assets	2,143.8	-	-	-	2,143.8
Accrued income	311.6	-	-	-	311.6
Subtotal	8,182.5	46,332.9	-	-	54,515.5
Total	163,323.1	46,604.3	1,862.5	-	211,790.0
Financial liabilities at fair value					
Liabilities for which customers bear the investment risk	-	124,309.9	-	-	124,309.9
Total	-	124,309.9	-	-	124,309.9

¹ Shares and participations at level 3 refers to unlisted shares.

31/12/2021	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	16,289.1	-	-	16,289.1
Bonds and other interest bearing securities	10,679.2	-	-	10,679.2
Shares and participations ¹	4.4	-	0.7	5.2
Assets for which customers bear the investment risk	147,452.6	267.7	4,445.2	152,165.5
Subtotal	174,425.4	267.7	4,445.9	179,139.0
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	4,249.8	-	-	4,249.8
Loans to credit institutions	-	644.8	-	644.8
Loans to the general public	-	26,326.2	-	26,326.2
Treasury bills and other interest bearing securities eligible for refinancing	-	17,480.8	-	17,480.8
Bonds and other interest bearing securities	-	300.8	-	300.8
Other assets	2,906.3	-	-	2,906.3
Accrued income	294.0	-	-	294.0
Subtotal	7,450.2	44,752.5	-	52,202.7
Total	181,875.5	45,020.2	4,445.9	231,341.7
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	152,168.3	-	152,168.3
Total	-	152,168.3	-	152,168.3

¹ Shares and participations at level 3 refers to unlisted shares.

Cont. Note 7 Group - Financial instruments

Description of valuation levels

Level 1 mainly contains shares, mutual funds, bonds, treasury bills and standardized derivatives where the quoted price has been used in the valuation.

Level 2 contains substantially less liquid bonds measured based on an interest curve and liabilities in the insurance operations, the value of which is indirectly linked to a specific asset value measured based on observable input data. For less liquid bond holdings, credit spread adjustments are based on observable market data such as the credit derivatives market. This category includes mutual funds, derivatives and certain interest-bearing securities.

Level 3 contains other financial instruments for which own internal assumptions have a significant effect on the calculation of fair value. Level 3 mainly contains unlisted equity instruments where the pension company's customers bear the investment risk. When valuation models are used to determine fair value of financial instruments in Level 3, the consideration paid or received is considered to be the best assessment of fair value at initial recognition.

When the Group determines the level at which financial instruments are to be recognized, each one is individually assessed in its entirety.

Financial instruments are transferred to or from Level 3 depending on whether internal assumptions have changed for the valuation.

Relocation between levels

During the year, financial instruments valued in Level 3 decreased by SEK 2,583 million. The greatest decline is a consequence of the transfer of policyholders' underlying instruments.

In addition, SEK 131 million is attributable to changes in value of existing instruments within Level 3.

During the year, SEK 22 million was transferred from Level 1 to Level 3. The main reason for the transfer is that the instrument has not been actively traded during the period and has been valued according to an independent theoretical valuation.

Shares and participations of SEK 65 million were transferred from level 3 to level 1, where the principal reason for the transfer was that instruments that previously lacked reliable data or were valued according to independent theoretical valuation have now been traded actively during the period where reliable price quotations have been available in the market.

Bonds and other interest-bearing securities of SEK 14 million have been transferred from level 2 to level 1, with the principal reason for were actively traded during the period and reliable price quotations were available in the market.

From Level 1 to Level 2, instruments were transferred of SEK 30 million, with the principal reason being that the instruments were not actively traded during the period.

As a consequence of Russia's invasion of Ukraine, the possibility of trading in Russian securities has been severely restricted. Today, it is difficult to carry out transactions with these securities and to obtain prices. The shares are illiquid, and prices are not relevant. In the past quarter, mutual funds and shares related to Russia were revalued to SEK 0.0001 in Level 3. The underlying amount totalled SEK 44 million.

Note 8 Pledged assets, contingent liabilities and commitments

SEK million	30/06/2022	31/12/2021
Provided collaterals		
Pledged assets and comparable collateral for own liabilities	none	none
Other pledged assets and comparable collateral		
Bonds and other interest bearing securities ¹	3,214.4	2,811.1
<i>of which deposits with credit institutions</i>	2,816.1	2,420.9
<i>of which deposits with clearing organisations</i>	398.3	390.2
Obligations		
Contingent liabilities	14.2	24.0
Commitments		
Credit granted but not yet paid, unsecured loans ²	155.6	118.7
Funds managed on behalf of third parties		
Client funds	169.7	119.1

¹ This amount includes frozen funds of SEK 434 million (377) which mainly relate to pledged assets at clearing institutes, central banks and the stock exchange.

² This amount includes granted, unpaid mortgages amounting to SEK 128 million (146).

As at the balance sheet date of 30th June 2022, the insurance business held registered assets amounting to SEK 124,304 million (152,165 at 31 December 2021) to which the policyholders have priority rights.

Note 9 Capital adequacy information and liquidity

Disclosures in this note are provided in accordance with the Financial Supervisory Authority's regulations and general guidelines (FFFS 2008:25) regarding the annual accounts of credit institutions and securities companies, the Financial Supervisory Authority's regulations and general guidelines (FFFS 2014:12) regarding supervisory requirements and capital buffers and the Financial Supervisory Authority's regulations (FFFS 2010:7) regarding the management and publication of liquidity risks for credit institutions and securities companies. Other required disclosures in accordance with Regulation (EU) 575/2013 of the European Parliament and of the Council on supervisory requirements for credit institutions and investment firms ("the supervisory regulation") and regulations supplementing the supervisory regulation are provided on the Nordnet website; see www.nordnetab.com.

Financial conglomerate

Eligible capital and capital requirements

The financial conglomerate comprises Nordnet AB (publ) and all its subsidiaries. Own funds and capital

requirement are calculated in accordance with the consolidation method.

The capital requirement for units in the insurance business is affected by the policyholders' assets. The capital requirement from the banking operations (reported in detail under the heading of the consolidated situation) varies primarily in terms of the size and credit quality of the bank's exposures. For the financial conglomerate, Solvency capital requirements and own funds are calculated in accordance with the standard model under Solvency II, which confirms the combined capital requirement from both the bank and the insurance operations. As a consequence of the solvency rules, the item Solvency capital in the conglomerate's own funds, which refers to the estimated future present value of the insurance companies (Nordnet Pensionsförsäkring AB including the subsidiary Nordnet Livsforsikring AS) includes cash flows generated by the policyholders' capital.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million	30/06/2022	31/12/2021
Capital base after regulatory adjustments	5,766.4	5,837.2
Capital requirement	5,146.1	5,044.7
Excess capital	620.4	792.5
The financial conglomerate's capital ratio	1.1	1.2

As of 30 June 2019, Solvency II figures are recognized with a one-quarter delay.

Consolidated situation

Eligible capital and capital requirements

The consolidated situation consists of Nordnet AB (publ), Nordnet Bank AB and Nordnet Fonder AB. Consequently, the difference between the financial conglomerate and the consolidated situation is that the financial conglomerate also consolidates the insurance operations.

Nordnet applies the standard method for calculating capital requirements for credit risk. Own funds requirement for exchange rate risk comprises all items in and outside the balance sheet measured at current market value and converted to Swedish kronor at the balance sheet date. Own funds requirements for operational risk are calculated according to the standard method.

As a part of the authorities' supervision and evaluation process that was concluded in the third quarter of 2021, based on risk input from 2020, the Swedish Financial Supervisory Authority decided that Nordnet must meet a pillar 2 requirement of 6.47 percent for the consolidated situation and a corresponding 6.97 percent for Nordnet Bank AB. The own funds requirement must be met with three fourths Tier 1 capital, of which at least three fourths shall consist of core Tier 1 capital.

Own funds shall cover minimum capital requirements and the combined buffer requirement, as well as supplemental Pillar 2 requirements. Net profit for the period January to June 2022 is included since the external auditors have verified the profit and permission has been obtained from the Swedish Financial Supervisory Authority.

From the third quarter of 2021, Nordnet makes a reduced deduction for intangible software assets in accordance with the change in Delegated Regulation (EU) no. 241/2014. This means that all intangible software assets, the value of which is not materially impacted by an institute's resolution, insolvency or liquidation, are deducted from own funds based on a cautious valuation (max. three years' amortization period). The remaining part of the software's carrying amount shall have a risk weight of 100 percent. This is more favourable compared with earlier rules that meant deductions for all software assets from own funds. The change means that own funds and the total risk-weighted exposure amount increases by SEK 151.6 million as at 30 June 2022.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021
Available own funds (amounts)					
1 Common Equity Tier 1 (CET1) capital	2,550.4	2,619.2	2,655.9	2,934.7	2,691.1
2 Tier 1 capital	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1
3 Total capital	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1
Risk-weighted exposure amounts					
4 Total risk-weighted exposure amount	18,857.6	17,805.2	17,399.0	15,737.9	15,280.4
Capital ratios (as a percentage of risk-weighted exposure amount)					
5 Common Equity Tier 1 ratio (%)	13.5%	14.7%	15.3%	18.7%	17.6%
6 Tier 1 ratio (%)	19.4%	20.9%	21.6%	21.8%	20.9%
7 Total capital ratio (%)	19.4%	20.9%	21.6%	21.8%	20.9%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage (%)	6.5%	6.5%	6.5%	6.5%	5.4%
EU 7b of which: to be made up of CET1 capital (percentage points)	3.6%	3.6%	3.6%	3.6%	3.6%
EU 7c of which: to be made up of Tier 1 capital (percentage points)	4.9%	4.9%	4.9%	4.9%	4.4%
EU 7d Total SREP own funds requirements (%)	14.5%	14.5%	14.5%	14.5%	13.4%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)					
8 Capital conservation buffer (%)	2.5%	2.5%	2.5%	2.5%	2.5%
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	-	-	-	-	-
9 Institution specific countercyclical capital buffer (%)	0.2%	0.2%	0.1%	0.1%	0.1%
EU 9a Systemic risk buffer (%)	-	-	-	-	-
10 Global Systemically Important Institution buffer (%)	-	-	-	-	-
EU 10a Other Systemically Important Institution buffer	-	-	-	-	-
11 Combined buffer requirement (%)	2.7%	2.7%	2.6%	2.6%	2.6%
EU 11a Overall capital requirements (%)	17.2%	17.1%	17.1%	17.1%	16.0%
12 CET1 available after meeting the total SREP own funds requirements (%)	4.9%	6.4%	7.1%	7.4%	7.5%

Cont. Note 9 Capital adequacy information and liquidity

Nominal values of capital requirements

SEK million	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021
Additional own funds requirements to address risks other than the risk of excessive leverage (SEK million)					
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage	1,220.1	1,152.0	1,125.7	1,018.2	823.6
EU 7b of which: to be made up of CET1 capital	686.4	648.1	633.3	572.9	548.6
EU 7c of which: to be made up of Tier 1 capital	914.6	863.6	843.9	763.3	666.2
EU 7d Total SREP own funds requirements	2,728.7	2,576.4	2,517.6	2,277.3	2,046.0
Combined buffer and overall capital requirement (SEK million)					
8 Capital conservation buffer	471.4	445.1	435.0	393.4	382.0
9 Institution specific countercyclical capital buffer	40.4	28.6	25.7	23.1	21.5
11 Combined buffer requirement	511.9	473.7	460.6	416.6	403.5
EU 11a Overall capital requirements	3,239.7	3,050.0	2,978.7	2,694.3	2,449.4
12 CET1 available after meeting the total SREP own funds requirements	922.1	1,143.1	1,238.8	1,156.7	1,144.5

Distribution risk weighted exposures

SEK million	30/06/2022	31/12/2021
Total risk weighted exposures	18,857.6	17,399.0
Exposure to credit risk according to the standardized method	14,734.6	13,248.4
of which exposures to institutions	1,823.9	1,717.3
of which exposures to corporates	1,616.2	1,312.6
of which retail exposures	4,055.6	4,286.8
of which exposures secured by mortgages on immovable property	2,409.1	1,995.3
of which in default	92.0	89.6
of which exposures in the form of covered bonds	2,719.7	2,252.3
of which equity exposures	364.7	397.8
of which regional governments or local authorities	5.2	172.0
of which claims in the form of CIU	961.7	-
of which other items	686.5	1,024.7
Other risk weighted exposures	4,123.0	4,150.6
Exposures market risk	114.7	142.3
Exposure operational risk	4,008.3	4,008.3

Cont. Note 9 Capital adequacy information and liquidity

Leverage ratio

The leverage ratio is calculated as the ratio of Tier 1 capital and total exposures, expressed as a percentage. From 28 June 2021, a binding minimum requirement of 3.0 percent for the leverage ratio was introduced, which yields a capital requirement that pertains to a leverage of SEK 2,590.0 million.

In its Review and Evaluation process, the Swedish Financial Supervisory Authority has announced guidance to Nordnet Bank AB to hold additional capital of 0.90 percent of the Group's total exposure measure of leverage ratio in a consolidated situation. The total Pillar 2 guide amounts to SEK 777.0 million as of 30 June 2022.

Leverage ratio

SEK million	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021
Leverage ratio					
13 Total exposure measure	86,336.6	83,943.6	78,924.5	77,285.3	74,968.4
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)					
EU 14a Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)					
EU 14d Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Own funds requirement for Leverage Ratio SEK million	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021
Additional own funds requirements to address the risk of excessive leverage (SEK million)					
EU 14c Total SREP leverage ratio requirements	2,590.1	2,518.3	2,367.7	2,318.6	2,249.1
EU 14e Overall leverage ratio requirement	2,590.1	2,518.3	2,367.7	2,318.6	2,249.1

Internally assessed capital requirement

In accordance with the EU directive on capital adequacy 2013/36/EU Article 73 and the Swedish Financial Supervisory Authority regulations and general guidelines (FFFS 2014:12) regarding supervisory requirements and capital buffers, Nordnet evaluates the total capital requirements that were the result of the bank's annual internal capital adequacy assessment (ICAAP) with the aim of identifying significant risks to which the bank is exposed and to ensure that the bank has adequate capital.

The ICAAP is based on Nordnet's business plan, current and future regulatory requirements and scenario-based simulations and stress tests. The results are reported to the Board annually and form the basis of the Board's capital planning.

Nordnet has calculated the internal capital requirement for the consolidated situation to be SEK 2,412.0 million (2,328.5 as of 31 December 2021). This is considered to be a satisfactory capital situation with regard to the activities that Nordnet conducts. Nordnet's internally assessed capital requirement is different from the regulatory capital requirement regarding the estimated Pillar 2 requirement. The Pillar 2 requirement for the internally assessed capital requirement has been calculated using internal models, while the Swedish Financial Supervisory Authority's decision on the Pillar 2 requirement of 6.47 percent of the risk-weighted exposure amount is applied for the regulatory capital requirement.

In addition to that stated by this interim report, Nordnet's risk management and capital adequacy are described in more detail in Nordnet's annual report for 2021 and on the Nordnet website; see www.nordnetab.com.

Cont. Note 9 Capital adequacy information and liquidity

Liquidity

The Liquidity Coverage Ratio (LCR) is calculated as the ratio between the bank's liquidity buffer and net cash flows in a highly stressed scenario over a 30-day period. The ratio shall amount to at least 100 percent. As part of the review and evaluation process, the Swedish Financial Supervisory Authority decided that Nordnet Bank AB shall meet specific liquidity requirements at a group level: a liquidity coverage ratio of 100 percent in euro, a liquidity coverage ratio of 75 percent in other currencies and that, when calculating the liquidity coverage ratio at a group level, the liquidity buffer may consist of a maximum of 50 percent covered bonds issued by Swedish issuer institutions.

NSFR (Net Stable Funding Ratio), calculated as the ratio between available stable funding and the need for stable funding. The minimum requirement applies at the aggregated level and the ratio must amount to at least 100 percent.

Nordnet's high LCR and NSFR show that the bank has a high level of resilience to disturbances in the financing market.

In accordance with FFFS 2010:7, Chapter 5, Nordnet reports information regarding liquidity risk positions as of the balance sheet date 30 June 2022. This information relates to the consolidated situation, which includes Nordnet AB (publ), corp. ID no. 559073-6681 and Nordnet Bank AB, corp. ID no. 516406-0021.

The liquidity reserve is financed by deposits from the public, equity and issued bonds, known as "AT1 bond loans" totalling SEK 1,100 million. The majority of the reserve is invested in high-rated bonds, e.g., covered bonds, government-issued bonds and balances in central banks or banks. The liquidity reserve is assessed to be large enough to be able to address situations of temporary or prolonged stress. Nordnet Bank AB is a member of the Swedish Riksbank, the Bank of Norway, the Bank of Finland and the Danish National Bank, which further strengthens liquidity preparedness.

Liquidity requirements

SEK million	30/06/2022	31/03/2022	31/12/2021	30/09/2021	30/06/2021
Liquidity Coverage Ratio					
15 Total high-quality liquid assets (HQLA) (Weighted value - average)	30,210.1	29,561.3	29,172.8	29,291.3	29,996.8
EU 16a Cash outflows - Total weighted value	8,190.7	8,209.9	8,199.7	8,220.2	8,014.7
EU 16b Cash inflows - Total weighted value	1,463.2	1,338.1	1,250.6	1,229.1	1,115.9
16 Total net cash outflows (adjusted value)	6,727.5	6,871.8	6,949.1	6,991.1	6,898.8
17 Liquidity coverage ratio (%)	449.1%	430.2%	419.8%	419.0%	434.8%
Liquidity coverage ratio SEK (%)	205.8%	204.2%	211.2%	226.1%	242.6%
Liquidity coverage ratio NOK (%)	375.8%	356.0%	356.1%	358.4%	405.7%
Liquidity coverage ratio DKK (%)	399.6%	418.7%	434.3%	440.0%	492.5%
Liquidity coverage ratio EUR (%)	926.1%	1,007.3%	1,038.2%	1,122.4%	1,155.7%
Net Stable Funding Ratio					
18 Total available stable funding	72,556.9	69,103.4	65,640.4	62,788.1	59,851.1
19 Total required stable funding	29,466.1	28,140.8	26,959.5	26,229.2	25,259.3
20 NSFR ratio (%)	246.2%	245.6%	243.5%	239.4%	237.0%

Cont. Note 9 Capital adequacy information and liquidity

Liquidity buffer

SEK million	30/06/2022	SEK	NOK	DKK	EUR	USD	Other
Cash and bank balances	1,141	334	263	62	139	251	92
Securities issued or guaranteed by the state, central banks or multinational development banks	7,088	4,324	953	197	1,613	0	0
Covered bonds	22,608	2,219	8,438	9,219	2,732	0	0
Other securities	1,792	909	883	0	0	0	0
Total liquidity buffer	32,629	7,786	10,537	9,478	4,485	251	92
Distribution by currency	100.0%	23.9%	32.3%	29.0%	13.7%	0.8%	0.3%

Additional liquidity indicators

	30/06/2022
Liquidity reserve / Deposits from the general public	42.8%
Lending to the public / Deposits from the general public	37.8%

Liquidity buffer

SEK million	31/12/2021	SEK	NOK	DKK	EUR	USD	Other
Cash and bank balances	5,660	500	199	1,651	3,061	189	59
Securities issued or guaranteed by the state, central banks or multinational development banks	7,372	4,548	758	233	1,787	45	0
Covered bonds	19,937	2,336	6,658	7,845	3,098	0	0
Other securities	0	0	0	0	0	0	0
Total liquidity buffer	32,969	7,385	7,616	9,729	7,945	234	59
Distribution by currency	100.0%	22.4%	23.1%	29.5%	24.1%	0.7%	0.2%

Additional liquidity indicators

	31/12/2021
Liquidity reserve / Deposits from the general public	48.6%
Lending to the public / Deposits from the general public	38.8%

Note 10 Earnings per share

SEK million	3 months	3 months	3 months	6 months	6 months	12 months
	Apr-Jun 2022	Apr-Jun 2021	Jan-Mar 2022	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Earning per share before and after dilution						
Profit for the period	236.8	440.4	501.1	738.0	1,106.2	1,984.7
Interest on Tier 1 capital recognised in equity ¹	-15.1	-8.7	-14.3	-29.4	-17.2	-37.7
Profit attributable to shareholders of the Parent Company	221.7	431.7	486.9	708.6	1,089.0	1,947.0
Earning per share before dilution ²	0.89	1.73	1.95	2.84	4.36	7.79
Earning per share after dilution ²	0.88	1.72	1.94	2.82	4.34	7.75
Average number of outstanding shares before dilution	249,875,000	250,000,000	249,875,000	249,750,000	250,000,000	250,000,000
Average number of outstanding shares after dilution	251,040,269	251,029,051	250,916,782	250,962,950	250,902,081	251,146,045
Number of outstanding shares before dilution	249,625,000	250,000,000	249,625,000	249,625,000	250,000,000	250,000,000
Number of outstanding shares after dilution	257,317,406	255,980,549	256,381,559	257,317,406	255,980,549	256,756,549
¹ Including interest for the period and accrued transaction costs, net after tax	-0.2	-0.1	-0.2	-0.4	-0.3	-0.6

² Earnings per share are calculated based on the Group's net profit for the period attributable to the shareholders in the Parent Company and on the weighted average number of shares outstanding over the period. In the calculation of earnings per share after dilution, the average number of shares is adjusted to take into consideration effects of a potential dilution of ordinary shares. These originate during the reported period from issued warrants attributable to Nordnet's stock-based incentive program.

Signatures of the Board of Directors.

The board and CEO provide their assurance that this interim report for the period January–June 2022 provides an accurate overview of the operations, position and earnings of the Group and the Parent Company, and that it also describes the principal risks and sources of uncertainty faced by the Parent Company and the companies within the Group.

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

Stockholm, 21 July 2022

Tom Dinkelspiel
Chairman of the Board

Anna Bäck
Board member

Karitha Ericson
Board member

Christian Frick
Board member

Charlotta Nilsson
Board member

Gustaf Unger
Board member

Per Widerström
Board member

Lars-Åke Norling
CEO

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This is information which Nordnet AB (publ) is obliged to publish under the EU's Market Abuse Regulation and the Securities Market Act. This information was submitted through the efforts of the above-mentioned contact persons for publication on 22 July 2022 at 8.00 a.m. CET.

Definitions.

Alternative Performance Measures (APM) are financial measures of historical or future financial position, performance or cash flow that are not defined in applicable reporting regulations (IFRS) or in the fourth capital requirement directive (CRD IV) or in the EU capital requirement regulation no. 575/2013 (CRR) or the EU's Solvency II directive 2015/35. Nordnet uses alternative key performance measures when it is relevant to describe our operations and monitor our financial situation. APM-measures are mainly used to be able to compare information between periods and to describe the underlying development of the business. These measures are not directly comparable with similar key indicators presented by other companies. Disclosures regarding financial measures not defined in IFRS but stated outside of the formal financial statements, "alternative performance measures", are presented in the note references below.

Number of trades¹

A registered transaction on the stock exchange or in the marketplace. Orders sometimes involve several trades.

Number of trades per trading day¹

Number of trades during the period divided by the number of trading days in Sweden during the period.

Number of trading days¹

Number of days on which the relevant exchanges are open.

Number of full-time employees at end of period¹

Number of full-time positions, including fixed-term employees, but excluding staff on parental leave and leaves of absence, at the end of the period.

Number of customers¹

Number of private individuals and legal entities who hold at least one account with a value of more than SEK 0, or who had an active credit commitment at the end of the period.

Return on equity^{2,4}

Return on equity calculated as the period's accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Leverage ratio²

Tier 1 capital as a percentage of the total exposure amount.

Cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Equity excluding intangible assets¹

Total equity less intangible assets.

Average savings capital per customer – rolling 12 months²

The average quarterly savings capital per customer for the current period (calculated as the average quarterly savings capital per customer that includes the opening KPI at the beginning of the current period and the closing KPI at the end of every quarter that is included in the current period).

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finansiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.

Cash deposits at end of period²

Deposits and borrowing from the public including deposits attributable to liabilities in the insurance operations at end of period.

Adjusted return on equity^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to the average of equity excluding Tier 1 capital over the corresponding period. The average of equity excluding Tier 1 capital is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted return on equity excluding intangible assets^{2,4}

Return on equity calculated as the period's adjusted accumulated profit, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, excluding amortization related to acquisitions in relation to the average of equity excluding Tier 1 capital and intangible assets over the corresponding period. The average of equity excluding Tier 1 capital and intangible assets is calculated based on opening, quarterly and closing equity for the period in question.

Adjusted operating income in relation to savings capital²

Adjusted operating income in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted C/I ratio %²

Adjusted operating expenses before credit losses in relation to adjusted operating income.

Adjusted operating expenses in relation to savings capital²

Adjusted operating expenses before credit losses in relation to the average quarterly savings capital for the same period (calculated as the average quarterly savings capital that includes the opening amount at the beginning of the current period and the closing amounts at the end of each quarter that is included in the current period).

Adjusted profit²

Profit for the period adjusted for items affecting comparability over the period.

Adjusted profit before amortization of intangible assets in purchase consideration allocation²

The profit for the period after tax adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation). Items affecting comparability have illustratively been taxed at an assumed tax rate of 20 percent insofar as such items affecting comparability are deductible and/or give rise to a tax expense. The amortization of the purchase consideration allocation is not deductible and has accordingly not been illustratively taxed.

Adjusted profit before amortization of intangible assets in purchase consideration allocation per share before and after dilution²

The profit for the period after deduction of interest on additional Tier 1 capital adjusted for items affecting comparability and excluding amortization of intangible assets from acquisitions of companies (purchase consideration allocation) per share before and after dilution.

Adjusted operating income²

Total operating income adjusted for items affecting comparability over the period.

Adjusted operating expenses before credit losses²

Expenses before credit losses, adjusted for items affecting comparability over the period.

Adjusted operating margin²

The adjusted operating profit in relation to adjusted operating income.

Adjusted operating profit²

Profit for the period adjusted for items affecting comparability. Items affecting comparability are items reported separately due to their nature and amount.

Own funds³

The sum of Core Tier 1 capital and Tier 2 capital.

C/I ratio excluding operating losses¹

Total expenses before credit losses in relation to total operating income.

Core Tier 1 capital³

Equity excluding unrevised earnings, proposed dividend, deferred

taxes and intangible assets and some further adjustments in accordance with the EU capital requirements regulation no. 575/2013 (CRR) and EU 241/2014.

Core tier 1 capital ratio³

Core tier 1 capital divided by total risk-weighted exposure amount.

Net savings²

New deposits of cash and cash equivalents and securities, less withdrawals of cash and cash equivalents and securities.

Traded value cash market²

Cash market refers to trade in shares, warrants, ETFs, certificates, bonds and similar instruments.

Earnings per share²

Profit for the period, including interest on additional Tier 1 capital and associated periodized transaction expenses net after tax recognized in equity, in relation to weighted average number of ordinary shares before and after dilution.

Operating expenses³

Operating expenses before credit losses.

Operating margin¹

Operating profit in relation to total operating income.

Savings capital²

Total of cash and cash equivalents and value of securities for all active accounts.

Savings ratio²

Net savings over the past 12 months as a percentage of savings capital 12 months ago.

Total capital ratio²

Total own funds in relation to risk-weighted exposure amount.

Lending/deposits²

Lending to the public at the end of the period in percentage of deposits from the public at the end of the period.

Lending excluding pledged cash and equivalents²

Lending to the public, excluding lending through account credits that are fully covered by pledged cash and cash equivalents on endowment insurance plans and investment savings accounts (ISKs), where the lending rate applied to the credits corresponds to the deposit rate on the pledged cash and cash equivalents.

Lending at end of period²

Lending to the public at the end of the period.

Profit margin¹

Profit for the period in relation to operating income.

Annual customer growth²

Annual growth rate in customers over the period.

¹ Financial key figures that are directly reconcilable with the financial statements.

² Financial key figures that can be deduced from historical financial data published quarterly at <https://nordnetab.com/sv/om/finansiell-information>.

³ Definitions in accordance with IFRS and the EU's capital requirement regulation no. 575/2013 (CRR) and the EU's Solvency II directive 2015/35.

⁴ Annualization is calculated as the denominator for the period divided by the quotient of the number of quarters in the period and the number of quarters per year.



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