

January –
December
2022.



Nordnet AB (publ)

Year-end Report.

The quarter in brief.

”The diversified nature of Nordnet’s business, both geographically and by product, underpins high revenue and profit in various macroeconomic environments.”

Lars-Åke Norling, vd Nordnet.

Customer growth in the last 12 months¹:

10% (37%)

Adjusted operating profit³
SEK 624 (578) million

Operating income SEK
952 (892) million

Adjusted operating expenses³
SEK -314 (-299) million

Earnings per share after
dilution SEK 1,97 (1,82)

Net savings SEK 0,9 (18,7)
billion

Savings capital as of 31
December SEK 715 (802) billion

Lending² as of 31 December
SEK 27,3 (25,4) billion

New customers
30,300 (63,800)

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

- Good customer growth and positive net savings, while continued stock market uncertainty leads to lower trading activity.
- Strong quarter financially with the second-highest income and net profit in Nordnet’s history.
- Continued good cost control, with expenses in line with the financial targets for the quarter and the full year.
- Higher interest rates had a positive impact on net interest income, which rose by 172 percent compared to the fourth quarter of 2021.
- Nordnet was named Bank of the Year 2022 by magazine Privata Affärer, and savings economist Frida Bratt was named Savings Profile of the Year.
- A large number of new customer features launched, including a dividend tracker, watchlists, an improved login and simpler transfers via Trustly.

SEK million	Q4 2022	Q4 2021	Change %	Q3 2022	Change %	Jan–Dec 2022	Jan–Dec 2021	Change %
Operating income	951.9	892.5	7%	811.9	17%	3,382.1	3,638.50	-7%
Operating expenses	-315.2	-299.4	5%	-307.1	3%	-1,291.5	-1140.9	13%
Credit losses	-11.1	-12.5	-11%	-14.0	-20%	-43.4	-36.3	19%
Imposed levies: resolution fee	-3.1	-2.5	23%	-3.1	0%	-13.1	-10.1	30%
Operating profit	622.5	578.1	8%	487.8	28%	2,034.1	2451.2	-17%
Profit after tax	514.2	468.9	10%	400.3	28%	1,652.5	1984.7	-17%
Earnings per share before dilution (SEK)	1.98	1.83	8%	1.54	29%	6.35	7.79	-18%
Earnings per share after dilution (SEK)	1.97	1.82	9%	1.54	28%	6.33	7.75	-18%
Income in relation to savings capital	0.55%	0.47%	0.08%	0.47%	0.07%	0.46%	0.53%	-0.07%
Operating margin %	65%	65%	1%	60%	5%	60%	67%	-7%
Adjusted operating expenses ³	-313.9	-299.4	5%	-303.5	3%	-1,210.3	-1140.9	6%
Adjusted operating profit ³	623.8	578.1	8%	491.3	27%	2,115.3	2451.2	-14%
Adjusted operating margin % ³	66%	65%	1%	61%	5%	63%	67%	-5%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	2.00	1.85	8%	1.57	27%	6.77	7.86	-14%
Total number of customers ¹	1,707,800	1,601,000	7%	1,677,500	2%	1,707,800	1,601,000	7%
Net savings (SEK billion)	0.9	18.7	-95%	5.8	-84%	36.2	83.4	-57%
Savings capital at the end of the period (SEK billion)	714.8	801.6	-11%	680.7	5%	714.8	801.6	-11%
Average savings capital per customer (SEK)	412,200	487,400	-15%	413,100	0%	443,800	477,000	-7%

¹ The number of new customers in 2022 amounts to 158,500 gross and 106,800 net, the latter figure includes customer relationships terminated due to the customer documentation project. In percentage terms, customer growth is 7% in the last twelve months, including those customer relationships that have been terminated within the customer documentation project. ² Loans to the public less pledged cash and cash equivalents, see Note 5. ³ For items affecting comparability, see page 15. For definitions of key performance indicators, refer to pages 42–43.

This is Nordnet.

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

The overarching purpose 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 over the internet, and building a fund 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 global markets. We are always on the savers' side, and pursue issues such as fair terms in pension savings and reasonable and predictable taxation on holdings of shares and funds.

Vision

Our vision is to become the Nordic private savers' first choice. To achieve this goal we always need to 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 saving and investments. Our customers can save and invest in shares, funds and other types of securities across several markets at low fees. We offer most account types that are available on the market, such as ISK and its Nordic equivalents, 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 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 and allows our customers to leverage their investments. Our residential mortgages are offered in Sweden and Norway. Personal loans, which cater to private individuals in Sweden, are offered both through Nordnet's own brand and under the trade name Konsumentkredit.

Financial targets.

Due to the change in macroeconomic conditions, Nordnet is updating its medium-term financial targets. The updated targets reflect new assumptions on interest rate levels and takes into account the stock market development of the last twelve months.

In the updated financial targets, interest rates are estimated to average around 2 percent over the medium-term. This is expected to have a positive effect on income in relation to savings capital, for which the medium-term target has now been raised from around 0.45 percent to around 0.55 percent.

The updated financial targets retain the assumption that the stock market will grow by an average of about 5 percent annually in the medium term, which is in line with historical trends. However, given the negative stock market develop-

ment in 2022 and uncertainty into 2023, the medium-term target for average savings capital per customer has been lowered from around SEK 450,000 to around SEK 420,000.

As the annualized customer growth is affected by both of these factors, the financial targets have been changed from 15 percent to a range of 10-15 percent, depending on the stock market development.

Since expenses are not affected by the aforementioned factors, the medium-term target of an annual increase in adjusted operating expenses of around 5 percent remains unchanged. Due to high inflation, however, expenses are expected to increase by around 7 percent in 2023.

Nordnet maintains its intention to distribute 70 percent of annual net profit in dividends.

Medium term financial targets (updated)

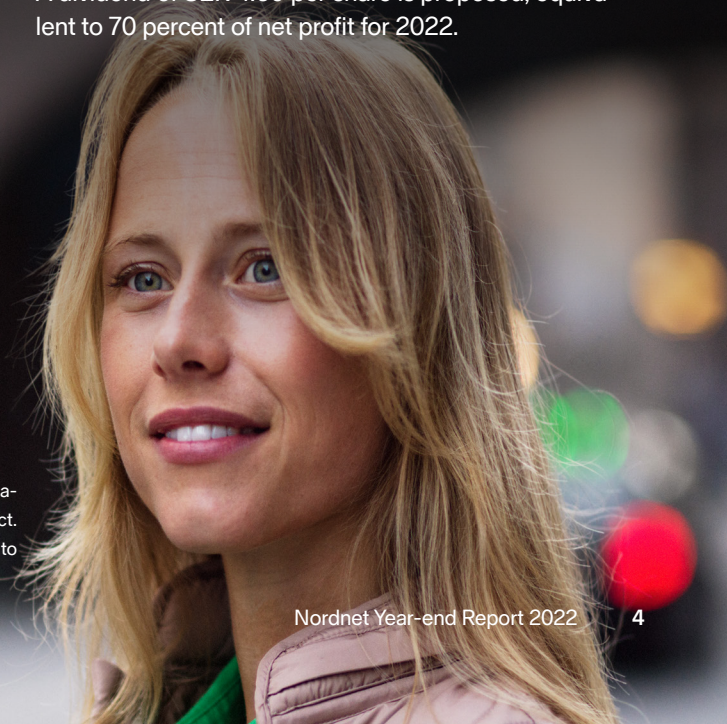
- Annual customer growth of 10-15 percent (previously around 15 percent).
- Average savings capital per customer (defined as the average quarterly savings capital per customer over the past 12 months) of around SEK 420,000 (previously around SEK 450,000).
- Income in relation to savings capital (defined as income adjusted for items affecting comparability over the past 12 months in relation to the average quarterly savings capital for the same period) of around 0.55 percent (previously around 0.45 percent).
- Annual increase of adjusted operating expenses by about 5 percent based on the adjusted operating expenses for 2021 (unchanged).
- Nordnet intends to distribute 70 percent of its annual profit in dividends (unchanged).

Status as of 31 December 2022

- Annual customer growth over the last 12 months amounted to 10 (31) percent.¹
- Average savings capital per customer over the last 12 months amounted to SEK 443,800 (477,000).
- Adjusted operating income² in relation to savings capital amounted to 0.46 (0.53) percent in the last 12 months.
- Adjusted operating expenses² increased by 6 percent over the last 12 months, amounting to SEK 1,210 (1,141) million.
- A dividend of SEK 4.60 per share is proposed, equivalent to 70 percent of net profit for 2022.

¹ Customer growth is 7% 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 15. Comparative figures in brackets refer to the corresponding period in 2021.



Comments from the CEO.

Much has already been said and written about the year that we have now put behind us, both from a geopolitical as well as from an economic perspective. As many have already stated, 2022 was a particularly dramatic and eventful year, characterized by war in Europe, a generally deteriorating security situation in the Nordic region, high inflation, rising interest rates and declining stock markets.

The negative sentiment over the year affected the mood among private savers, decreasing their interest in savings through shares and funds. While the stock markets did, to some extent, make a long-awaited comeback in the final three months of the year, they ended the full year with relatively strong negative figures throughout the Nordics, with the exception of Norway, which saw a slight increase. In the fourth quarter, our customers made a total of 12.7 million transactions, which was 25 percent lower than in the corresponding period in the preceding year. Net savings ended up at slightly less than SEK 1 billion, compared with slightly more than SEK 18 billion in the final quarter of 2021.

Despite positive net savings of 36 billion for the full year, total savings capital decreased in value by 11 percent compared with a year previously, due to the year's stock market losses. Nordnet nonetheless maintains its strong appeal as a digital savings platform, as reflected in its stable customer growth throughout the year;

over the past 12 months, nearly 160,000 savers chose Nordnet as their financial partner, corresponding to underlying customer growth of 10 percent.

Despite challenging external factors, we achieved a very strong financial result for the fourth quarter. The diversified nature of Nordnet's business, both geographically and by product, underpins high revenue and profit in various macroeconomic environments. In the fourth quarter, income from share trading and savings in mutual funds decreased compared with the corresponding period in the preceding year, although this was more than fully offset by higher interest income. Total income for the period amounted to SEK 952 million, and, combined with continued good cost control, this allows us to present an adjusted operating profit of SEK 624 million for the fourth quarter – the second best in Nordnet's history.

“Despite challenging external factors, we achieved a very strong financial result for the fourth quarter.”

To reflect the new interest rate environment, and to take into account the negative stock market trend seen over the past year, we are now updating our medium-term financial targets. The updated targets and our underlying assumptions are presented on page 4.

In line with our brand promise to build the world's best platform for savings and investments, we continue to maintain a high pace in terms of introducing improvements and new functions to the app and web. During the quarter, we launched a dividend service providing savers with a historical and projected overview of their dividend yield in absolute numbers. This function has been high on the wish lists of dividend investors in par-



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ticular. We have also introduced a “Watch-list” function that identifies areas of interest to present savers with predefined lists of shares in specific categories — our equivalent perhaps to streaming services’ play-lists and program recommendations. Through a recently-initiated partnership with Trustly, we have made it possible for Swedish customers to easily and instantly transfer funds to their Nordnet accounts, helping to get them started with their investments. On the same theme, in Denmark, Finland and Norway, we have launched our new app log-in solution, facilitating customers’ access to their Nordnet accounts. The situation with higher interest rates and stock market uncertainty demands that we offer competitive cash savings services. During the quarter, we raised the interest rate on the savings accounts in several of our markets and, as of 1 January we pay up to 2 percent interest on ISK accounts and endowment insurance accounts, thereby offering Sweden’s best deposit rate for the most committed investors. A high-priority project recently initiated at Nordnet entails integrating the functions of our social investment network Shareville into Nordnet’s regular interface. In an initial stage, it is now possible to see your Shareville profile when logged-in at Nordnet, and to write comments and arrange polls. The continued integration of Shareville will be high on our agenda in 2023, in line with our ambition to be a “one-stop shop” for savings and investments. Other product plans for the year include launching endowment insurance plans in Finland and preparing to launch the “livrente” pension account in Denmark. We also aim to expand our service with additional share trading markets, encouraged by our launch of trading on the London Stock Exchange in the summer of 2022, which was very well received.

In the fourth quarter, Nordnet attracted favourable attention on several fronts. At the beginning of the period, we received an official recommendation from the independent and acknowledged Danish consumer organization Taenk for our low prices on trading in shares and mutual funds. In early December, our savings economist Frida Bratt was named “Savings Profile of the Year” in a competition organized by Lannebo Fonder in partnership with financial newspaper Affärsvärlden. The title is awarded to the individual who best promotes savings, with Frida beating tough competition from several other strong savings profiles. In the same month, we were named “Bank of the Year” by magazine Privata Affärer.

This is generally considered the industry’s most significant award and, in its motivation, the jury highlighted Nordnet’s product development and the strong voice for savers we have provided in the public debate. Nordnet also garnered the highest overall rating in Privata Affärer’s poll of its readers. We are naturally very grateful for these prestigious awards and proud to have received them. For us, they validate our chosen course and inspire us for the future.

In the debate on savings, Nordnet has pursued issues regarding more consumer-friendly rules for pension

savings, as well as the development of a digital pension portal with both information and transfer functionality. It was particularly gratifying that, in December, the Ministry of Finance commissioned the Swedish Financial Supervisory Authority to conduct an investigation into how transfers of occupational pensions can be fa-

cilitated. A particular point communicated to the Ministry of Finance by Nordnet’s representatives is that the rules regarding signatures from previous employers should be removed.

To those of you who have followed us in 2022, thank you! We now looking forward to an exciting 2023. I dare not give a forecast about how the stock markets or the world situation will develop. What I can say, however, is that we will not back down one inch from our ambition to build the world’s best platform for savings and investments. It is sometimes said that “every company is a software company” in the sense that technology is so integrated into our everyday lives that all companies must analyze the latest technological trends and adapt to them. For Nordnet, as a digital platform, this is undoubtedly correct, and this is the guiding light by which we work. The objective is a first-class user experience in the form of intuitive and graphically appealing digital interfaces, automated processes, an almost complete product range in savings and investments, and 100 percent accessibility via the app and our website. In 2023 we will be directing more resources than ever toward the achievement of this ambitious objective. Thank you for accompanying us on this journey.



Lars-Åke Norling

A few words about the market situation from

Savings economist Martin Paasi.

Martin Paasi is Nordnet's savings economist in the Finnish market. He provides education and inspiration regarding shares, funds and private finances, both through external channels and Nordnet's own channels. He runs the award-winning podcast Rahapodi together with Miikka Luukkonen. You can also follow Martin on Nordnet Blogi and Twitter (@MartinPaasi).

Name: Martin Paasi.

Profession: Savings economist at Nordnet Finland since 2014.

Personal financial

motto: It's not about becoming a millionaire. It's about being able to choose for yourself.

Almost a year has passed since Russia invaded Ukraine. The consequences have been tangible in a number of ways. From an economic perspective, we Finns can rejoice in the fact that foreign investors have not exited the market. A clear contributing factor to this is the rapid change in opinion among Finns to apply for NATO membership. When membership is approved, I believe the risk perceived in the Finnish market by foreign investors will be lower than ever.

Any major negative news in the reports from listed companies have been absent. Despite the domestic stock market falling by 13 percent over the year, the news flow from Finnish companies has not been particularly gloomy. Although the general unrest in the market has naturally had an impact, dividend forecasts, for example, still look good. In other words, the Finnish stock market has coped really well.

As the icing on the cake, the final quarter of the year offered a bounce-back to some extent, ending an otherwise gloomy stock market year, this came mostly in the form of abating inflation figures, giving cause for hope around the world. Declining inflation suggests there will be less tightening from the central banks, suggesting in turn that discount rates will not rise quite so sharply, naturally benefiting shares.

However, it is worth noting that even if inflation was to decline going forward, the inflation we have already experienced

has permanently eaten away a significant portion of purchasing power among the general public. It would take falling prices to neutralize the effect of inflation from the late summer of 2021 and onwards. Although it remains to be seen how inflation will develop, few believe it will abate to zero.

The European Central Bank faces a difficult task. When inflation accelerates, the ECB is forced to tighten its monetary policy, while the economies of southern Europe in particular, would need relief. The requisite austerity leads to Italy needing central bank support, in turn causing inflation to further accelerate.

Finnish society faces challenges in terms of avoiding recession while maintaining a solid welfare system. Combined with low birth rates and a labor shortage in certain areas, the resilience of the Finnish economy has been weakened, to say the least.

Nonetheless, entrepreneurship here is vibrant and many valuable companies are developing in Finland. Many of these are listed, with their shares also trading abroad nowadays, also paving the way for positive future returns. It is essential, however, to stay informed about how well a company's global potential holds up in the prevailing market sentiment. Because lately that sentiment has begun to show signs of depression.

Market shares local stock exchanges¹

Countries	No. of trades	Q4 2022		Q3 2022		Q4 2021	
		Turnover	No. of trades	Turnover	No. of trades	Turnover	No. of trades
Sweden (Nasdaq Stockholm)	5.8%	4.2%	5.7%	4.3%	5.1%	3.8%	
Norway (Oslo Stock Exchange) ²	n/a	8.1%	n/a	8.6%	n/a	7.7%	
Denmark (Nasdaq Copenhagen)	7.3%	5.4%	7.1%	5.5%	6.6%	5.3%	
Finland (Nasdaq Helsinki)	9.4%	5.7%	9.8%	5.5%	10.4%	6.2%	

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.

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

Events in the fourth quarter.

Development of Nordnet's operations

During the period October-December, our customers made a total of 12.7 million transactions, with transactions outside our customers' home markets accounting for 26 percent. The number of transactions over the quarter decreased by 4 percent compared with the preceding quarter and was 25 percent lower than for the corresponding quarter in the preceding year. The proportion of trades outside customers' home markets also decreased compared with the fourth quarter of 2021, when it amounted to 30 percent. The reduction in the number of transactions compared with 2021 is primarily an effect of the macro-economic climate with, for example, increased inflation, rising interest rates and other uncertainty factors on both a local and global level. This also affected net savings over the fourth quarter, which amounted to SEK 900 million, compared with SEK 18.7 billion for the corresponding period in the preceding year. As of 31 December, savings capital amounted to SEK 715 billion, which was 11 percent lower than a year earlier.

The savings ratio, that is, net savings over the past 12 months divided by savings capital 12 months earlier, amounted to 5 percent, compared with 15 percent for the fourth quarter of 2021.

The total number of savers on Nordnet's platform amounted to slightly more than 1.7 million as of 31 December. Customer growth over the past 12 months, excluding customers terminated in connection with the previously detailed customer documentation project⁴, amounted to 10 percent.

The total loan portfolio amounted to SEK 27.3 billion, an increase of 8 percent since 31 December of the preceding year. The largest increase is again found in residential mortgages, where Nordnet continues to offer a low interest rate on the Swedish, and now also, the Norwegian markets; in a single year, the volume of residential mortgages increased by 23 percent to SEK 10.9 billion, with Norwegian residential mortgages accounting for SEK 137 million.

Trading information, Group¹

	Q4 2022	Q3 2022	Q4 2021
Traded value cash market (SEK million)	358,600	370,800	454,800
Total number of trades	12,663,600	13,139,800	16,890,700
whereof cross-border trading %	26%	27%	30%
Average number of trades per day	199,100	199,100	265,600

Customer related key figures

October - December	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Number of customers	449,900	451,100	363,500	336,800	372,100	330,600	522,300	482,500	1,707,800	1,601,000
Savings capital SEK billion	271.5	342.2	125.6	133.2	168.6	172.0	149.1	154.2	714.8	801.6
of which shares/derivatives/bonds	172.8	236.8	76.0	81.2	125.0	132.4	116.0	123.0	489.8	573.4
of which funds	67.3	76.4	36.4	38.9	24.2	23.7	16.0	14.7	143.9	153.7
of which deposits ²	31.4	29.0	13.3	13.1	19.3	15.9	17.1	16.5	81.2	74.5
Number of trades	5,212,700	6,612,700	2,636,300	3,535,900	2,280,700	3,218,600	2,533,900	3,523,500	12,663,600	16,890,700
Whereof cross-border trading %	12%	13%	28%	38%	40%	48%	39%	39%	26%	30%
Net savings (SEK million)	0.1	4.8	-0.5	4.4	-0.2	6.7	1.5	2.8	0.9	18.7
Margin lending (SEK billion) ³	4.1	4.6	2.7	2.5	2.5	2.4	3.1	2.9	12.3	12.4
Mortgage (SEK billion)	10.7	8.9	0.1	0.0	0.0	0.0	0.0	0.0	10.9	8.9
Personal loans (SEK billion)	4.1	4.1	0.0	0.0	0.0	0.0	0.0	0.0	4.1	4.1

¹ 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.

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

³ Loans to the public less pledged cash and cash equivalents, see Note 5.

⁴ More information on the project can be found in Nordnet's Interim Report January-June 2022.

The margin lending product decreased by 0.3 percent compared with 12 months earlier and, at the end of the fourth quarter, lending amounted to SEK 12.3 billion. The volume of personal loans decreased by 0.8 percent compared with 12 months earlier and amounted to SEK 4.1 billion.

Nordnet remains successful with savings tools where we offer simpler and more favourable taxation alternatives for securities trading in all markets, most recently introduced in Finland and Denmark. In November, we reached the milestone of 300,000 equity savings accounts ("osakesäästötili") in Finland, corresponding to a market share of 69 percent. Of the equity savings accounts opened in Finland in 2022, Nordnet accounted for 48 percent. In Denmark, where Nordnet launched the equity savings account type in 2021, Nordnet has a 29 percent share of the total market and accounted for 58 percent of the accounts opened in 2022.

In April, Nordnet Fonder AB gained the approval of the Swedish Financial Supervisory Authority to conduct fund operations and to manage alternative investment funds. At the end of 2022, the fund company managed 16 proprietary funds in the form of four Nordic index funds and 12 "allocation funds" with different risk profiles. At the end of the year, the total capital managed in the mutual funds amounted to SEK 20.4 billion. Nordnet Fonder co-manages an additional five funds in partnership with JP Morgan. A Nordnet branded mutual fund is also managed by Öhman Fonder. The capital in these six funds amounted to about SEK 11.3 billion, bringing the total savings capital in Nordnet branded funds to SEK 31.7 billion.

During the quarter, Nordnet received several awards and marks of recognition. Since October, Danish consumer organization Taenk has officially been recommending us as an investment platform because of our low prices. At the end of December, we were named Bank of the Year 2022 in the Swedish market. This is a prestigious award, presented annually by magazine Privata Affärer. The award is based on a poll among readers, in which Nordnet received top marks for its product development and for the strong voice we provide for savers in the public debate on

personal finances. This was also recognized in the Savings Profile of the Year competition, organized by Lannebo Fonder and financial newspaper Affärsvärlden, where our savings economist Frida Bratt was recognized as the individual taking the greatest initiative to promote savings in 2022. In Finland, the year ended with the happy news that our savings and investment podcast Rahapodi is the country's tenth most listened to podcast.

We continued our fight for a fair savings market and, in December, we invited Sweden's new Minister of Financial Markets, Niklas Wykman, to guest our Sparpodden podcast to discuss, among other things, taxation on ISK accounts, pension transfer rights and mortgage amortization requirements. In Denmark, we are continuing our lobbying efforts regarding a higher deposit ceiling on the equity savings account, as a first step up to a limit of DKK 200,000. In Norway, we are engaged in the debate on how the market for newly issued equities should work for private savers.

On the product side, we have launched a number of long-awaited improvements and features in the app and on the website. Our stock lending program was expanded with two new markets, the US and Canada. In December, we announced that deposit interest would be introduced on ISK accounts and endowment insurance accounts for our Swedish customers from the end of the year, and in Denmark the savings account was relaunched. During the quarter, we introduced a more flexible and efficient log-in process for our customers in Norway, Finland and Denmark in the form of the app log-in. In Sweden, we have commenced a partnership with Trustly, facilitating smooth transfers of larger deposits to Nordnet accounts.

Long term sustainability targets

Nordnet's objective is to become the leading platform for sustainable savings in the Nordic region. This entails a wide range of sustainable investment options, as well as information and functionality helping customers save sustainably. To measure and follow up our progress in this area, we introduced three new measures in our third quarter 2022 report, which will be reported on a quarterly basis.

KPI sustainability

KPI	Q4 2022	Q3 2022	Q4 2021
The proportion of fund capital invested in mutual funds that are either classified as light or dark green ^{1,2,3}	75%	74%	59%
Of which, fund capital invested in mutual funds classified as dark green ²	5%	6%	5%
Proportion of female customers	33%	33%	32%

¹Light green mutual funds refer to so-called Article 8 mutual funds, that is, mutual funds promoting environmental or social characteristics, or a combination of these in accordance with the SFDR. ²Dark green mutual funds refer to so-called Article 9 mutual funds, that is, mutual funds that have sustainable investment as a target in accordance with the SFDR. (Sustainable Finance Disclosure Regulation).³The major improvement since the end of 2021, in terms of the proportion of fund capital in sustainable and dark green funds is mainly attributable to improved data intake.

The reported measures will be calibrated over time as data and methods in the field develop. We measure 1) the proportion of fund capital invested in funds that are classified either as light¹ or dark green², 2) the proportion of fund capital invested in funds that are classified only as dark green (sustainable) funds, and 3) the proportion of female customers at Nordnet.

Our target is to increase the share of savings capital that is invested sustainably by, for example, broadening the range of sustainable funds, developing tools to help customers find sustainable alternatives and providing education on sustainable investments through our proprietary and external channels.

Of the total fund capital, the share of savings capital invested in light or dark green mutual funds amounted to 74.5 percent at the end of the quarter, an increase compared with 73.5 percent in the preceding quarter. The change is attributable to the updated fund offering on Nordnet's platform, customers' re-allocations, and the reclassification of funds with more funds being classified as light green (in part, funds previously classified as dark green and, in part, funds that were previously unclassified).

At the end of the quarter, the proportion of savings capital invested in dark green (sustainable) funds amounted to 5.3 percent of the total range of funds offered. The change from the preceding quarter, when this proportion was 6.0 percent, is attributable to fewer funds being classified as dark green (sustainable), as well as to customer re-allocations.

The percentage of female customers was 33.0 percent at the end of the quarter – a small increase from the preceding quarter when the percentage was 32.8 percent. Our long-term target is to reach 50 percent. To reach this target, we are primarily focusing on conducting activities aimed at increasing women's interest in savings and investments. This may involve arranging lectures, networking meetings and training sessions, highlighting female role models, and by communicating statistics and information regarding women's savings.

Consolidated net profit

The uncertain macro environment contributed to decreased trading volumes in all markets and somewhat lower cross-boarder trading during the quarter. This resulted in a 32-percent decrease in **transaction-related income** compared with the fourth quarter of 2021.

Fund related income decreased by 38 percent during the fourth quarter of 2022 compared to the corresponding period in the preceding year. The reduction is largely ex-

plained by a negative adjustment of about SEK 20 million related to a retroactive correction of incorrectly calculated fund related income. The incorrect calculation resulted in a monthly overestimation of fund related income by about SEK 1 million during 2021-2022. The decline in fund related income was also due to a decline in fund capital following financial market decline, as well as a decline in fund income in relation to fund capital attributable to lower platform fees in Norway and reduced cross boarder trading.

Lower transaction-related income and fund related income resulted in a 34 percent decrease in **net commission income** compared to the fourth quarter of 2021, amounting to SEK 426 (641) million in the fourth quarter of 2022.

Increased policy rates in Nordnet's markets are contributing to an increased return on liquidity. Combined with higher lending volumes for residential mortgages and margin lending, as well as higher interest levels in the loan portfolio, this resulted in an increase of 172 percent in **net interest income** compared with the fourth quarter of 2021, amounting to SEK 510 (187) million for the quarter.

Other operating income amounted to SEK 21 (61) million for the quarter. The decline compared with the fourth quarter of 2021 is due to lower income from Nordnet's IPO business.

Operating income in the quarter increased by 7 percent to SEK 952 (892) million compared with the fourth quarter of 2021, with the higher net interest income offsetting a decline in net commission income. **Operating income for full year 2022** decreased by 7 percent compared with full year 2021 as the increase in net interest income, which accelerated at the end of the period, did not fully offset the decline in net commission income.

Adjusted operating expenses increased by 5 percent to SEK 314 (299) million in the quarter compared with the fourth quarter of 2021. **Adjusted operating expenses for full year 2022** amounted to SEK 1,210 million, an increase of 6 percent compared with 2021. In line with Nordnet's financial targets, the increase for both the quarter and the year was mainly attributable to additional employees in Tech, Product and the newly launched fund company.

Credit losses remain stable at low levels and credit quality remains good. **Net credit losses** amounted to SEK 11 (12) million, a decrease of SEK 1 million compared with the fourth quarter of 2021.

With operating income increasing more than operating expenses, **adjusted operating profit** increased by 8 percent in the fourth quarter of 2022, amounting to SEK 624

Profit for our markets

October - December, SEK million	Sweden		Norway		Denmark		Finland		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Operating income ¹	379,1	337,6	230,7	185,0	172,0	197,4	170,1	172,5	951,9	892,5
Operating expenses ¹	-109,9	-117,1	-73,6	-64,0	-73,0	-59,1	-57,4	-59,2	-313,9	-299,4
Operating profit before credit losses	269,2	220,5	157,1	120,9	99,0	138,3	112,7	113,3	638,0	593,0
Credit losses	-8,3	-14,7	-1,4	0,5	-1,1	1,2	-0,3	0,5	-11,1	-12,5
Imposed levies: resolution fee	-0,8	-0,7	-0,6	-0,4	-0,8	-0,7	-0,9	-0,7	-3,1	-2,5
Adjusted operating profit	260,1	205,2	155,1	121,0	97,1	138,8	111,5	113,1	623,8	578,1
Items affecting comparability ¹	-0,3	0,0	-0,3	0,0	-0,3	0,0	-0,3	0,0	-1,3	0,0
Operating profit	259,8	205,2	154,8	121,0	96,8	138,8	111,2	113,1	622,5	578,1
Operating margin %	69%	61%	67%	65%	56%	70%	66%	66%	66%	65%
Income in relation to savings capital	0,56%	0,42%	0,75%	0,59%	0,42%	0,48%	0,48%	0,46%	0,55%	0,47%

Consolidated income statement

SEK million	Q4 2022	Q4 2021	Change %	Q3 2022	Change %	Jan-Dec 2022	Jan-Dec 2021	Change %
Net comission income	425.8	640.6	-34%	484.9	-12%	2,029.2	2,729.6	-26%
Net interest income	509.7	187.2	172%	325.8	56%	1,281.0	727.2	76%
Net result of financial transactions	-4.7	3.2	n/a	2.9	n/a	-8.8	18.0	-149%
Other operating income	21.1	61.5	-66%	-1.7	n/a	80.7	163.7	-51%
Operating income	951.9	892.5	7%	811.9	17%	3,382.1	3,638.5	-7%
General administrative expenses	-251.2	-236.1	6%	-249.5	1%	-1,064.9	-917.5	16%
Depreciation, amortization and impairments	-44.1	-41.7	6%	-43.8	1%	-172.4	-162.7	6%
Other operating expenses	-20.0	-21.6	-8%	-13.8	44%	-54.2	-60.7	-11%
Operating expenses	-315.2	-299.4	5%	-307.1	3%	-1,291.5	-1,140.9	13%
Net credit losses	-11.1	-12.5	-11%	-14.0	-20%	-43.4	-36.3	19%
Imposed levies: resolution fee	-3.1	-2.5	23%	-3.1	0%	-13.1	-10.1	30%
Operating profit	622.5	578.1	8%	487.8	28%	2,034.1	2,451.2	-17%
Earnings per share before dilution, (SEK)	1.98	1.83	8%	1.54	29%	6.35	7.79	-18%
Earnings per share after dilution, (SEK)	1.97	1.82	9%	1.54	28%	6.33	7.75	-18%
Items affecting comparability ¹	-1.3	0.0	-	-3.5	-64%	-81.2	0.0	-
Adjusted operating expenses before credit losses ¹	-313.9	-299.4	5%	-303.5	3%	-1,210.3	-1,140.9	6%
Adjusted operating profit ¹	623.8	578.1	8%	491.3	27%	2,115.3	2,451.2	-14%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK) ¹	2.00	1.85	8%	1.57	27%	6.77	7.86	-14%

¹For items affecting comparability, see page 16.

(578) million, with an **adjusted operating margin** of 66 (65) percent. **Operating profit**, which includes items affecting comparability of SEK 1 million, amounted to SEK 623 (578) million, corresponding to an increase of 8 percent compared with the fourth quarter of 2021.

Adjusted operating profit for full year 2022 decreased by 14 percent to SEK 2,115 (2,451) million and **operating profit**, including items affecting comparability of a negative SEK 81 (0) million, decreased by 17 percent compared with full year 2021. For more information on items affecting comparability, see page 15.

Financial positions

31 December 2022

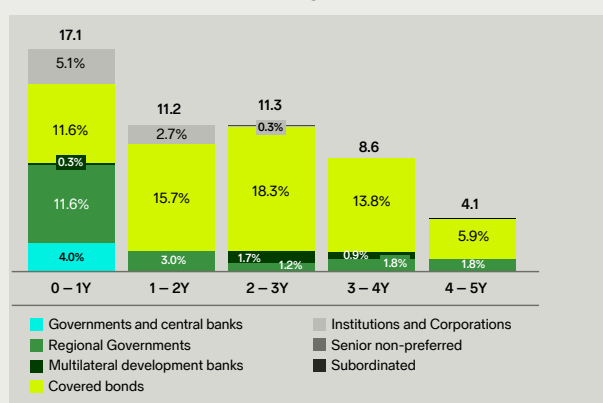
(31 December 2021)

Nordnet's total assets amounted to SEK 206.9 (232.5) billion, a decrease of 11 percent, which was mainly explained by the decline in the value of assets for which customers bear the investment risk. Of the total assets, SEK 120.0 (152.2) billion comprise assets for which customers bear the investment risk and for which there is a corresponding item on the liability side. The value of those assets decreased by SEK 32.2 billion since the start of the year. Furthermore, liquid assets increased by 8 percent over the year, equivalent to SEK 4.4 billion. Lending has increased by SEK 2.2 billion since the end of 2021, corresponding to an increase of 8.4 percent. Most of the increased lending can be attributed to residential mortgages, while other lending remained at a stable level during the period. Confirmed credit losses are at a low and stable level and have not been affected by the higher volatility or increased concern for inflation.

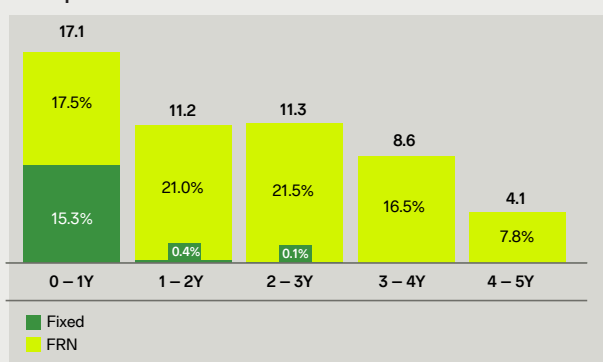
Deposits are Nordnet's most significant source of funding, with only a little over a third being lent and the remaining liquidity being invested in interest-bearing securities of high credit quality and high liquidity. The currency distribution among lending and investments corresponds to the currency distribution among deposits. The main investment orientation for the interest-bearing securities is to hold them until maturity. The maturity structure for the group's investments

in bonds and certificates is shown below, broken down by credit category and interest duration.

Maturity structure by credit category (SEK billion), 31 December 2022¹



Maturity structure by fixed or floating interest rate (SEK billion), 30 September 2022¹



Nordnet's liquidity and capital situation is strong. Liquid assets amounted to SEK 57.6 (53.2) billion and equity amounted to SEK 6.0 (6.0) billion. The capital base that is to cover the capital requirements in the consolidated situation amounted to SEK 3.9 (3.8) billion.

In addition to the profit for the year, most of the change in equity is explained by the dividend of SEK 1.4 billion that was paid, a warrants issue for SEK 17.6 million and repurchases of own shares for SEK 56 million. Furthermore, the market value of the investment portfolios has negatively affected shareholders' equity by SEK 177 million through other comprehensive income, primarily as an effect of increased credit

Financial position

	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21
Own funds consolidated situation ²	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1	3,102.1
CET 1 ratio ²	15.0%	13.8%	13.5%	14.7%	15.3%	18.6%	17.6%	18.2%
Total capital ratio ²	20.9%	19.6%	19.4%	20.9%	21.6%	21.8%	20.9%	21.7%
Leverage ratio ²	4.61%	4.12%	4.23%	4.43%	4.76%	4.44%	4.26%	4.04%
Lending/deposits ²	39%	36%	38%	39%	39%	39%	38%	36%

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

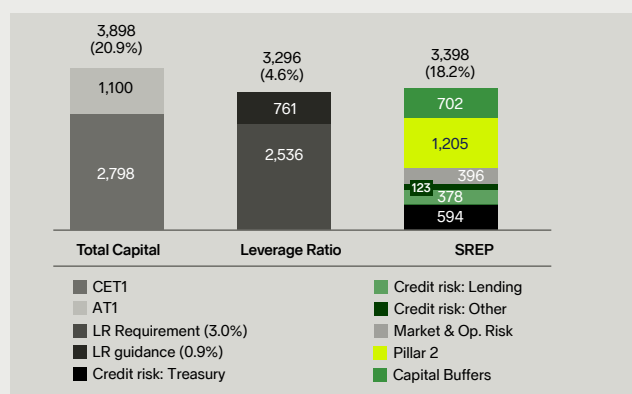
² Refers to consolidated situation.

spreads. A summary of the Group's total comprehensive income is presented on page 18.

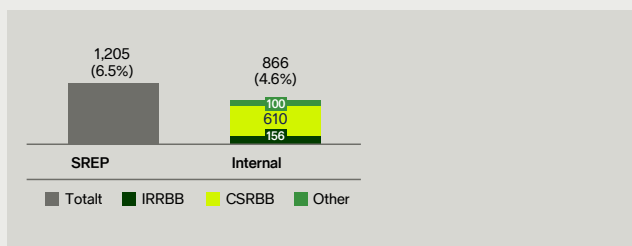
Nordnet has a strong and stable capital structure, which, combined with low risk in its lending and investments, provides a favourable capital situation. Combined with the low credit risk in Nordnet's business model, conditions remain for maintaining a dividend payout policy of 70 percent of the annual profit.

The regulatory capital requirement for the bank operations comprises two parts: the risk-weighted part (capital adequacy) and the non-risk-weighted part (leverage ratio). The consolidated situation's risk-weighted capital ratio amounted to 20.9 (21.6) percent, compared with a total risk – weighted capital requirement of 18.2 (17.1) percent, and the leverage ratio amounted to 4.6 (4.8) percent. The risk-weighted capital requirement can be divided into three components: Pillar 1, Pillar 2 and combined buffer requirements. The Pillar 1 requirement largely comprises

Capital requirements SEK million (RWE%)



Capital requirement pillar 2, SEK million (RWE%)



credit risk and operational risk, for which 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 rate and maturity structure in investments of excess liquidity in securities. For Nordnet's consolidated situation, the Swedish Financial Supervisory Authority has imposed a capital requirement of 6.47 percent as a minimum for risks within Pillar 2. Nordnet also monitors credit spread risk and interest rate risk (CSRBB and IRRBB) based on internal models. Both the regulatory requirements and the

internally calculated needs are illustrated below. For Nordnet, the combined buffer requirement comprises a capital conservation buffer and a counter-cyclical capital buffer. At the end of September, the requirements for the countercyclical buffer were raised, increasing the risk-weighted total capital requirement by 0.85 percent and explaining the increase compared with the preceding year.

Nordnet's leverage ratio was 4.6 (4.8) percent. The minimum requirement for the leverage ratio is 3.0 percent. With the pillar 2 guidance of 0.9 percent, this means that Nordnet is recommended to maintain a leverage ratio exceeding 3.9 percent. This guidance applies only to the consolidated situation. It does not constitute a requirement and violating it does not automatically mean that Swedish Financial Supervisory Authority will take measures.

For Nordnet, the leverage ratio is driven indirectly by deposits. Nordnet's deposits have increased by SEK 6 billion as an effect of the uncertainty prevailing in the stock markets since 31 December 2021. Combined with the aforementioned higher credit spreads, this has negatively affected the capital base, which is primarily why the leverage ratio fell from 4.8 percent to 4.6 percent. With a leverage ratio of 4.6 percent as of 31 December, deposits can increase by SEK 45.4 billion or 62.0 percent without the leverage ratio falling below the minimum requirement of 3.0 percent, and by SEK 15.4 billion or 21.1 percent to not fall below the Swedish Financial Supervisory Authority's guidance of a total of 3.9 percent for the leverage ratio.

Should deposits increase more than this within a short space of time, as of 31 December 2022, Nordnet would be able to rapidly manage additional deposits of SEK 30.1 billion. In total, this provides a preparedness in relation to the regulatory minimum requirement corresponding to additional deposits of SEK 75.5 billion, or an increase of about 103 percent.

Cash flow

January - December 2022

(January-December 2021)

Over the year, cash flow from operating activities was impacted positively by greater liquidity on customer deposits of SEK 2,533.4 (10,536.6) million, but was impacted negatively by increased lending of SEK 1,709.6 (5,808.5) million. Over the year, cash flow in investing activities was negative due to increased investments in bonds and other fixed-income securities for SEK 5,574.8 (12,032.7) million. Cash flow from financing activities has been affected negatively by the repurchase of own shares for SEK 56 million.

Parent Company

January - December 2022

(January-december 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–December 2022 amounted to SEK 18.2 (17.5) million and pertains to Group-internal administrative services. The Parent Company's profit after financial items for the period January–December 2022 amounted to SEK 2,545.2 (300.7) million. The Parent Company's cash and cash equivalents amounted to SEK 7.3 million (16.8 at 31 December 2021), and shareholders' equity to SEK 3,477.6 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, analyze, 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 exposure to risk and handling of risks are presented in the Board of Directors' Report and in Note 7 in the 2021 Annual Report.

The change in the world economy since the end of 2021/start of 2022 with higher inflation, interest rate hikes and falling stock markets poses a risk to Nordnet's operations. This primarily affects Nordnet's commission income, where the macroeconomic situation has generated uncertainty among customers, who now trade less via Nordnet's platform. However, an environment with rising interest rates means higher interest income through a better return on Nordnet's excess liquidity and increased earnings in the lending operations. Sustained inflationary pressure could also entail increased operating expenses for Nordnet.

A specific comment on Russia's invasion of Ukraine

Russia's invasion of Ukraine is one of several factors resulting in a changed macroeconomic situation, reducing interest in savings and investments among private individuals. Inflation, higher interest rates and high energy prices mean that most people are having to tighten their belts, and, in many cases, the focus of personal finances is more on making ends meet than investing in shares and mutual funds. Combined with lower market prices, this means lower commission income for Nordnet – an effect that could naturally persist into the future as long as savers and investors are affected by the uncertain situation. However, an environment with rising interest rates means higher interest income through a better return on Nordnet's excess liquidity and increased earnings in the lending operations. As a company, Nordnet has no direct exposures to Russia or Ukraine. The company's customers have certain holdings in mutual funds and other securities with connections to Russia, and Nordnet has dealt with these in accordance with market standards. No credit losses have occurred within Nordnet's operations as a result of Russia's invasion of Ukraine, and the company's financial position has not been significantly affected by the situation.

Other company events

Application to establish an insurance branch in Finland

In December, Nordnet sent an application to the Norwegian Finanstilsynet to establish an insurance branch in Finland. The branch will be established under Nordnet's Norwegian pension company Nordnet Livsforsikring AS, which is a wholly owned subsidiary of Nordnet Pensionsförsäkring AB. The process is expected to take five months and operations are expected to commence during 2023. The reason for the establishment of the insurance branch is to enable Nordnet to launch an endowment insurance wrapper in Finland, for which this type of structure has been deemed the most efficient. The launch of an endowment insurance wrapper will be an important complement to the existing product, aktiesparkonto, and a step in Nordnet's strategy to become a one-stop-shop for savings and investments in all Nordic markets.

Shares and shareholders

The number of shares outstanding amounted to 249,625,000 as of 31 December 2022. At market close on 31 December 2022, the share price was SEK 151.0, representing a decline of 13 percent since the end beginning of 2022. Nordnet AB (publ) has been listed on the Nasdaq

Stockholm Large Cap list under the ticker SAVE since 25 November 2020. At 31 December 2022, the company had 25,726 shareholders, compared with 27,013 at 31 December 2021.

Employees

At 31 December 2022, there were 666 full-time employees at Nordnet (648 at 31 December 2021). Full-time employees include temporary employees but not employees on parental or other leave. During the period January–December, there were an average 704 employees (654 during the period January–December 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 is mainly attributed to increased numbers of employees in Tech, Product and the newly-launched mutual fund company.

Related party transactions

E. Öhman J:or AB with subsidiaries ("Öhman Group") is closely related to Nordnet AB (publ). The owners of Öhman Group, who have family relationships among them, 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 31 December, 2022

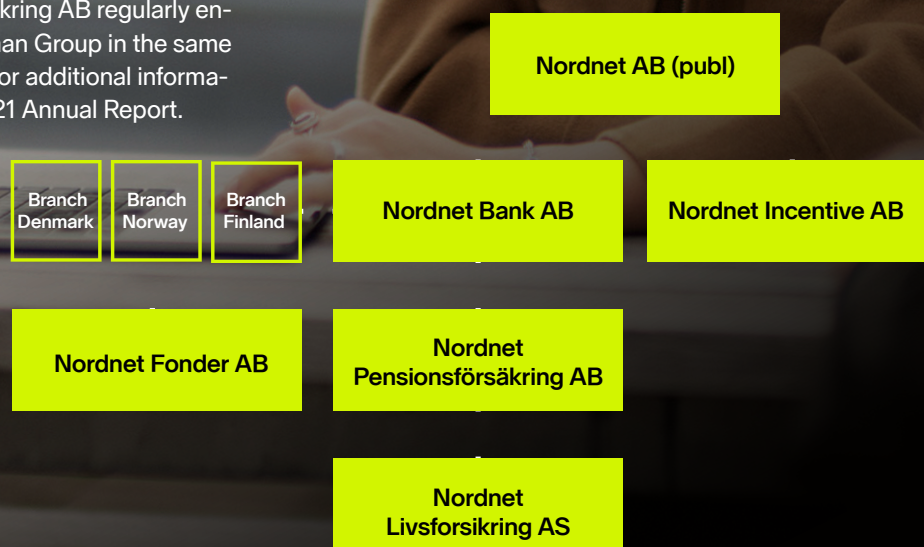
As part of the ongoing efforts to optimize the Group's capital structure, the Board of Directors has decided to issue, at an appropriate juncture, Additional Tier 1 capital (AT1) in an amount of SEK 200-300 million.

Upcoming report events

Annual and Sustainability Report	16 March 2023
Annual General Meeting	18 April 2023
Interim Report January–March	25 April 2023
Interim Report January–June	25 July 2023
Interim Report January–September	24 October 2023

Group overview

The illustration below shows the Nordnet Group chart as at 31 December 2022.



Items affecting comparability

SEK million	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	2022	2021	2020	2019	2018
Acquisition of Netfonds										-35	-16
Deduction right VAT				38			38		-20	-30	
AML/KYC project	-1	-4	-10	-4			-19				
Sanction from SFSA			-100				-100				
Expenses related to the IPO									-109		
Revaluation of the shareholdings in Tink AB1										66	
Total	-1	-4	-110	33	0	0	-81	0	-129	1	-16

SEK million	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21	Q1 21
Consolidated income statement								
Net commission income	425.8	484.9	465.5	652.9	640.6	577.3	584.8	926.9
Net Interest income	509.7	325.8	240.2	205.4	187.2	183.8	185.8	170.5
Net result of financial transactions	-4.7	2.9	-1.1	-5.9	3.2	6.0	8.8	-0.1
Other operating income	21.1	-1.7	23.3	38.1	61.5	30.2	53.2	18.8
Operating income	951.9	811.9	727.8	890.5	892.5	797.4	832.6	1,116.1
General administrative expenses	-251.2	-249.5	-352.9	-211.3	-236.1	-222.7	-229.8	-228.9
Depreciation, amortization and impairments	-44.1	-43.8	-41.7	-43.0	-41.7	-41.8	-39.6	-39.6
Other operating expenses	-20.0	-13.8	-10.8	-9.6	-21.6	-13.7	-14.0	-11.4
Operating expenses	-315.2	-307.1	-405.3	-263.8	-299.4	-278.2	-283.5	-279.9
Net credit losses	-11.1	-14.0	-8.8	-9.6	-12.5	-8.8	-10.9	-4.1
Imposed levies: resolution fees	-3.1	-3.1	-3.3	-3.6	-2.5	-2.5	-2.5	-2.5
Operating profit	622.5	487.8	310.5	613.4	578.1	507.8	535.7	829.6
Earnings per share before dilution, (SEK)	1.98	1.54	0.89	1.95	1.83	1.60	1.73	2.63
Earnings per share after dilution, (SEK)	1.97	1.54	0.88	1.94	1.82	1.60	1.72	2.62
Items affecting comparability ¹	-1.3	-3.5	-109.6	33.3	0.0	0.0	0.0	0.0
Adjusted operating expenses before credit losses	-313.9	-303.5	-295.7	-297.1	-299.4	-278.2	-283.5	-279.9
Adjusted operating profit ¹	623.8	491.3	420.1	580.2	578.1	507.8	535.7	829.6
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	2.00	1.57	1.34	1.86	1.85	1.63	1.75	2.65
Key figures								
Adjusted operating income in relation to savings capital - rolling 12 months %	0.46%	0.45%	0.45%	0.47%	0.53%	0.56%	0.59%	0.64%
Adjusted operating expenses in relation to savings capital - rolling 12 months %	0.17%	0.16%	0.16%	0.16%	0.17%	0.18%	0.20%	0.22%
Operating margin %	65%	60%	43%	69%	65%	64%	64%	74%
Adjusted operating margin %	66%	61%	58%	65%	65%	64%	64%	74%
Cost/income %	33%	38%	56%	30%	34%	35%	34%	25%
Adjusted cost/income %	33%	37%	41%	33%	34%	35%	34%	25%
Profit margin %	54%	49%	33%	56%	53%	51%	53%	60%
Return on equity - rolling twelve months %	34%	33%	33%	37%	44%	43%	43%	43%
Adjusted return on equity - rolling twelve months %	36%	35%	35%	37%	44%	45%	46%	46%
Adjusted return on equity excl intangible assets - rolling twelve months %	45%	44%	44%	46%	56%	58%	60%	63%
Customers	1,707,800	1,677,500	1,643,000	1,618,900	1,601,000	1,537,200	1,475,300	1,388,700
Annual customer growth %	10%	12%	15%	20%	31%	37%	38%	39%
Net savings (SEK billion)	0.9	5.8	8.3	21.2	18.7	15.3	22.4	27.0
Savings ratio %	5%	7%	9%	12%	15%	21%	22%	24%
Savings capital (SEK billion)	714.8	680.7	691.1	772.7	801.6	728.0	703.4	647.8
of which shares/derivatives/bonds	489.8	461.6	473.2	547.2	573.4	517.3	505.8	465.0
of which funds	143.9	130.6	132.9	145.0	153.7	138.2	130.7	117.8
of which deposits	81.2	88.4	85.1	80.5	74.5	72.6	66.8	65.0
Average savings capital per customer - 12 months rolling (SEK)	443,800	454,900	469,400	479,400	477,000	462,800	449,000	425,500
Lending (SEK billion)	27.3	26.4	26.7	26.5	25.4	24.2	23.2	22.1
of which margin lending ²	12.3	11.7	12.4	12.8	12.4	11.9	11.5	11.1
of which mortgages	10.9	10.6	10.3	9.6	8.9	8.2	7.6	7.0
of which personal loans	4.1	4.1	4.0	4.1	4.1	4.1	4.0	4.0
Investments in tangible assets (SEK million)	8.6	6.0	3.7	5.4	17.5	2.8	8.0	17.8
Investments in intangible assets excl. company acquisitions (SEK million)	41.2	30.8	33.3	31.6	31.1	27.8	32.7	29.9
Number of full-time equivalents at end of period	666	669	673	662	648	646	630	610

¹For items affecting comparability, see page 16. ²Customer growth was 7% in the last twelve months and the including those customer relationships that have been terminated within the customer documentation project and the equivalent number in the previous quarter was 10%. ³ Includes cash and cash equivalents from customers of the pension companies. ⁴ Lending excluding pledged cash and cash equivalents. For definitions of key performance indicators, refer to pages 42–43.

A young man with brown hair and freckles is shown in profile, looking intently at a computer monitor. The background is a blurred office environment with another screen visible. The text 'Financial statements.' is overlaid on the lower right portion of the image. The word 'Financial' is in white, and 'statements.' is in a bright yellow-green color. A white geometric shape, resembling a folded corner, is in the bottom left corner.

**Financial
statements.**

Financial statements.

Financial statements

Consolidated income statement

SEK million	Note	3 months	3 months	3 months	12 months	12 months
		Oct-Dec 2022	Oct-Dec 2021	Jul-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Commission income	3	588.7	816.4	639.8	2,695.0	3,476.4
Commission expenses	3	-162.9	-175.8	-154.9	-665.8	-746.8
Interest income	4	611.8	267.5	416.6	1,662.8	945.2
Interest expenses	4	-102.1	-80.3	-90.8	-381.8	-217.9
Net result of financial transactions		-4.7	3.2	2.9	-8.8	18.0
Other operating income		21.1	61.5	-1.7	80.7	163.7
Total operating income		951.9	892.5	811.9	3,382.1	3,638.6
General administrative expenses		-251.2	-236.1	-249.5	-1,064.9	-917.5
Depreciation, amortization and impairments of intangibles and equipment		-44.1	-41.7	-43.8	-172.4	-162.7
Other operating expenses		-20.0	-21.6	-13.8	-54.2	-60.7
Total expenses before credit losses and imposed levies		-315.2	-299.4	-307.1	-1,291.5	-1,140.9
Profit before credit losses and imposed levies		636.7	593.0	504.8	2,090.6	2,497.6
Credit losses, net	5	-11.1	-12.5	-14.0	-43.4	-36.3
Imposed levies: resolution fees		-3.1	-2.5	-3.1	-13.1	-10.1
Operating profit		622.5	578.1	487.8	2,034.1	2,451.2
Tax on profit for the period		-108.3	-109.2	-87.5	-381.7	-466.5
Profit for the period		514.2	468.9	400.3	1,652.5	1,984.7
Earnings per share before dilution, SEK	10	1.98	1.83	1.54	6.35	7.79
Earnings per share after dilution, SEK	10	1.97	1.82	1.54	6.33	7.75
Average number of shares before dilution	10	249,625,000	250,000,000	249,625,000	249,687,500	250,000,000
Average number of shares after dilution	10	250,445,093	251,626,635	249,982,672	250,581,110	251,146,045

Consolidated statement of other comprehensive income

SEK million	3 months	3 months	3 months	12 months	12 months
	Oct-Dec 2022	Oct-Dec 2021	Jul-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Profit for the period	514.2	468.9	400.3	1,652.5	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	102.3	-0.8	-49.8	-177.2	-3.6
Tax on changes in value of financial assets recognized at fair value through other comprehensive income	-21.1	0.2	10.3	36.5	0.7
Translation of foreign operations	14.7	19.2	13.5	46.0	45.0
Tax on translation of foreign operations	-1.6	-1.0	-1.2	-5.2	-3.1
Total other comprehensive income after tax	94.3	17.6	-27.2	-99.9	39.0
Total profit or loss and other comprehensive income ¹	608.5	486.5	373.0	1,552.6	2,023.7

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

Consolidated balance sheet

SEK million	Note	31/12/2022	31/12/2021
Assets			
Cash and balances in central banks		3,726.5	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing		38,960.2	33,702.7
Loans to credit institutions		485.1	644.8
Loans to the general public	5	28,527.4	26,326.2
Bonds and other interest bearing securities		11,218.5	10,978.3
Shares and participations		19.8	5.2
Assets for which customers bear the investment risk		119,974.7	152,165.5
Intangible fixed assets		967.5	920.7
Tangible fixed assets		244.0	285.3
Deferred taxed assets		1.3	0.9
Current tax assets		28.8	0.6
Other assets		2,267.6	2,906.3
Prepaid expenses and accrued income		486.4	357.9
Total assets		206,907.8	232,544.2
Liabilities			
Deposits and borrowing from the general public		70,084.1	64,286.7
Liabilities for which customers bear the investment risk		119,979.6	152,168.3
Other liabilities		10,371.4	9,468.7
Current tax liabilities		151.1	327.6
Deferred tax liabilities		56.1	65.7
Accrued expenses and deferred income		215.4	237.1
Total liabilities		200,857.8	226,554.1
Equity			
Share capital		1.2	1.2
Additional Tier 1 (AT1) capital		1,100.0	1,100.0
Other capital contributions		7,086.7	7,125.9
Other reserves		-161.2	-61.4
Retained earnings/cumulative losses including profit and loss for the period		-1,976.6	-2,175.6
Total equity		6,050.1	5,990.1
Total liabilities and equity		206,907.8	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	-	-	-	-	1,652.5	1,652.5
Other comprehensive income after tax	-	-	-	-99.9	-	-99.9
Total comprehensive income	-	-	-	-99.9	1,652.5	1,552.6
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	-	-	-	-	-65.0	-65.0
Repurchase of own shares	-	-	-56.5	-	-	-56.5
Issue of warrants	-	-	17.6	-	-	17.6
Repurchase of warrants	-	-	-0.4	-	-	-0.4
Dividend	-	-	-	-	-1,387.9	-1,387.9
Total transactions reported directly in equity	-	-	-39.2	-	-1,453.4	-1,492.7
Equity carried forward 31 December 2022	1.2	1,100.0	7,086.7	-161.2	-1,976.6	6,050.1

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 Oct-Dec 2022	3 months Oct-Dec 2021	3 months Jul-Sep 2022	12 months Jan-Dec 2022	12 months Jan-Dec 2021
Operating activities					
Cash flow from operating activities before changes in working capital	-9.4	316.4	369.1	1,381.2	2,089.6
Cash flow from changes in working capital	-3,139.1	3,380.7	968.8	5,111.9	11,522.6
Cash flow from operating activities	-3,148.5	3,697.1	1,337.9	6,493.1	13,612.2
Investing activities					
Purchases and disposals of intangible and tangible fixed assets	-49.7	-48.7	-36.8	-160.6	-167.6
Net investments in financial instruments	-2,062.8	-4,871.8	1,403.4	-5,574.8	-12,032.7
Cash flow from investing activities	-2,112.6	-4,920.5	1,366.7	-5,735.5	-12,200.3
Financing activities					
Cash flow from financing activities	-7.8	161.7	-16.0	-1,390.1	-236.8
Repurchase of shares	-	-	-	-56.5	-
Cash flow for the period	-5,268.9	-1,061.7	2,688.6	-689.0	1,175.1
Cash and cash equivalents at the start of the period	9,478.4	5,953.9	6,790.8	4,894.6	3,704.0
Exchange rate difference for cash and cash equivalents	2.2	2.4	-1.1	5.9	15.5
Cash and cash equivalents at the end of the period ¹	4,211.6	4,894.6	9,478.4	4,211.6	4,894.6
<i>whereof cash and cash equivalents in Central Banks</i>	3,726.5	4,249.8	8,753.1	3,726.5	4,249.8
<i>whereof loans to credit institutions</i>	485.1	644.8	725.3	485.1	644.8

¹ This amount includes reserved funds of SEK 281 million (377).

Parent Company income statement

SEK million	3 months Oct-Dec 2022	3 months Oct-Dec 2021	3 months Jul-Sep 2022	12 months Jan-Dec 2022	12 months Jan-Dec 2021
Net sales	4.9	4.3	4.2	18.2	17.5
Total operating income	4.9	4.3	4.2	18.2	17.5
Other external costs	-3.1	-1.4	-4.1	-14.0	-6.2
Personnel costs	-4.1	-3.3	-3.0	-13.8	-13.2
Other operating expenses	-1.0	-0.8	-0.8	-3.5	-2.5
Total operating expenses	-8.2	-5.5	-7.9	-31.3	-21.9
Operating profit	-3.4	-1.2	-3.7	-13.1	-4.4
Result from financial investments:					
Result from participations in Group companies	1,168.6	305.9	-	2,558.7	305.9
Other interest income and similar items	0.4	0.0		0.4	
Interest expense and similar items	-0.3	-0.2	-0.3	-0.8	-0.8
Result from financial investments	1,168.7	305.7	-0.3	2,558.2	305.0
Profit after financial items	1,165.3	304.5	1,386.6	2,545.2	300.7
Tax on profit for the year	-1.9	-0.7	0.6	-0.1	-0.3
Profit for the period	1,163.4	303.7	1,387.2	2,545.0	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	1,163.4	303.7	1,387.2	2,545.0	300.4

Parent Company balance sheet

SEK million	31/12/2022	31/12/2021
Assets		
Financial fixed assets	2,412.8	2,409.2
Current assets	1,076.5	11.0
Cash and bank balances	7.3	16.8
Total assets	3,496.6	2,436.9
Equity and liabilities		
Restricted equity	1.2	1.2
Non-restricted equity	3,476.4	2,424.0
Current liabilities	19.0	11.7
Total equity and total liabilities	3,496.6	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 the comparative figures have also been recalculated accordingly. The Group has changed the presentation of the income statement by adding a new line, Incurred fees: resolution fees for the income statement to be in line with industry practices. Resolution fees have previously been reported under net interest. The line Operating profit before credit losses has been changed to Operating profit before credit losses and resolution fees. The purpose of the changes is to clarify the reporting and facilitate the comparison of operating profit between time periods.

The changes in the presentation have not affected the Group's profit or shareholders' equity. 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 Segments.

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

Note 2 Revenue from contracts with customers

Jan-Dec 2022	Sweden	Norway	Denmark	Finland	Total
Commission income - transaction-related	387.1	391.8	374.3	464.4	1,617.5
Commission income - non transaction-related	260.5	176.9	38.8	23.3	499.6
Currency exchange income	122.5	140.6	153.7	78.1	495.0
Other commission income	38.0	19.3	12.5	13.1	82.9
Income associated with IPOs and company events	8.5	4.2	1.7	27.0	41.3
Other operating income	22.3	8.4	16.2	12.1	58.9
Total	838.9	741.1	597.2	618.0	2,795.2
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point in time	838.9	741.1	597.2	618.0	2,795.2

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					
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 Oct-Dec 2022	3 months Oct-Dec 2021	3 months Jul-Sep 2022	12 months Jan-Dec 2022	12 months Jan-Dec 2021
Commission income					
Commission income - transaction related ¹	356.0	467.1	374.0	1,617.5	2,085.1
Commission income - not transaction related ²	128.1	177.8	148.7	582.5	639.4
Currency exchange income	104.6	171.6	117.2	495.0	751.9
Total commission income	588.7	816.4	639.8	2,695.0	3,476.4
Commission expenses					
Commission expenses - transaction related	-108.6	-121.1	-100.5	-449.1	-546.4
Commission expenses - not transaction related	-52.8	-54.7	-52.0	-208.2	-200.4
Other commission expenses	-1.5	-	-2.3	-8.4	-
Commission expenses	-162.9	-175.8	-154.9	-665.8	-746.8
Net commission income	425.8	640.6	484.9	2,029.2	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 Oct-Dec 2022	3 months Oct-Dec 2021	3 months Jul-Sep 2022	12 months Jan-Dec 2022	12 months Jan-Dec 2021
Interest income according to the effective interest rate method					
Loans to credit institutions	53.6	45.6	44.7	186.8	158.7
Interest bearing securities	197.6	21.5	119.4	421.8	39.5
Interest bearing securities at amortized cost	104.3	13.9	53.7	215.7	44.7
Loans to the general public	253.5	183.0	196.4	829.2	691.1
Other interest income	2.8	3.4	2.4	9.3	11.2
Total interest income	611.8	267.5	416.6	1,662.8	945.2
Interest expenses					
Liabilities to credit institutions	8.3	-7.3	0.2	-2.1	-21.8
Interest bearing securities	-52.6	-28.8	-56.9	-219.3	-74.4
Deposits and borrowing from the general public	-5.3	-0.2	-0.5	-6.4	-0.2
Other interest expenses	-52.4	-44.1	-33.6	-154.1	-121.5
Total interest expenses	-102.1	-80.3	-90.8	-381.8	-217.9
Net interest income	509.7	187.2	325.8	1,281.0	727.3

Note 5 Loans to the public

Total lending amounted to SEK 28,927.4 million (26,326.2 as of 31 December 2021), of which SEK 1,214.5 million (950.3 as of 31 December 2021) comprises lending to the public, which is covered in its entirety by pledged funds in endowment insurance and share savings accounts (ISKs). Residential mortgages account for the largest part of the remaining increase of SEK 1,063.4 million.

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 99.6 million (105.2 as of 31 December 2021). The reduction in the reserve is largely due to write-off of older private loans that previously had been reserved at 100 %.

The credit loss provisions for margin lending amounted to SEK 11.4 million (11.8 as of 31 December 2021). The size of the credit loss provision for margin lending was stable over the quarter, with minor fluctuations reflecting developments in the financial markets. The volume-weighted average loan-to-value ratio in customers' custodial accounts with credit limits amounted to 39.8 (36.2) percent. Margin lending customers are monitored daily and, if necessary, forcibly regulated to manage the credit risk, which is still considered low. The higher loan-to-value ratio is an effect of lower market values in the customers' portfolios as a result of the sharp and long decline in the stock market in 2022. At the end of the year, it was noted that some customers' deposits had become over-leveraged in connection with the stock market downturn, causing an increase in the modelled credit provision. This over-leveraging was settled immediately following the end of the year, after which

there was no risk of credit losses. A management overlay of SEK 2 million was therefore made to reduce the credit reserve so that it better reflected the real credit risk.

The credit loss provision for residential mortgages amounted to SEK 3.2 million (3.2 as of 31 December 2021). The reserve remains largely unchanged since 31 December 2021. In the fourth quarter of 2021, a provision was calculated in addition to that of SEK 3 million made through the IFRS 9 models to cover expected credit losses that could occur if, for example, mortgaged homes were to be destroyed without there being insurance to cover the damage. The credit risk in Nordnet's residential mortgage portfolio is assessed as low. Nordnet offers residential mortgages on the Swedish and Norwegian markets with a maximum loan-to-value ratio of 50 and 60 percent respectively. To personnel in Sweden, Nordnet offers residential mortgages with a maximum loan-to-value ratio of 75 percent. As of 31 December 2022, the average loan-to-value ratio for residential mortgages was 46.0 percent (45.7 as of 31 December 2021). The higher loan-to-value ratio in the portfolio is an effect of market values for existing residential mortgages in the Nordnet portfolio being updated in the fourth quarter and is not a sign of increased risk. In addition to the residential mortgage on the customer's home, Nordnet also holds collateral in the form of residential mortgage customers' savings capital with Nordnet. Also taking such collateral into account, the volume-weighted average loan-to-value ratio in this lending portfolio is 31.7 percent (28.1 percent as of 31 December 2021). Over the fourth quarter, housing prices have continued to fall for both single-family homes and tenant-owner apartments in Sweden. Although Swedish

Loans, SEK million	31/12/2022	31/12/2021	Change %
Margin loans	13,551.8	13,325.3	1.7%
Residential mortgage	10,876.8	8,868.4	22.6%
Personal loans	4,098.8	4,132.5	-0.8%
Total lending to the public	28,527.4	26,326.2	8.4%
whereof credits covered by pledged cash and cash equivalents	1,214.5	950.3	27.8%

Credit loss reserve 31/12/2022	Stage 1	Stage 2	Stage 3	Total
Amortized cost	27,614.1	879.5	133.5	28,627.1
Provisions for expected credit losses	-21.3	-27.2	-51.1	-99.6
Total lending to the public	27,592.7	852.3	82.4	28,527.4

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

households' expectations have stabilized, they still expect housing prices to continue falling over the coming year. Falling housing prices may entail an increased risk as the size of the loan constitutes a larger proportion of the current market value. Although Nordnet monitors the trend carefully, based on the low maximum loan-to-value ratio offered, it does not perceive any increased risk as a result of this.

The credit loss provisions for personal loans amounted to SEK 85.0 million (90.2 as of 31 December 2021). The reduction in provisions in 2022 was driven by a number of older provisions have been reclassified as confirmed losses. In the personal loan portfolio, credit quality remains favourable and the risk level is stable.

The manual downward adjustment in provisions by SEK 2.0 million, which was introduced for personal loans in the first quarter against the background that model validations showed the risk of default to be overestimated, remains against the same background as previously. Efforts are in progress to update the bank's PD models for personal loans, with the new models being expected to be implemented in the first quarter of 2023. It is expected that the manual provision adjustment will be retained until the project has been completed and implemented in the bank's IFRS9 model.

Nordnet reports reserves 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 forward-looking 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 of Ukraine has caused great concern around the world and, combined with higher inflation than we have seen in more than 30 years, soaring electricity prices and falling housing prices, the market reflects a level of uncertainty that Nordnet is monitoring closely. In the third quarter, it was decided, from a forward-looking perspective, to adjust the scenario weights for personal loans as a result of the uncertain macroeconomic climate. The adjusted scenario weighting for personal loans will remain until further notice and is assessed on an ongoing basis. Nordnet's assessment is that the residential mortgage portfolio has sufficient collateral for an adjustment of the weighting not to be necessary, and Nordnet maintains an equivalent assessment with regard to margin lending, as the risk there is affected by developments in the stock market.

The following scenario weights have been applied since 30 September 2022:

Scenario	Weighting (margin lending and residential mortgages)	Weighting (personal loans)
Positive	25%	10%
Base	50%	30%
Negative	25%	60%

The following scenario weights were applied before 30 September 2022:

Scenario	Weighting
Positive	25%
Base	50%
Negative	25%

Credit losses Private loans

SEK million	2018	2019	2020	2021	2022
Established loss	26.8	30.4	32.6	25.7	34.4
Credit volume at the beginning of the year	3,717	3,996	4,099	4,049	4,192
Established loss %	1%	1%	1%	1%	1%
Reserve change	7.0	2.7	3.5	8.4	8.5
Total loss	33.8	33.1	36.1	34.1	42.9
Total loss %	1%	1%	1%	1%	1%

Note 6 Group - Segments

Jan-Dec 2022					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	610.0	476.1	489.7	453.3	2,029.2
Net interest income	674.0	371.4	137.4	98.2	1,281.0
Net result after financial transactions	-8.9	2.3	0.6	-2.8	-8.8
Other interest income	7.3	14.5	19.7	39.3	80.7
Total operating income	1,282.4	864.2	647.5	588.0	3,382.1
Total operating expenses	-558.6	-272.2	-232.7	-228.0	-1,291.5
Total expenses before credit losses	-558.6	-272.2	-232.7	-228.0	-1,291.5
Profit before credit losses	723.9	592.0	414.8	360.0	2,090.6
Credit losses, net	-40.0	-1.9	-1.1	-0.4	-43.4
Imposed levies: resolution fees	-3.4	-2.3	-3.6	-3.8	-13.1
Operating profit	680.5	587.8	410.1	355.7	2,034.1

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

31/12/2022	Fair value through consolidated income statement					
Assets	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	Total
Cash and balances in central banks	3,726.5	-	-	-	-	3,726.5
Treasury bills and other interest bearing securities eligible for refinancing ¹	16,241.6	-	-	22,718.6	-	38,960.2
Loans to credit institutions	485.1	-	-	-	-	485.1
Loans to the general public	28,527.4	-	-	-	-	28,527.4
Bonds and other interest bearing securities	5,039.6	-	-	6,178.9	-	11,218.5
Shares and participations, listed	-	19.0	-	-	-	19.0
Shares and participations, non-listed	-	0.8	-	-	-	0.8
Assets for which customers bear the investment risk ²	1,087.0	-	116,749.2	2,138.5	-	119,974.7
Other assets	2,267.6	-	-	-	28.8	2,296.4
Accrued income	322.1	-	-	-	-	322.1
Total assets	57,697.0	19.8	116,749.2	31,036.0	28.8	205,530.8
Liabilities						
Deposits and borrowing from the general public	70,084.1	-	-	-	-	70,084.1
Liabilities for which customers bear the investment risk	-	-	119,979.6	-	-	119,979.6
Other liabilities	10,371.4	-	-	-	207.2	10,578.7
Accrued expenses	215.4	-	-	-	-	215.4
Total liabilities	80,670.9	-	119,979.6	-	207.2	200,857.8

¹ The market value amounts to SEK 16,288.0 million

² SEK 2,138.5 million refers to re-investments in bonds and SEK 1,087.0 million refers to cash and cash equivalents.

31/12/2021	Fair value through consolidated income statement					
Assets	Amortized cost	Held for trading	Other business models	Fair value through other comprehensive income	Non financial instruments	Total
Cash and balances in Central banks	4,249.8	-	-	-	-	4,249.8
Treasury bills and other interest bearing securities eligible for refinancing	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
Assets 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 analyzing factors such as differences in buying and selling prices.

The methods are divided into three different levels:

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

Level 2 – Financial assets and financial liabilities valued 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 valued 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 comprising 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 at variable 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

31/12/2022				
SEK million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	22,718.6	-	-	22,718.6
Bonds and other interest bearing securities	5,087.9	1,091.0	-	6,178.9
Shares and participations ¹	19.0	-	0.8	19.8
Assets for which customers bear the investment risk	117,877.9	464.2	1,632.6	119,974.7
Subtotal	145,703.3	1,555.2	1,633.4	148,891.9
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	3,726.5	-	-	3,726.5
Loans to credit institutions	-	485.1	-	485.1
Loans to the general public	-	28,527.4	-	28,527.4
Treasury bills and other interest bearing securities eligible for refinancing	16,288.0	-	-	16,288.0
Bonds and other interest bearing securities	498.8	4,530.7	-	5,029.5
Other assets	2,267.6	-	-	2,267.6
Accrued income	322.1	-	-	322.1
Subtotal	23,103.0	33,543.2	-	56,646.3
Total	168,806.4	35,098.4	1,633.4	205,538.2
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	119,979.6	-	119,979.6
Total	-	119,979.6	-	119,979.6

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 mainly contains bonds that are valued based on an interest rate 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 contains mainly unlisted equity instruments for which 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 on initial recognition.

When the Group determines the level at which financial instruments are to be reported, 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.

Disclosures regarding level 3.

Over the year, financial assets were transferred from level 2 to level 3, with the main reason for the transfer being due to instruments lacking observable market data and therefore valued in accordance with independent theoretical valuations. Financial assets were also transferred from level 3 to level 2, with the main reason for the transfer being because instruments that previously lacked reliable data or were valued in accordance with independent theoretical valuations have now been calculated using valuation methods based on observable market data.

Of the closing amount in level 3 as of 31 December 2022, 99.7 percent comprises Swedish holdings, which is why the currency effect, shown under Changes in value, represents an immaterial part of the amount for foreign holdings. Nordnet's valuation techniques for level 3 comprise discounted cash flow analyses, option price models and current transactions for similar instruments. Nordnet may employ theoretical valuations by independent counterparties in accordance with valuation techniques if these prices are provided to Nordnet. If the valuation data for the most recent three months following the end of a quarter are insufficient, the valuation is set to zero.

2021

SEK million

	Assets for which customers bear the investment risk	Shares and participations
Opening balance	826.6	0.7
Bought	3,342.5	-
Transfers to level 3	1.9	-
Sold	-198.3	-
Transfers from level 3	-47.1	-
Change in value including currency effect	519.6	-
Closing balance	4,445.2	0.7

2022

SEK million

	Assets for which customers bear the investment risk	Shares and participations
Opening balance	4,445.2	0.7
Bought	943.6	-
Transfers to level 3	8.0	-
Sold	-3,546.9	-
Transfers from level 3	-23.0	-
Change in value including currency effect	-194.3	0.1
Closing balance	1,632.6	0.8

Note 8 Pledged assets, contingent liabilities and commitments

SEK million	31/12/2022	31/12/2021
Provided collaterals		
Pledged assets and comparable collateral for own liabilities ¹	771.1	724.5
Other pledged assets and comparable collateral		
Bonds and other interest bearing securities ²	2,468.7	2,086.6
<i>of which deposits with credit institutions</i>	2,018.7	1,696.4
<i>of which deposits with clearing organisations</i>	450.1	390.2
Obligations		
Contingent liabilities	10.6	24.0
Commitments		
Credit granted but not yet paid, unsecured loans ³	85.7	118.7
Funds managed on behalf of third parties		
Client funds	147.3	119.1

¹ In the previous year, Pledged assets and comparable collateral for own liabilities were reported under Bonds and other interest-bearing securities, the line of which deposits with credit institutions.

² This amount includes reserved funds of SEK 281 million (377) which mainly relate to pledged assets at clearing institutes, central banks and the stock exchange.

³ This amount includes granted, unpaid mortgages amounting to SEK 64 million (98)

As at the balance sheet date of 31st December 2022, the insurance business held registered assets amounting to SEK 119,975 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 Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2008:25) regarding annual reports in credit institutions and securities companies, the Swedish Financial Supervisory Authority's regulations and general advice (FFFS 2014:12) regarding supervisory requirements and capital buffers, and the Swedish Financial Supervisory Authority's regulations (FFFS 2010:7) regarding the management and disclosure 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.

The capital requirement for units in the insurance business is affected by the policyholders' assets. The capital requirements for the banking operations (presented in detail under a separate heading for the consolidated situation) vary primarily in terms of the size and credit quality of the bank's exposures. For the financial conglomerate, solvency capital requirements and capital base are calculated according to the standard model under Solvency 2, which affirms the total capital requirement from both the banking and insurance operations. As a consequence of the solvency rules, the item Solvency capital in the conglomerate's own funds, which refer to the estimated future present value of the insurance companies (Nordnet Pensionsförsäkring AB) including the subsidiary Nordnet Livsförsäkring AS) includes cash flows generated by the policyholders' capital.

Financial conglomerate

Eligible capital and capital requirements

The financial conglomerate comprises Nordnet AB (publ) and all of its subsidiaries. The own funds and capital requirement are calculated in accordance with the consolidation method.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million	31/12/2022	31/12/2021
Capital base after regulatory adjustments	5,642.7	5,837.2
Capital requirement	4,850.9	5,044.7
Excess capital	791.8	792.5
The financial conglomerate's capital ratio	1.2	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 comprises 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 business.

Nordnet applies the standard method for calculating the own funds requirement for credit risk. The 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. Capital base requirements for operational risk are calculated in accordance with the standardized method.

As part of the authority's review and assessment process, based on the risk data for 2020 and completed in the third quarter of 2021, the Swedish Financial Supervisory Authority determined that Nordnet must meet a Pillar 2 requirement of 6.47 percent (SEK 1,205.4 million) for the consolidated situation. Three quarters of the own funds requirement shall be met with Tier 1 capital, at least three quarters of which shall consist of Common Equity Tier 1 capital.

The own funds shall cover minimum capital requirements and the combined buffer requirement, as well as supplemental Pillar 2 requirements. As of 31 December 2022, the countercyclical buffers in Norway and Denmark were raised by the respective supervisory authorities, resulting in an increased buffer requirement for Nordnet of 0.21 percentage points compared with the countercyclical buffer level as of 30 September 2022. Since the external auditors have verified the net profit and permission has been obtained from the Swedish Financial Supervisory Authority, net profit through the fourth quarter of 2022 is included.

As of the third quarter of 2021, Nordnet will make a reduced deduction for intangible software assets in accordance with the amendment to Delegated Regulation (EU) No 241/2014. This means that all intangible software assets, the value of which is not significantly affected by an institution's resolution, insolvency or liquidation, are deducted from the capital base on the basis of a prudent valuation (maximum three-year depreciation period). The remaining part of the software's carrying amount shall have a risk weight of 100 percent. This is more favourable compared with the previous rules which entailed a deduction from the capital base for all software assets. The amendment entails own funds, as well as the total risk-weighted exposure amount, increasing by SEK 201.3 million as of 31 December 2022.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
Available own funds (amounts)						
1	Common Equity Tier 1 (CET1) capital	2,798.3	2,618.0	2,550.4	2,619.2	2,655.9
2	Tier 1 capital	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9
3	Total capital	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9
Risk-weighted exposure amounts						
4	Total risk-weighted exposure amount	18,631.3	18,987.2	18,857.6	17,805.2	17,399.0
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	15.0%	13.8%	13.5%	14.7%	15.3%
6	Tier 1 ratio (%)	20.9%	19.6%	19.4%	20.9%	21.6%
7	Total capital ratio (%)	20.9%	19.6%	19.4%	20.9%	21.6%
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%	6.5%
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%	4.9%
EU 7d	Total SREP own funds requirements (%)	14.5%	14.5%	14.5%	14.5%	14.5%
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 (%)	1.3%	1.1%	0.2%	0.2%	0.1%
EU 9a	Systemic risk buffer (%)					
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer					
11	Combined buffer requirement (%)	3.8%	3.6%	2.7%	2.7%	2.6%
EU 11a	Overall capital requirements (%)	18.2%	18.0%	17.2%	17.1%	17.1%
12	CET1 available after meeting the total SREP own funds requirements (%)	6.5%	5.1%	4.9%	6.4%	7.1%

Cont. Note 9 Capital adequacy information and liquidity

Nominal values of capital requirements

SEK million		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
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	1,205.4	1,228.5	1,220.1	1,152.0	1,125.7
EU 7b	of which: to be made up of CET1 capital	678.2	691.1	686.4	648.1	633.3
EU 7c	of which: to be made up of Tier 1 capital	903.6	920.9	914.6	863.6	843.9
EU 7d	Total SREP own funds requirements	2,695.9	2,747.5	2,728.7	2,576.4	2,517.6
Combined buffer and overall capital requirement (SEK million)						
8	Capital conservation buffer	465.8	474.7	471.4	445.1	435.0
9	Institution specific countercyclical capital buffer	236.3	202.5	40.4	28.6	25.7
11	Combined buffer requirement	702.1	677.2	511.9	473.7	460.6
EU 11a	Overall capital requirements	3,398.3	3,425.3	3,239.7	3,050.0	2,978.7
12	CET1 available after meeting the total SREP own funds requirements	1,201.7	970.2	922.1	1,143.1	1,238.8

Distribution risk weighted exposures

SEK million		31/12/2022	31/12/2021
Total risk weighted exposures		18,631.3	17,399.0
Exposure to credit risk according to the standardized method		13,683.7	13,248.4
of which exposures to institutions		1,372.8	1,717.3
of which exposures to corporates		1,423.1	1,312.6
of which retail exposures		3,963.3	4,286.8
of which exposures secured by mortgages on immovable property		2,604.7	1,995.3
of which in default		100.6	89.6
of which exposures in the form of covered bonds		2,676.9	2,252.3
of which equity exposures		369.8	397.8
of which regional governments or local authorities		5.4	172.0
of which claims in the form of CIU		210.3	-
of which other items		956.9	1,024.7
Other risk weighted exposures		4,947.6	4,150.6
Exposures market risk		92.0	142.3
Exposure operational risk		4,855.6	4,008.3

Cont. Note 9 Capital adequacy information and liquidity

Leverage ratio

The leverage ratio is calculated as the quota of Tier 1 capital and total exposures and is expressed as a percentage. Effective 28 June 2021, a binding minimum leverage ratio of 3.0 percent was introduced, yielding a capital requirement pertaining to the leverage ratio of SEK 2,535.6 million.

As part of its Supervision and Evaluation Process, the Swedish Financial Supervisory Authority issued guidance to Nordnet Bank AB in its consolidated situation to retain additional capital equivalent to 0.90 percent (SEK 760.7 million) of the Group's total exposure amount for the leverage ratio.

Leverage ratio

SEK million		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
Leverage ratio						
13	Total exposure measure	84,519.2	90,327.9	86,336.6	83,943.6	78,924.5
14	Leverage ratio (%)	4.6%	4.1%	4.2%	4.4%	4.8%
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		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
Additional own funds requirements to address the risk of excessive leverage (SEK million)						
EU 14c	Total SREP leverage ratio requirements	2,535.6	2,709.8	2,590.1	2,518.3	2,367.7
EU 14e	Overall leverage ratio requirement	2,535.6	2,709.8	2,590.1	2,518.3	2,367.7

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 advice (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 2,356.6 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 differs from the regulatory capital requirement regarding the estimated Pillar 2 requirement. The Pillar 2 requirement for the internally assessed capital requirement has been calculated via internal models, while the Swedish Financial Supervisory Authority's set Pillar 2 requirement of 6.47 percent of the risk-weighted exposure amount is applied to the regulatory capital requirement.

In addition to what is stated in this interim report, Nordnet's risk management and capital adequacy is 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 be at least 100 percent. As part of its review and assessment process, the Swedish Financial Supervisory Authority determined that Nordnet Bank AB, at the Group level, must meet specific liquidity requirements: and LCR of 100 percent in EUR, an LCR of 75 percent in other currencies, and that the liquidity buffer applied in calculating the LCR at the Group level, may consist of at most 50 percent covered bonds issued by Swedish issuing institutes.

The net stable funding ratio, NSFR, is calculated as the ratio of stable funding available to the stable funding needed. The minimum requirement applies at the aggregated level, with the ratio being at least 100 percent.

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

In accordance with FFFS 2010:7, Chapter 5, Nordnet discloses details of its liquidity risk positions as of the balance sheet date, 31 December 2022. These disclosures pertain to the consolidated situation, which includes Nordnet AB (publ), Corp. ID No. 559073-6681, Nordnet Bank AB, Corp. ID No. 516406-0021 and Nordnet Fonder AB, Corp. ID no 556541-9057.

The liquidity reserve is financed by deposits from the public, shareholders' equity and issued bonds, known as "AT1 bond loans" totalling SEK 1,100 million. Most of the reserve is invested in bonds with a high rating, such as covered bonds, sovereign bonds and balances at central or other banks. The liquidity reserve is deemed sufficient to be able to respond to situations of temporary or prolonged stress. Nordnet Bank AB is a member of the Swedish, Norwegian, Finnish and Danish central banks, further strengthening the Group's liquidity preparedness.

Liquidity requirements

SEK million		31/12/2022	30/09/2022	30/06/2022	31/03/2022	31/12/2021
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	31,952.8	31,557.8	30,210.1	29,561.3	29,172.8
EU 16a	Cash outflows - Total weighted value	8,573.1	8,312.9	8,190.7	8,209.9	8,199.7
EU 16b	Cash inflows - Total weighted value	2,241.6	1,646.4	1,463.2	1,338.1	1,250.6
16	Total net cash outflows (adjusted value)	6,331.5	6,666.5	6,727.5	6,871.8	6,949.1
17	Liquidity coverage ratio (%)	504.7%	473.4%	449.1%	430.2%	419.8%
	Liquidity coverage ratio SEK (%)	198.4%	203.6%	205.8%	204.2%	211.2%
	Liquidity coverage ratio NOK (%)	410.1%	391.7%	375.8%	356.0%	356.1%
	Liquidity coverage ratio DKK (%)	420.6%	420.4%	399.6%	418.7%	434.3%
	Liquidity coverage ratio EUR (%)	1,017.7%	992.9%	926.1%	1,007.3%	1,038.2%
Net Stable Funding Ratio						
18	Total available stable funding	70,206.8	75,451.7	72,556.9	69,103.4	65,640.4
19	Total required stable funding	28,766.5	29,973.7	29,466.1	28,140.8	26,959.5
20	NSFR ratio (%)	244.1%	251.7%	246.2%	245.6%	243.5%

Cont. Note 9 Capital adequacy information and liquidity

Liquidity buffer

SEK million	31/12/2022	SEK	NOK	DKK	EUR	USD	Other
Cash and bank balances	4,427	625	90	2,065	1,448	95	104
Securities issued or guaranteed by the state, central banks or multinational development banks	7,031	3,938	969	146	1,979	0	0
Covered bonds	21,930	2,215	7,256	9,478	2,981	0	0
Other securities	0	0	0	0	0	0	0
Total liquidity buffer	33,388	6,777	8,315	11,688	6,409	95	104
Distribution by currency	100.0%	20.3%	24.9%	35.0%	19.2%	0.3%	0.3%

Additional liquidity indicators

	31/12/2022
Liquidity reserve / Deposits from the general public	45.5%
Lending to the public / Deposits from the general public	38.9%

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

	3 months	3 months	3 months	12 months	12 months
SEK million	Oct-Dec 2022	Oct-Dec 2021	Jul-Sep 2022	Jan-Dec 2022	Jan-Dec 2021
Earning per share before and after dilution					
Profit for the period	514.2	468.9	400.3	1,652.5	1,984.7
Interest on Tier 1 capital recognised in equity ¹	-20.0	-11.6	-16.4	-65.8	-37.7
Profit attributable to shareholders of the Parent Company	494.2	457.3	383.8	1,586.7	1,947.0
Earning per share before dilution ²	1.98	1.83	1.54	6.35	7.79
Earning per share after dilution ²	1.97	1.82	1.54	6.33	7.75
Average number of outstanding shares before dilution	249,625,000	250,000,000	249,625,000	249,687,500	250,000,000
Average number of outstanding shares after dilution	250,445,093	251,626,635	249,982,672	250,581,110	251,146,045
Number of outstanding shares before dilution	249,625,000	250,000,000	249,625,000	249,625,000	250,000,000
Number of outstanding shares after dilution	257,313,252	256,756,549	257,314,633	257,313,252	256,756,549
¹ Including interest for the period and accrued transaction costs, net after tax	-0.2	-0.2	-0.2	-0.8	-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–December 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 been reviewed by the company's auditors.

Stockholm, 30 January 2023

Tom Dinkelspiel
Chairman of the Board

Fredrik Bergström
Board member

Anna Bäck
Board member

Karitha Ericson
Board member

Charlotta Nilsson
Board member

Henrik Rättzén
Board member

Gustaf Unger
Board member

Per Widerström
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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 31 January 2023 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).

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.

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.

Adjusted operating expenses in relation to savings capital ²

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 profit ²

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

Adjusted profit before amortization of intangible assets in purchase consideration allocation ²

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 dilution ²

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 income ²

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

Adjusted operating expenses before credit losses ²

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

Adjusted operating margin ²

The adjusted operating profit in relation to adjusted operating income.

Adjusted operating profit ²

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 losses ¹

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 ratio ³

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 share ²

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 equivalents ²

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 period ²

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/finanssiell-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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