

January – March
2023.



Nordnet AB (publ)

Interim Report.



The quarter in brief.

”Nordnet has had a very strong start to the year. Our income for the period amounted to SEK 1,134 million, the highest to date for an individual quarter.”

Lars-Åke Norling, CEO Nordnet.

Customer growth in the last 12 months¹:

8% (20%)

Adjusted operating profit³
SEK 794 (580) million

Operating income
SEK 1,134 (890) million

Adjusted operating expenses³
SEK 320 (297) million

Earnings per share after dilution, SEK 2.49 (1.94)

Net savings
SEK 7.0 (21.2) billion

Savings capital, 31 March
SEK 761 (773) billion

Lending² 31 March
SEK 27.9 (26.5) billion

New customers
43,300 (63,600)

The figures above refer to the period January–March 2023, unless otherwise stated. The comparative figures in parentheses refer to the corresponding period in 2022.

- Good customer growth and positive net savings.
- Gradual recovery in trading activity despite a continued uncertain macro situation.
- A strong quarter from a financial perspective with record-high income and the second-highest net profit in Nordnet's history.
- Continued good cost control with expenses in line with financial targets.
- Higher interest rates drove growth in net interest income – almost three times higher than the first quarter of 2022.
- Many new customer features launched, including integration of Quartr, digital pension transfers in Sweden and easier transfers via Trustly in Norway.

SEK million	Q1 2023	Q1 2022	Change %	Q4 2022	Change %	Jan–Mar 2023	Jan–Mar 2022	Change %
Operating income	1,134.2	890.5	27%	951.9	19%	1,134.2	890.5	27%
Operating expenses	-320.2	-263.8	21%	-315.2	2%	-320.2	-263.8	21%
Credit losses	-16.7	-9.6	75%	-11.1	51%	-16.7	-9.6	75%
Imposed levies: resolution fee	-3.1	-3.6	-14%	-3.1	0%	-3.1	-3.6	-14%
Operating profit	794.2	613.4	29%	622.5	28%	794.2	613.4	29%
Profit after tax	651.3	501.1	30%	514.2	27%	651.3	501.1	30%
Earnings per share before dilution (SEK)	2.50	1.95	28%	1.98	26%	2.50	1.95	28%
Earnings per share after dilution (SEK)	2.49	1.94	28%	1.97	26%	2.49	1.94	28%
Income in relation to savings capital	0.61%	0.45%	0.16%	0.55%	0.07%	0.61%	0.45%	0.16%
Operating margin %	70%	69%	1%	65%	5%	70%	69%	1%
Adjusted operating expenses ⁵	-320.2	-297.1	8%	-313.9	2%	-320.2	-297.1	8%
Adjusted operating profit ³	794.2	580.2	37%	623.8	27%	794.2	580.2	37%
Adjusted operating margin % ³	70%	65%	5%	66%	4%	70%	65%	5%
Adjusted earnings per share pre amortization of intangible assets due to PPA after dilution (SEK)	2.49	1.83	36%	1.98	26%	2.49	1.83	36%
Total number of customers ¹	1,751,100	1,618,900	8%	1,707,800	3%	1,751,100	1,618,900	8%
Net savings (SEK billion)	7.0	21.2	-67%	0.9	678%	7.0	21.2	-67%
Savings capital at the end of the period (SEK billion)	760.6	772.7	-2%	714.8	6%	760.6	772.7	-2%
Average savings capital per customer (SEK)	426,600	488,900	-13%	412,200	3%	426,600	488,900	-13%

¹ Customer growth amounted to 8 percent over the past 12 months, including the customer relationships terminated within the framework of the 2022 customer documentation project.

² Loans to the public less pledged cash and cash equivalents, see Note 5. ³ For items affecting comparability, see page 17. For definitions of key performance indicators, see pages 45–46.

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.

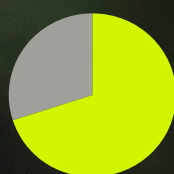
Financial targets.

Medium-term financial targets

- Annual customer growth of 10–15 percent.
- Average savings capital per customer (defined as the average quarterly savings capital per customer over the past 12 months) amounting to about SEK 420,000.
- 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) amounting to about 0.55 percent.
- Annual increase of adjusted operating expenses by about 5 percent based on the adjusted operating expenses for 2021.
- Nordnet intends to distribute 70 percent of the annual profit in dividends.

Status, financial targets, 31 March 2023

- Annual customer growth in the past 12 months, amounted to 8 (20) percent.¹
- Average savings capital per customer amounted to SEK 431,000 (479,400).
- Adjusted operating income² in relation to savings capital for the past 12 months amounted to 0.50 percent (0.47).
- Adjusted operating expenses² increased by 6 percent over the past 12 months, amounting to SEK 1,233 (1,158) million.
- Dividend of 4.60 SEK per share, corresponding to 70 percent of net profit for 2022, approved at the Annual General Meeting on 18 April.



70%
distribution of
profit for the year.



8%
annual customer growth¹

Savings capital
customer = **SEK 431 000**

Operating income²
savings capital = **0,50%**

SEK 1,233 million
Adjusted operating expenses²

¹ Customer growth over the past 12 months was 8 percent including the customer relationships that were terminated due to the customer documentation project. ² For items affecting comparability, see page 17. The comparative figures in parentheses refer to the corresponding period in 2022.

Comments from the CEO.



Despite continued inflation and rising interest rates, the stock markets were marked by cautious optimism in early 2023. After the first two months of the year, all Nordic indexes found themselves in positive territory and market confidence began to return among savers. March brought renewed turbulence, however, mainly in the financial sector, with problems for banks in both the US and Europe. Given the resolve of the states and authorities concerned, however, as well as their support measures, the stock markets held up relatively well and the decline could be slowed. At the end of the day, many savers gained a decent return on the quarter, although the road up to that point was lined with uncertainty and volatility.

Nordnet has had a very strong start to the year. Our income for the period amounted to SEK 1,134 million, the highest to date for an individual quarter. The improved mood among savers has resulted in higher trading activity compared with the end of the preceding year, setting a positive trend for our trade-related income. Net interest income is greatly improved, compared with the first quarter of the preceding year with higher interest rates providing us with an improved return on both the liquidity- and lending portfolio. The interest rate trend also makes it possible to improve our offer for customers, with several positive interest rate adjustments having been made in the period. In a time in which interest on deposits is again a competitive tool among savers, I can state that Nordnet's offering is holding up very well, and that we are not seeing any net outflow, either to the major banks, niche players, or other platforms.

Our operating expenses amounted to 320 SEK million, which was about 8 percent above the level for January-March last year, and marginally higher than in the preceding quarter. Our expenses are within the framework for the financial targets that have been communicated, with the higher level being explained by inflation and wage increases, as well as reinforced marketing efforts. The combination of good cost control and a substantial increase in

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revenue provides substantial improvement on the bottom line compared with the equivalent period last the year, as well as with the preceding quarter. On the whole, operating profit ended up at nearly SEK 800 million, one of the best quarterly results in our history.

Nordnet has a strong capital situation and good preparedness in terms of liquidity. Our liquidity portfolio primarily comprises interest-bearing securities issued by states or municipalities, as well as and covered bonds with good liquidity and short interest rate duration. As part of our ongoing work to optimize our capital structure, we issued Tier 1 capital in the form of an

AT1 bond for SEK 300 million in the first quarter. The issue was heavily oversubscribed, and the bond that was issued is, as far as we know, the first to meet both the regulations for capital adequacy for banks, as well as the Solvency 2 rules for insurance companies. In retrospect, it can also

be stated that the timing of the issue was fortunate given the uncertainty regarding capital instruments following the events at Credit Suisse.

Nordnet has good customer growth and positive net savings. Over the quarter, slightly more than 43,000 new savers chose Nordnet as their financial partner, and a total of SEK 7 billion net savings. Our platform retains a strong appeal among savers, particularly in the markets outside Sweden. As an example, analysis company T-Media's mapping of reputation among financial actors in Finland, in which Nordnet placed first among the 24 banks, pension institutes and insurance companies that were surveyed.

Confidence in Nordnet and the brand's reputation starts with our employees, and it makes me happy and proud that our employee satisfaction is at favourable levels and on an upward trend. Our company culture is characterized by positive energy, great knowledge, transparency and a sense that we are making progress every day together in the right direction.

Nordnet is a value-driven organization and we are united in our drive to democratize savings. We seek to offer private savers the best possible conditions for generating a favourable return on their investments by means of first-class products, quality service and value for money. Today, there are some 700 of us in total

working here, in our four different markets. Our most personnel-intensive functions, in which we are also growing the most, are Product and Tech. Naturally the focus is on activities including product development, operation and coding, while an essential element also involves updating our technical infrastructure, where we are replacing old components with modern and future-proof cloud-based technologies. Renewing the platform allows us to provide a stable and reliable user experience, as well as high frequency in our development of new functions. On average, we launch a new version of the app every third working day and we update the web every other hour. To a large extent, our services build on components developed in-house, although we also enter into selective partnerships with actors, where we see that we can add customer value. In February, having licensed insurance technology from Insurely, we implemented Sweden's first completely digital transfer of pension savings between different companies. During the quarter, we also entered into a collaboration with software company Quartr, making us the first bank in the Nordics to be able to provide our customers access to report presen-

"Nordnet's culture is characterized by great knowledge, positive energy, transparency and the sense that together we are taking steps in the right direction every day."

tations from some 6,000 listed companies worldwide. As part of the previously announced partnership with Trustly, we now also offer Norwegian customers the opportunity to transfer money to their Nordnet accounts from external banks in real time.

For our technology resources, an important area of focus in the immediate future will be developing the Finnish investment insurance product. The product is reminiscent of the Swedish endowment insurance in terms of the inheritance aspect where 101 percent is paid out if the account holder passes away. The product is not, however, taxed continuously through capital gains tax. Instead, holdings are only taxed when the saver chooses to withdraw money from the account. Investment insurance is also advantageous in terms of taxation in an inheritance situation. Half

a million Finnish savers currently have insurance-based savings, with the total savings capital amounting to nearly EUR 40 billion. The market is dominated by traditional players offering complicated and expensive solutions in which savers can primarily buy mutual funds from that same player. The product will be launched within the next few months and I

believe we will be able to make a difference in the market with a digital, flexible and affordable product.

Having the Nordics as our home market is inspiring, working in a region with diverse financial dynamics and savings preferences. Despite continuous growth in all markets, we still have space to grow our business for a long time to come. My thanks to all employees, customers, partners, shareholders, as well as to all of you who follow and interact with us on a daily basis. Our success is built on your commitment. Together, we are progressing step-by-step in building the world's best platform for savings and investments.

Lars-Åke Norling

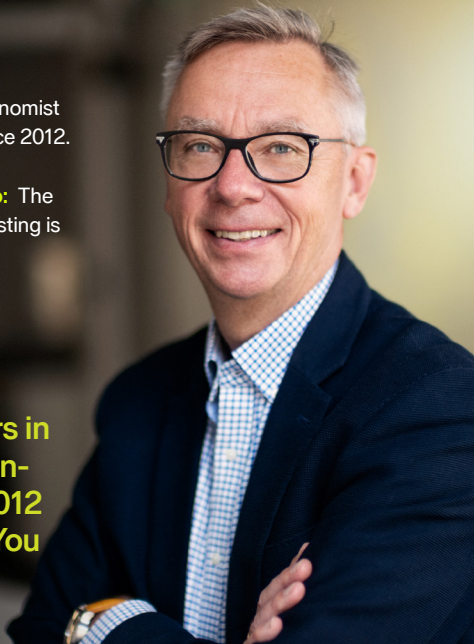
Lars-Åke Norling

A few words about the market situation from

Savings economist

Per Hansen.

Name: Per Hansen.
Profession: Savings economist at Nordnet Denmark since 2012.
Personal financial motto: The hardest thing about investing is discipline.



Per Hansen is Nordnet’s savings economist in the Danish market. He shares his insights, opinions and knowledge to help private investors in Denmark deepen their knowledge of the stock market. He also has an investment podcast together with Helge Larsen. Per joined Nordnet in 2012 and is regularly Denmark’s most quoted spokesperson within finance. You can follow Per on the Nordnet blog and on Twitter (@PerNordnet).

The first quarter of 2023 presented yet another challenge for savers. Although the stock market did rise towards the end of 2022, compared with the lowest point in September, most people feared continued turbulence in early 2023. While challenges remained, they were partly different than before.

Entering the first quarter, Danish savers hoped for the best but prepared for the worst. Still fresh in mind was 2022, which had turned out to be one of the worst years in modern history for investors with a portfolio consisting of the standard 60/40 split between shares and bonds. Interest rates rose, depressing the mood among investors. With the valuation of the actual bonds being negatively affected, the effects also spilled over onto shares. Defensive, balanced and aggressive portfolios alike – all were impacted by the stock market climate. Savers did their homework and reduced the risk in their portfolios. In the meantime, interest rates continued to rise with inflation still not appearing to peak, further impeding opportunities for positive returns.

Although January was a tough month, it was perhaps not as tough as some had feared. Short term expectations had bottomed out and savers suddenly realized that excessive risk in 2022 had turned into unduly limited exposure in early 2023. While the negative themes observed in 2022 remained, these were already priced in for high-risk assets.

The result was rising share prices and an increasingly inverted interest rate path. Although short-term central bank rates continued to rise, investors found solace in a potential Goldilocks-scenario with higher growth, lower in-

terest rates and reduced inflation. Expectations and inflow changed and the scenario with rapidly falling consumer prices, combined with an inverted interest rate path, would lay the foundation for a soft landing in the US economy. At the same time, natural gas prices fell in Europe and growth expectations improved – from a negative 0.5 percent and risk of recession to a somewhat positive growth outlook for 2023. China’s post-Covid reopening further boosted global growth expectations for 2023. This is in February, and so far so good.

In mid-March, however, the negativity resurfaced when Silicon Valley Bank collapsed and Credit Suisse followed. The latter was, however, saved through an arranged marriage with big brother UBS, aided by liquidity from the central bank. The positive trend was broken and the risk scenario that had commenced the year with inflation and higher interest rates was suddenly labelled “Financial crisis 2.0,” 15 years later.

It was on that theme that we concluded the first quarter. Danish savers remained opportunistic during the quarter, however, with additional cash being injected into the stock market as the risk appetite increased. While the Danish economy is small and agile, it is, at the same time, strong and robust. Record high employment, a surplus close to the world record of 10 percent of GDP and solid public finances are positive factors. On the whole, this means that Denmark is well prepared to deal with the challenging situation of financial turbulence, rising interest rates and continued high inflation.

Market shares local stock exchanges¹

Countries	No. of trades	Q1 2023		Q4 2022		Q1 2022	
		Turnover	No. of trades	Turnover	No. of trades	Turnover	
Sweden (Nasdaq Stockholm)	6.2%	4.1%	5.8%	4.2%	5.0%	3.9%	
Norway (Oslo Stock Exchange) ²	n/a	8.8%	n/a	8.1%	n/a	8.6%	
Denmark (Nasdaq Copenhagen)	8.4%	5.4%	7.3%	5.4%	6.9%	5.4%	
Finland (Nasdaq Helsinki)	10.9%	5.9%	9.4%	5.7%	10.8%	6.7%	

¹ Nordnet’s monthly average market share of trading in financial instruments listed on the Nordic exchanges. The statistics for the Oslo Stock Exchange refer to trade in shares only. Source: Market data from Nasdaq in Sweden, Denmark and Finland and from the Oslo Stock Exchange in Norway. ² Nordnet’s market share on the Oslo Stock Exchange refers only to volume, as data regarding the number of trades are not available.

Events in the first quarter.

Development of Nordnet's operations.

During the period January-March, our customers made a total of 14.4 million transactions, with cross-border trades accounting for 25 percent. The number of transactions over the quarter increased by 14 percent compared with the preceding quarter but was 17 percent lower than in the corresponding quarter last year. The proportion of cross-border trading was essentially unchanged compared with the first quarter of 2022, when the proportion was 26 percent. The beginning of the year was pervaded by inflation and high interest rates – savers also brought the gloomy mood of the turbulent 2022 with them into 2023. To some extent, this sentiment has affected net savings, which amounted to SEK 7.0 billion in the first quarter, compared with SEK 21.2 billion in the corresponding period last year. Compared with both the third and fourth quarters of 2022, when net savings were SEK 5.8 billion and SEK 0.9 billion respectively, net savings have, however, gradually improved. As of 31 March, savings capital amounted to

SEK 760 billion, which was 2 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 3 percent, compared with 12 percent for the first quarter of 2022.

The total number of savers on Nordnet's platform amounted to slightly more than 1.75 million as of 31 March. Customer growth in the past 12 months amounted to 8 percent.

The total loan portfolio amounted to SEK 27.9 billion, an increase of 5 percent since 31 March of the preceding year. The largest increase is found in residential mortgages, where Nordnet continues to offer a low interest rate on the Swedish, and now also the Norwegian market, where the volume of residential mortgages has, in one year, risen by 14 percent to SEK 10.9 billion. The volume of residential mortgages was, however, unchanged compared with the fourth quarter of 2022.

Trading information, Group¹

	Q1 2023	Q4 2022	Q1 2022
Traded value cash market (SEK million)	404,800	358,600	509,300
Total number of trades	14,429,200	12,663,600	17,305,900
of which cross-border trading %	25%	26%	26%
Average number of trades per day	224,700	199,100	273,800

Customer related key figures

January-March	Sweden		Norway		Denmark		Finland		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Number of customers	455,200	435,100	374,800	344,200	387,400	342,900	533,700	496,700	1,751,100	1,618,900
Savings capital SEK billion	291.9	317.2	126.0	138.6	184.6	169.8	158.2	147.1	760.6	772.7
of which shares/ derivatives/bonds	191.1	215.0	75.6	85.2	140.5	130.3	125.8	116.7	533.0	547.2
of which funds	72.6	69.3	38.6	38.3	25.7	23.0	17.1	14.5	154.1	145.0
of which deposits ²	28.2	33.0	11.8	15.1	18.4	16.5	15.2	16.0	73.5	80.5
Number of trades	5,711,100	6,338,400	3,268,000	3,882,600	2,715,400	3,152,500	2,734,700	3,932,400	14,429,200	17,305,900
Whereof cross-border trading %	14%	13%	26%	30%	39%	43%	37%	32%	25%	26%
Net savings (SEK million)	1.0	4.7	-0.2	4.8	3.7	6.6	2.5	5.1	7.0	21.2
Margin lending (SEK billion) ³	4.0	4.5	2.9	2.7	2.6	2.5	3.5	3.2	13.0	12.8
Mortgage (SEK billion)	10.5	9.6	0.3	0.0	0.0	0.0	0.0	0.0	10.9	9.6
Personal loans (SEK billion)	4.0	4.1	0.0	0.0	0.0	0.0	0.0	0.0	4.0	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.

Margin lending increased by 3.0 percent compared with 12 months ago, with the loan volume amounting to SEK 13.0 billion at the end of the first quarter. The volume of personal loans decreased by 2.6 percent compared with 12 months earlier and amounted to SEK 4.0 billion.

In the first quarter of 2023, our Swedish stock lending program made a record payment. Our savers shared a total SEK 20.6 million, the highest quarterly amount paid out in the history of the program. In Norway, NOK 2.7 million was paid out. Nordnet's stock lending program includes customers saving in shares through account types provided by one of our insurance companies – such as endowment insurance plans or occupational pension plans. The program was extended during the quarter and now also includes shares in the US and Canadian markets.

In the first quarter we entered into a partnership with Max Matthiessen regarding distribution of occupational pensions in Sweden. Max Matthiessen is Sweden's second-largest distributor in this area. In February, we launched a digital pension transfer service. Through a collaboration with Swedish insurance technology company Insurely, we are the first in Sweden to offer a completely digital process for pension transfers.

During the quarter we also entered into a partnership with Swedish financial technology company Quartr, enabling our customers to access report presentations and associated materials on our platform. Through our previously announced partnership with Trustly, we have, in the Norwegian market, launched the possibility to make real-time deposits to Nordnet from external banks, even on weekends and public holidays. In Denmark and Sweden, we have also launched a function that allows all of our mutual fund customers to now be able to see an estimated return on their investment based on expectations, better or worse market movements, calculated based on the historical performance of the fund's comparable indexes.

Within funds, our Nordnet Indexrahasto Suomi ESG fund is now the most popular mutual fund in Finland. At the end of the first quarter, Nordnet Indexrahasto Suomi ESG, the Finnish market's only free-of-charge mutual fund had 209,000 owners.

Nordnet's purpose is to democratize savings and investments. This entails increasing equality between women and men with regard to savings. During the quarter, we applied various initiatives to meet that endeavour, including through our continued partnership with the Finnish influencer duo Frukostflickorna, who organize regular savings meetings for women. On International Women's Day, our Swedish savings economist Frida Bratt gave a lecture in collaboration with Unga Aktiesparare (Young Equity Savers) on the theme of "Women to the stock exchange". In each quarterly report, we now also report statistics on the

proportion of women in the customer base, as well on the proportion of women among new customers.

Long-term sustainability targets.

Nordnet's objective is to become the leading platform for sustainable savings in the Nordic region. By this we mean 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, which were reported in our interim reports in 2022. In the 2022 Sustainability Report, we also introduced a carbon footprint measure for our customers' investments. Henceforth, we will follow up on this measure in our quarterly reporting.

Nordnet stands behind the Paris Agreement to keep global warming below 2°C and striving to limit it to 1.5°C. In line with this ambition, Nordnet's overarching target is for the CO₂-footprint from savings capital on Nordnet's platform to decrease. Nordnet measures CO₂-footprint as portfolio-weighted CO₂-intensity in accordance with the Task Force on Climate-related Financial Disclosures (TCFD). A company's CO₂-intensity is calculated as emissions divided by revenue. Adding up the intensity at the portfolio level, the companies' intensities are weighted with the companies' share of the portfolio. With this method, portfolios can be compared to one another over time, regardless of size.

Since previously, we measure 1) the proportion of fund capital invested in mutual funds that are classified either as light or dark green, 2) the proportion of fund capital invested in mutual funds that are classified only as dark green (sustainable) mutual funds, and 3) the proportion of female customers. Added in this report is 4) the proportion of new female customers, as well as 5) CO₂-intensity for our customers' investments. The reported measures will be calibrated over time as data and methods in the field develop.

Our target is to increase the share of savings capital that is invested sustainably, as well as reducing the CO₂ footprint of the investments made using the platform 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. At the end of the quarter, the CO₂-intensity for Assets on Nordnet's platform amounted to 134 tonnes CO₂e/USD million in income. The corresponding figure for the preceding quarter was 124 tonnes CO₂e/USD million in income. This can be compared with a broad global share index (MSCI World) that had a CO₂-intensity of 176 tonnes CO₂e/USD million in income at the end of the quarter and about 175 tonnes CO₂e/USD million in income three months earlier. The change is partly due to re-investments, and partly to the companies in which our customers have invested increasing or reducing

their emissions. The measure is also affected by exchange rate fluctuations as the companies' revenues are translated into USD. We are currently measuring shares, funds and ETFs, with data for those asset classes available for 70 percent of the capital at the end of this quarter.

Of the total fund capital, the share of savings capital invested in light or dark green mutual funds amounted to 69 percent at the end of the quarter, a decrease compared with 75 percent in the preceding quarter. The change is due to an updated fund offering on Nordnet's platform, customers' re-investments and mutual fund re-classifications but also to a lack of data for certain fund companies. At the end of the quarter, the proportion of savings capital invested in dark green (sustainable) mutual funds amounted to 3 percent of the total range of mutual funds offered. The change from the preceding quarter, when this proportion was 5 percent, is attributable to fewer funds being classified as dark green (sustainable), as well as to customer re-allocations. We expect that the fund companies will continue to work with the classifications, which is why we expect that a certain proportion of the funds will be reclassified. The structure of the market for reporting and collecting data in the area of sustainability is also relatively new, which is why we envisage more complete and higher-quality data for green mutual funds and carbon footprint ahead.

The percentage of female customers was 33.1 percent at the end of the quarter – a small increase from the preceding quarter when the percentage was 33.0 percent. Among our new customers this quarter, 37 percent were women. In 2022, 38 percent of new customers were women. Our long-term objective is to reach an even distribution between men and women in the customer base, with

a tolerance interval of 10 percent in either direction. 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.

Further details of our work to become the leading platform for sustainable savings and of these measures can be found in our Sustainability Report.

Sustainability key figures.

Sustainable fund savings	Q1 2023	Q4 2022	Q4 2021
The proportion of fund capital invested in funds that are either classified as light or dark green ^{1,2,3}	69%	75%	59%
Of which, fund capital invested in funds classified as dark green ²	3%	5%	5%

CO ₂ -intensity	Q1 2023	Q4 2022
Shares, CO ₂ -intensity, tonnes CO ₂ e/USD million	127	121
Mutual funds, CO ₂ -intensity, tonnes CO ₂ e/USD million	120	106
ETFs, CO ₂ -intensity, tonnes CO ₂ e/USD million	190	167
Total, CO₂-intensity, tonnes CO₂e/USD million	134	124
Proportion of market value for which emissions data exists	70%	78%

Gender equality in savings	Q1 2023	Q4 2022	Q4 2021
Proportion of female customers	33.1%	33.0%	32.0% ⁴
Proportion new female customers during the quarter	37.4%		

¹ Light green funds refer to so-called Article 8 funds, that is, funds promoting environmental or social characteristics, or a combination of these in accordance with the SFDR.

² Dark green funds refer to so-called Article 9 funds, that is, funds that have sustainable investment as a target in accordance with the SFDR. (Sustainable Finance Disclosure Regulation).

³ The 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.

⁴ Since the publication of the 2021 Sustainability Report, a new method has been introduced for calculating the percentage of female customers, which is why this figure has been updated.

Consolidated net profit

The more favourable market situation is contributing to better customer intake, increased net savings and a 14-percent increase in trade volume compared to the final quarter of 2022. Compared with the same quarter last year, however, the uncertain macro situation is contributing to reduced trade volumes in all markets and somewhat lower cross-border trading. This resulted in a 22-percent decrease in **transaction-related income** compared with the first quarter of 2022.

Fund-related income declined by 8 percent compared with the first quarter of 2022, amounting to SEK 99 million (108) in the first quarter of 2023. The fund-related income is decreasing, despite fund capital increasing by 6 percent, due to a lower revenue margin, that is, fund income in relation to fund capital, which amounts to 0.27 (0.29) percent on an annual basis. The revenue margin is decrease is due to a higher share of fund capital being invested in funds with lower fees, as well as reduced cross-border trading. The increase in fund-related income of 32 percent compared with the previous quarter is mainly due to a negative adjustment of SEK 20 million in the fourth quarter of 2022 related to an overestimation of fund-related income.

Lower transaction-related income and fund-related income resulted in a 20 percent decrease in **net commission income** compared with the first quarter of 2022, amounting to SEK 524 (653) million in the first quarter of 2023.

Higher policy rates in Nordnet's markets contributed to a 192-percent increase in **net interest income** compared with the first quarter of 2022, amounting to SEK 599 (205) million in the quarter. Net interest income is affected positively by higher yield in the liquidity portfolio combined with higher interest rates in the loan portfolio, as well as higher mortgage volumes. Higher interest rates also drive increased interest expenses to customers. Because a relatively small share of deposits are held in interest-bearing accounts, rising market interest rates do, however, contribute to a higher margin and therefore higher net interest income.

Other operating income amounts to SEK 15 (38) million in the quarter. The decline compared to the first quarter of 2022 can be attributed to lower income from Nordnet's IPO business in the quarter as well as one-time fees related to terminations of customer accounts in the first quarter of 2022.

Operating income increased by 27 percent in the quarter, compared with the first quarter of 2022 and amount to SEK 1,134 million (890). Higher net interest income offset a decline in net commission income.

Adjusted operating expenses increased by 8 percent to SEK 320 (297) million in the quarter compared with the

first quarter of 2022. The increase is mainly attributed to additional employees in Tech, Product and the newly launched fund company, as well as to higher marketing expenses in the quarter. **Operating expenses**, including items affecting comparability, increased by SEK 56 million, with the costs for the first quarter of 2022 including a positive non-recurring item of SEK 37.5 million. For more information on items affecting comparability, see page 17.

Net credit losses of SEK 17 million (10) were SEK 7 million higher than in the first quarter of 2022. The increase is mainly due to higher provisions within personal loans, as well as a new agreement for sale of future bad debt. This agreement entails lower prices on sales bad debt, reflecting the changed macroeconomic situation. Real credit losses remain stable and relatively low, although they are at a slightly higher level in the first quarter of the year compared with the corresponding quarter in 2022. The credit quality is still considered favourable. For more information, see Note 5.

With operating income increasing more than operating expenses, **adjusted operating profit** increased by 37 percent in the first quarter of 2023, amounting to SEK 794 (580) million, with an adjusted operating margin of 70 (65) percent. **Operating profit** amounted to SEK 794 (613) million, equivalent to an increase of 29 percent compared with the first quarter of 2022.

Income statement by market.

January – March, SEK million	Sweden		Norway		Denmark		Finland		Group	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Operating income ¹	409.6	325.2	254.5	215.5	255.5	177.7	214.6	172.1	1,134.2	890.5
Operating expenses ¹	-117.8	-115.4	-72.5	-63.2	-72.5	-59.1	-57.4	-59.5	-320.2	-297.1
Operating profit before credit losses	291.8	209.8	182.0	152.3	183.0	118.6	157.2	112.6	814.0	593.4
Credit losses	-19.3	-9.9	1.8	-0.2	0.5	0.5	0.3	0.0	-16.7	-9.6
Imposed levies: resolution fee	-0.7	-0.9	-0.6	-0.7	-0.9	-1.0	-0.9	-1.1	-3.1	-3.6
Adjusted operating profit	271.8	199.1	183.3	151.5	182.5	118.1	156.6	111.5	794.2	580.2
Items affecting comparability ¹	0.0	-0.5	0.0	-0.5	0.0	34.7	0.0	-0.5	0.0	33.3
Operating profit	271.8	198.6	183.3	151.0	182.5	152.8	156.6	111.0	794.2	613.4
Operating margin %	66%	61%	72%	70%	71%	66%	73%	65%	70%	65%
Income in relation to savings capital	0.58%	0.39%	0.81%	0.63%	0.58%	0.42%	0.56%	0.46%	0.61%	0.45%

Consolidated income statement, Group.

SEK million	Q1 2023	Q1 2022	Change %	Q4 2022	Change %	Jan–Mar 2023	Jan–Mar 2022	Change %
Net commission income	524.2	652.9	-20%	425.8	23%	524.2	652.9	-20%
Net interest income	599.1	205.4	192%	509.7	18%	599.1	205.4	192%
Net result of financial transactions	-4.1	-5.9	-31%	-4.7	-12%	-4.1	-5.9	-31%
Other operating income	15.0	38.1	-61%	21.1	-29%	15.0	38.1	-61%
Operating income	1,134.2	890.5	27%	951.9	19%	1,134.2	890.5	27%
General administrative expenses	-264.7	-211.3	25%	-251.2	5%	-264.7	-211.3	25%
Depreciation, amortization and impairments	-44.2	-43.0	3%	-44.1	0%	-44.2	-43.0	3%
Other operating expenses	-11.3	-9.6	18%	-20.0	-43%	-11.3	-9.6	18%
Operating expenses	-320.2	-263.8	21%	-315.2	2%	-320.2	-263.8	21%
Net credit losses	-16.7	-9.6	75%	-11.1	51%	-16.7	-9.6	75%
Imposed levies: resolution fee	-3.1	-3.6	-14%	-3.1	0%	-3.1	-3.6	-14%
Operating profit	794.2	613.4	29%	622.5	28%	794.2	613.4	29%
Earnings per share before dilution, (SEK)	2.50	1.95	28%	1.98	26%	2.50	1.95	28%
Earnings per share after dilution, (SEK)	2.49	1.94	28%	1.97	26%	2.49	1.94	28%
Items affecting comparability ¹	0.0	33.3	-100%	-1.3	-100%	0.0	33.3	-100%
Adjusted operating expenses before credit	-320.2	-297.1	8%	-313.9	2%	-320.2	-297.1	8%
Adjusted operating profit ¹	794.2	580.2	37%	623.8	27%	794.2	580.2	37%
Adjusted earnings per share after dilution (SEK) ¹	2.49	1.83	36%	1.98	26%	2.49	1.83	36%

¹For items affecting comparability, see page 17.

Financial position

31 March 2023

(31 December 2022)

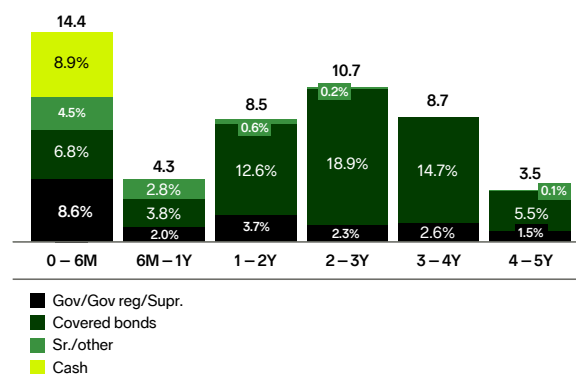
Nordnet's total assets amount to SEK 212.6 (206.9) billion, an increase of 3 percent. This is mainly explained by an increase in the value of assets in Nordnet's pension company (Nordnet Pensionsförsäkringar AB) for which the customer bears the investment risk. Of the total assets, SEK 133.3 (120.0) billion comprise assets for which customers bear the investment risk. The value of these assets has increased by SEK 13.3 billion since the start of the year. These assets have a corresponding item on the liability side, meaning that a change in the value of the assets causes a corresponding change in the liability item and therefore has no effect on net profit or equity.

Deposits are Nordnet's most significant source of funding. A little over a third is lent out and the remaining liquidity sits in the liquidity portfolio, which is invested in interest-bearing securities of high credit quality and high liquidity with the purpose of safeguarding a strong liquidity buffer. The currency distribution among lending and investments corresponds to the currency distribution among deposits. The graphs show the maturity structure of the group's investments in bonds and certificates, broken down by credit category and interest duration.

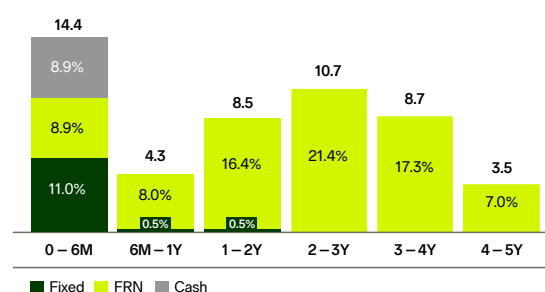
The liquidity portfolio amounts to SEK 50.1 (57.6) billion, corresponding to a decrease of 13 percent since the start of the year. Lending¹ has increased by SEK 0.6 billion, corresponding to an increase of 2 percent. The increased lending can be attributed to margin lending, while other lending remained at a stable level over the period. Actual credit losses are at a low and stable level and have not been affected by the higher volatility or increased concern for inflation.

Nordnet mainly holds the securities until maturity, reporting them either as Hold to Collect (HTC) or Hold to Collect and Sell (HTC&S). Unrealized losses not reflected in net profit or equity via other total comprehensive income (the HTC portfolio) amounts to SEK 0.6 million. For securities classified as HTC&S, unrealized gains or losses are reflected in other total comprehensive income and thus in equity. Unrealized losses in the HTC&S portfolio amount to SEK 99.0 (122.4) million. See the chart for the distribution between HTC and HTC&S, fixed and variable interest and by maturity structure for each category.

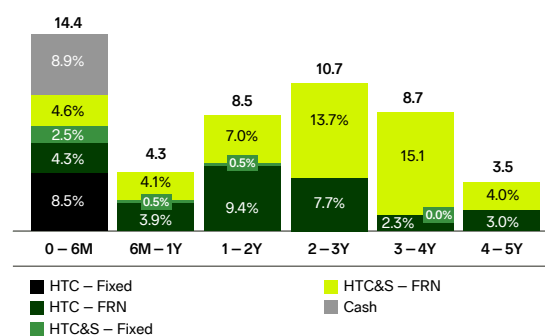
Maturity structure by credit category
(SEK billion) 31 March 2023¹



Maturity structure by fixed or floating rate
(SEK billion) 31 March 2023¹



Maturity structure by security category
(SEK billion) 31 March 2023¹

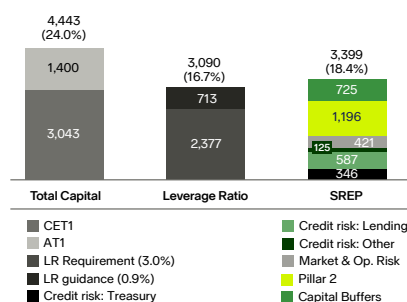


Nordnet has a strong and stable capital structure with equity amounting to SEK 7.0 (6.1) billion (see tables for Own funds and Financial position), which, combined with low risk within lending and investments, provides a good capital situation. Combined with the low credit risk in Nordnet's business model, conditions remain to maintain a dividend payout ratio of 70 percent.

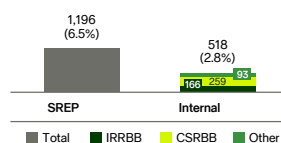
The regulatory capital requirement for the bank operations comprises two parts: the risk-weighted part (capital adequacy) and the non-risk-weighted part (leverage ratio). The risk-weighted capital ratio for the consolidated situation amounts to 24.0 (20.9) percent, compared with a total risk weighted capital requirement of 18.4 (18.2) percent. Nordnet's leverage ratio amounts to 5.6 (4.6) percent. Nordnet's leverage ratio is indirectly driven by deposits and Nordnet's deposits has decreased by SEK 7.7 billion since 31 December 2022 with customers having invested cash in the market. This has affected the leverage ratio positively. 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.

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 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 the liquidity portfolio. 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 follows up the assessed capital requirement in terms of, for example, credit spread and interest rate risks (CSRBB and IRRBB), based on internal models. The charts to the right illustrate both the regulatory requirements and the internally calculated needs. For Nordnet, the combined buffer requirement comprises a capital conservation buffer and a counter-cyclical capital buffer. The capital ratio increased over the quarter, mainly as a result of Nordnet AB issuing SEK 300 million in Additional Tier 1 capital during the period, and of the positive net profit, adjusted for future dividends. As of 22 June 2023, the counter-cyclical buffer in Sweden will be raised from 1 percent to 2 percent.

Capital requirement, SEK million (RWE, %)



Capital requirement Pillar 2, SEK million (RWE%)



Own funds

SEK million	2023-03-31	2022-12-31
Consolidated shareholders' equity	6,954	6,050
of which: Additional Tier 1 capital (AT1)	1,400	1,100
Consolidated situation		
Shareholders' equity excluding Additional Tier 1 capital	5,559	4,695
Forseeable dividend	-1,611	-1,163
Core Tier 1 capital before regulatory adjustments	3,948	3,532
Additional value adjustments		
	-22	-25
Intangible fixed assets and deferred tax receivables		
	-713	-708
Significant holdings of CET1 instruments in financial sector companies		
	-170	0
Aggregate regulatory adjustments of Core Tier 1 capital	-905	-734
Tier 1 capital		
	1,400	1,100
Tier 2 capital		
	0	0
Total own funds	4,443	3,898

Financial position

	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21
Own funds consolidated situation ¹	4,442.5	3,898.3	3,718.0	3,650.4	3,719.2	3,755.9	3,434.7	3,191.1
CET 1 ratio ¹	16.5%	15.0%	13.8%	13.5%	14.7%	15.3%	18.6%	17.6%
Total capital ratio ¹	24.0%	20.9%	19.6%	19.4%	20.9%	21.6%	21.8%	20.9%
Leverage ratio ¹	5.61%	4.61%	4.12%	4.23%	4.43%	4.76%	4.44%	4.26%
Lending/deposits ¹	43%	39%	36%	38%	39%	39%	39%	38%

¹ Refers to consolidated situation.

Cash flow

January – March 2023

(January–March 2022)

Over the first quarter, cash flow from operating activities was impacted negatively by decreased liquidity in customer deposits by SEK 8,769 (2,319) million and was also affected negatively by increased lending by SEK 799 (1,855) million. During the quarter, cash flow in investing activities was positive due to negative net investments in bonds and other fixed-income securities for SEK 7,089 (4,249) million. Over the quarter, cash flow from financing activities was impacted positively by Nordnet issuing Additional Tier 1 capital (AT1) of SEK 300 million.

Parent Company

January – March 2023

(January–March 2022)

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–March 2023 amounted to SEK 5.7 million (4.5) and relates to intra-Group administrative services. The Parent Company's profit after financial items for the period Janu-

ary–March 2023 amounted to SEK 0.5 (loss 2.2) million. The Parent Company's cash and cash equivalents amounted to SEK 42.6 million (7.3 as of 31 December 2022), and shareholders' equity to SEK 3,751 million (3,478 as of 31 December 2022). In the first quarter, the Parent Company issued Additional Tier 1 capital (AT1) of SEK 300 million. For further information, see page 16.

Significant risks and uncertainties

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 2022 Annual Report.

The change in the world economy during 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 liquidity portfolio and increased earnings in the lending operations. Sustained inflationary pressure could also entail increased operating expenses for Nordnet.

The financial market turmoil that occurred during the quarter following the collapse of Silicon Valley Bank and Credit Suisse does not affect Nordnet as these events have no direct connection to the markets where Nordnet operates.

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

On 7 February, Nordnet AB issued Additional Tier 1 capital (AT1) and Solvency II Tier 2 capital of SEK 300 million with the purpose of optimizing the capital structure. The bonds have a perpetual maturity, with an initial opportunity for redemption after five years and carrying variable interest of

3M STIBOR + 500 basis points. The settlement date was 14 February 2023 and the bonds were listed on Nasdaq Stockholm on 27 March 2023.

On 28 March 2023, the Swedish Financial Supervisory Authority commenced an investigation into Nordnet Pensionsförsäkring. The investigation is related to the calculation of the capital requirement for cancellation risk, including risk mitigation through reinsurance.

Shares and shareholders

The number of shares outstanding amounted to 249,625,000 as of 31 March 2023. At market close on 31 March 2023, the share price was SEK 170.75, representing a decline of 13 percent since the end 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 March 2023, the company had 25,510 shareholders, compared with 25,726 at 31 December 2022.

Share-based incentive programs

At the Annual General Meeting on 18 April, a new incentive programme was approved for all employees of the Nordnet Group. In total, the incentive program comprises a maximum of 2,500,000 warrants intended to be issued to participants during May 2023 at market value as determined using the Black & Scholes valuation model. The warrants will have a term of approximately 3.3 years. The option price is calculated based on the closing price for Nordnet's share on 25 April 2023. Fully implemented the program will cause a maximum dilution effect of at most 1 percent of the company's share capital. Three corresponding warrant programs already exist: 2022/2025 which comprises 974,435 warrants, 2021/2024 which comprises 860,715 warrants and 2020/2023 which comprises 5,852,950 warrants.

Employees

As of 31 March 2023, there were 682 full-time employees at Nordnet (662 as of 31 March 2022). Full-time employees include temporary employees but not employees on parental or other leave. The average number of full-time employees for the period January–March was 719 (690 during the period January–March 2022). 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 attributable to additional employees in Tech and Product.

Closely related 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

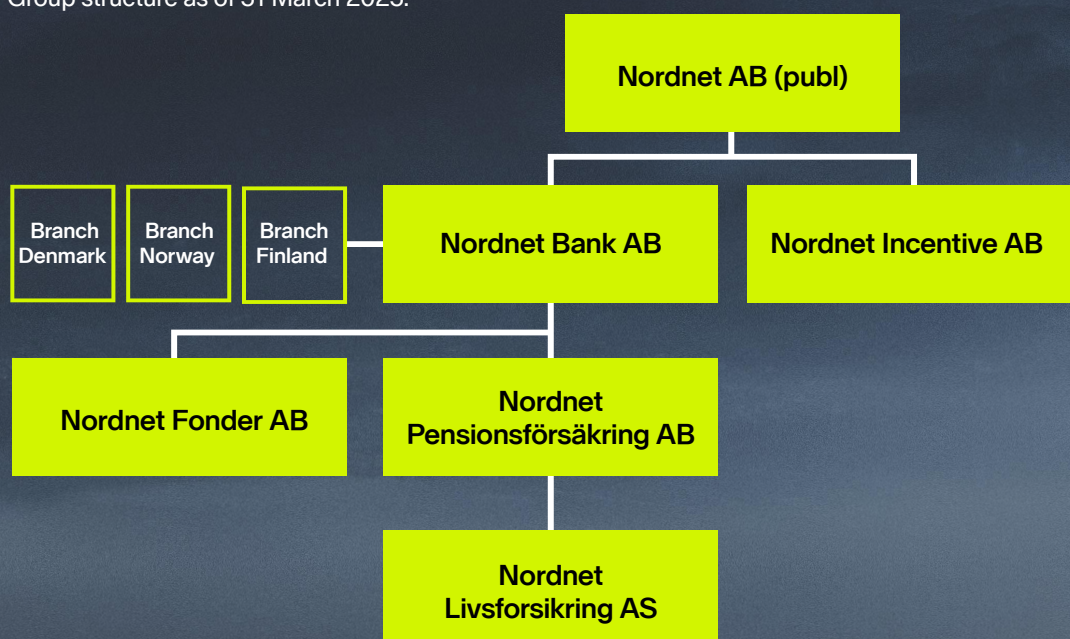
as with other financial players. For additional information, please refer to Note 6 in the 2022 Annual Report. In February 2023, Nordnet entered into a collaboration with Quartr AB, which is partly owned by the Öhman Group.

Events after 31 March 2023

At the Annual General Meeting on 18 April 2023, all Board Members were re-elected for the period extending until the end of the next Annual General Meeting. Tom Dinkelspiel was re-elected as Chairman of the Board. The Board of Directors' proposal for a dividend of SEK 4.60 per share was also approved. The general meeting decided that Nordnet in connection with the subscription period for LTIP 2020/2023 will make a repurchase and set-off offer to the warrant holders.

Group overview

Illustrated below is Nordnet's Group structure as of 31 March 2023.



On 24 April 2023, Nordnet announced that Per Lindberg has been appointed as CEO of Nordnet Pensionsförsäkring and will assume his new role on 1 August 2023. The current CEO of Nordnet Pensionsförsäkring, Fredrik Ekblom, will remain in his role until Per takes over.

Upcoming report events

Interim Report January–June 25 July 2023
 Interim Report January–September 24 October 2023

Items affecting comparability

SEK million	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	2023	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	0	-1	-4	-110	33	0	0	-81	0	-129	1	-16

SEK million	Q1 23	Q4 22	Q3 22	Q2 22	Q1 22	Q4 21	Q3 21	Q2 21
Consolidated income statement								
Net commission income	524.2	425.8	484.9	465.5	652.9	640.6	577.3	584.8
Net Interest income	599.1	509.7	325.8	240.2	205.4	187.2	183.8	185.8
Net result of financial transactions	-4.1	-4.7	2.9	-1.1	-5.9	3.2	6.0	8.8
Other operating income	15.0	21.1	-1.7	23.3	38.1	61.5	30.2	53.2
Operating income	1,134.2	951.9	811.9	727.8	890.5	892.5	797.4	832.6
General administrative expenses	-264.7	-251.2	-249.5	-352.9	-211.3	-236.1	-222.7	-229.8
Depreciation, amortization and impairments	-44.2	-44.1	-43.8	-41.7	-43.0	-41.7	-41.8	-39.6
Other operating expenses	-11.3	-20.0	-13.8	-10.8	-9.6	-21.6	-13.7	-14.0
Operating expenses	-320.2	-315.2	-307.1	-405.3	-263.8	-299.4	-278.2	-283.5
Net credit losses	-16.7	-11.1	-14.0	-8.8	-9.6	-12.5	-8.8	-10.9
Imposed levies: resolution fees	-3.1	-3.1	-3.1	-3.3	-3.6	-2.5	-2.5	-2.5
Operating profit	794.2	622.5	487.8	310.5	613.4	578.1	507.8	535.7
Earnings per share before dilution, (SEK)	2.50	1.98	1.54	0.89	1.95	1.83	1.60	1.73
Earnings per share after dilution, (SEK)	2.49	1.97	1.54	0.88	1.94	1.82	1.60	1.72
Items affecting comparability ¹	0.0	-1.3	-3.5	-109.6	33.3	0.0	0.0	0.0
Adjusted operating expenses before credit losses	-320.2	-313.9	-303.5	-295.7	-297.1	-299.4	-278.2	-283.5
Adjusted operating profit ¹	794.2	623.8	491.3	420.1	580.2	578.1	507.8	535.7
Adjusted earnings per share after dilution (SEK) ¹	2.49	1.98	1.55	1.31	1.83	1.82	1.60	1.72
Key figures								
Adjusted operating income in relation to savings capital - rolling 12 months % ¹	0.50%	0.46%	0.45%	0.45%	0.47%	0.53%	0.56%	0.59%
Adjusted operating expenses in relation to savings capital - rolling 12 months % ¹	0.17%	0.17%	0.16%	0.16%	0.16%	0.17%	0.18%	0.20%
Operating margin %	70%	65%	60%	43%	69%	65%	64%	64%
Adjusted operating margin % ¹	70%	66%	61%	58%	65%	65%	64%	64%
Cost/income %	28%	33%	38%	56%	30%	34%	35%	34%
Adjusted cost/income % ¹	28%	33%	37%	41%	33%	34%	35%	34%
Profit margin %	57%	54%	49%	33%	56%	53%	51%	53%
Return on equity - rolling twelve months %	35%	34%	33%	33%	37%	44%	43%	43%
Adjusted return on equity - rolling twelve months % ¹	38%	36%	35%	35%	37%	44%	45%	46%
Adjusted return on equity excl intangible assets - rolling twelve months % ¹	48%	45%	44%	44%	46%	56%	58%	60%
Customers	1,751,100	1,707,800	1,677,500	1,643,000	1,618,900	1,601,000	1,537,200	1,475,300
Annual adjusted customer growth %	8%	10%	13%	15%	20%	31%	37%	38%
Net savings (SEK billion)	7.0	0.9	5.8	8.3	21.2	18.7	15.3	22.4
Savings ratio %	3%	5%	7%	9%	12%	15%	21%	22%
Savings capital (SEK billion)	760.6	714.8	680.7	691.1	772.7	801.6	728.0	703.4
of which shares/derivatives/bonds	533.0	489.8	461.6	473.2	547.2	573.4	517.3	505.8
of which funds	154.1	143.9	130.6	132.9	145.0	153.7	138.2	130.7
of which deposits ³	73.5	81.2	88.4	85.1	80.5	74.5	72.6	66.8
Average savings capital per customer - 12 months rolling (SEK)	431,000	443,800	454,900	469,400	479,400	477,000	462,800	449,000
Lending (SEK billion) ⁴	27.9	27.3	26.4	26.7	26.5	25.4	24.2	23.2
of which margin lending ⁴	13.0	12.3	11.7	12.4	12.8	12.4	11.9	11.5
of which mortgages	10.9	10.9	10.6	10.3	9.6	8.9	8.2	7.6
of which personal loans	4.0	4.1	4.1	4.0	4.1	4.1	4.1	4.0
Investments in tangible assets (SEK million)	4.6	8.6	6.0	3.7	5.4	17.5	2.8	8.0
Investments in intangible assets excl. company acquisitions (SEK million)	38.9	41.2	30.8	33.3	31.6	31.1	27.8	32.7
Number of full-time equivalents at end of period	682	666	669	673	662	648	646	630

¹ For items affecting comparability, see page 17. ² Customer growth over the past 12 months is 8 percent, the corresponding comparative figure for the preceding quarter amounted to 7 percent, including the customer relationships that were terminated within the framework of the previously communicated project on customer documentation. ³ Includes cash and cash equivalents from customers of the pension companies. ⁴ Lending excluding pledged cash and cash equivalents. For definitions of key figures, refer to pages 45–46.



Financial statements.



Financial statements.

Consolidated income statement

SEK million	Note	3 months	3 months	3 months	12 months
		Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Commission income	3	694.9	851.5	588.7	2,695.0
Commission expenses	3	-170.7	-198.6	-162.9	-665.8
Interest income	4	732.4	294.0	611.8	1,662.8
Interest expenses	4	-133.3	-88.6	-102.1	-381.8
Net result of financial transactions		-4.1	-5.9	-4.7	-8.8
Other operating income		15.0	38.1	21.1	80.7
Total operating income		1,134.2	890.4	951.9	3,382.1
General administrative expenses		-264.7	-211.3	-251.2	-1,064.9
Depreciation, amortization and impairments of intangibles and equipment		-44.2	-43.0	-44.1	-172.4
Other operating expenses		-11.3	-9.6	-20.0	-54.2
Total expenses before credit losses and imposed levies		-320.2	-263.8	-315.2	-1,291.5
Profit before credit losses and imposed levies		814.0	626.6	636.7	2,090.6
Credit losses, net	5	-16.7	-9.6	-11.1	-43.4
Imposed levies: resolution fees		-3.1	-3.6	-3.1	-13.1
Operating profit		794.2	613.4	622.5	2,034.1
Tax on profit for the period		-142.9	-112.3	-108.3	-381.7
Profit for the period		651.3	501.1	514.2	1,652.5
Earnings per share before dilution, SEK	10	2.51	1.95	1.98	6.35
Earnings per share after dilution, SEK	10	2.49	1.94	1.97	6.33
Average number of shares before dilution	10	249,625,000	249,875,000	249,625,000	249,687,500
Average number of shares after dilution	10	251,325,751	250,916,782	250,445,093	250,581,110

Consolidated statement of other comprehensive income

SEK million	3 months	3 months	3 months	12 months
	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Profit for the period	651.3	501.1	514.2	1,652.5
Items that will be reversed to the income statement				
Changes in value of financial assets recognized at fair value through other comprehensive income	29.4	-72.7	102.3	-177.2
Tax on changes in value of financial assets recognized at fair value through other comprehensive income	-6.1	15.0	-21.1	36.5
Translation of foreign operations	-44.7	35.4	14.7	46.0
Tax on translation of foreign operations	1.2	-1.8	-1.6	-5.2
Total other comprehensive income after tax	-20.1	-24.1	94.3	-99.9
Total profit or loss and other comprehensive income ¹	631.2	477.0	608.5	1,552.6

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

Consolidated balance sheet

SEK million	Note	31/03/2023	31/12/2022
Assets			
Cash and balances in Central banks		1,832.3	3,726.5
Treasury bills and other interest bearing securities eligible for refinancing		34,027.4	38,960.2
Loans to credit institutions		552.8	485.1
Loans to the general public	5	29,195.8	28,527.4
Bonds and other interest bearing securities		9,093.4	11,218.5
Shares and participations		3.8	19.8
Assets for which customers bear the investment risk		133,253.3	119,974.7
Intangible fixed assets		956.3	967.5
Tangible fixed assets		236.7	244.0
Deferred taxed assets		1.4	1.3
Current tax assets		54.4	28.8
Other assets		2,837.4	2,267.6
Prepaid expenses and accrued income		565.8	486.4
Total assets		212,610.7	206,907.8
Liabilities			
Deposits and borrowing from the general public		62,623.5	70,084.1
Liabilities for which customers bear the investment risk		133,260.4	119,979.6
Other liabilities		8,754.4	10,371.4
Current tax liabilities		706.6	151.1
Deferred tax liabilities		52.0	56.1
Accrued expenses and deferred income		260.0	215.4
Total liabilities		206,656.9	200,857.8
Equity			
Share capital		1.2	1.2
Additional Tier 1(AT1) capital		1,400.0	1,100.0
Other capital contributions		7,085.7	7,086.7
Other reserves		-181.3	-161.2
Retained earnings/cumulative losses including profit and loss for the period		-1,351.8	-1,976.6
Total equity		6,953.8	6,050.1
Total liabilities and equity		212,610.7	206,907.8

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 2023	1.2	1,100.0	7,086.7	-161.2	-1,976.6	6,050.1
Profit after tax reported in the income statement	-	-	-	-	651.3	651.3
Other comprehensive income after tax	-	-	-	-20.1	-	-20.1
Total comprehensive income	-	-	-	-20.1	651.3	631.2
Transactions reported directly in equity						
Issue of Tier 1 capital ¹	-	300.0	-	-	-	300.0
Transaction costs in connection with issue of Tier 1 capital	-	-	-	-	-2.2	-2.2
Tax on transaction cost with issue of Tier 1 capital	-	-	-	-	0.4	0.4
Interest on Tier 1 capital	-	-	-	-	-24.7	-24.7
Repurchase of warrants	-	-	-1.0	-	-	-1.0
Total transactions reported directly in equity	-	300.0	-1.0	-	-26.6	272.5
Equity carried forward 31st March 2023	1.2	1,400.0	7,085.7	-181.4	-1,353.8	6,953.8

¹ Issue of Tier 1 capital of SEK 300 million. The bonds have an indefinite maturity, with the first redemption after five years and runs with interest of three-month Stibor + 5,0 percent. The bonds are listed on Nasdaq Stockholm.

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	-	-	-	-	501.1	501.1
Other comprehensive income after tax	-	-	-	-24.1	-	-24.1
Total comprehensive income	-	-	-	-24.1	501.1	477.0
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
Issue of warrants	-	-	0.0	-	-	0.0
Repurchase of shares	-	-	-56.5	-	-	-56.5
Interest on Tier 1 capital	-	-	-	-	-14.1	-14.1
Total transactions reported directly in equity	-	-	-56.5	-	-14.6	-71.1
Equity carried forward 31 March 2022	1.2	1,100.0	7,069.4	-85.5	-1,689.1	6,396.0

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 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 2021	1.2	1,100.0	7,086.7	-161.2	-1,976.6	6,050.1

Consolidated cash flow

	3 months	3 months	3 months	12 months
SEK million	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Operating activities				
Cash flow from operating activities before changes in working capital	1.144.6	803.1	-9.4	1.381.2
Cash flow from changes in working capital	-10.302.7	3.563.4	-3.139.1	5.111.9
Cash flow from operating activities	-9.158.1	4.366.5	-3.148.5	6.493.1
Investing activities				
Purchases and disposals of intangible and tangible fixed assets	-43.5	-37.1	-49.7	-160.6
Net investments in financial instruments	7.089.3	-4.248.9	-2.062.8	-5.574.8
Cash flow from investing activities	7.045.8	-4.286.0	-2.112.6	-5.735.5
Financing activities				
Cash flow from financing activities	292.9	-53.3	-7.8	-1.446.6
Cash flow for the period	-1.819.3	27.3	5.268.9	-689.0
Cash and cash equivalents at the start of the period	4.211.6	4.894.6	9.478.4	4.894.6
Exchange rate difference for cash and cash equivalents	-7.2	3.6	2.2	5.9
Cash and cash equivalents at the end of the period	2.385.1	4.925.5	4.211.6	4.211.6
<i>whereof cash and cash equivalents in Central Banks</i>	1.832.3	4.437.8	3.726.5	3.726.5
<i>whereof loans to credit institutions</i>	552.8	487.7	485.1	485.1

¹ This amount includes blocked funds of SEK 467 Million (281).

Parent Company income statement

	3 months	3 months	3 months	12 months
SEK million	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Net sales	5.7	4.5	4.9	18.2
Total operating income	5.7	4.5	4.9	18.2
Other external costs	-4.5	-3.0	-3.1	-14.0
Personnel costs	-4.5	-3.2	-4.1	-13.8
Other operating expenses	-0.7	-1.0	-1.0	-3.5
Total operating expenses	-9.7	-7.2	-8.2	-31.3
Operating profit	-4.0	-2.7	-3.4	-13.1
Result from financial investments:				
Result from participations in Group companies	-	-	1,168.6	2,558.7
Other interest income and similar items	4.7	-	0.4	0.4
Interest expense and similar items	-	-	-0.3	-0.8
Result from financial investments	4.7	-	1,168.7	2,558.2
Profit after financial items	0.7	-2.7	1,165.3	2,545.2
Tax on profit for the year	-0.2	0.5	1.9	-0.1
Profit for the period	0.5	-2.2	1,163.4	2,545.0
Items that will be reversed to the income statement	-	-	-	-
Total other comprehensive income after tax	-	-	-	-
Total profit or loss and other comprehensive income	0.5	-2.2	1,163.4	2,545.0

Parent Company balance sheet

SEK million	31/03/2023	31/12/2022
Assets		
Financial fixed assets	2,412.8	2,412.8
Current assets	1,318.3	1,076.5
Cash and bank balances	42.6	7.3
Total assets	3,773.7	3,496.6
Equity and liabilities		
Restricted equity	1.2	1.2
Non-restricted equity	3,749.3	3,476.4
Current liabilities	23.2	19.0
Total equity and total liabilities	3,773.7	3,496.6

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 2022 Nordnet Annual Report, Note 5, the section entitled "Accounting principles applied". The accounting principles and bases of calculation applied remain unchanged compared with the 2022 Annual Report, except for the following amendments.

Standards that will come into force in 2023 and beyond

IAS 1 Presentation of Financial Statements

The IAS 1 standard prescribes the basis for the design of general financial reports to ensure comparability both with the company's own financial reports for previous periods and with other companies' financial reports. The changes in IAS 1 Presentation of Financial Statements mean that companies that apply IFRS must provide disclosures of material information regarding accounting principles rather than providing information on significant accounting principles. The accounting principles will be more company-specific and disclosures perceived as less material must not obscure significant disclosures.

Note 2 Revenue from contracts with customers

Jan-Mar 2023					
SEK million	Sweden	Norway	Denmark	Finland	Total
Commission income - transactionrelated	96.7	107.3	107.2	114.1	425.2
Commission income - non transactionrelated	34.1	32.4	40.3	17.7	124.6
Currency exchange income	67.7	38.9	10.1	6.1	122.8
Other commission income	11.5	4.8	2.7	3.4	22.3
Income associated with IPOs and company	0.5	-	1.4	2.5	4.4
Other operating income	2.5	1.6	5.0	3.3	12.4
Total	213.0	185.1	166.7	147.0	711.8
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point	213.0	185.1	166.7	147.0	711.8
Jan-Mar 2022					
SEK million	Sweden	Norway	Denmark	Finland	Total
Commission income - transactionrelated	132.5	191.1	113.0	169.4	534.1
Commission income - non transactionrelated	71.5	51.4	9.6	6.1	138.5
Currency exchange income	40.2	46.1	49.2	23.6	159.1
Other commission income	8.0	4.9	3.6	3.3	19.8
Income associated with IPOs and company	4.1	4.2	0.8	1.1	10.1
Other operating income	12.1	3.8	6.9	3.7	26.5
Total	268.4	229.5	183.1	207.2	888.1
Timing of revenue recognition					
Service gradually transferred to customer	-	-	-	-	-
Service transferred to customer at one point	268.4	229.5	183.1	207.2	888.1
Jan-Dec 2022					
SEK million	Sweden	Norway	Denmark	Finland	Total
Commission income - transactionrelated	387.1	391.8	374.3	464.4	1,617.5
Commission income - non transactionrelated	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	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	838.9	741.1	597.2	618.0	2,795.2

Note 3 Net commission income

	3 months	3 months	3 months	12 months
SEK million	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Commission income				
Commission income - transaction related ¹	425.2	534.1	356.0	1,617.5
Commission income - not transaction related ²	145.1	158.3	128.1	582.5
Currency exchange income	124.6	159.1	104.6	495.0
Total commission income	694.9	851.5	588.7	2,695.0
Commission expenses				
Commission expenses - transaction related	-120.2	-144.0	-108.6	-449.1
Commission expenses - not transaction related	-47.5	-53.1	-52.8	-208.2
Other commission expenses	-3.0	-1.5	-1.5	-8.4
Commission expenses	-170.7	-198.6	-162.9	-665.8
Net commission income	524.2	652.9	425.8	2,029.2

¹ Refers to brokerage income.

² Refers primarily to commission income from fund savings.

Note 4 Net interest income

	3 months	3 months	3 months	12 months
SEK million	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Interest income				
Loans to credit institutions	45.4	42.9	53.6	186.8
Interest bearing securities	232.7	38.2	197.6	421.8
Interest bearing securities at amortized cost	155.4	23.6	104.3	215.7
Loans to the general public	295.6	187.6	253.5	829.2
Other interest income	3.4	1.6	2.8	9.3
Total interest income	732.4	294.0	611.8	1,662.8
Interest expenses				
Liabilities to credit institutions	8.3	-5.4	8.3	-2.1
Interest bearing securities	-44.4	-49.7	-52.6	-219.3
Deposits and borrowing from the general public	-58.4	-0.2	-5.3	-6.4
Other interest expenses	-38.8	-33.3	-52.4	-154.1
Total interest expenses	-133.3	-88.6	-102.1	-381.8
Net interest income	599.1	205.4	509.7	1,281.0

Note 5 Loans to the public

Total lending amounts to SEK 29,195.8 million (28,927.4 as of 31 December 2022), of which SEK 1,325.7 million (1,214.5 as of 31 December 2022) comprises lending to the public, which is covered in its entirety by pledged funds in endowment insurance and investment savings accounts (ISAs).

Lending to the general public is reported after deduction of realized and expected credit losses. At the end of the period, the total provision for expected credit losses amounted to SEK 104.8 million (99.6 as of 31 December 2022). The increase is mainly due to a new agreement for defaulted personal loans that are sold for collection. This forward-flow agreement involves recently past-due receivables being sold on a monthly basis. The agreement replaces the one that expired in March 2023 and is valid for 12 months starting in April. The new terms mean slightly lower prices for sold receivables, which is a result of the macroeconomic situation. These terms are reflected in the provision at the end of the period.

The credit loss provisions for margin lending amounted to SEK 10.5 million (11.4 as of 31 December 2022). 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 37.8 (39.8) percent. Margin lending customers are monitored daily and, if necessary, forcibly regulated to manage the credit risk, which is still considered low. The lower loan-to-value ratio is an effect of a stable stock market in the first quarter of 2023. The management overlay of a negative SEK 2 million introduced at the beginning of the year has been removed as the

custodial accounts for which the provisions were adjusted are now captured by the ordinary model for calculating provisions.

The credit loss provision for residential mortgages amounted to SEK 3.2 million (3.2 as of 31 December 2022). 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. As of the first quarter of 2023, this provision remains in place. 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 March 2023, the average loan-to-value ratio for residential mortgages was 43.7 percent (43.9 as of 31 December 2022). The slightly lower loan-to-value ratio in the portfolio is mainly due to increased repayments. 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 30.5 percent (31.7 percent as of 31 December 2022). In the first quarter of 2023, housing prices in Sweden stabilized after having fallen during 2022. According to SEB's house price indicator, more households expect falling rather than rising prices, although the difference narrowed in the first quarter of 2023. Falling housing prices may entail an increased risk as the size of the loan constitutes a larger proportion of the

Loans, SEK million	31/03/2023	31/12/2022	Change %
Margin loans	14,323.9	13,551.8	5.7%
Residential mortgage	10,876.6	10,876.8	0.0%
Personal loans	3,995.3	4,098.8	-2.5%
Total lending to the public	29,195.8	28,527.4	2.3%
whereof credits covered by pledged cash and cash equivalents	1,325.7	1,214.5	9.2%

Credit loss reserve 31/03/2023	Stage 1	Stage 2	Stage 3	Total
Amortized cost	28,354.7	832.0	114.0	29,300.6
Provisions for expected credit losses	-22.3	-26.6	55.9	-104.8
Total lending to the public	28,332.4	805.3	58.1	29,195.8

Credit loss reserve 31/12/2022	Stage 1	Stage 2	Stage 3	Total
Amortized cost	27,614.1	897.5	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

Cont. Note 5 Loans to the public

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.

Credit loss provisions for personal loans amounted to SEK 91.1 million (SEK 85.0 million as of 31 December 2022). The increase in provisions is mainly due to the updated agreement for defaulted personal loans that are sold for collection. A comment on the updated agreement is provided on page 29. The credit quality in the personal loan portfolio is nonetheless still assessed as good and the risk level as stable.

The provision adjustment of a negative SEK 2 million introduced for personal loans in the first quarter of 2022, was removed in March 2023 due to the underlying model for provision calculations having been updated. This update builds largely on an update to the underlying PD model, the principal purpose of which is to generate a more robust and fair estimate of the risk of default. It is judged that the former PD model overestimated the risk, primarily for loans in Stage 1, which is why provision adjustment of a negative SEK 2 million was introduced in 2022. With the implementation of the updated model, this adjustment is no longer deemed relevant and has thus been removed.

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.

Credit losses Private loans

SEK million	2019	2020	2021	2022	31/03/2023
Established loss	29.9	32.6	23.8	48.0	11.8
Credit volume at the beginning of the year	3,996	4,099	4,049	4,192	4,151
Established loss %	0.75%	0.80%	0.80%	1.15%	1.14% ¹
Reserve change	2.7	3.5	8.5	-5.3	6.1
Total loss	32.6	36.1	36.1	42.7	17.9
Total loss %	0.82%	0.88%	0.80%	1.02%	1.72% ¹

¹ Calculation regarding Established loss % and Total loss % is done on an annual basis, i.e. four quarters

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 of 2022, 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 (applied for all products):

Scenario	Weight
Positive	25 %
Base	50 %
Negative	25 %

Note 6 Group - segments

Jan-Mar 2023					
SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	157.4	123.3	130.8	112.8	524.2
Net interest income	255.8	129.0	117.8	96.6	599.1
Net result after financial transactions	-3.9	-0.2	0.6	-0.5	-4.1
Other interest income	0.4	2.4	6.4	5.8	15.0
Total operating income	409.6	254.5	255.5	214.6	1,134.2
Total operating expenses	-117.8	-72.5	-72.5	-57.4	-320.2
Total expenses before credit losses	-117.8	-72.5	-72.5	-57.4	-230.2
Profit before credit losses	291.8	182.0	183.0	157.2	814.0
Credit losses, net	-19.3	1.8	0.5	0.3	-16.7
Imposed levies: resolution fees	-0.7	-0.6	-0.9	-0.9	-3.1
Operating profit	271.8	183.3	182.5	156.6	794.2

Jan-Mar 2022

SEK million	Sweden	Norway	Denmark	Finland	Group
Net commission income	198.2	144.1	146.6	164.0	652.9
Net interest income	115.5	62.9	23.5	3.4	205.3
Net result after financial transactions	-5.1	0.0	-0.3	-0.4	-5.9
Other interest income	16.6	8.6	7.9	5.0	38.7
Total operating income	325.1	215.6	177.7	172.0	890.4
Total operating expenses	-115.9	-63.6	-24.4	-59.9	-263.8
Total expenses before credit losses	-115.9	-63.6	-24.4	-59.9	-263.8
Profit before credit losses	209.2	152.0	153.3	112.1	626.6
Credit losses, net	-9.9	-0.2	0.5	0.0	-9.6
Imposed levies: resolution fees	-0.9	-0.7	-1.0	-1.0	-3.6
Operating profit	198.4	151.1	152.8	111.1	613.4

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

Note 7 Group – Financial instruments

Categorization of financial instruments

Notes

31/03/2023	Fair value through consolidated income statement					
	SEK million					
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	1,832.3	-	-	-	-	1,832.3
Treasury bills and other interest bearing securities eligible for refinancing	15,000.5 ¹	-	-	19,026.9	-	34,027.4
Loans to credit institutions	552.8	-	-	-	-	552.8
Loans to the general public	29,195.8	-	-	-	-	29,195.8
Bonds and other interest bearing securities	4,560.6 ¹	-	-	4,532.8	-	9,093.4
Shares and participations, listed	-	3.0	-	-	-	3.0
Shares and participations, non-listed	-	0.8	-	-	-	0.8
Assets for which customers bear the investment risk ²	2,087.3	-	128,683.1	2,482.9	-	133,253.3
Other assets	2,837.4	-	-	-	54.4	2,891.8
Accrued income	386.0	-	-	-	-	386.0
Total assets	56,452.7	3.8	128,683.1	26,042.6	54.4	211,236.6
Liabilities						
Deposits and borrowing from the general public	62,623.5	-	-	-	-	62,623.5
Liabilities for which customers bear the investment risk	-	-	133,260.4	-	-	133,260.4
Other liabilities	8,754.4	-	-	-	758.6	9,513.0
Accrued expenses	260.0	-	-	-	-	260.0
Total liabilities	71,637.9	-	133,260.4	-	758.2	205,656.9

¹ Market value 31 Mars 2023 was amounted to SEK 19,560.6 million.

31/12/2022	Fair value through consolidated income statement					
	SEK million					
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	16,241.6 ¹	-	-	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 ¹	-	-	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	205,530.7
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 Market value 31 December 202 was amounted to SEK 21,317.5 million.

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 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 instrumentst

Financial instruments recognized at fair value

31/03/2023				
SEK million	Level 1	Level 2	Level 3	Total
Financial assets at fair value				
Treasury bills and other interest bearing securities eligible for refinancing	19,026.9	-	-	19,026.9
Bonds and other interest bearing securities	3,672.3	860.5	-	4,532.8
Shares and participations ¹	3.0	-	0.8	3.8
Assets for which customers bear the investment risk	130,771.8	661.8	1,819.7	133,253.3
Subtotal	153,474.0	1,522.3	1,820.5	156,816.8
Financial assets where fair value is given for information purposes				
Cash and balances in Central Banks	1,832.3	-	-	1,832.3
Loans to credit institutions	-	552.8	-	552.8
Loans to the general public	-	29,195.8	-	29,195.8
Treasury bills and other interest bearing securities eligible for refinancing	15,757.9	-	-	15,757.9
Bonds and other interest bearing securities	548.4	3,288.2	-	3,836.6
Other assets	2,837.4	-	-	2,837.4
Accrued income	386.0	-	-	386.0
Subtotal	21,362.0	33,036.8	-	54,398.8
Total	174,836.0	34,559.1	1,820.5	211,215.6
Financial liabilities at fair value				
Liabilities for which customers bear the investment risk	-	133,260.4	-	133,260.4
Total	-	133,260.4	-	133,260.4

¹ SEK 2,482.9 million refers to reinvestments in bonds and SEK 2,087.3 million refers to cash and cash equivalents. These items are included in level 1.

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 SEK 2,138.5 million refers to reinvestments in bonds and SEK 1,087.0 million refers to cash and cash equivalents. These items are included in level 1.

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 primarily involves 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 valued 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.

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 mars 2023, 99.8 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 are models of discounted cash flows, 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.

Financial instruments are transferred to or from Level 3

2023-03-31		
MSEK	Assets for which customers bear the investment risk	Shares and participations
Opening balance	1,632.6	0.8
Bought	2.3	-
Transfers to level 3	138.8	-
Sold	-24.2	-
Transfers from level 3	-0.3	-
Change in value including currency effect	70.5	-
Closing balance	1,819.8	0.8

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	31/03/2023	31/12/2022
Provided collaterals		
Pledged assets and comparable collateral for own liabilities ¹	1,054.8	771.1
Other pledged assets and comparable collateral		
Bonds and other interest bearing securities ²	2,699.7	2,468.7
<i>of which deposits with credit institutions</i>	1,924.4	2,018.7
<i>of which deposits with clearing organisations</i>	775.3	450.1
Obligations		
Contingent liabilities	12.4	13.2
Commitments		
Credit granted but not yet paid, unsecured loans ³	165.6	85.7
Funds managed on behalf of third parties		
Client funds	121.5	147.3

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 464 million (281) which mainly relate to pledged assets at clearing institutes, central banks and the stock exchange.

As at the balance sheet date of 31st March 2023, the insurance business held registered assets amounting to SEK 133,253.3 million (119,975.0 at 31 December 2022) to which the policyholders have priority rights.

³ This amount includes granted, unpaid mortgages amounting to SEK 133 million (64).

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.

Financial conglomerate

Own funds 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.

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 un-

der 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 own funds 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.

Cont. Note 9 Capital adequacy information and liquidity

Eligible capital and capital requirements

SEK million	31/03/2023	31/12/2022
Capital base after regulatory adjustments	6,545.3	5,642.7
Capital requirement	4,796.7	4,850.9
Excess capital	1,748.6	791.8
The financial conglomerate's capital ratio	1.4	1.2

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

Consolidated situation

Own funds 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. Own funds requirements for operational risk are calculated in accordance with the standardized method.

As of 31 March 2023, Nordnet applied the equity method as valuation principle in accordance with Article 18.7 of the supervisory regulation for its shareholding in the subsidiary Nordnet Pensionsförsäkring AB, as well as for the indirect holding in the subsidiary's subsidiary (Nordnet Livsförsäkring AS). Compared with the former valuation principle (amortized cost), the equity method brings increasing own funds, increased risk-weighted exposure amounts in the categories Equity exposures and Operational risk and a deduction against own funds for significant shareholdings in the financial sector. Overall, the change does not have a major impact on the regulatory capital and liquidity measures.

In the first quarter of 2023, Nordnet AB issued SEK 300 million in AT1 capital, strengthening own funds in the consolidated situation.

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 1,197.1 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 supplementary Pillar 2 requirements. As of 31 March 2023, the counter-cyclical buffers in Norway and Denmark were raised by the respective supervisory authorities, resulting in an increased buffer requirement for Nordnet of 0.15 percentage points compared with the counter-cyclical buffer level as of 31 December 2022. Until and including the first quarter of 2023, net profit is included in own funds less expected dividends, as the external auditors have verified the net profit and permission has been obtained from the Swedish Financial Supervisory Authority.

Nordnet applies 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 own funds 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 own funds for all software assets. The amendment entails own funds, as well as the total risk-weighted exposure amount, increasing by SEK 189.6 million as of 31 March 2023.

Cont. Note 9 Capital adequacy and liquidity information

Consolidated situation, key figures

SEK million		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
	Available own funds (amounts)					
1	Common Equity Tier 1,(CET1) capital	3,042.5	2,798.3	2,618.0	2,550.4	2,619.2
2	Tier 1,capital	4,442.5	3,898.3	3,718.0	3,650.4	3,719.2
3	Total capital	4,442.5	3,898.3	3,718.0	3,650.4	3,719.2
	Risk-weighted exposure amounts					
4	Total risk-weighted exposure amount	18,482.9	18,631.3	18,987.2	18,857.6	17,805.2
	Capital ratios (as a percentage of risk-weighted exposure amount)					
5	Common Equity Tier 1,ratio (%)	16.5%	15.0%	13.8%	13.5%	14.7%
6	Tier 1,ratio (%)	24.0%	20.9%	19.6%	19.4%	20.9%
7	Total capital ratio (%)	24.0%	20.9%	19.6%	19.4%	20.9%
	Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	6.5%	6.5%	6.5%	6.5%	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 (%)	1.4%	1.3%	1.1%	0.2%	0.2%
EU 9a	Systemic risk buffer (%)					
10	Global Systemically Important Institution buffer (%)					
EU 10a	Other Systemically Important Institution buffer					
11	Combined buffer requirement (%)	3.9%	3.8%	3.6%	2.7%	2.7%
EU 11a	Overall capital requirements (%)	18.4%	18.2%	18.0%	17.2%	17.1%
12	CET1,available after meeting the total SREP own funds requirements (%)	8.3%	6.5%	5.1%	4.9%	6.4%

Cont. Note 9 Capital adequacy information and liquidity

Nominal values of capital requirements

SEK million		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
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	1,195.8	1,205.4	1,228.5	1,220.1	1,152.0
EU 7b	of which: to be made up of CET1 capital	672.8	678.2	691.1	686.4	648.1
EU 7c	of which: to be made up of Tier 1 capital	896.4	903.6	920.9	914.6	863.6
EU 7d	Total SREP own funds requirements	2,674.5	2,695.9	2,747.5	2,728.7	2,576.4
Combined buffer and overall capital requirement (SEK million)						
8	Capital conservation buffer	462.1	465.8	474.7	471.4	445.1
9	Institution specific countercyclical capital buffer	262.8	236.3	208.9	40.4	28.6
11	Combined buffer requirement	724.8	702.1	683.5	511.9	473.7
EU 11a	Overall capital requirements	3,399.0	3,398.3	3,412.0	3,239.7	3,050.0
12	CET1 available after meeting the total SREP own funds requirements	1,534.8	1,201.7	970.2	922.1	1,143.1

Distribution risk weighted exposures

SEK million		31/03/2023	31/12/2022
Total risk weighted exposures		18,482.9	18,631.3
Exposure to credit risk according to the standardized method		13,224.5	13,683.7
of which exposures to institutions		1,468.7	1,372.8
of which exposures to corporates		1,014.0	1,423.1
of which retail exposures		3,943.8	3,963.3
of which exposures secured by mortgages on immovable property		2,610.0	2,604.7
of which in default		61.9	100.6
of which exposures in the form of covered bonds		2,546.1	2,676.9
of which equity exposures		859.1	369.8
of which regional governments or local authorities		0.0	5.4
of which claims in the form of CIU		13.1	210.3
of which other items		707.7	956.9
Other risk weighted exposures		5,258.4	4,947.6
Exposures market risk		207.5	92.0
Exposure operational risk		5,050.9	4,855.6

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. The binding minimum requirement for the leverage ratio of 3.0 percent entails a capital requirement of SEK 2,376.8 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 713.0 million) of the Group's total exposure amount for the leverage ratio.

Leverage ratio

SEK million		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
Leverage ratio						
13	Total exposure measure	79,225.5	84,519.2	90,327.9	86,336.6	83,943.6
14	Leverage ratio (%)	5.6%	4.6%	4.1%	4.2%	4.4%
Additional own funds requirements to address the risk of excessive leverage (as a percentage of total exposure measure)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	-	-	-	-	-
EU 14b	of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Leverage ratio buffer requirement (%)	-	-	-	-	-
EU 14e	Overall leverage ratio requirement (%)	3.0%	3.0%	3.0%	3.0%	3.0%

Own funds requirement for Leverage Ratio SEK million		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
Additional own funds requirements to address the risk of excessive leverage (SEK million)						
EU 14c	Total SREP leverage ratio requirements	2,376.8	2,535.6	2,709.8	2,590.1	2,518.3
EU 14e	Overall leverage ratio requirement	2,376.8	2,535.6	2,709.8	2,590.1	2,518.3

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 1,996.3 million (2,356.6 as of 31 December 2022). 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 2022 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 March 2023. The figures refer to the consolidated situation, which includes Nordnet AB (public), company registration number 559073-6681, Nordnet Bank AB, company registration number 516406-0021 and Nordnet Fonder AB, company registration number 556541-9057.

The liquidity reserve is financed by deposits from the public, shareholders' equity and issued bonds, known as "AT1 bond loans" totalling SEK 1,400 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		31/03/2023	31/12/2022	30/09/2022	30/06/2022	31/03/2022
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value - average)	30,508.6	31,952.8	31,557.8	30,210.1	29,561.3
EU	Cash outflows - Total weighted value	8,458.1	8,573.1	8,312.9	8,190.7	8,209.9
EU	Cash inflows - Total weighted value	2,458.4	2,241.6	1,646.4	1,463.2	1,338.1
16	Total net cash outflows (adjusted value)	5,999.7	6,331.5	6,666.5	6,727.5	6,871.8
17	Liquidity coverage ratio (%)	508.5%	504.7%	473.4%	449.1%	430.2%
	Liquidity coverage ratio SEK (%)	187.5%	198.4%	203.6%	205.8%	204.2%
	Liquidity coverage ratio NOK (%)	414.6%	410.1%	391.7%	375.8%	356.0%
	Liquidity coverage ratio DKK (%)	378.8%	420.6%	420.4%	399.6%	418.7%
	Liquidity coverage ratio EUR (%)	960.9%	1,017.7%	992.9%	926.1%	1,007.3%
Net Stable Funding Ratio						
18	Total available stable funding	64,978.1	70,206.8	75,451.7	72,556.9	69,103.4
19	Total required stable funding	28,756.2	28,766.5	29,973.7	29,466.1	28,140.8
20	NSFR ratio (%)	226.0%	244.1%	251.7%	246.2%	245.6%

Cont. Note 9 Capital adequacy information and liquidity

Liquidity buffer

31/03/2023 SEK million	Total	SEK	NOK	DKK	EUR	USD	Övriga
Cash and bank balances	3,393	751	146	1,322	1,023	78	73
Securities issued or guaranteed by the state, central banks or multinational development banks	5,782	2,871	685	743	1,482	0	0
Covered bonds	20,786	2,211	5,869	9,700	3,006	0	0
Other securities	0	0	0	0	0	0	0
Total liquidity buffer	29,961	5,833	6,700	11,766	5,511	78	73
Distribution by currency	100.0%	19.5%	22.4%	39.3%	18.4%	0.3%	0.2%

Additional liquidity indicators

	31/03/2023
Liquidity reserve / Deposits from the general public	44.6%
Lending to the public / Deposits from the general public	43.5%

Liquidity buffer

31/12/2022 SEK million	Total	SEK	NOK	DKK	EUR	USD	Övriga
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%

Note 10 Earnings per share

	3 months	3 months	3 months	12 months
SEK million	Jan-Mar 2023	Jan-Mar 2022	Oct-Dec 2022	Jan-Dec 2022
Earning per share before and after dilution				
Profit for the period	651.3	501.1	514.2	1,652.5
Interest on Tier ¹ capital recognised in equity ¹	-25.0	-14.3	-20.0	-65.8
Profit attributable to shareholders of the Parent Company	626.4	486.9	494.2	1,586.7
Earning per share before dilution ²	2.51	1.95	1.98	6.35
Earning per share after dilution ²	2.49	1.94	1.97	6.33
Average number of outstanding shares before dilution	249,625,000	249,875,000	249,625,000	249,687,500
Average number of outstanding shares after dilution	251,325,751	250,916,782	250,445,093	250,581,110
Number of outstanding shares before dilution	249,625,000	249,625,000	249,625,000	249,625,000
Number of outstanding shares after dilution	257,215,699	256,381,549	257,313,252	257,313,252
¹ Including interest for the period and accrued transaction costs, net after tax	-0.2	-0.1	-0.2	-0.8

² The calculation of earnings per share is based on the Group's profit for the period attributable to the shareholders of the Parent Company and on the weighted average number of shares for the period. When calculating the earning per share after dilution, the average number of shares is adjusted to consider the effect of dilution from potential ordinary shares. During the reporting period, these shares derives during the reported period.

Signatures of the Board of Directors.

The board and CEO provide their assurance that this interim report for the period January–March 2023 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.

Stockholm, 24 April 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
Styrelseledamot Board

Gustaf Unger
Board member

Per Widerström
Board member

Lars-Åke Norling
CEO

For further information, please contact:

Johan Tidestad, Chief Communications Officer
+46 708 875 775, johan.tidestad@nordnet.se
Marcus Lindberg, Head of Investor Relations
+46 764 923 128, marcus.lindberg@nordnet.se

Address and contact details:

Head office: Alströmergatan 39
Postal address: Box 30099, SE-104 25 Stockholm
Phone: +46 10 583 30 00, e-mail: info@nordnet.se
Company registration number: 559073-6681
Website: nordnetab.com
Become a customer: nordnet.se, nordnet.no, nordnet.dk, nordnet.fi

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 25 April 2023 at 08.00 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 trades ¹

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

Number of trades per trading day ¹

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

Number of trading days ¹

Number of days on which the relevant exchanges are open.

Antal heltidstjänster vid periodens slut ¹

Antal heltidstjänster, inklusive visstidsanställda men exklusive föräldraledig och tjänstledig personal, vid periodens slut.

Number of customers ¹

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 ratio ²

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

Cash market ²

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

Equity excluding intangible assets ¹

Total equity less intangible assets.

Average savings capital per customer – rolling 12 months ²

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 period ²

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 capital ²

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

Adjusted C/I ratio % ²

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

Adjusted operating expenses in relation to savings 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).

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/finansuell-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 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 funds ³

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 capital ³

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 savings ²

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 margin ¹

Operating profit in relation to total operating income.

Savings capital ²

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

Savings ratio ²

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

Total capital ratio ²

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

Lending/deposits ²

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 margin ¹

Profit for the period in relation to operating income.

Annual customer growth ²

Annual growth rate in customers over the period.

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

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

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

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



Nordnet

Nordnet AB (publ)

Box 30099, SE-104 25 Stockholm

Head office: Alströmergatan 39

Tel: +46 10 583 30 00, e-mail: info@nordnet.se

Company registration number: 559073-6681

For more information on Nordnet and financial reports, go to nordnetab.com

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