



Press release

Stockholm 2022-08-25

INTERIM REPORT, JANUARY – JUNE 2022

The figures refer to the Group unless otherwise stated. Figures in parentheses refer to the corresponding period of 2021 unless otherwise stated.

SECOND QUARTER 2022

- Revenues increased to SEK 18,0 M (-10,9).
- Earnings before depreciation and amortization (EBITDA) amounted to SEK -1,8 M (-5,8).
- Earnings before interest and taxes (EBIT) amounted to SEK -6,0 M (-10,9).
- Bringing loss for the period to SEK -7.1 M (-11.4).
- Loss per share -0,38 (-0,67).

SIGNIFICANT EVENTS IN THE SECOND QUARTER

- Paynova AB changed its name to Sileon AB. Sileon is a technology company that offers Buy Now, Pay Later (BNPL) capabilities in the international market. The Paynova brand has been retained as a service that Sileon still offers to selected customers.
- Sileon completed a rights issue that raised proceeds of SEK 70.1 M. The rights issue increased Sileon's share capital by SEK 4,224,200.50 through the issuance of 16,896,802 shares, which and thereafter amounted to SEK 8,448,401.00 divided between 33,793,604 shares.
- Sileon transferred its listing on NGM Main Regulated to Nasdaq First North Growth Market. As of 29 June 2022, Sileon's share has been traded on Nasdaq First North Growth Market.
- Pantbanken Sverige signed an agreement with Sileon. Pantbanken will offer Buy Now, Pay Later (BNPL) under the company's own brand in its digital channels and physical stores for consumers.
- Karin Persson was appointed Sileon's new CFO. Karin has worked at the company for two years, most recently in the role as Finance Manager.
- Sileon employed Tomas Bromander as new Head of Sales and Partners. He will take office in August 2022. Tomas was most recently employed at Resurs Bank as CCO cards and his background includes Director Business Development Merchants Nordic and Baltics at Mastercard.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Nothing to report.

CEO letter

The BNPL (Buy Now, Pay Later) market is evolving and growing

The trend that consumers, and especially younger generations, want digital and seamless consumer credit solutions is accelerating. Banks, fintechs, major merchants as well as companies like Apple are increasingly launching their own BNPL now to meet consumer expectations. BNPL growth is largely at the expense of a slowing trend in issued credit cards which, in turn, is prompting traditional card issuers to consider how they can complement their offering with BNPL.

Sileon offers the exact technology that banks and lenders need to quickly and cost-efficiently offer BNPL to their consumers. Sileon is therefore currently entering this dynamic international market undergoing strong growth.

Sileon is following its plan

Operational progress was strong during the quarter and I am extremely proud of how employees and management advanced Sileon's position. As previously announced, the target is to launch Sileon's BNPL platform for software as a service (SaaS) in early 2023. Due to the focused, effective and particularly dedicated efforts during the period, we are now on track to deliver on this strategic target.

The structural transformation to an international technology company is now complete and to manifest this important step, the company took on a new name and profile – Sileon. To also increase the company's accessibility to existing and new shareholders, the company transferred its listing to Nasdaq First North Growth in June.

The name change has also initiated more focus and energy in the form of marketing. We can already see, after a relatively short time, that the international interest in BNPL capabilities is real and concrete. In addition to a growing pipeline of large customers, partly through our collaboration with Visa, a segment of international Fintech companies that want to launch BNPL in each of their own domestic markets has also become increasingly evident. Due to the interest and need for SaaS-based BNPL capabilities, I am confident that agreements will be signed with new strategic customers during the final quarter of the year. During the autumn, OKQ8 bank will offer BNPL via Sileon's technology at OKQ8 stations. Given the size of OKQ8, there is good potential that they could eventually become our largest customer to date.

Yet another quarter characterized by growth and improved profitability

Sileon delivered yet another record quarter with quarter-on-quarter growth of 20%, which is more than twice the figure in the preceding year. EBITDA also improved to SEK -1.8 M for the period, compared with SEK -5.8 M year-on-year. I therefore remain confident that Sileon's

strategic targets of 80% growth every year up to 2025 and positive EBITDA in 2023 are within reach.

Sileon has been strengthened

During the quarter, the company raised capital of approximately SEK 65.0 M by issuing new shares. To complete such a large and successful issue by the company's standards in these troubled times is a clear sign of strength and it is gratifying that our principal owners showed their confidence and trust by defending or strengthening their positions. In conjunction with the issue, our Chair, Kent Hansson, also decided to step in as one of Sileon's largest owners.

At the end of August, Tomas Bromander assumed the role of Head of Sales and Partnerships, and Karin Persson also took office as new CFO. Sileon's management team is thereby complete and we can now, with full force and dedication, execute the plan that will take us up to and beyond our strategic targets.

We enable your BNPL

David Larsson

August 2022

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This information is such that Sileon AB (publ) is obligated to disclose under the EU Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication, through the agency of the contact persons set out above, on August 25 2022 at 7:00 a.m. CEST.

About Sileon

Sileon AB (publ) is a global Fintech company that offers innovative SaaS-based Buy Now Pay Later (BNPL) functionality to banks, finance companies and large merchants. Sileon's BNPL solution is integrated into the customer's environment and operates under the customers brand, which, unlike conventional BNPL solutions, enables the customer to independently provide BNPL without being dependent on third parties. Sileon operates in a fast-growing international

market with an estimated transaction value of \$ 680 billion globally by 2025. Sileon is listed on the Nasdaq First North Growth Market and has approx. 50 employees at its headquarters in Stockholm, Sweden.