



Press release

Stockholm 2023-02-17

INTERIM REPORT, JANUARY – DECEMBER 2022

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

FOURTH QUARTER 2022

- Revenues increased to SEK 17.1 M (11.9).
- Earnings before depreciation and amortization (EBITDA) amounted to SEK -4.8 M (-6.7).
- Earnings before interest and taxes (EBIT) amounted to SEK -10.0 M (-12.4).
- Bringing loss for the period to SEK -10.4 M (-13.4).
- Loss per share -0.31 (-0.79).

SIGNIFICANT EVENTS IN THE FOURTH QUARTER

- Sileon signed its first BNPL SaaS agreement with Hungarian fintech company Paysome.
- Visa invested an additional USD 1.0 M in Sileon to accelerate the development of solution modules for Sileon's existing BNPL SaaS platform.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Sileon's SaaS-based BNPL platform went live on January 16.

CEO letter

Strategic goal achieved - Sileon's BNPL SaaS Platform launched

I am proud to announce that Sileon achieved its strategic goal of launching a world-class international BNPL SaaS Platform, and that slightly ahead of plan. The fully scalable and modular Platform is the cornerstone of Sileon's BNPL SaaS. The Platform enables banks, lenders and fintechs to quickly and securely launch a BNPL offering fit to their business, market and consumer needs. As Sileon's Platform is embedded in a Lender's infrastructure, it can support BNPL models for all channels.

To accommodate the Lender's need for additional BNPL functionality, Sileon will release Solution modules that will function seamlessly with the Platform. These modules include functionalities such as credit checks, fraud detection and AML. The SaaS-based Solution modules are expected to launch step by step starting end of 2023. Visa announced another USD 1 million investment to accelerate and support Sileon's development of these SaaS-based BNPL Solution modules. This is in addition to the USD 1.7 million investment in the Platform that was disclosed on March 30, 2022. That Visa, a trusted world leader in digital payments, chose to support Sileon's BNPL SaaS journey signifies confidence in our product and strengthens our market position further.

New strategic customers

OKQ8 will go live in the first quarter. BNPL will firstly be enabled at their workshops and then followed by BNPL at OKQ8 stations. Significant transaction volumes from OKQ8 are estimated during the latter part of 2023 when OKQ8 bank offers BNPL using Sileon's technology in all OKQ8 sales channels. Considering OKQ8's size, it is reasonable to assume it can become Sileon's so far largest customer.

The Hungarian fintech company Paysome will implement our SaaS-based BNPL Platform in Q2. Paysome plan to establish itself as a first mover in its home market and then scale BNPL across the region.

To strategically focus on BNPL SaaS, we are pursuing the phase-out of legacy businesses, such as factoring under our own brand Paynova as planned. Consumer demand for Paynova BNPL remains strong also after Tradera's introduction of Klarna. We have therefore agreed with Tradera to continue our cooperation throughout 2023.

Sileon in investment phase to scale BNPL SaaS internationally

The global transition from card to BNPL drives demand for BNPL functionality at an accelerating rate. Supported by lead-generating marketing, more than 70% of our leads are as of today international. The fact that our BNPL Platform is now up and running will strengthen and shorten sales processes leading to new BNPL SaaS customer adds to materialize in the first half of 2023 and then further in significant volume in the second half and onwards.

Fourth quarter represented important and material investments to go live with the BNPL SaaS Platform. While the Platform is now live, the investment phase to scale BNPL SaaS internationally will according to plan continue in the first half of 2023 whereas revenues from new SaaS customers is expected in the second half of 2023.

We enable your BNPL
David Larsson
February 2023

For more information, please contact:

David Larsson, CEO, Sileon AB
E-mail: david.larsson@sileon.com
Phone: +46 725 502 306

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 February 17th 2023 at 7:00 a.m. CET.

Link to report: <https://sileon.com/investors/financial-statements/>

About Sileon

Sileon AB (publ) is a global fintech company that offers an innovative SaaS-based Buy Now Pay Later (BNPL) functionality to banks, lenders and fintechs. Sileon's BNPL solution is integrated into the customer's environment and operates under the customer's 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 approximately 50 employees at its headquarters in Stockholm, Sweden. The company's certified Adviser is Erik Penser Bank.