



**Press release**

**Stockholm 2023-05-02**

## **INTERIM REPORT, JANUARY-MARCH 2023**

The figures refer to the Group unless otherwise stated. Figures in parentheses refer to the corresponding period of 2022 unless otherwise stated.

### **FIRST QUARTER 2023**

- Revenues increased to SEK 15.2 M (14.9).
- Earnings before depreciation and amortization (EBITDA) amounted to SEK -5.6 M (-4.5).
- Earnings before interest and taxes (EBIT) amounted to SEK -10.0 M (-8.8).
- Bringing loss for the period to SEK -10.9 M (-9.6).
- Loss per share -0.32 (-0.57).

### **SIGNIFICANT EVENTS IN THE FIRST QUARTER**

- Sileon's SaaS-based BNPL platform went live on January 16
- OKQ8 Bank launched BNPL offer with Sileon's platform on March 9<sup>th</sup>

### **SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD**

- Sileon entered partnership with Provenir on April 28<sup>th</sup>

## **CEO letter**

### **Sileon focuses - BNPL for debit and credit cards**

BNPL has strong international growth and largely at the expense of credit cards. This is a well-known problem that most card issuers have noticed. In order not to lose further market shares and at the same time meet the younger generations' expectations of flexible and digital credit solutions, banks and other card issuers need to add BNPL options to their existing cards. Sileon is now focusing product and offering to meet card issuers' increasing demand to quickly and cost-effectively offer BNPL to their existing credit and debit cards. Integration of Sileon's BNPL functionality is in this context simple,

card issuers can through Sileon's BNPL platform get BNPL functionality to existing cards within 6-8 weeks.

### **Sileon's leading BNPL platform now launched**

During the first quarter of the year, Sileon's BNPL SaaS platform was launched, an important milestone that establishes Sileon as an international Tech supplier in the strongly growing BNPL market. Optional, complementary Solution modules for the platform enable Sileon to offer a comprehensive solution for BNPL as a Service . Given Sileon's completely SaaS-based platform, the work with Solutions is going faster than expected and Solution modules will be launched step by step in 2023, starting already in the second quarter. During April, an agreement was signed with the leading supplier in risk and fraud, Provenir. The collaboration with Provenir is our first agreement in the area of Solutions, which gives us the opportunity to offer risk assessment, Fraud, KYC/ID validation, Decisioning, and AML/PEP as Solution modules in Europe. Everything available to the customer in one and the same integration with Sileon.

### **Increased cost efficiency and continuity**

In order to achieve a higher degree of continuity and cost efficiency, we opened a new tech hub in Gävle at the beginning of 2023. During the first quarter, the result is burdened by the cost of both development consultants and the strategically important scaling up of newly hired developers in Gävle. The venture has already proved successful after a short time, and during the month of May, Stockholm-based development consultants are being replaced in favor of employed developers in Gävle. As of May, Sileon thus has a more efficient and long-term sustainable cost picture for the company's continued BNPL SaaS development.

### **The pipeline of SaaS customers is growing and OKQ8 is now rolling out on a larger scale**

OKQ8 Bank went live with Sileon's BNPL in a test phase on a handful of stations in the first quarter. Sileon's technology has been received well, which means that another 150 stations will go live already at the beginning of May. The possibility of partial payments and invoices is applicable regardless of whether it concerns refueling the car, changing tires or shopping in a store. Further rollout of BNPL functionality in the OKQ8 app and remaining stations will take place continuously during the second half of the year. Transactions at OKQ8 are expected in significant volume and thus revenues during the latter quarters of the year.

The clarity of Sileon's offer and not least investment in marketing and sales have resulted in increased volume and quality of the pipeline. Sileon's BNPL technology is

international, which is also reflected in our pipeline. Although the possibility of a new BNPL SaaS agreement already exists in the second quarter, revenue from the company's strategic BNPL SaaS business is expected the latter part of 2023. The first quarter is a period without revenue from our OKQ8 business and there phasing out of non-strategic customer groups in favor of focus on BNPL SaaS results in lower transaction-based revenue than the same period in 2022.

With our leading BNPL SaaS platform now in place, we continue to deliver according to our strategic plan.

We enable your BNPL

David Larsson

May 2023

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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 May 2<sup>nd</sup> 2023 at 7:00 a.m. CET.*

## **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.