



Safello Publishes Interim Report for Q3 2022

Stockholm, 18 November 2022 | Today, Safello Group AB (“Safello”) publishes the company’s interim report for the third quarter (1 July-30 September) 2022. The report can be found on safello.com/ir. The quarter was characterized by maintained trading activity despite the general crypto downturn. A reduced burn rate, withdrawal fees and additional measures to streamline operations have affected the quarter positively, and these factors contributed to bringing EBITDA in the third quarter to SEK -0.9 million, compared to SEK -6.4 million in the second quarter of 2022.

Summary of the third quarter (Jul-Sep 2022)

- Net turnover decreased by -5% and amounted to SEK 138.8 million (146.1).
- Gross profit increased by 11% and amounted to SEK 9.0 million (8.1), of which the introduction of withdrawal fees contributed SEK 2.0 million (0.0).
- Operating profit before depreciation and amortization (EBITDA) amounted to SEK -0.9 million (-1.5).
- Operating profit amounted to SEK -1.9 million (-2.5).
- Net profit/loss in the period amounted to SEK -1.9 million (-2.5).
- Earnings per share based on the average number of shares (20,449,600 shares) amounted to SEK -0.09 (-0.12).
- Earnings per share based on the average number of shares after potential dilution (21,440,668 shares) amounted to SEK -0.09 (-0.12).
- The number of executed orders increased by 1% to 54,097 orders (53 827).

Summary of the first nine months (Jan-Sep 2022)

- Net turnover decreased by -10% and amounted to SEK 489.7 million (542.9).
- Gross profit decreased by -13% and amounted to SEK 24.3 million (28.0).
- Operating profit before depreciation and amortization (EBITDA) amounted to SEK -10.4 million (-5.0).
- Operating profit amounted to SEK -18.6 million (-7.5).
- Net profit/loss in the period amounted to SEK -18.6 million (-7.6).
- Earnings per share based on the average number of shares (20,449,600 shares) amounted to SEK -0.91 (-0.37).
- Earnings per share based on the average number of shares after potential dilution (21,440,668 shares) amounted to SEK -0.87 (-0.35).
- The number of executed orders in the period increased by 3% to 175,918 orders (170 888).
- The Group had a cash balance of SEK 21.7 million at the end of the third quarter (compared to SEK 31.9 million at year end 2021) and an additional 18 BTC (18) and 110 ETH (110) in liquid crypto assets. The market value of the crypto assets amounted to SEK 5.5 million

(11.4) at the end of the third quarter. The investments in crypto assets are mainly booked in the parent company's balance sheet.

Significant events during the quarter

- In July, Safello introduced a fee for withdrawing Bitcoin from Safello Wallet to other wallet addresses. At the end of September a fee was introduced also for withdrawing Ethereum. The fee has been introduced to be more in line with other players in the market.
- The change of Certified Adviser from Corpura Fondkommission AB to Amudova AB, which was announced in March, came into effect on July 19.
- Johan Lorenzen notified the board on September 1 that he is resigning from his position as a board member with effect from 1 October 2022. The reason for the resignation is extended commitments outside Safello Group. After Johan Lorenzen's resignation, the board consists of Jacob Jacobsson (chairman), Sepehr Alavi, Knut Pedersen and Frank Schuil.
- Safello AB (a wholly owned subsidiary of Safello Group AB) entered into an agreement with Blockchain.com at the end of September to provide OTC services. The OTC services enable Safello to trade larger volumes on behalf of its customers at bespoke fees. By entering into the agreement, Safello can meet the market's demand for OTC services for larger customers, which is a service that Safello intends to offer.

Significant events after the end of the quarter

- Safello launched its fall campaign DYOR in October. The purpose of the campaign is to create awareness and educate about crypto, as well as continue to establish Safello in the broader target group.

“Safello has weathered the crypto downturn better than the general market, and if the current trajectory holds, the coming quarters could see results improving further. During the third quarter we reduced our burn rate and introduced withdrawal fees. These efforts and additional measures to streamline our operations have positively affected the quarter and demonstrate that we delivered on our plan to take concrete steps towards profitability”, says Frank Schuil, CEO and co-founder of Safello.

Today, at 11:00 CET, Safello's CEO Frank Schuil and CFO Johan Edin will present the interim report in a live webcast on [LinkedIn](#) and [Youtube](#). The presentation and following Q&A session will be held in English.

For environmental and cost reasons, Safello Group AB has decided not to print the report. A printout may be distributed to shareholders upon request.

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This information is such that Safello Group AB is required to disclose in accordance with the EU Market Abuse

Regulation. The information was provided by the contact person below, for publication on 18 November 2022.

For more information, please contact

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Safello is Sweden's leading online cryptocurrency brokerage with the goal to make crypto accessible to everyone. Safello offers a secure way to buy, sell and store crypto in seamless transactions at industry-leading speeds. Operating in Sweden, Safello has been registered as a financial institution with Finansinspektionen (Swedish Financial Supervisory Authority) since 2013 and is listed at Nasdaq First North Growth Market since 2021. For more information visit www.safello.com.