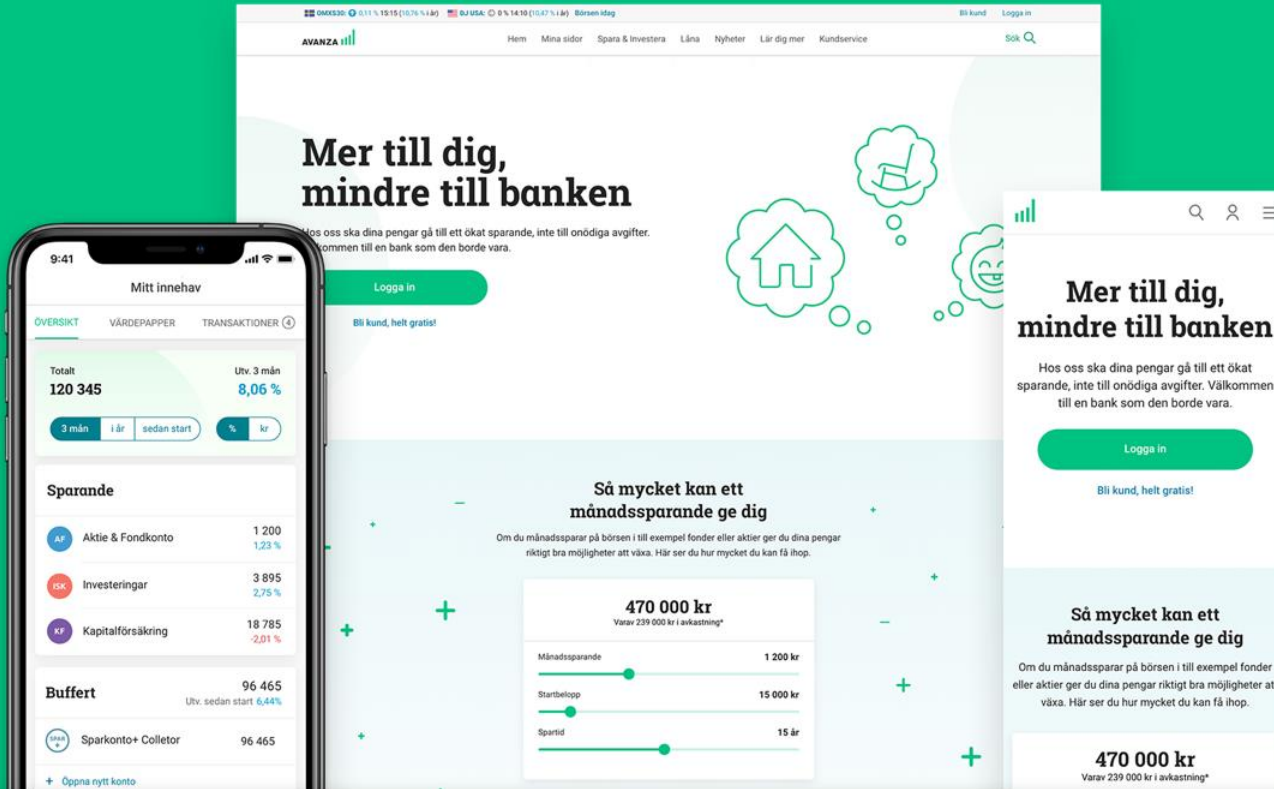


Company presentation

February 2021



AVANZA 

Sweden's leading platform for savings and investments

- Founded in 1999
- Most satisfied savings customers in Sweden for 11 consecutive years
- 1,352,300 customers
- SEK 594 bn in savings capital
- 510 employees
- 5.8% market share of the Swedish savings market



Customer satisfaction and employee engagement create shareholder value over time



Long-term targets

- Customer satisfaction & Employee engagement
 - Growth in customers and savings capital
- Scalability and cost efficiencies (top modern IT platform)



Customer proposition

- Cheaper, better and simpler offering
 - High user experience
 - Broad range of product
- Information, education and decision-making tools



Growth potential

- Occupational pension business
 - Focus on broader customer groups
- Strong potential in existing customer base



Revenues and costs

- More stable revenues through funds and mortgages
 - High scalability
 - Cost control vital

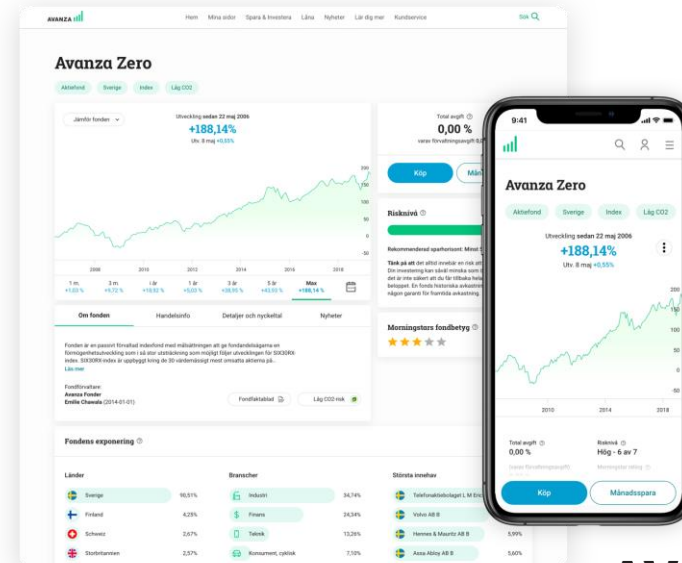
High customer satisfaction

Creating a better future for millions of people

- Price leadership
- Wide range of products
- Decision-making tools
- Best customer service and user experience

Customer promise – more to you, less to the bank

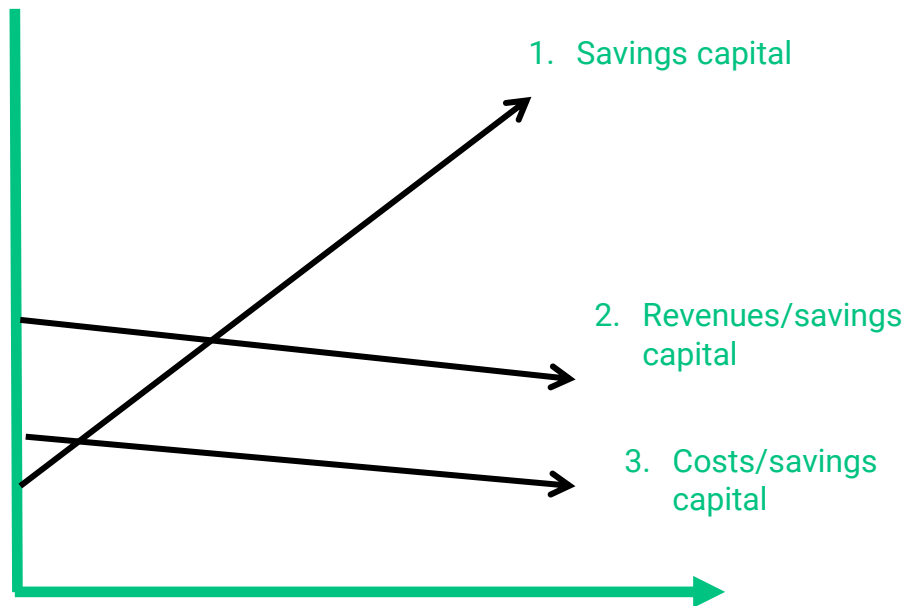
To give our customers a better return on their savings than any other bank or pension company, due to low fees, better tools and education



Growth strategy built on scale

1. Growth in savings capital

- Customer satisfaction
 - Innovation and user experience
- ➡
- Customer growth
 - Net inflow



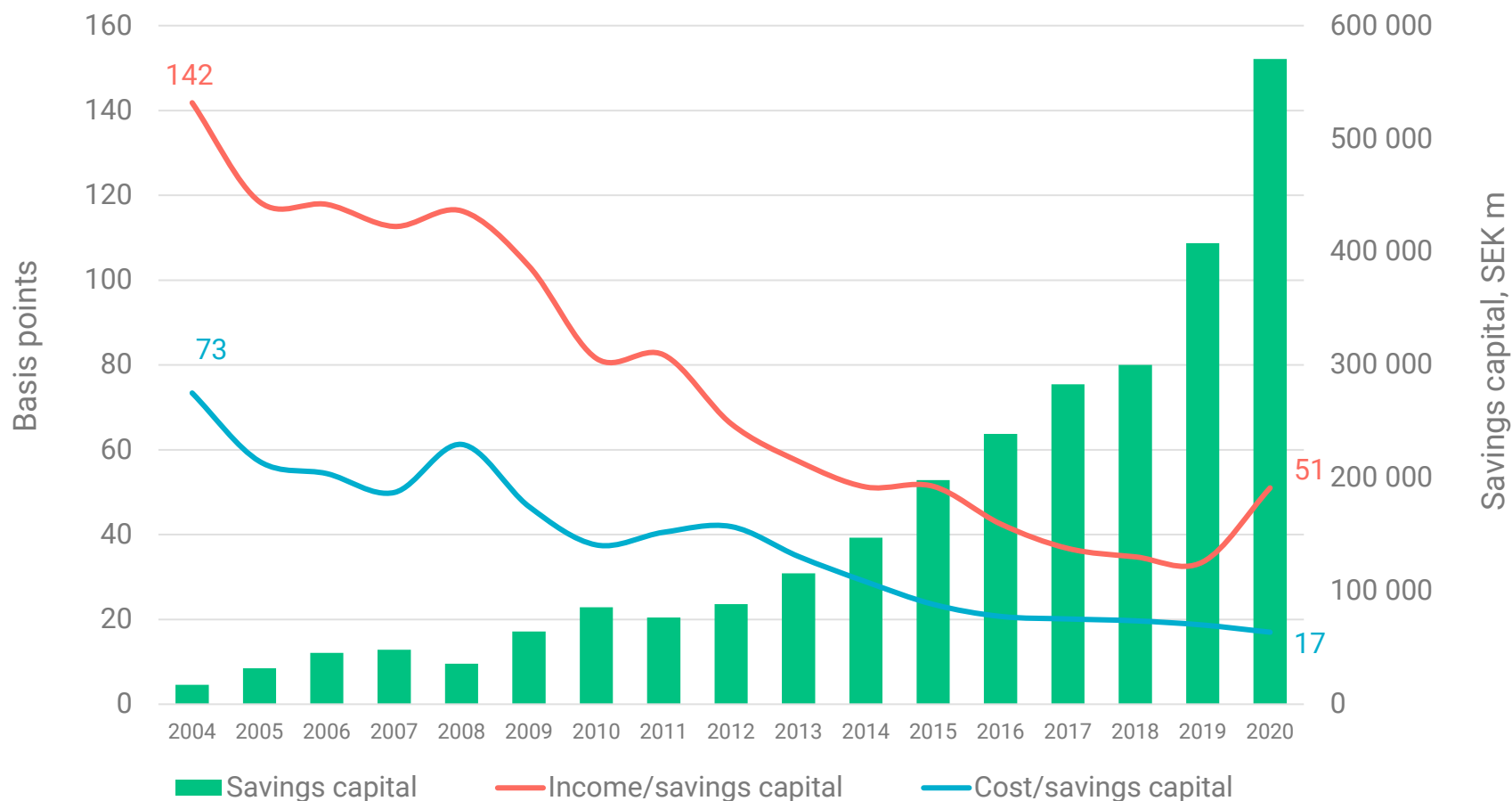
2. Revenues/savings capital

- No fixed fees
- Revenues mainly based on transaction fees, net interest income (NII) and distribution fees from mutual funds
- NII and transaction revenues tend to be inversely correlated

3. Costs/savings capital

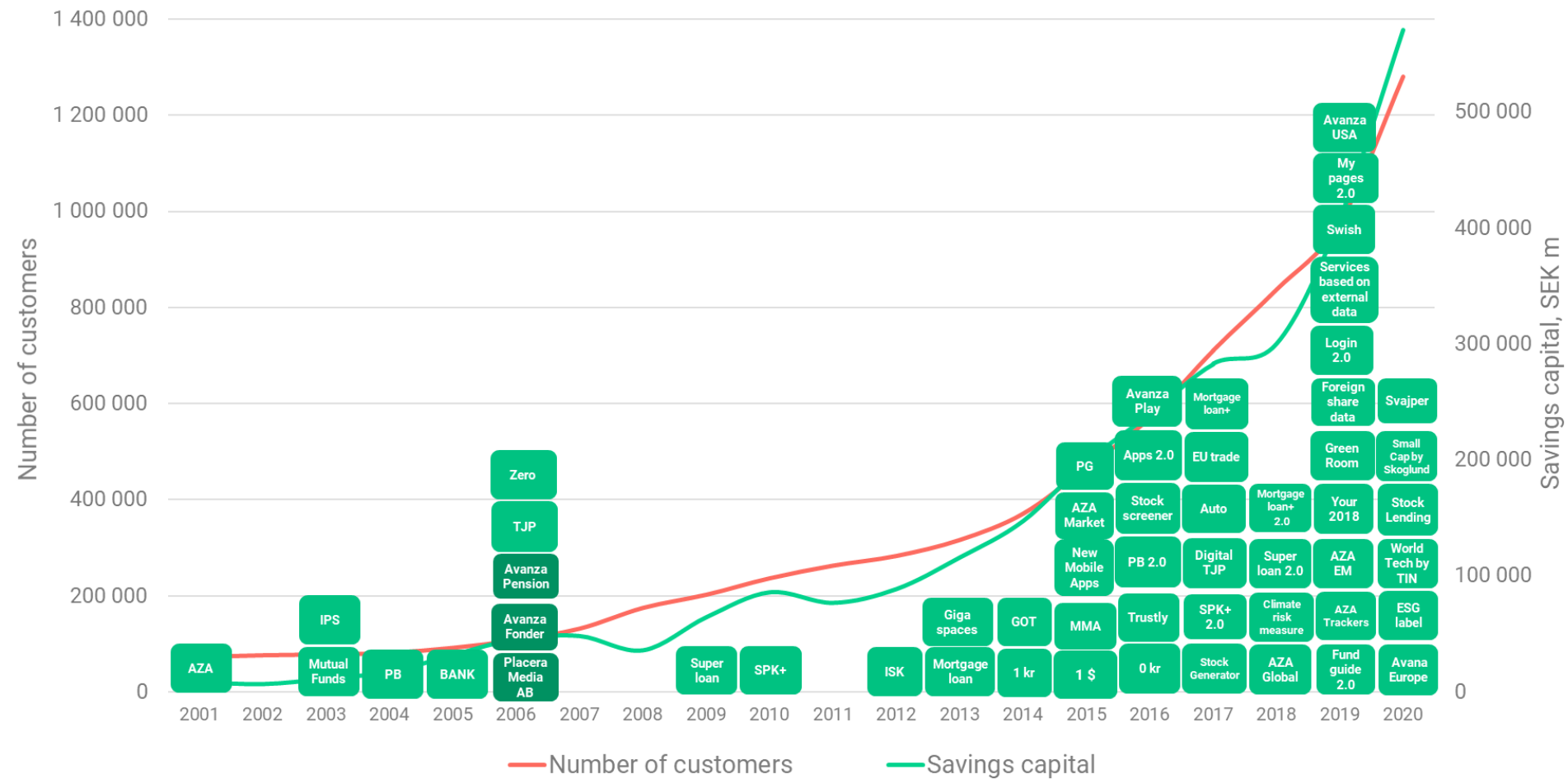
- Mainly fixed costs, tight cost control
- High scalability
- Aim of a cost/savings capital of 16 bps

Leading cost position



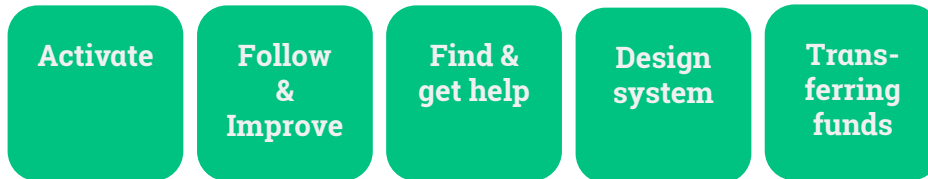
In 2018, cost/savings capital exclude the Swedish Financial Supervisory Authority's administrative fee of SEK 35 million on Försäkringsaktiebolaget Avanza Pension.

A history of growth built on innovation



In-house development by 24 teams

Customer journey



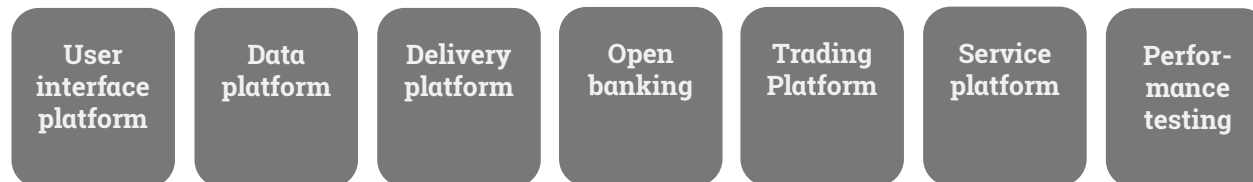
Products



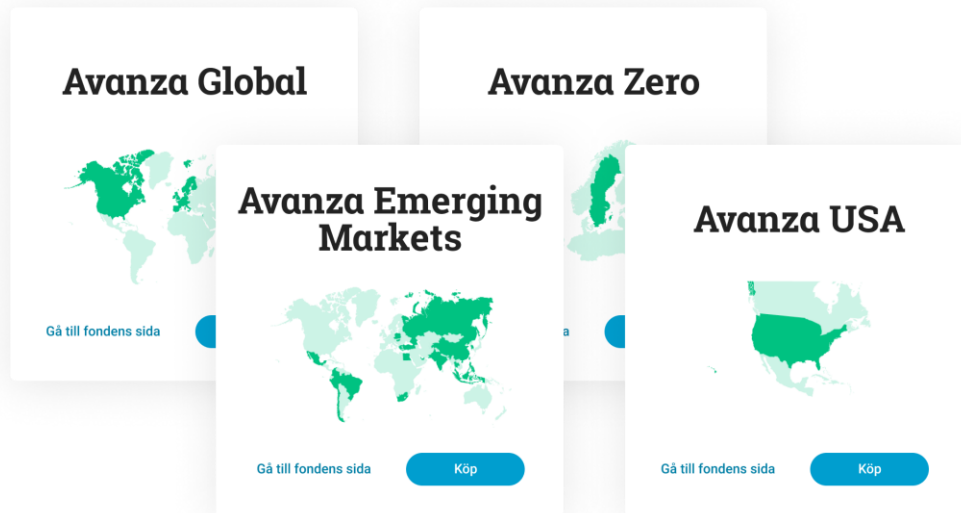
Business platform



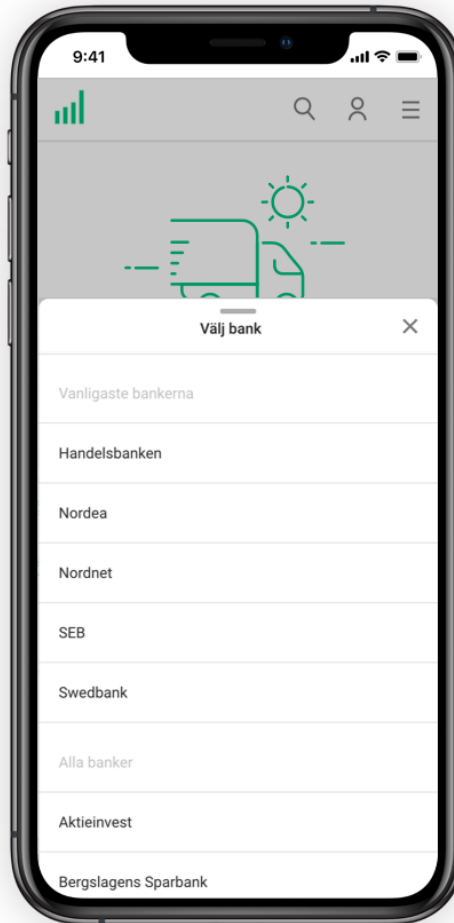
Technical platform



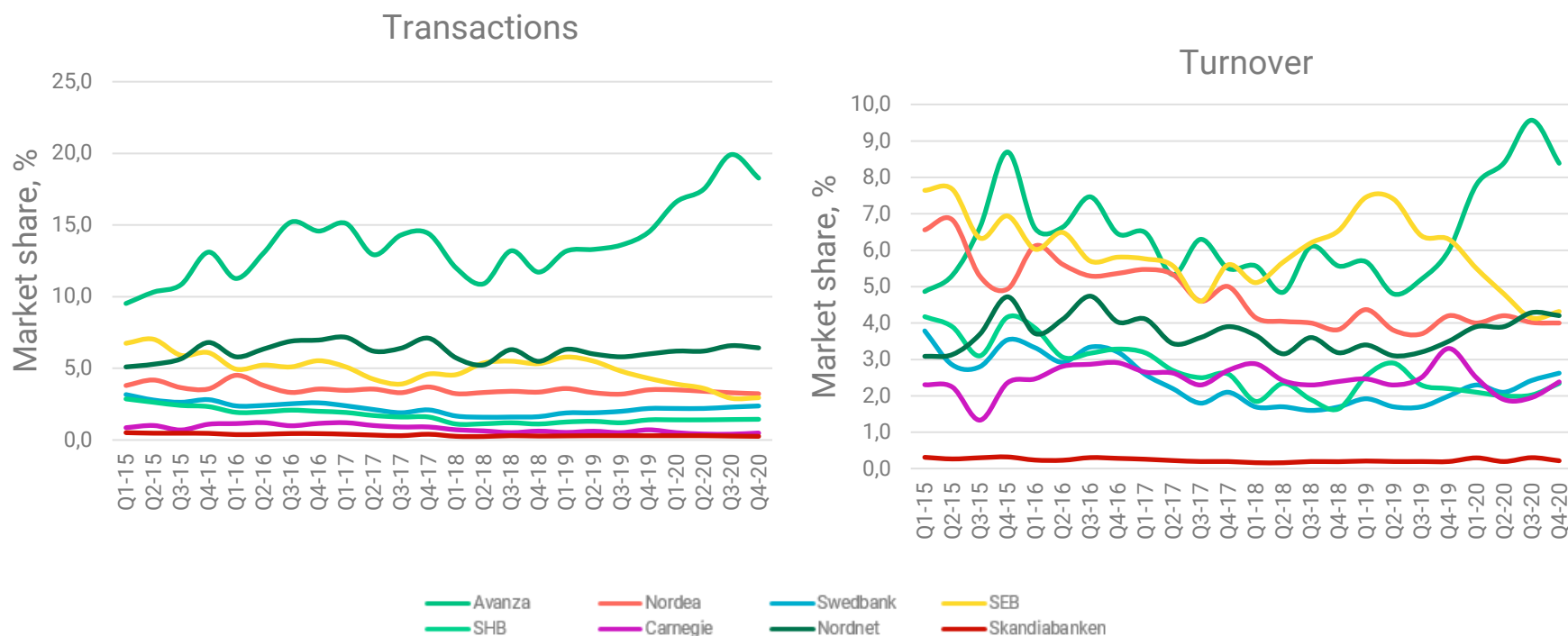
Launches to make Avanza more relevant for a broader audience



Customer value with real open banking

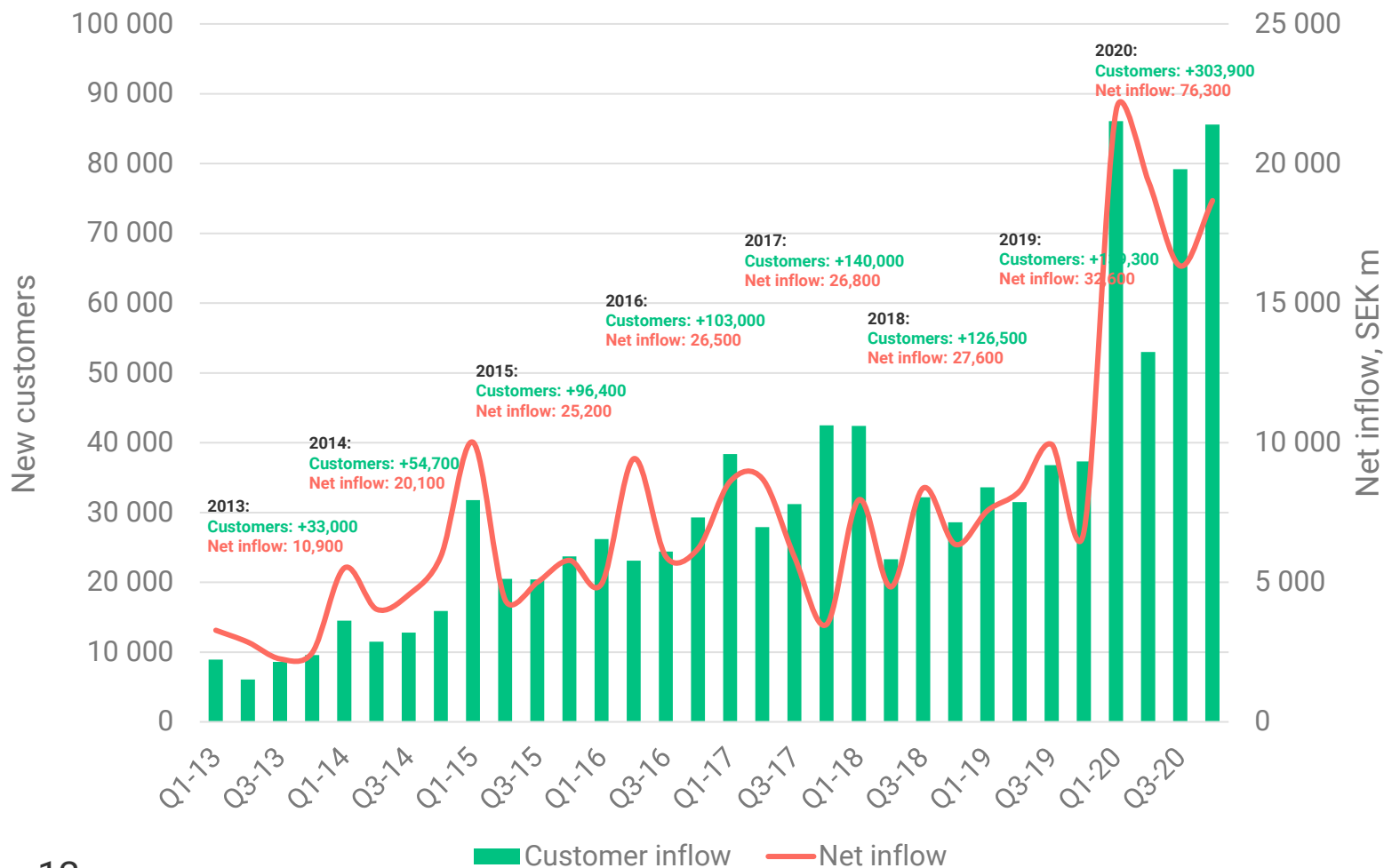


Largest Swedish participant in stock market transactions on Nasdaq OMX and First North

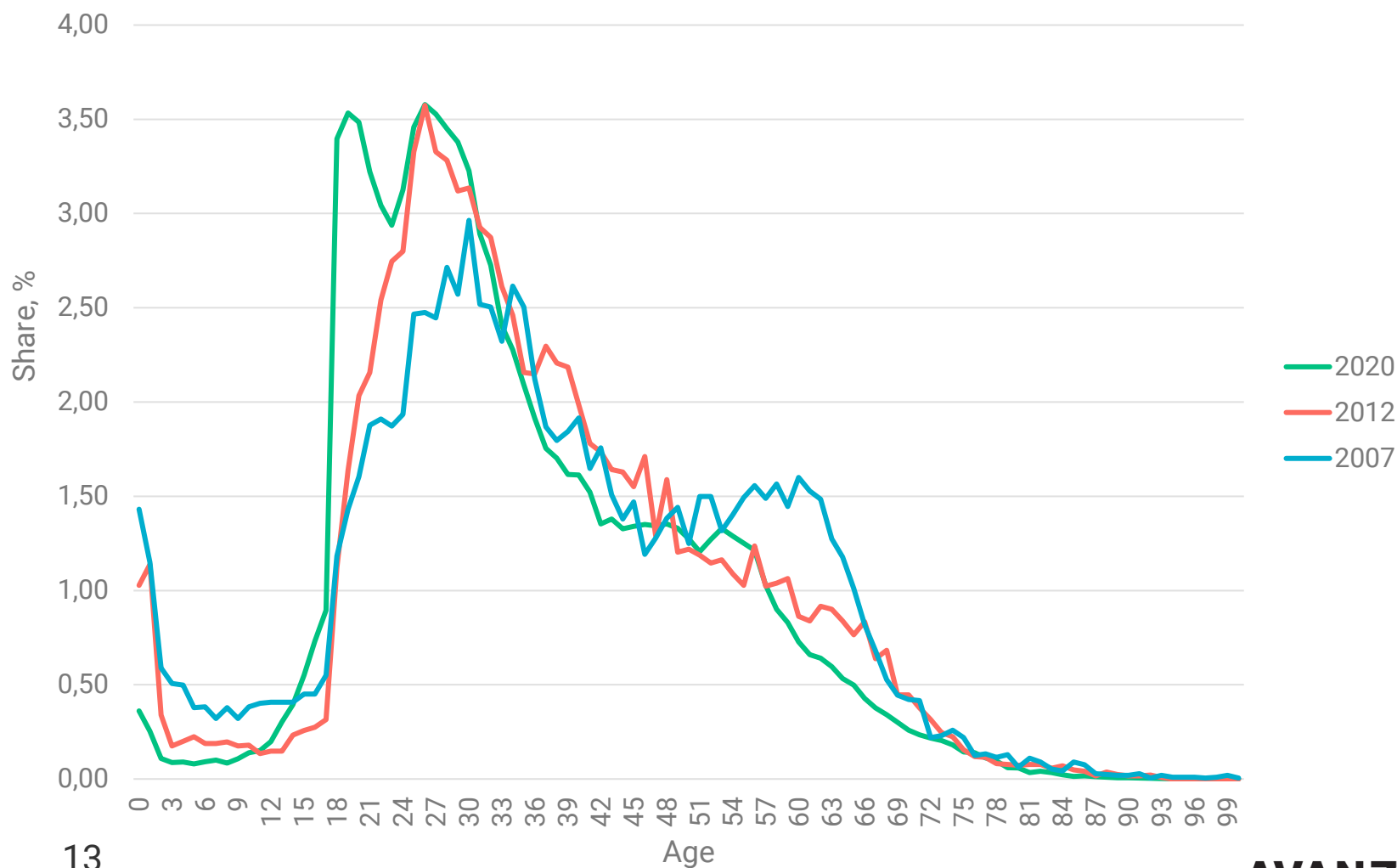


- Market share of 18.3% in terms of transactions and 8.4% in turnover in Q4 2020

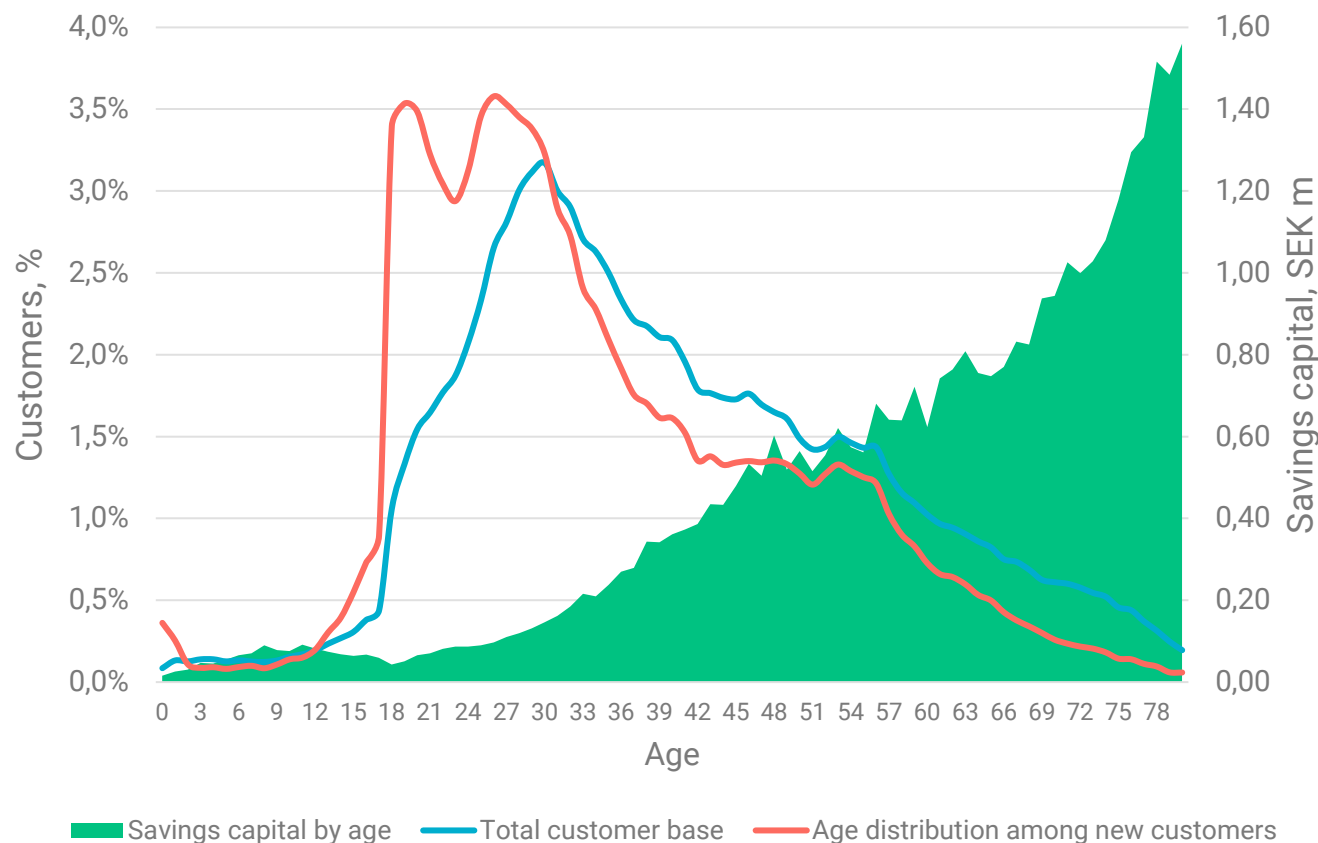
Customer growth drives net inflow



Age distribution among new customers



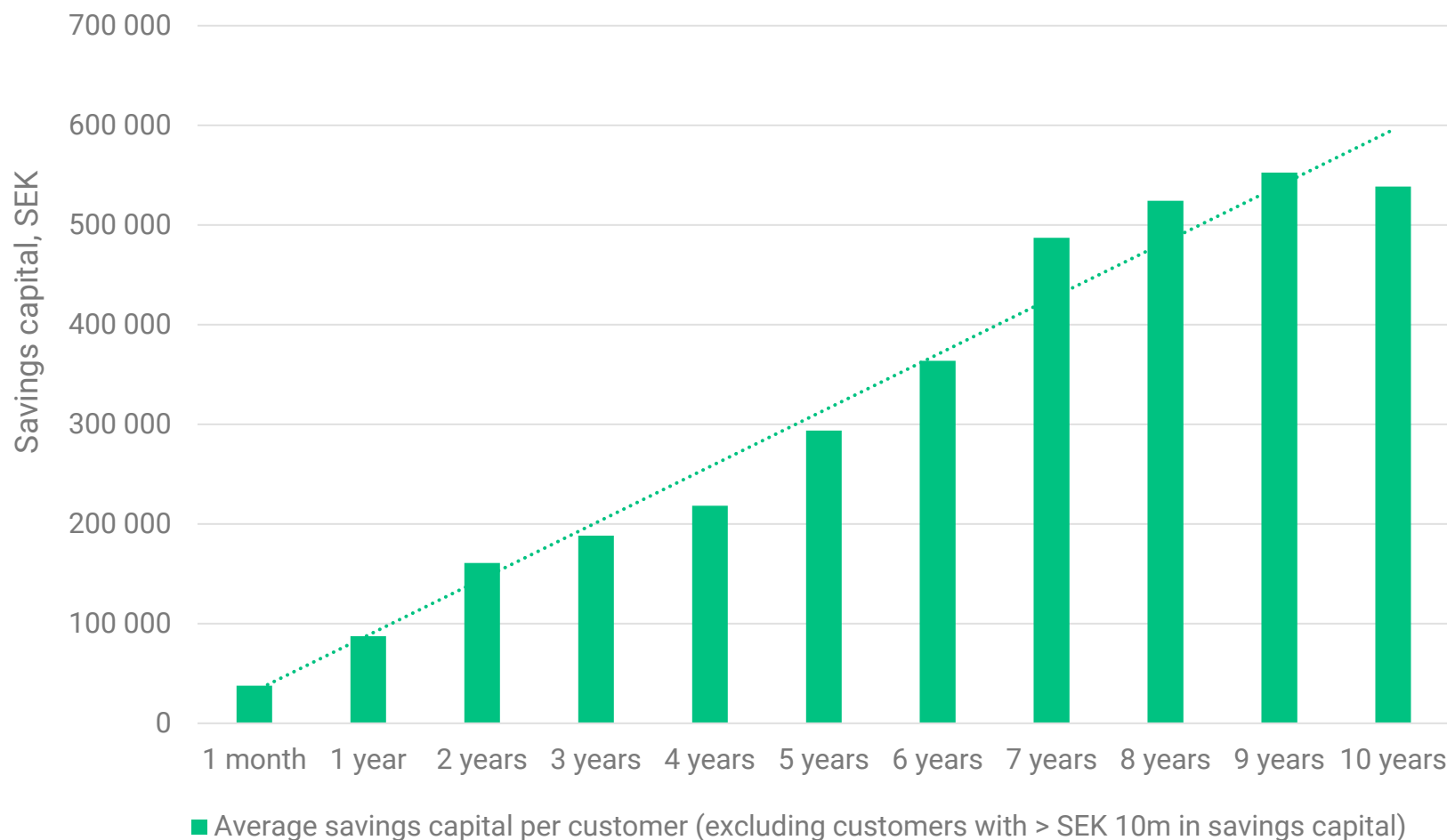
Strong long-term potential in existing customer base



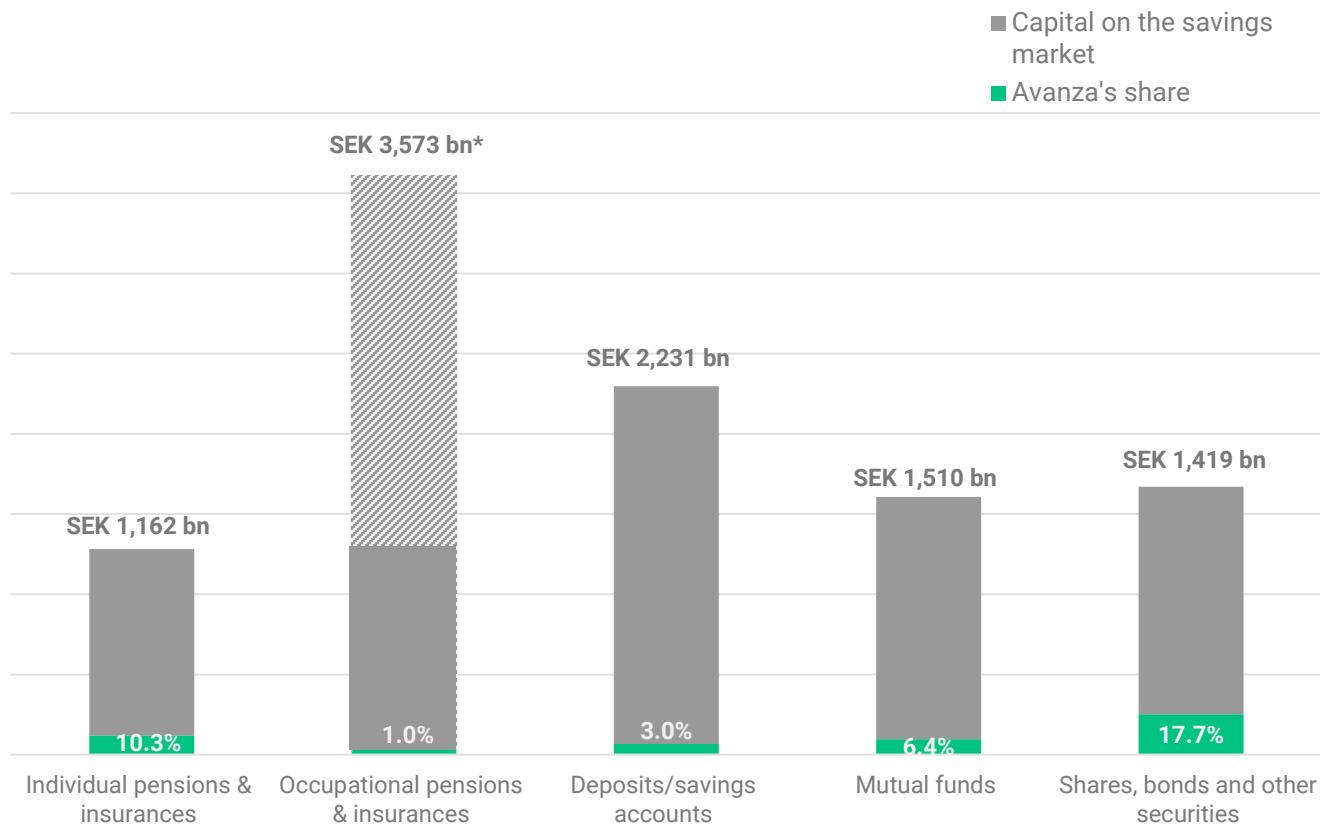
Market penetration

- **Total share of Swedish savings market: 5.8% as of Q4 2020**
- **Total share of Swedish population: 11.5% as of 1 November 2020**
 - ages 20-29: 20.8%
 - ages 30-39: 22.1%
 - ages 40-49: 16.5%
- **Highest penetration in urban areas. Stockholm region, snapshot (Women/Men) as of 1 November 2020:**
 - ages 20-29: 21%/31%
 - ages 30-39: 24%/34%
 - ages 40-49: 18%/27%
 - ages 50-59: 15%/20%
 - ages 60-69: 11%/15%

Savings capital grow by number of years at Avanza



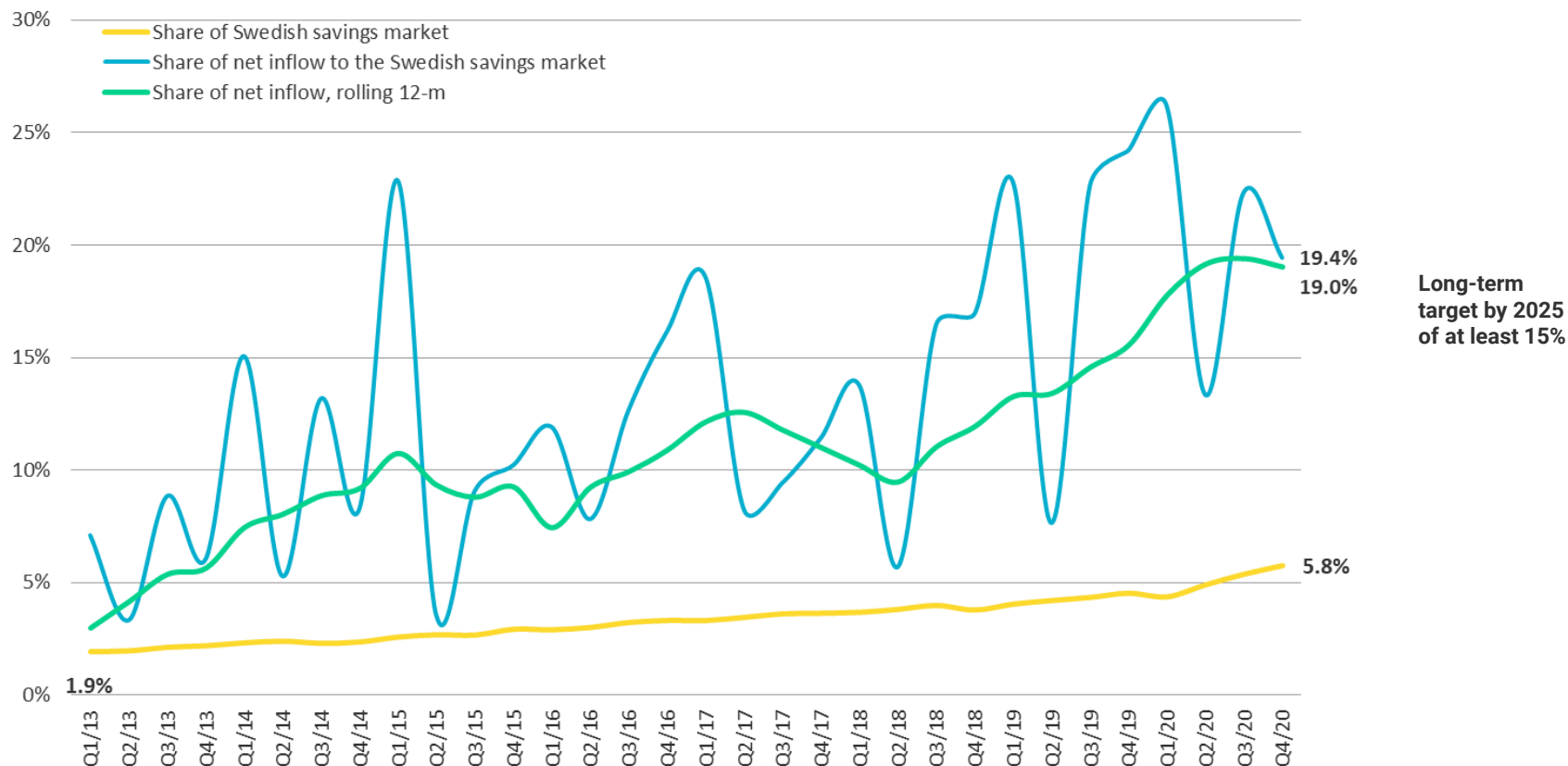
Significant growth potential with a 5.8% market share of the Swedish savings market



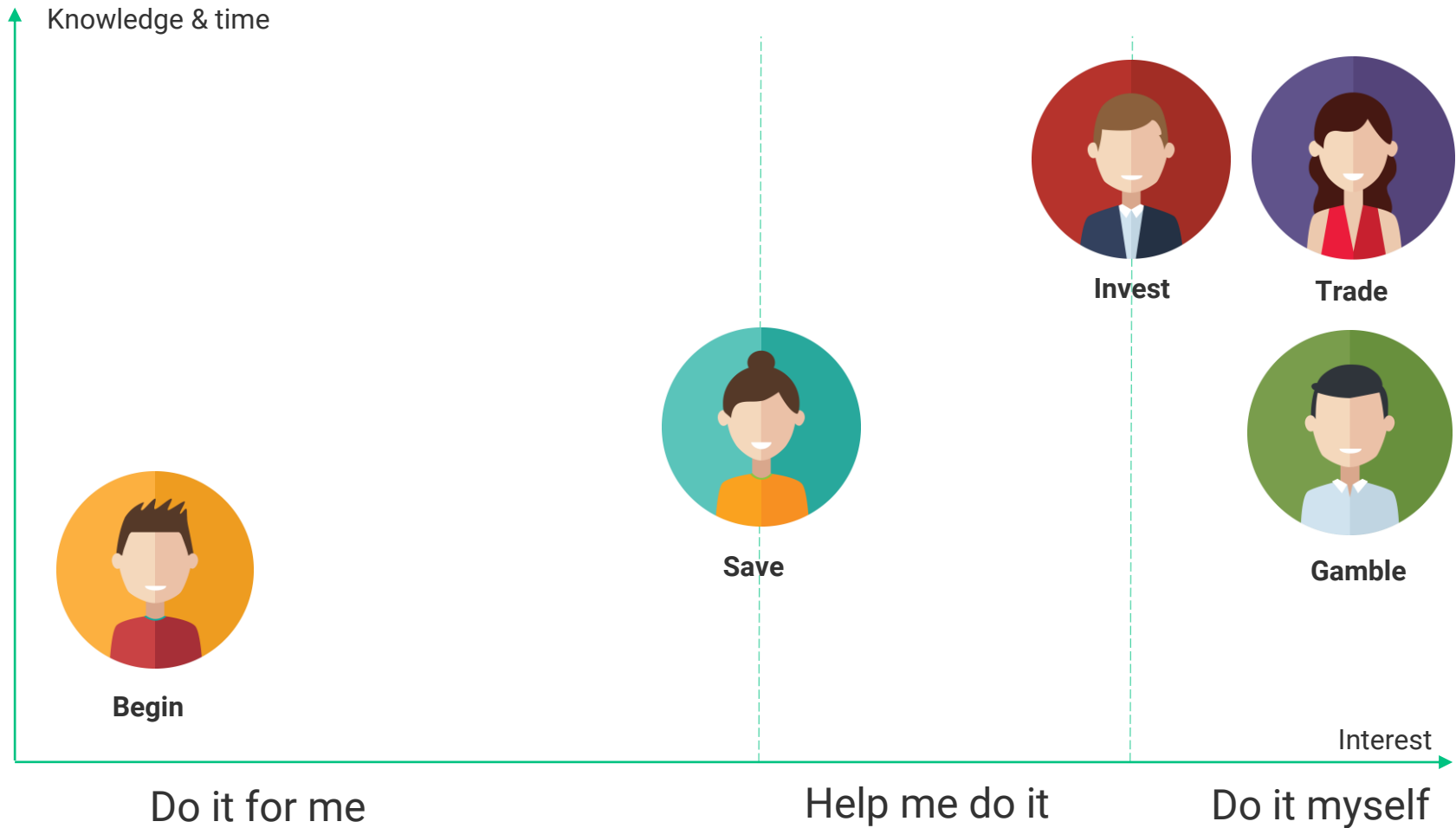
* Divided into traditional life (2/3) and unit-linked (1/3) insurance

- The Swedish savings market SEK 9,894 bn
- Annual market growth of on average 8% last ten years
- An estimated 80% of the Swedish population saves in funds and around 20% own shares

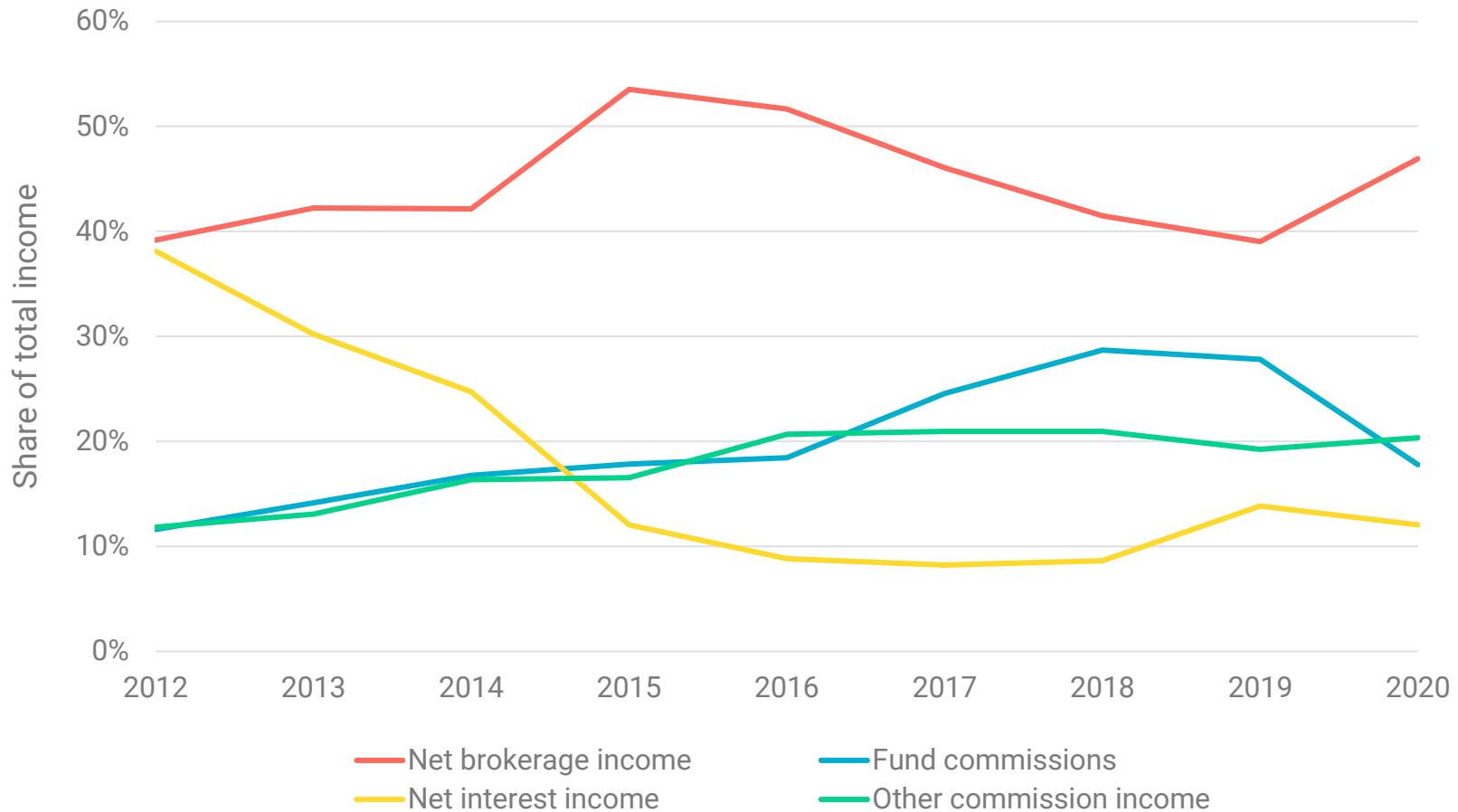
Market share of 19.0% rolling 12M of net savings on the Swedish savings market



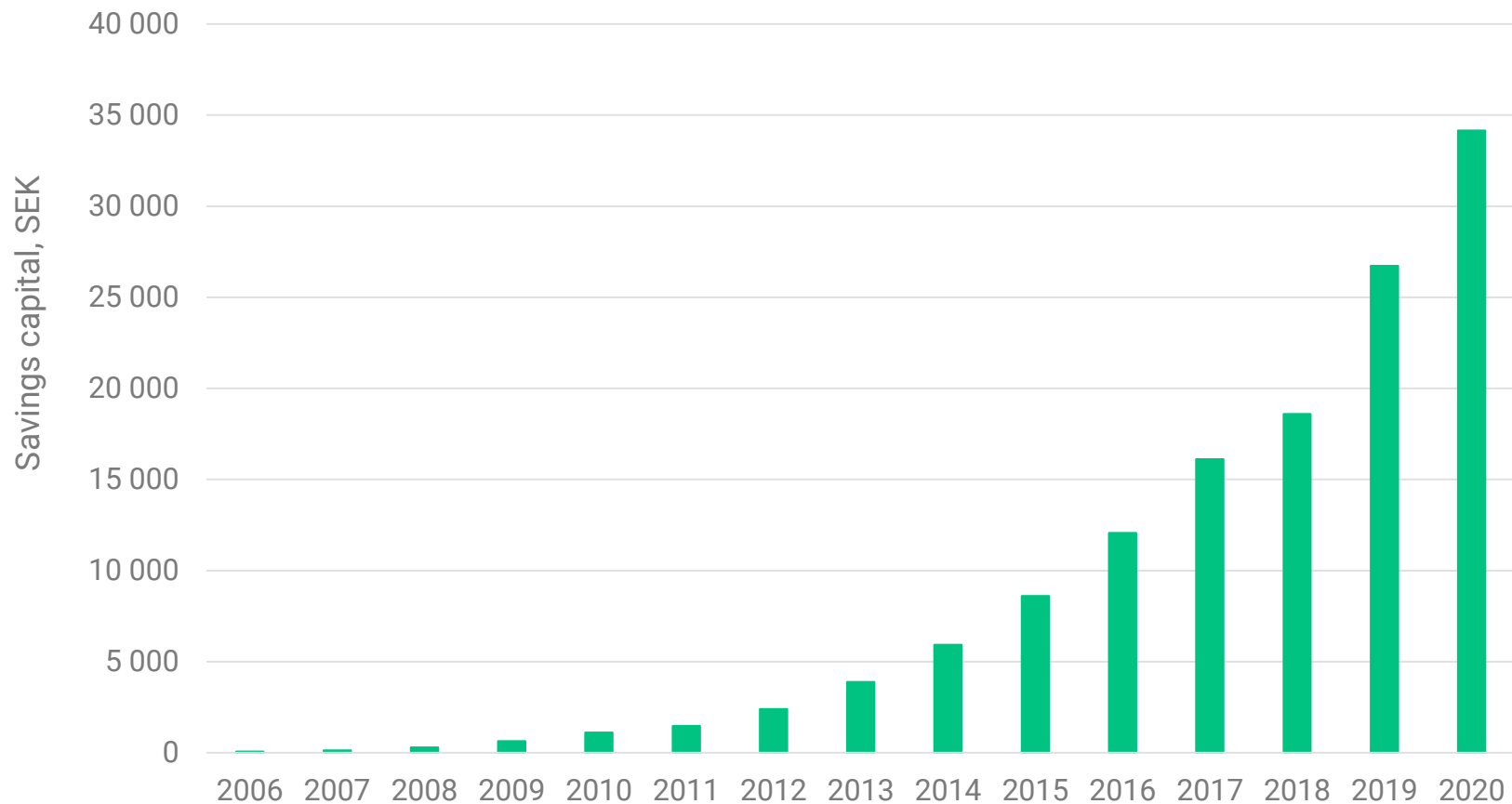
Growth potential in broader customer groups



Strategy for more recurring income



Strong growth in occupational pension



Growth drivers in the Swedish savings market

- Digitisation and open banking create new needs and customer behaviours
- More reasons for customers to take responsibility for their own savings
- Increased focus on sustainable investments
- Our focus is on attracting new and broader customer groups as well as keeping current customers happy
 - Product innovation and evolution
 - User experience increasingly important
 - Price remains important

As always... key success factors for Avanza

- Customer satisfaction – keep the No 1 position
- Continuous growth in both number of customers and volume
- Create possibilities for continued strong innovation



Employee engagement key

Appendix

Operations	24-26
Financials	27-35
Balance sheet data	36-38
Contact details	39

Target fulfillment 2020

Long-term targets	Outcome 2020	Comments
Sweden's most satisfied savers according to Swedish Quality Index	✓	Achieved in 2020 for the eleventh consecutive year
Engaged employees, eNPS of at least 45, raised to 50	69	Record-strong ambassadorship
Market share of at least 15 per cent R 12M of the total net inflow to the Swedish savings market 2025	19,4%*	Almost every fifth savings krona ends up on the Avanza platform
Market share of 7% 2025	5,4%*	Well on track to achieve the target
Return on equity of 25-30%	57	Highlight profitability and the effective management of the balance sheet
Increased share of capital in sustainable investments	✓	A lot of improvements done during the year to make it easier to save sustainably
Be regarded as the leading sustainable brand and the natural choice for sustainable savings	✓	Regarded as the financial company in Sweden with the highest reputation (Kantar Sifo)
Increase share of female new customers to 50%	39	Not achieved despite record high number on new female customers
Organisation with parity between women and men	47	Measured in Group Management and among employees with personnel responsibility

*As per 30 September 2020

Long-term targets by 2025

The targets are focused on customer satisfaction and employee engagement, but also on growth in savings capital and sustainability

Satisfied customers:

- Sweden's most satisfied savers according to SQL's (Swedish Quality Index) annual award

Engaged employees:

- eNPS (Employee Net Promoter Score) of at least 50, raised from 45

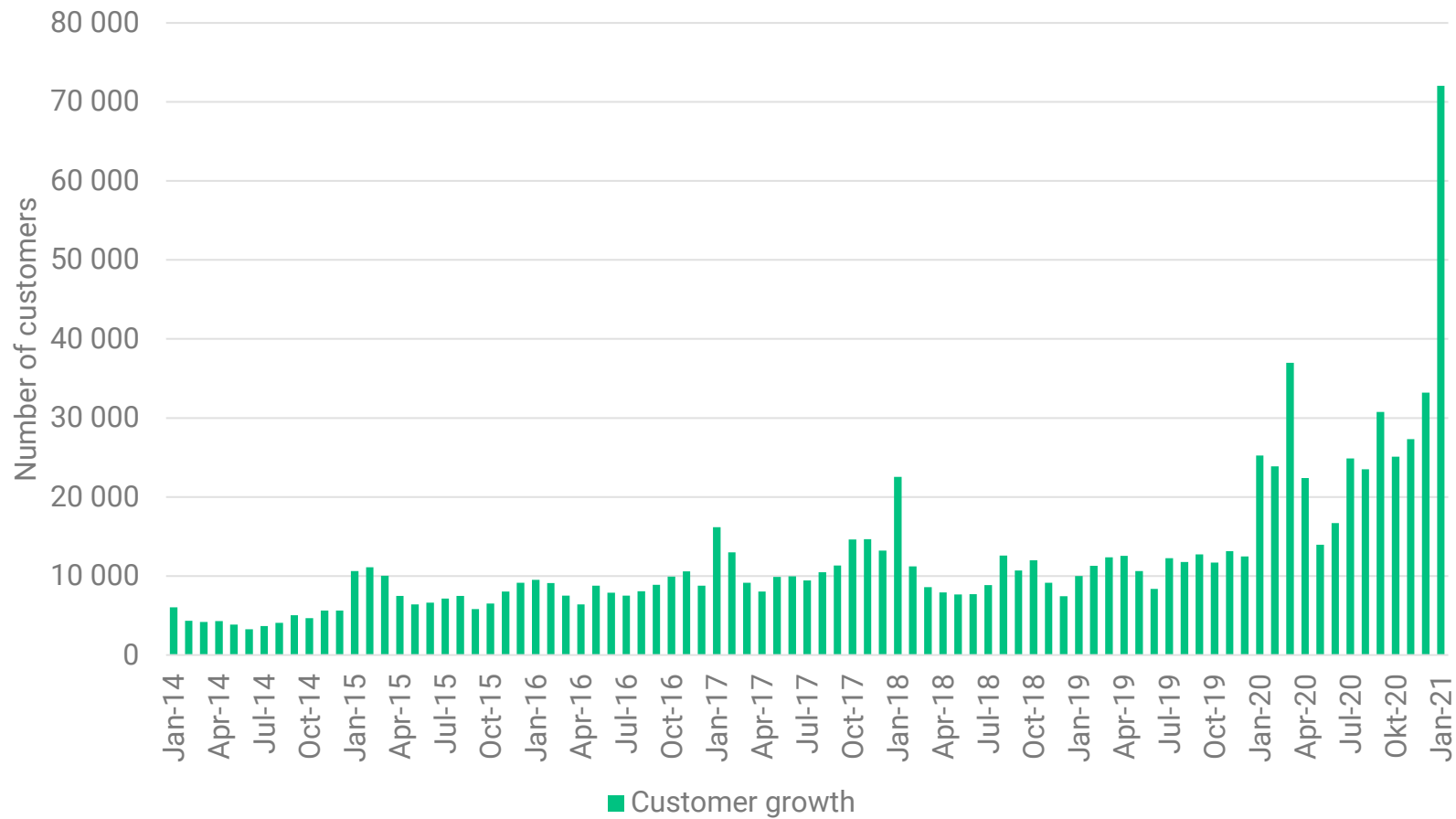
Long-term value growth:

- Market share of at least 15 per cent of the total net inflow to the Swedish savings market 2025
- Market share of nearly 7 per cent of the Swedish savings market by the end of 2025
- Return on equity of 25-30 per cent
- Dividend of at least 70 per cent of the profit of the year

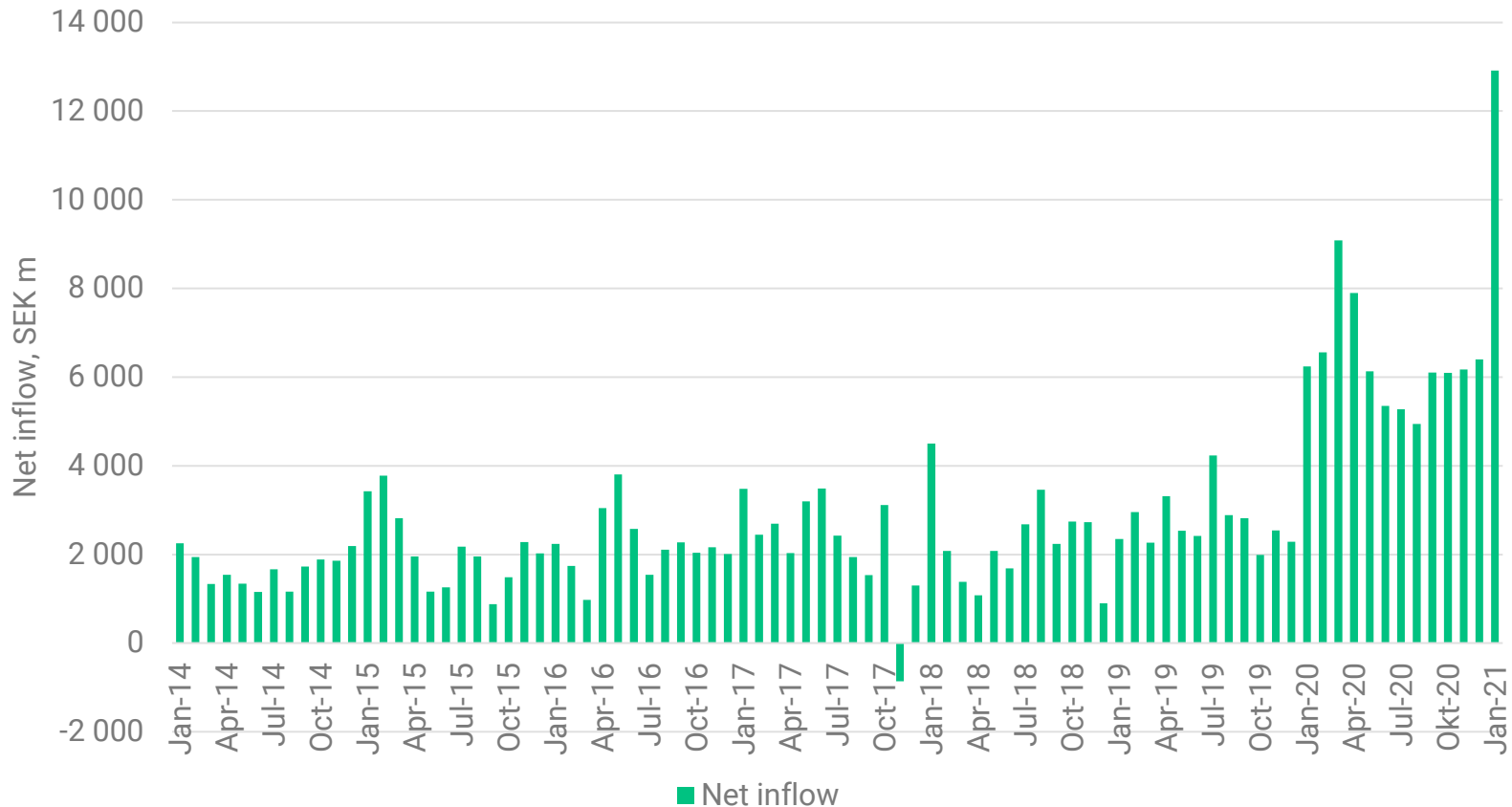
Sustainability:

- Increased share of capital in sustainable investments
- Be regarded as the leading sustainable brand and the natural choice for sustainable savings
- Increase the share of female to 50 per cent of new customers
- Organisation with parity between women and men
- Become climate positive

Customer growth of 72,000 in 2020 (+185% Y/Y)



Net inflow of SEK 12,900m in 2021 (+107% Y/Y)

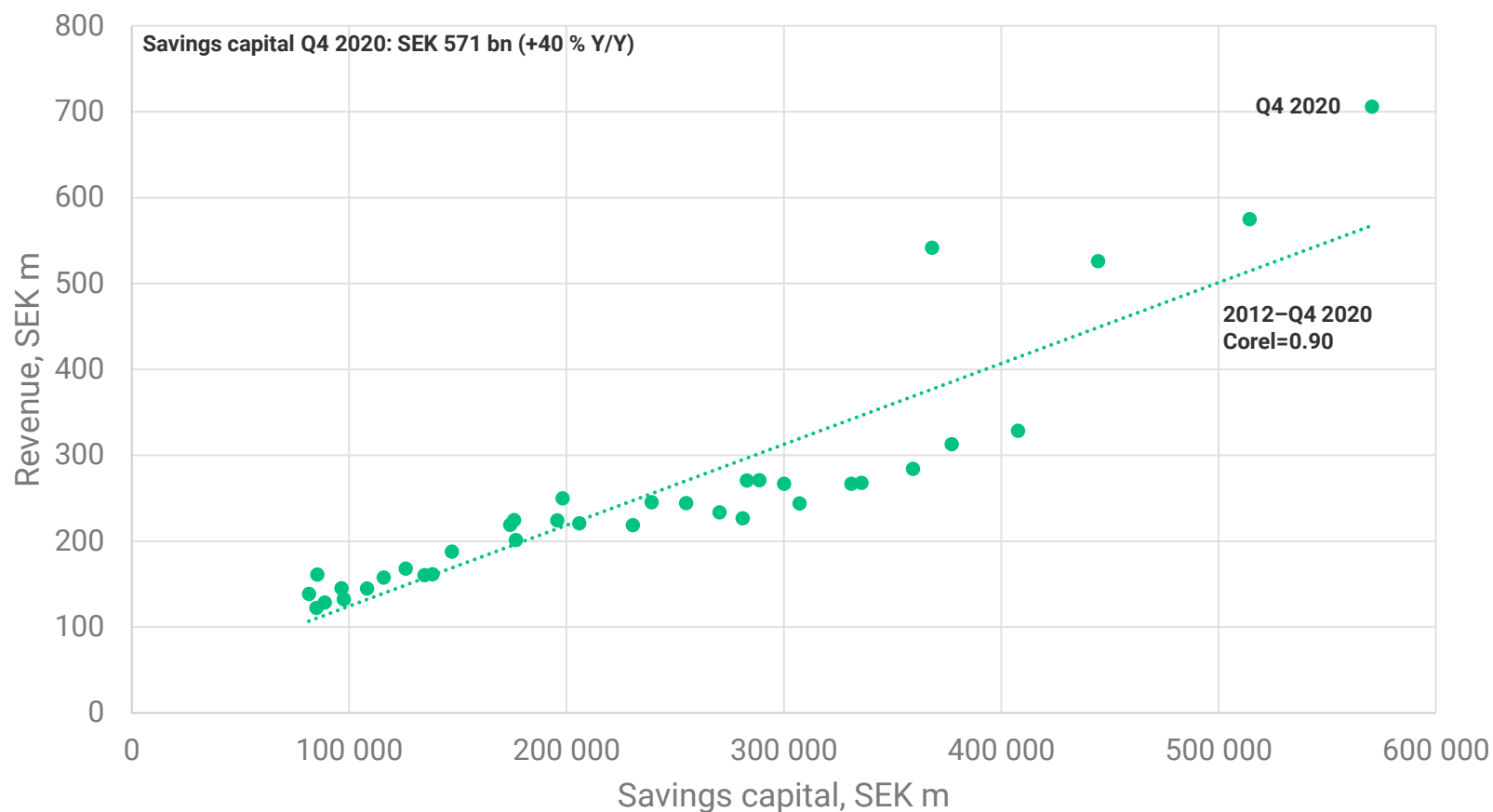


* Net outflow in November 2017 is explained by a few withdrawals amounting to SEK 2,200m, connected to customers' M&A activities.

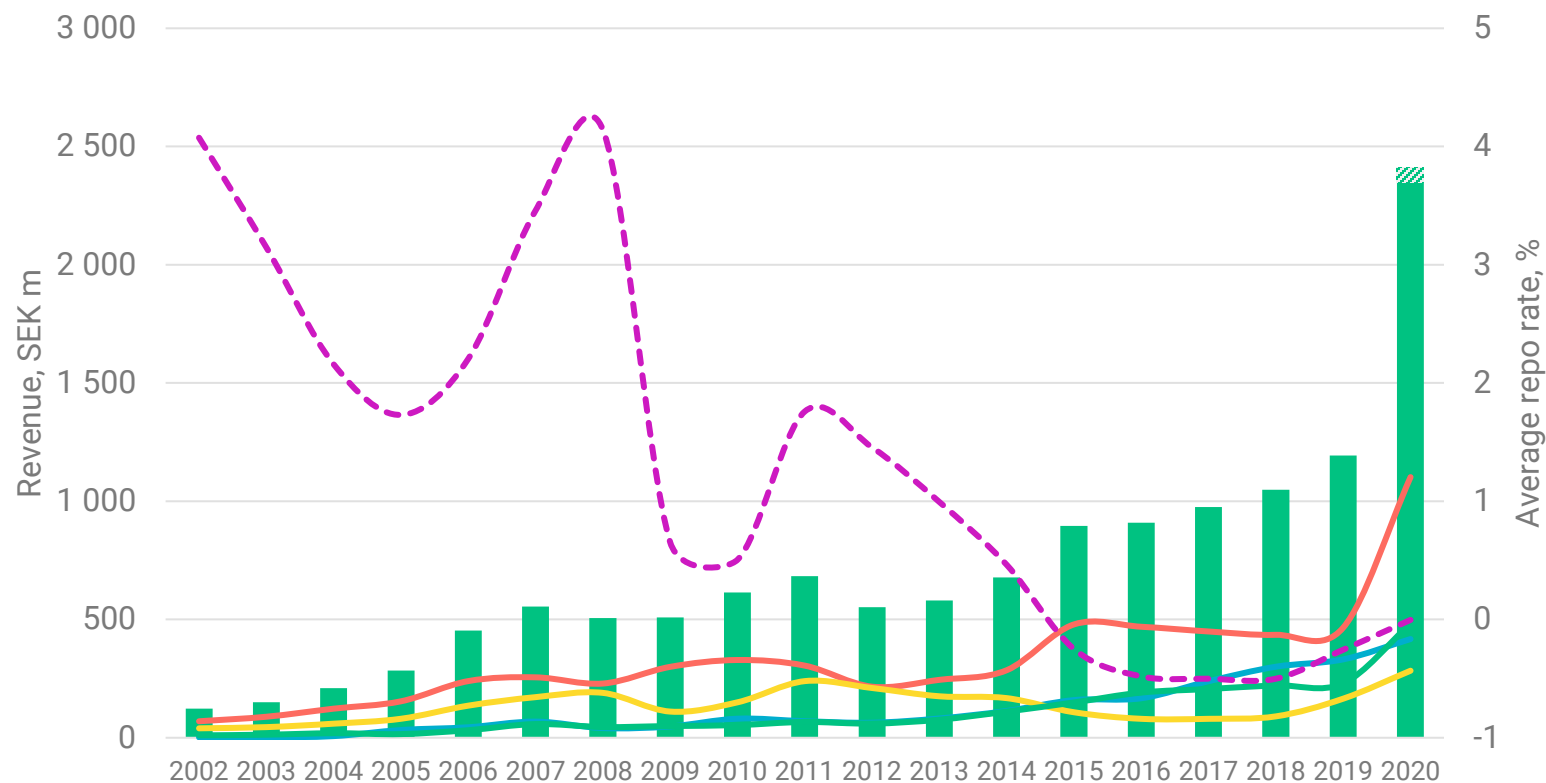
Financial overview

	Q4 20	Q3 20	Δ %	Q4 19	Δ %	2020	2019	Δ %
Operating income, SEK m*	706	575	23	329	115	2,349	1,193	97
Operating expenses, SEK m**	-221	-177	25	-187	18	-763	-666	15
Operating profit, SEK m	486	396	23	140	247	1,576	520	203
Operating margin, %	69	69	0	43	26	67	44	24
Income to savings capital ratio, %	0.52	0.48	0.04	0.34	0.19	0.51	0.34	0.17
Costs to savings capital ratio, %	0.16	0.15	0.02	0.19	-0.03	0.17	0.19	-0.02
ROE, %	58	55	2	26	32	57	27	30
EPS, SEK	2.70	2.15	26	0.79	243	8.66	2.94	195

Relationship between long-term savings capital growth and revenue growth



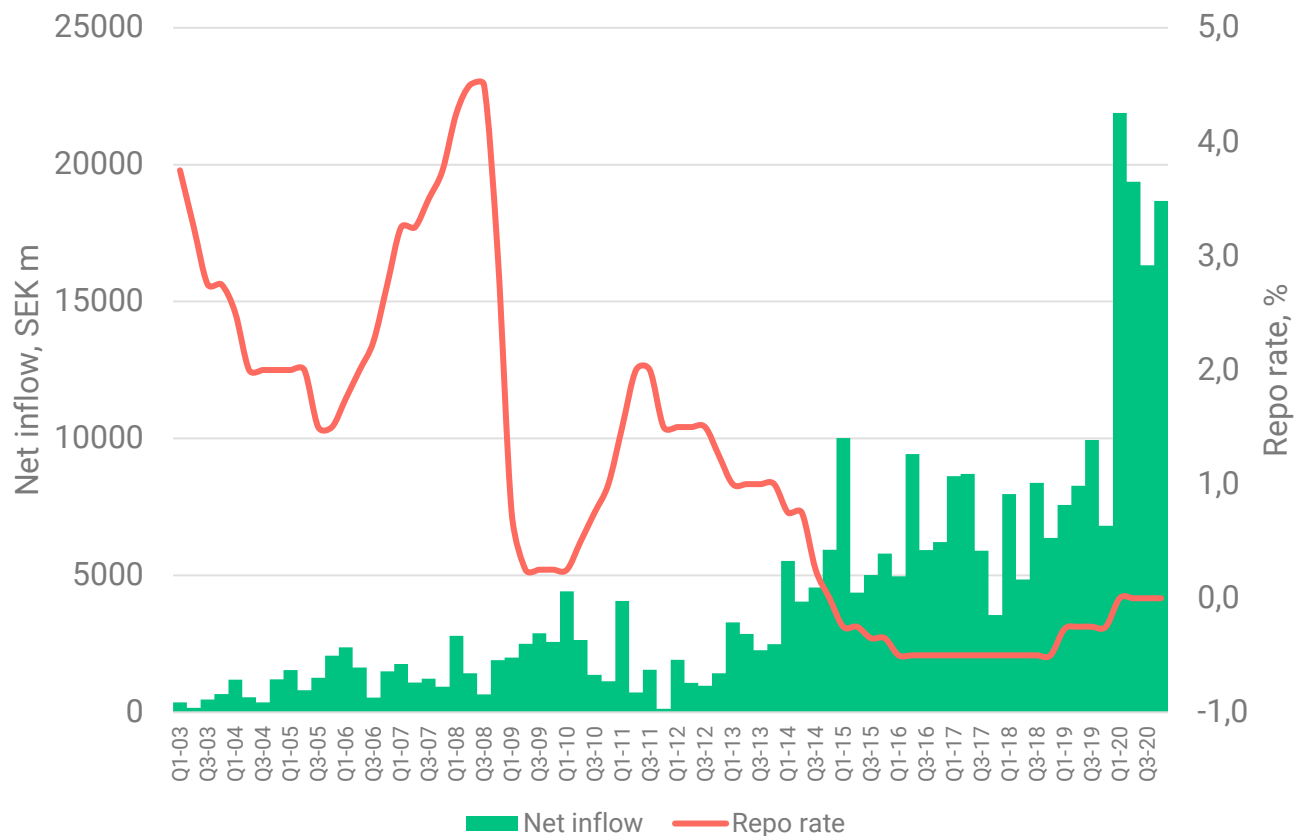
Long-term revenue development



■ Total income
— Net brokerage income
— Net interest income
- - - Average repo rate

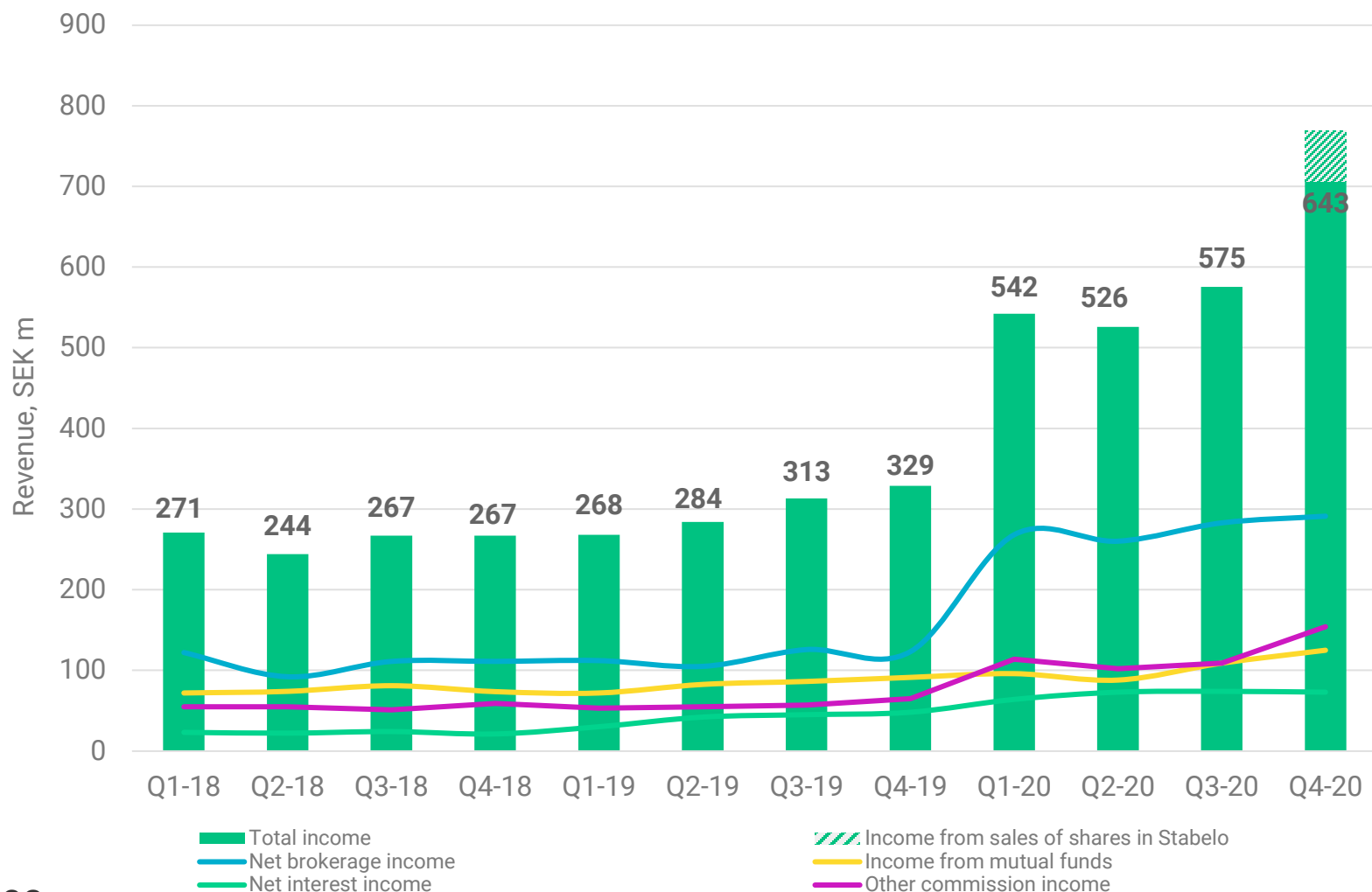
▨ Income from sales of shares in Stabelo
— Income from mutual funds
— Other income

Historical correlation between low market rates and growth



- Historical negative repo rate between 2015 and 2019. Repo rate raised to 0.00% on 8 January 2020
- Low repo rate creates a good growth environment but puts pressure on NII (100 bps repo rate change affects NII by around SEK 400 m at Q4-20 volumes)

Quarterly revenue development



Income split 12M 2020

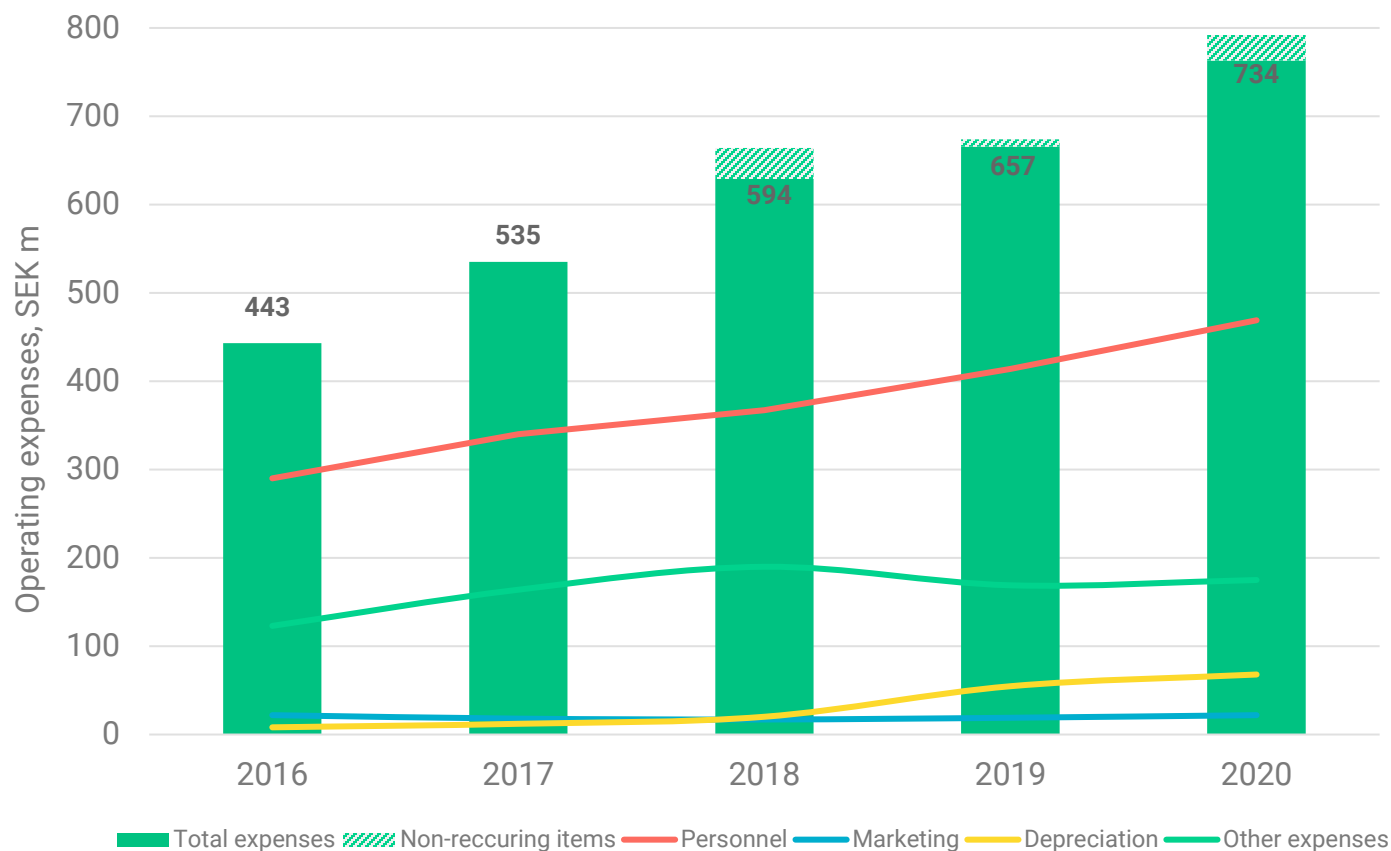
	SEK m	% of income	% of specific savings capital	% of total savings capital
Shares, bonds, options (transactions)	1,102	50	0.42	0.24
Mutual funds	418	19	0.34	0.09
Net interest income ¹	283	13	0.37	0.06
Other ²	415*	19		0.09
Total	2,219*	100	0.48	0.48

1) Based on deposits

2) Corporate finance fees, foreign exchange, AZA Markets, subscription and advertising income, additional services

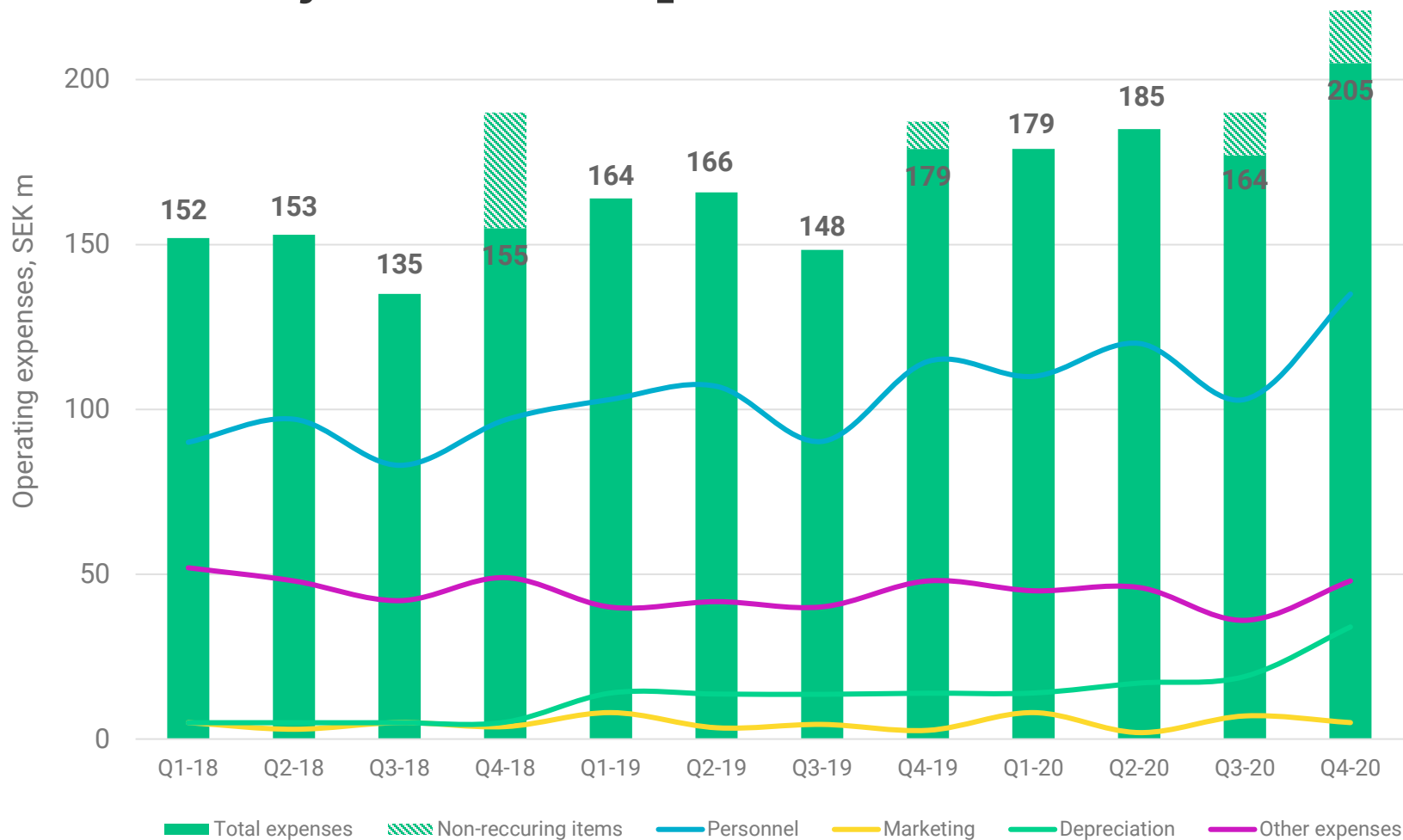
** Excluding SEK 63m associated with reduced holding in Stabelo.

Annual cost development



2018 including the Swedish Financial Supervisory Authority's administrative fee of SEK 35 million on the subsidiary Försäkringsaktiebolaget Avanza Pension.
 2019 including one-off write-down of SEK 8.3 million.
 2020 including one-off write-down of SEK 16 million.

Quarterly cost development



Q4 2018 including the Swedish Financial Supervisory Authority's administrative fee of SEK 35 million on the subsidiary Försäkringsaktiebolaget Avanza Pension.
 Q4 2019 including one-off write-down of SEK 8.3 million.
 Q4 2020 including one-off write-down of SEK 16 million.

Costs 12M 2020

	SEK m	% of total costs	% of total income
Personnel	-469	61	20
IT	-83	11	4
External services	-38	5	2
Marketing & Sales	-22	3	1
Depreciation*	-84	11	4
Other	-67	9	3
Total costs before credit losses	-763	100	32
Credit losses, net	-4		
Profit/loss from participations in associated companies	-6		

*Including one-off write-down of SEK 16 million.

Operating margin of 69% in Q4 2020



Balance sheet, 31 December 2020

Assets	SEK m	Liabilities & equity	SEK m
Lending to credit institutions*	3,945	Deposits	43,987
Lending to the public	16,287	Liabilities in insurance operations	155,933
Bonds	25,572	Other liabilities	1,684
Assets in insurance operations	155,931	Subordinated liabilities	-
Other assets	3,040	Equity	3,172
Total assets	204,775	Total liabilities and equity	204,775

Comments

- Mainly self-financed through shareholders' equity and customer deposits
- Surplus-liquidity of SEK 31,147m invested in covered bonds, at the Riksbank and O/N (including SEK 1,630m deposits in client fund accounts)

* Incl. balances at central banks and treasury bills eligible for refinancing

Capital surplus for the Group

SEK m	31 December 2020
Shareholders' equity	3,172
Solvency capital	1,794
Less non-distributable solvency capital	-294
Subordinated loan	-
Additional value adjustments	-7
Intangible assets and deferred tax receivables	-82
Own funds before dividend adjustment	4,583
Capital requirement Pillar 1	-2,225
Buffer requirement	-224
Capital requirement Pillar 2	-286
Capital requirement	2,735
Capital surplus before dividend	1,849
Capital surplus per share, SEK	11.93
Total capital ratio (consolidated situation), %	24.4

Historical financial key data 2001 – Q4 2020

is available in Excel at:

avanza.se/keydata

**sofia.svavar@avanza.se
+46 8-409 420 17**