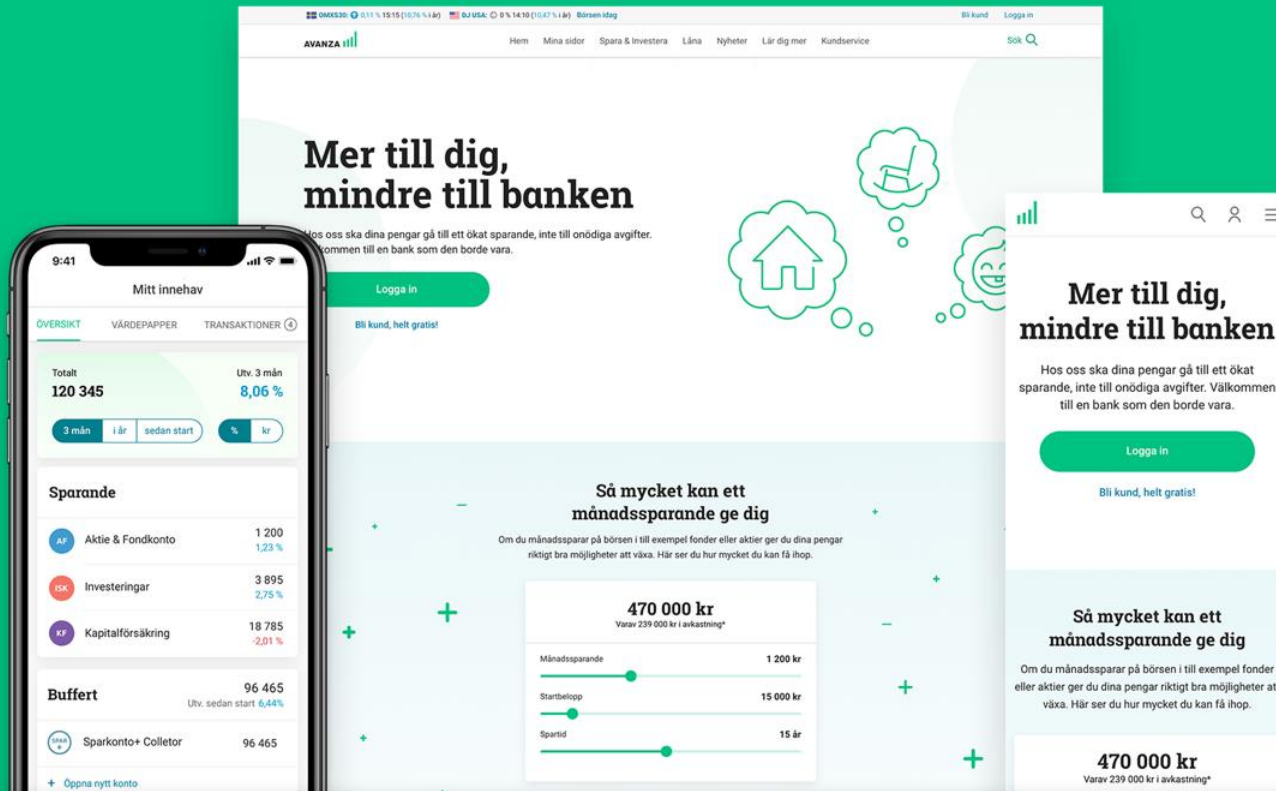


Company presentation

June 2020



AVANZA

Sweden's leading platform for savings and investments

- Founded in 1999
- Most satisfied savings customers in Sweden for 10 consecutive years
- 1,098,900 customers
- SEK 428 bn in savings capital
- 460 employees
- 4.4% market share of the Swedish savings market



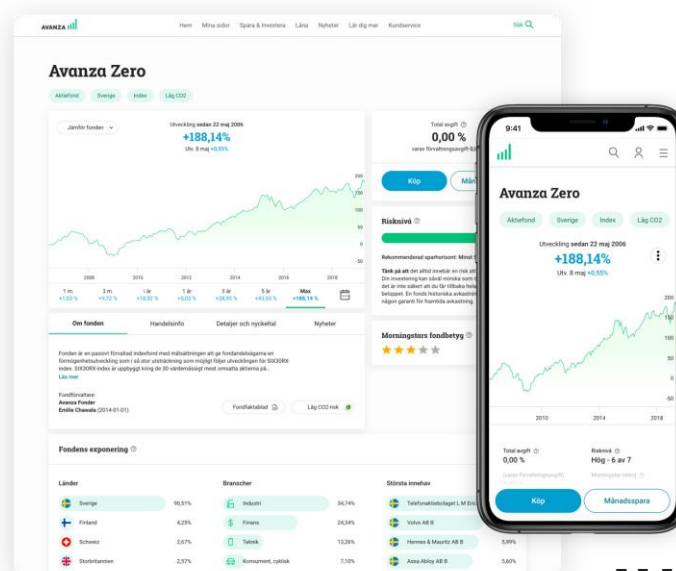
High customer satisfaction

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



No advise, but inspire and educate our customers to take informed decisions

Inlägg taggade med "#tjejersomspargar"



Så kom jag igång med budget och sparand

Jag har alltid jobbat extra, och utan att ha så bra koll på min att min studerande pojkvän var den som hade råd att hitta p gick upp för mig att det var dags att ta tag i sparandet.



Av #tjejersomspargar
02 sep 19

[Läs hela inlägget](#)



Checklista inför lägenhetköp – så kollar

Dags att köpa lägenhet? Grattis! Det är en del att tänka på in av köpet. Förutom att ha koll på din egen ekonomi gäller det faktiskt kan påverka din egen plånbok negativt om du har ot



Av #tjejersomspargar
21 aug 19



Historiskt misstag att läsa f

Ambitionen bakom regeringens propo flera delar inte den förbättring som påst pensionslösningar utan reell möjlighet a Sven Hagströmer och Åsa Mindus Söder



Av Avanza
09 okt 19



Pensionsupprettet: Diskriminera inte gamla försäkringar

Visste du att det i snitt tar mellan 6 och 10 år för en genomsnittlig kund att betala tillbaka kostnaderna för en flytt av pensionsförsäkring? Helt orimligt. Så visat finns det behov av att strama åt vad en flytt får kosta. Men höga flyttkostnader och en djungel av administration är tyvärr inte de enda problemen på den icke fungerade pensionsmarknaden. Och inte heller de enda problemen som inte åtgärdas om regeringens proposition om flytträtt röstar igenom av riksdagen i november. Nej, konsumentskyddet brister på flera punkter.



Av Johanna Kull
26 sep 19

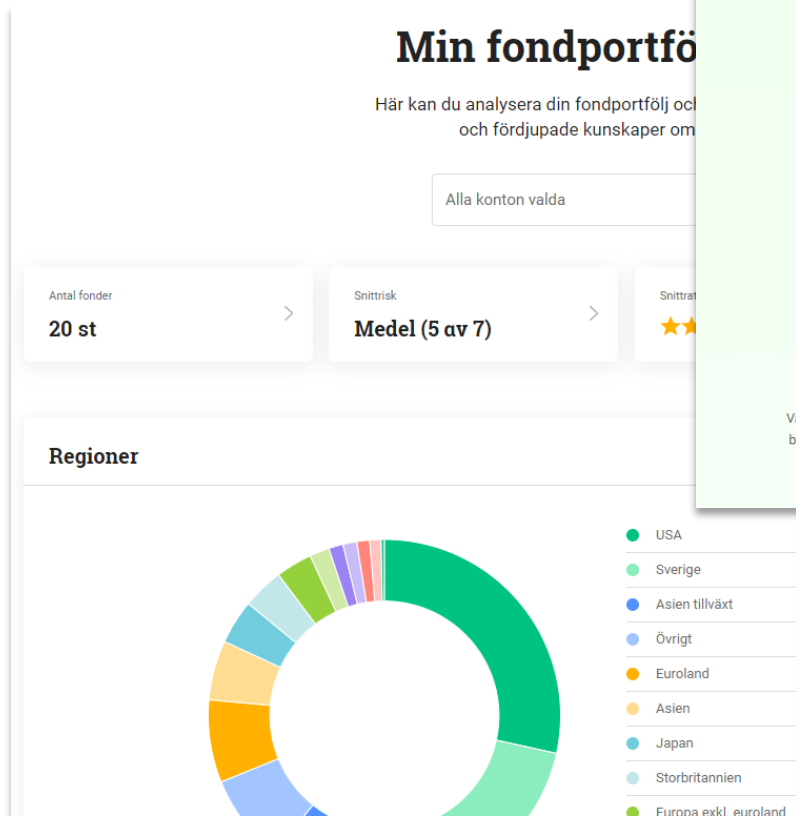


Podden för din privatekonomi

Här pratar Johanna och Nicklas om allt som hör privatekonomin till. De hjälper dig hitta rätt i spardjungeln och delar med sig av sina bästa tips. Nytt tema och avsnitt varje torsdag!

[Lyssna på Avanzapodden](#)

Offer good decision-making support and filter tools



Avanza Auto

Med Avanza Autos specialfonder får du en smart och automatisk förvaltning av dina pengar. Riktigt billigt dessutom!

Sätt igång direkt!

Enkelt

Välj den Auto 1-6 som passar dina behov bäst. Sen är du klar - sparandet kommer sköta sig självt.

Automatiskt

Den Auto 1-6 du väljer kommer löpande optimeras utifrån modern portföljteori. Helt automatiskt.

Billigt

Oavsett vilken Auto 1-6 du väljer betalar du bara låga 0,35 % i förvaltningsavgift.

Få hjälp att välja fonder

Portföljgeneratoren hjälper dig att skapa ett femstjärnigt fondsparande på bara några klick. Och självklart betalar du inget för verktyget, utan bara de fonder du väljer.

Till Portföljgeneratoren

Have our own fund company with 14 Avanza branded funds



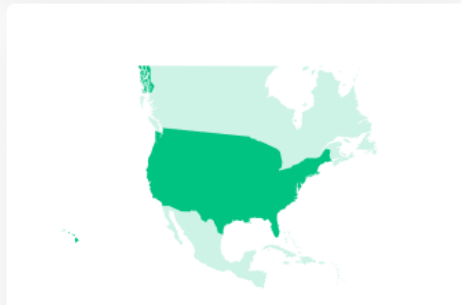
Avanza Global



**Avanza Emerging
Markets**



Avanza Europa

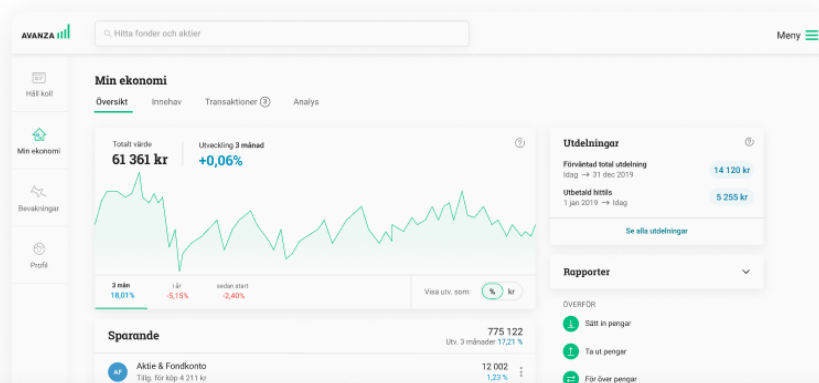


Avanza USA



Avanza Zero

First steps taken in Open Banking

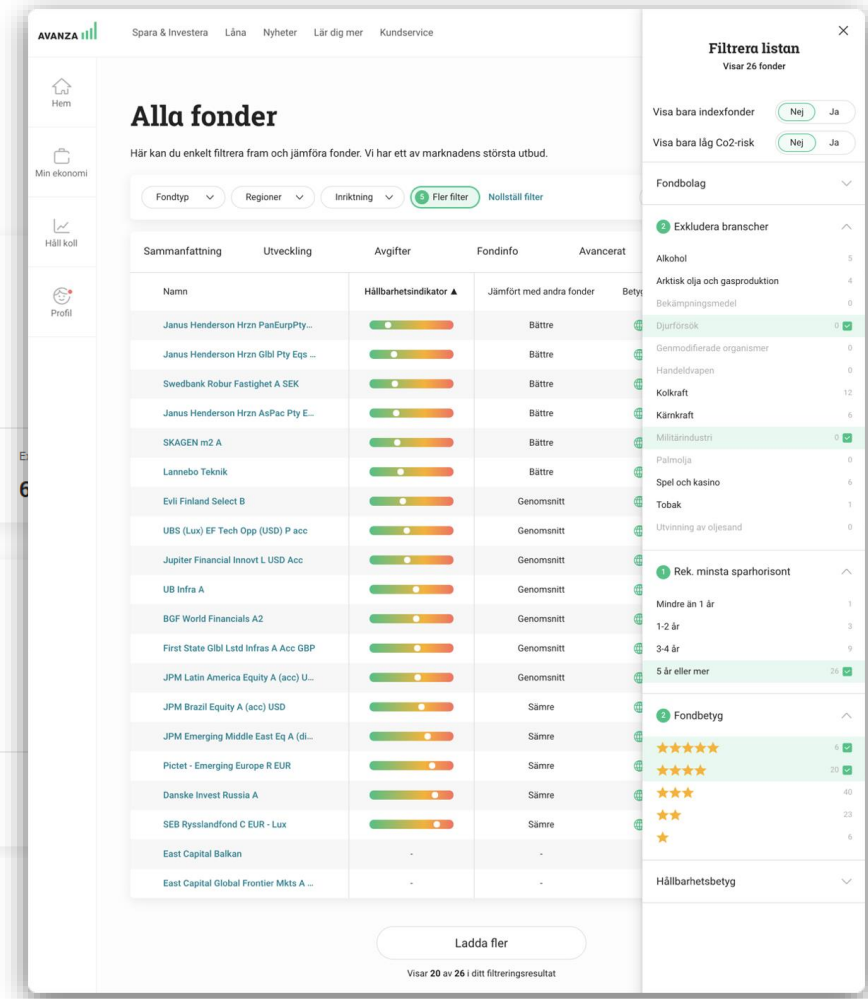
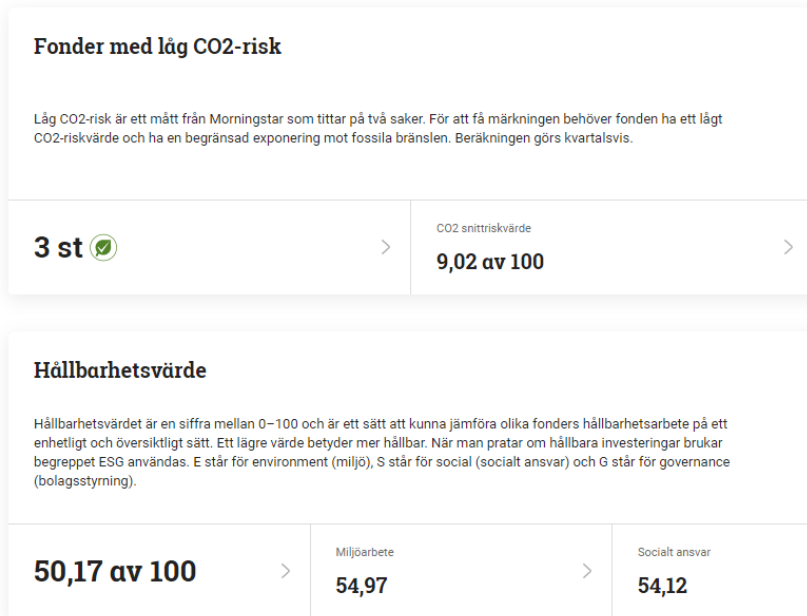


Externa konton

No	Nordea Renovering	102 025	⋮
Sw	Swedbank 12233445566	17 250	⋮
	Uppdaterades 2019-06-02		
	Flytta hit		
Pe	Pepins 12233445566	17 250	⋮
	Uppdaterades 2019-06-02		
Le	Lendify 12233445566	17 250	⋮
	Uppdaterades 2019-06-02		



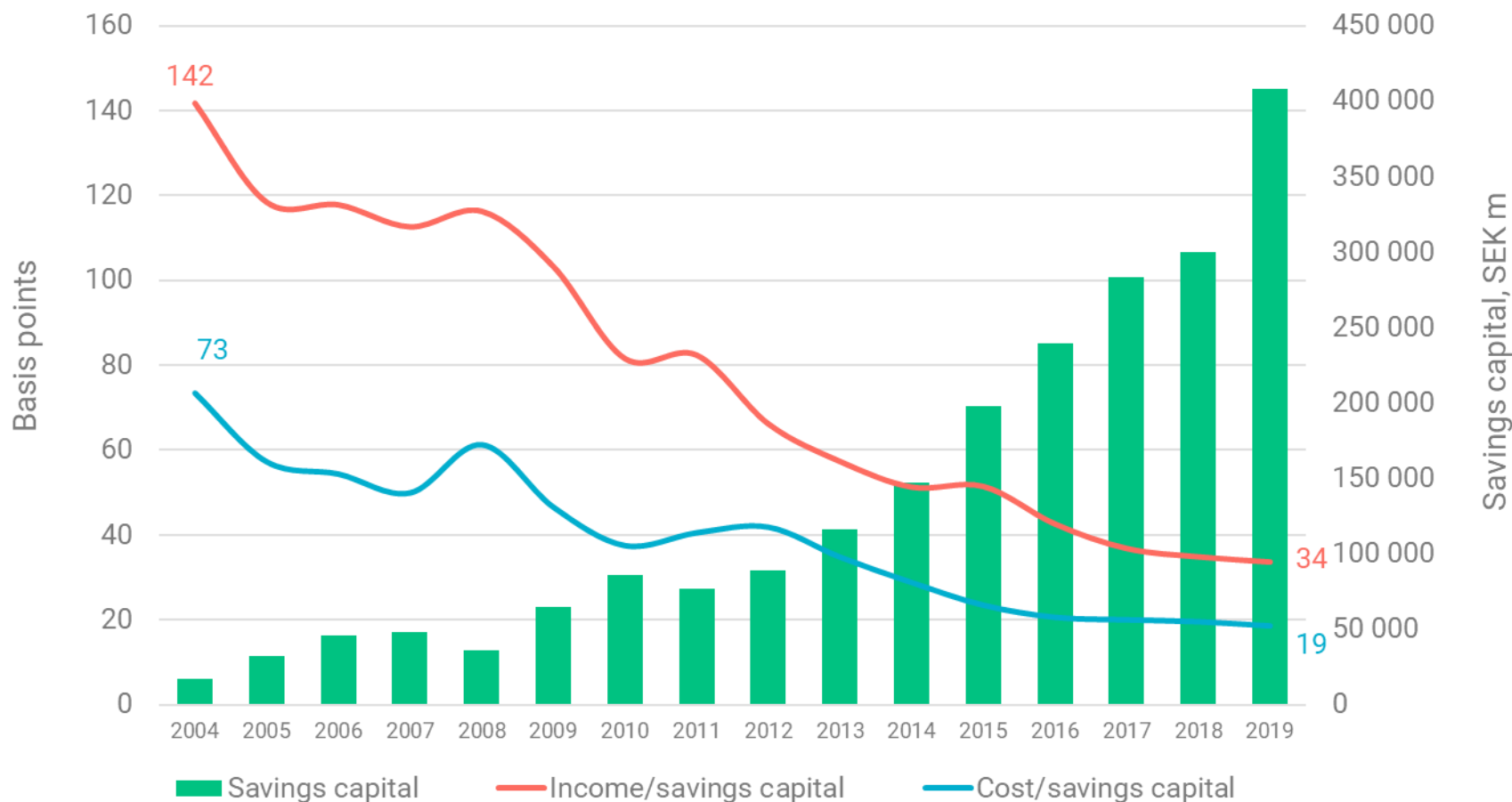
Sustainable investments increasingly important



Avanza's evolution since 1999

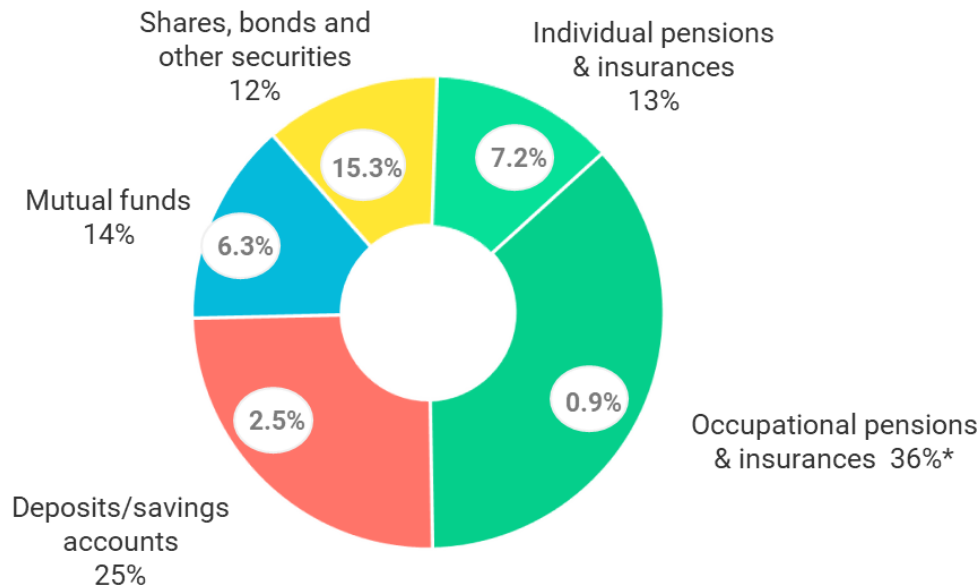


Growth strategy built on scale



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

Significant growth potential with a 4.4% market share of the Swedish savings market



The Swedish savings market
SEK 8,400 bn

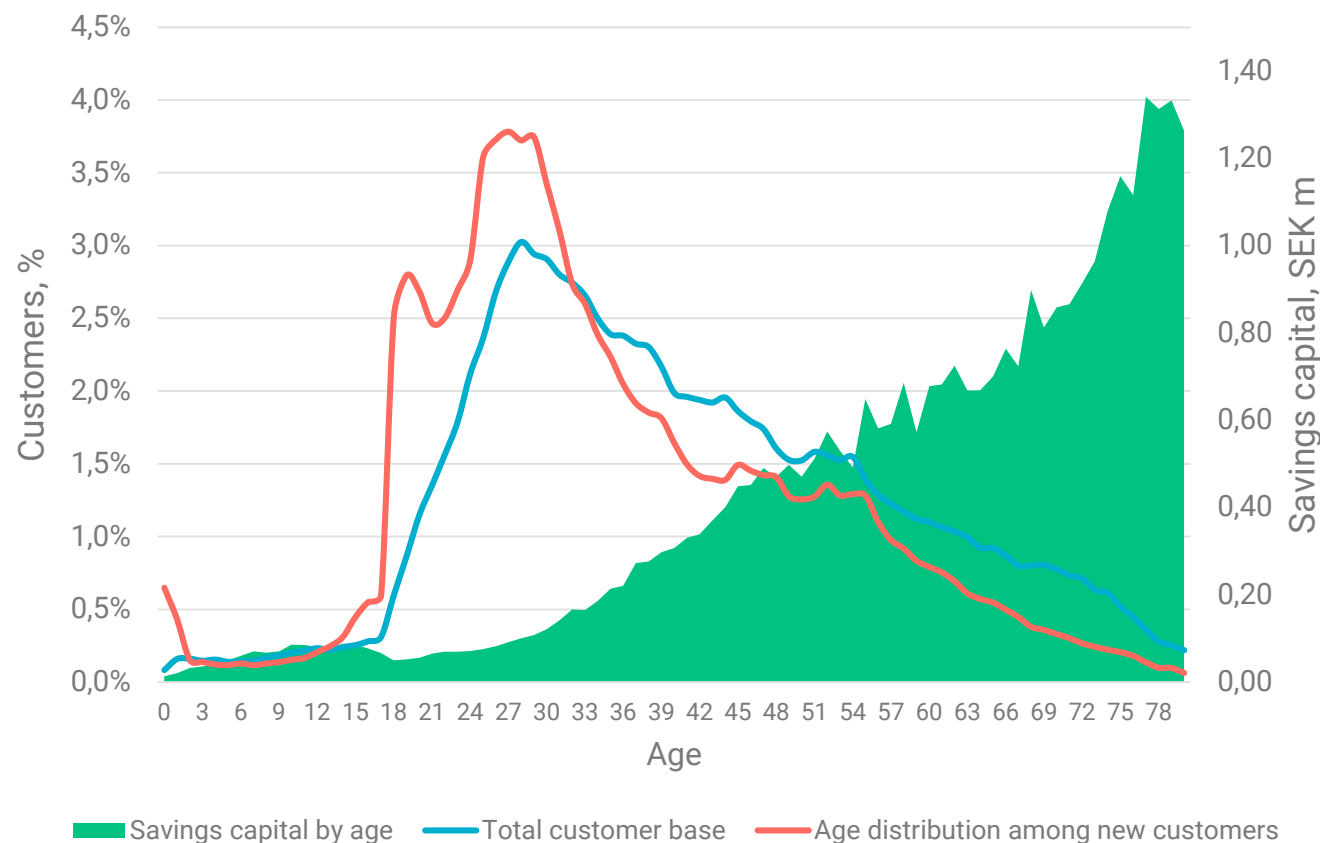
Annual market growth of on
average 9% last ten years

An estimated 80% of the Swedish
population saves in funds and 11%
own shares

The white circles refer to Avanza's share of each savings area.

* An estimated 50% of the market is addressable for Avanza

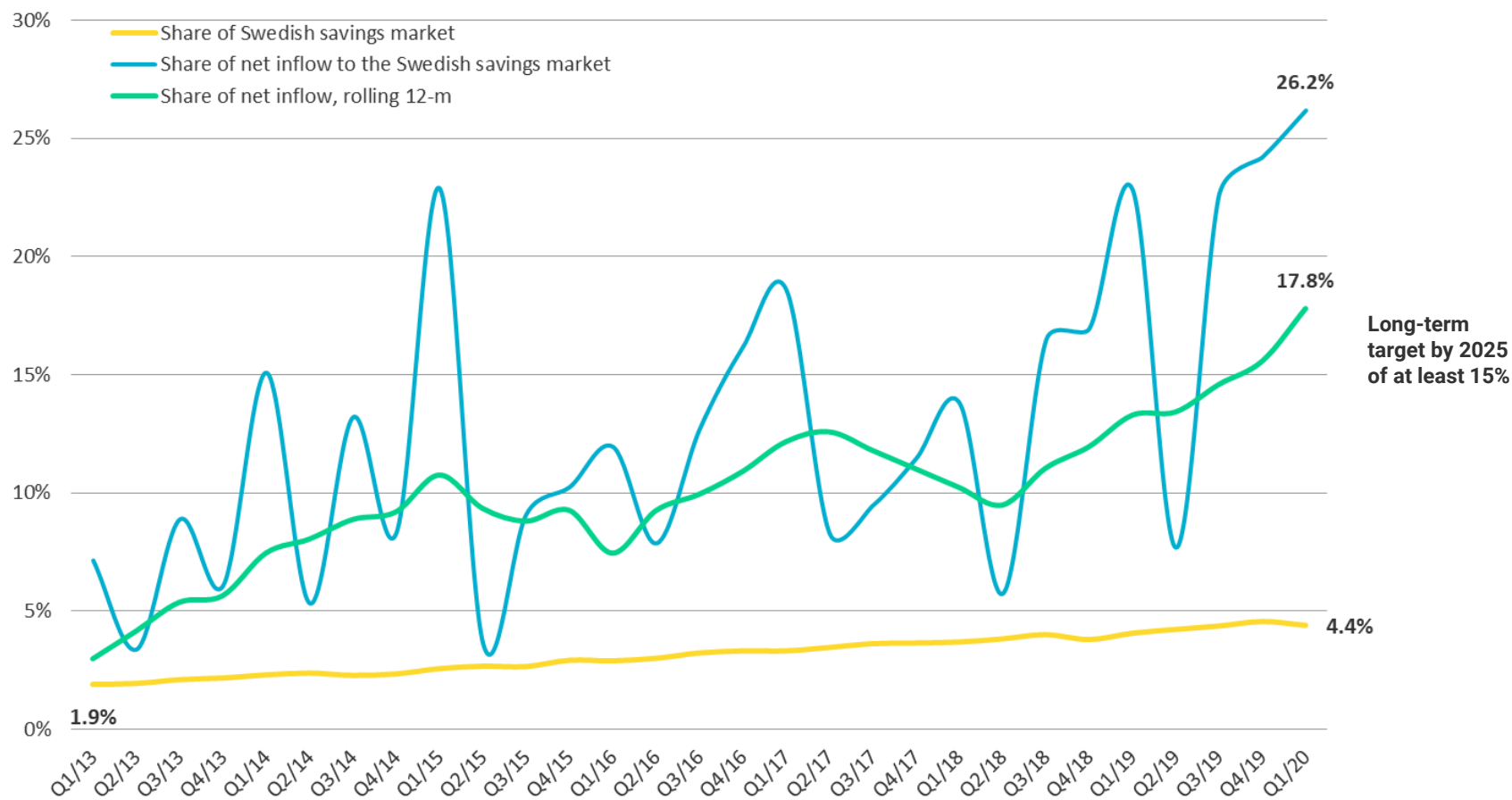
Large customer base with strong long-term potential



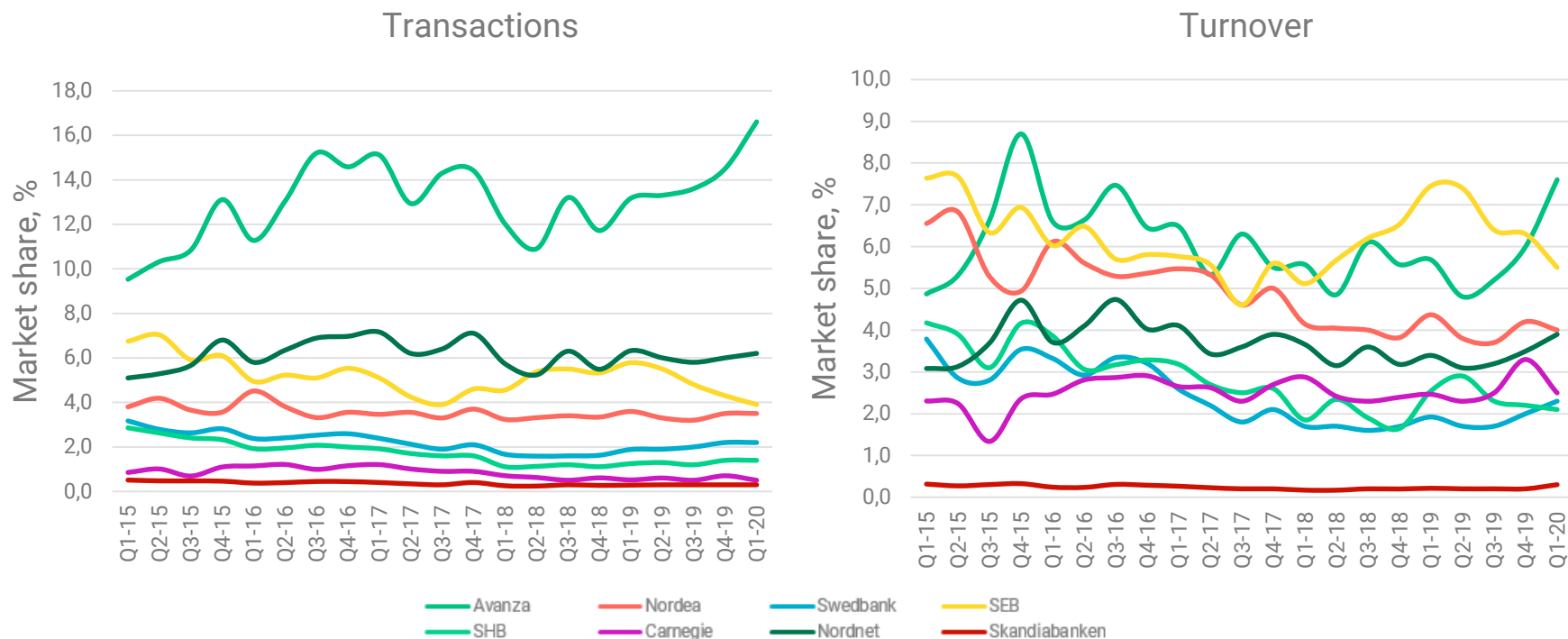
Market penetration

- Total share of Swedish savings market: 4.4% as of Q1 2020
- Total share of Swedish population: 9.1% as of 1 November 2019
 - ages 20-29: 15.3%
 - ages 30-39: 17.8%
 - ages 40-49: 13.3%
- Highest penetration in urban areas. Stockholm region, snapshot (Women/Men) as of 1 November 2019:
 - ages 20-29: 15%/25%
 - ages 30-39: 19%/29%
 - ages 40-49: 14%/23%
 - ages 50-59: 12%/17%
 - ages 60-69: 9%/13%

Market share of 17.8% rolling 12M of net savings on the Swedish savings market

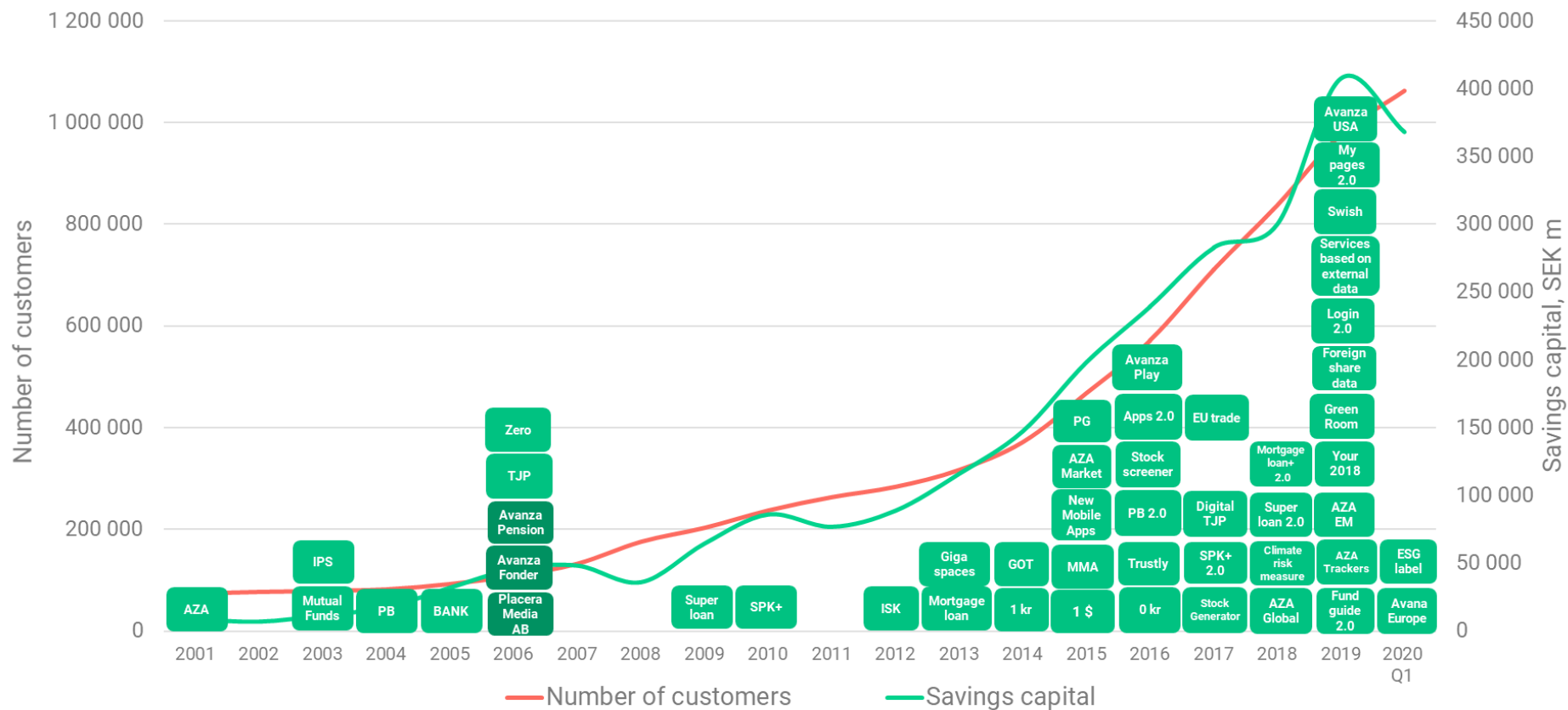


No 1 in stock market transactions in Sweden



- Market share of 16.6% in terms of transactions and 7.6% in turnover in Q1 2020

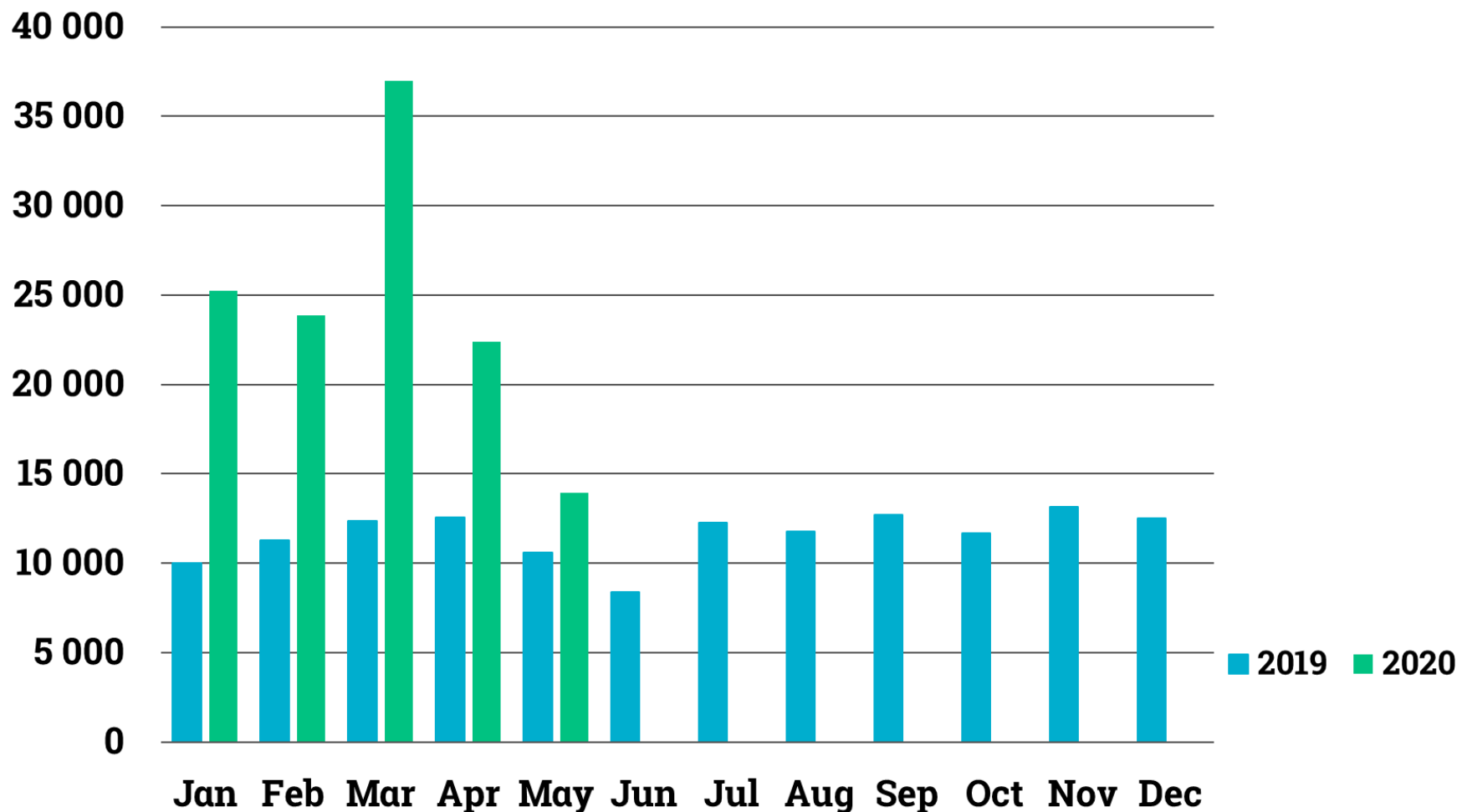
A history of growth built on innovation



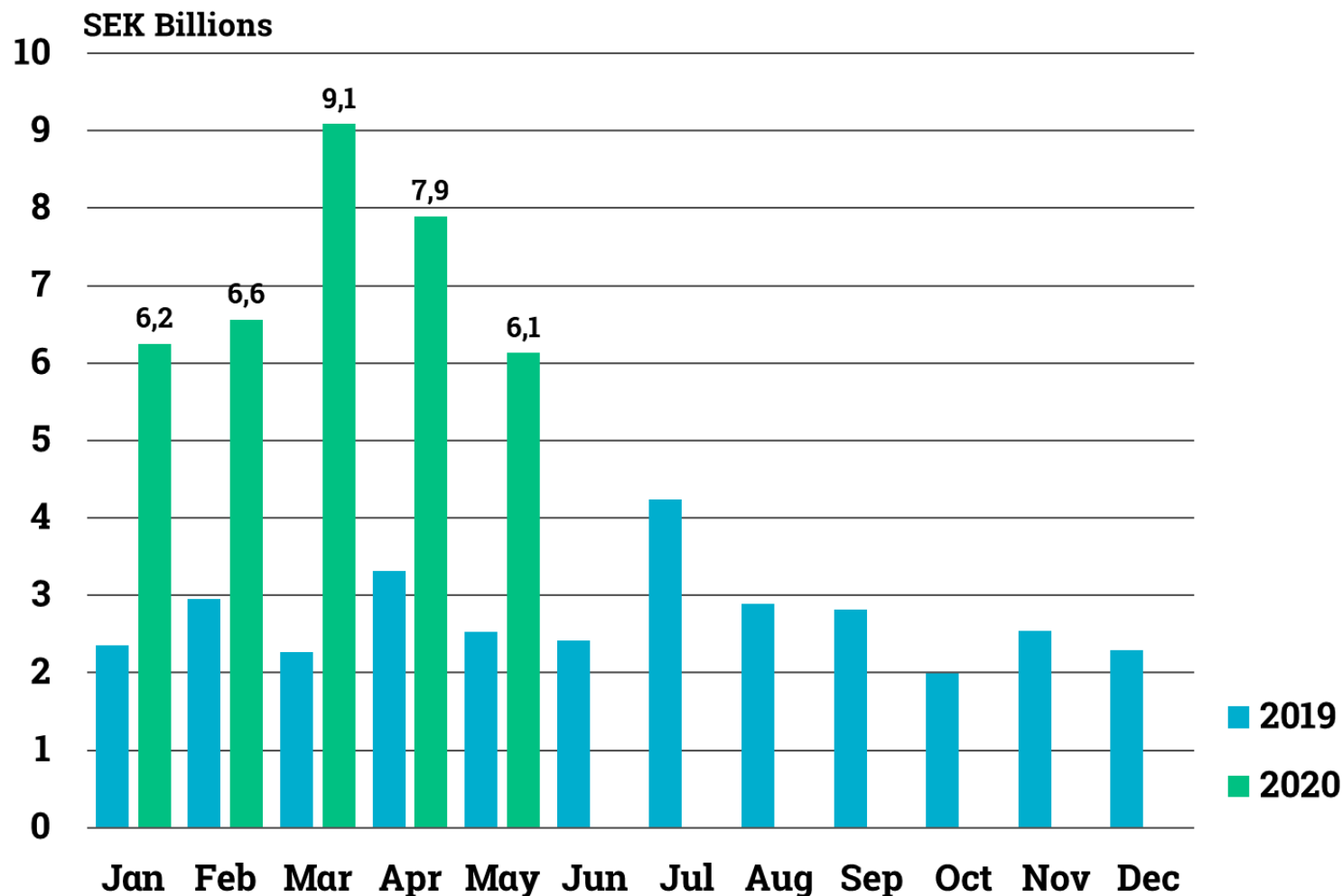
Key to keep on investing and to sustain the low-risk balance sheet



Strong start of the year – customer growth +122,400



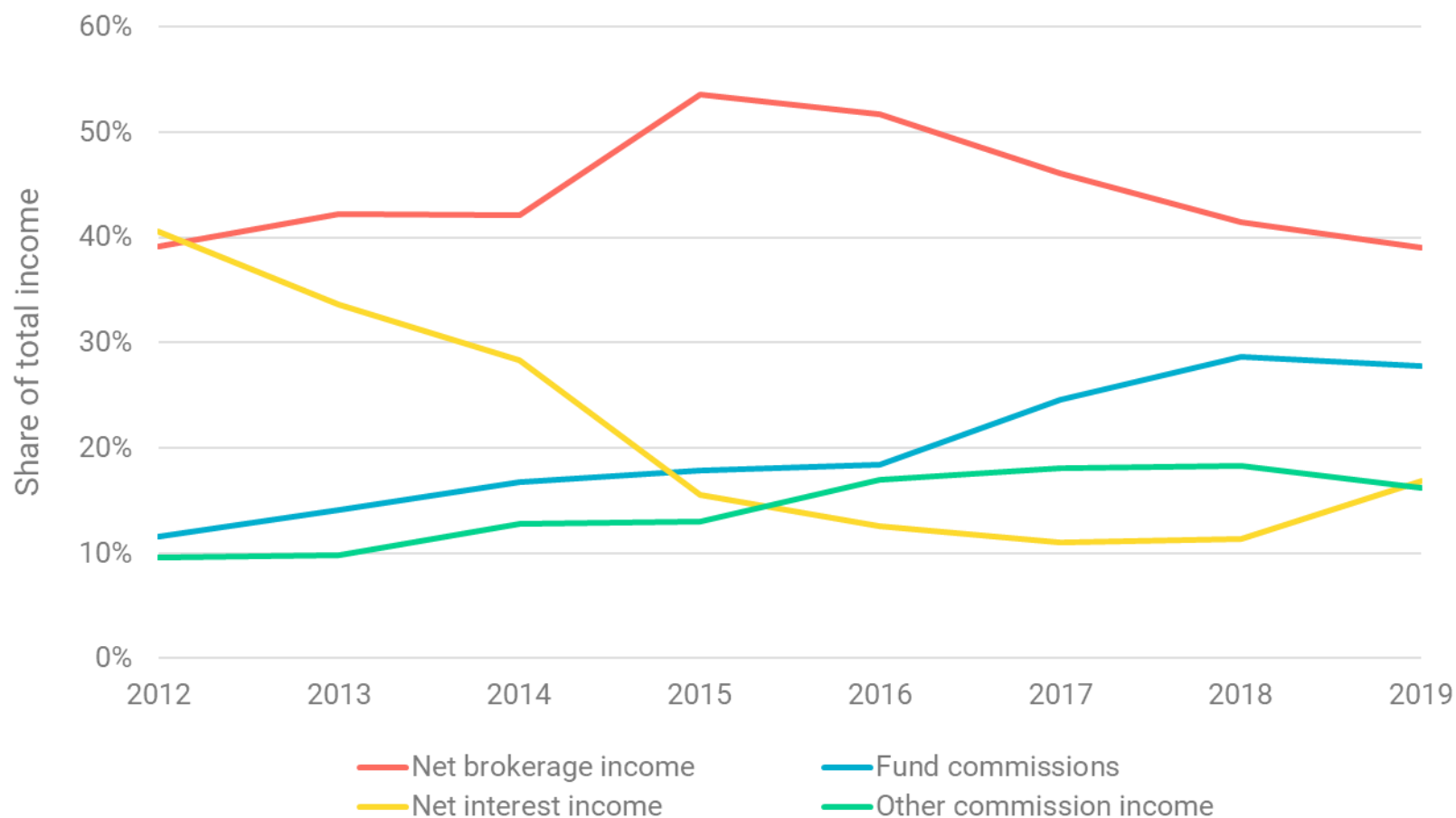
Record-high net inflow 2020, SEK 35,9 billion



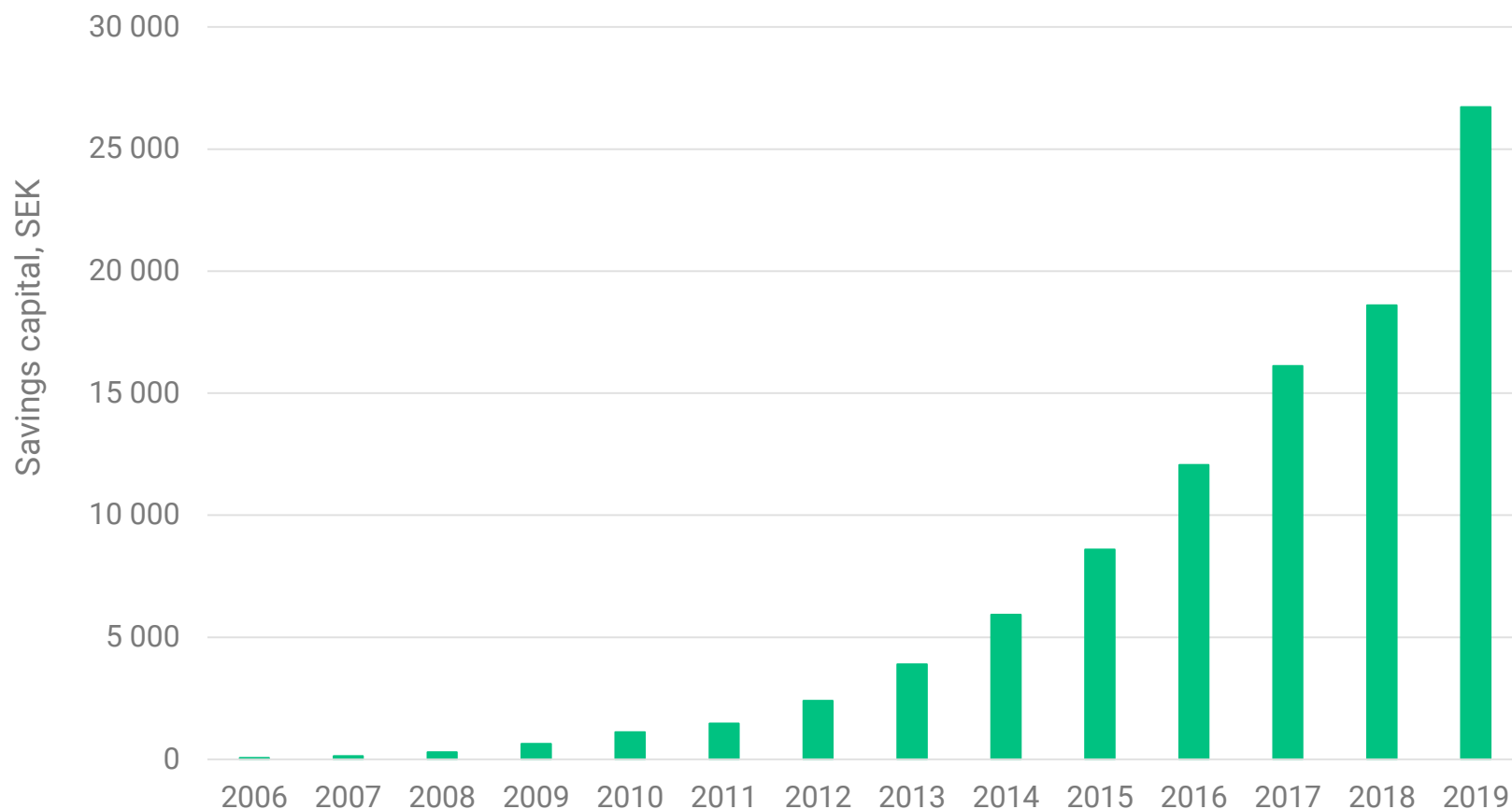
Sustainability of the beginning of 2020 as a reference, and impact from covid-19

- Strong growth started already in January before covid-19
- Even if activity declines, the lowest level should have increased seen to the strong growth
- Growth factors remain
 - Continued low interest rates for the foreseeable future – TINA
 - More reasons for customers to take responsibility for their own savings – not only when it comes to young people
 - Increased focus on sustainable investments

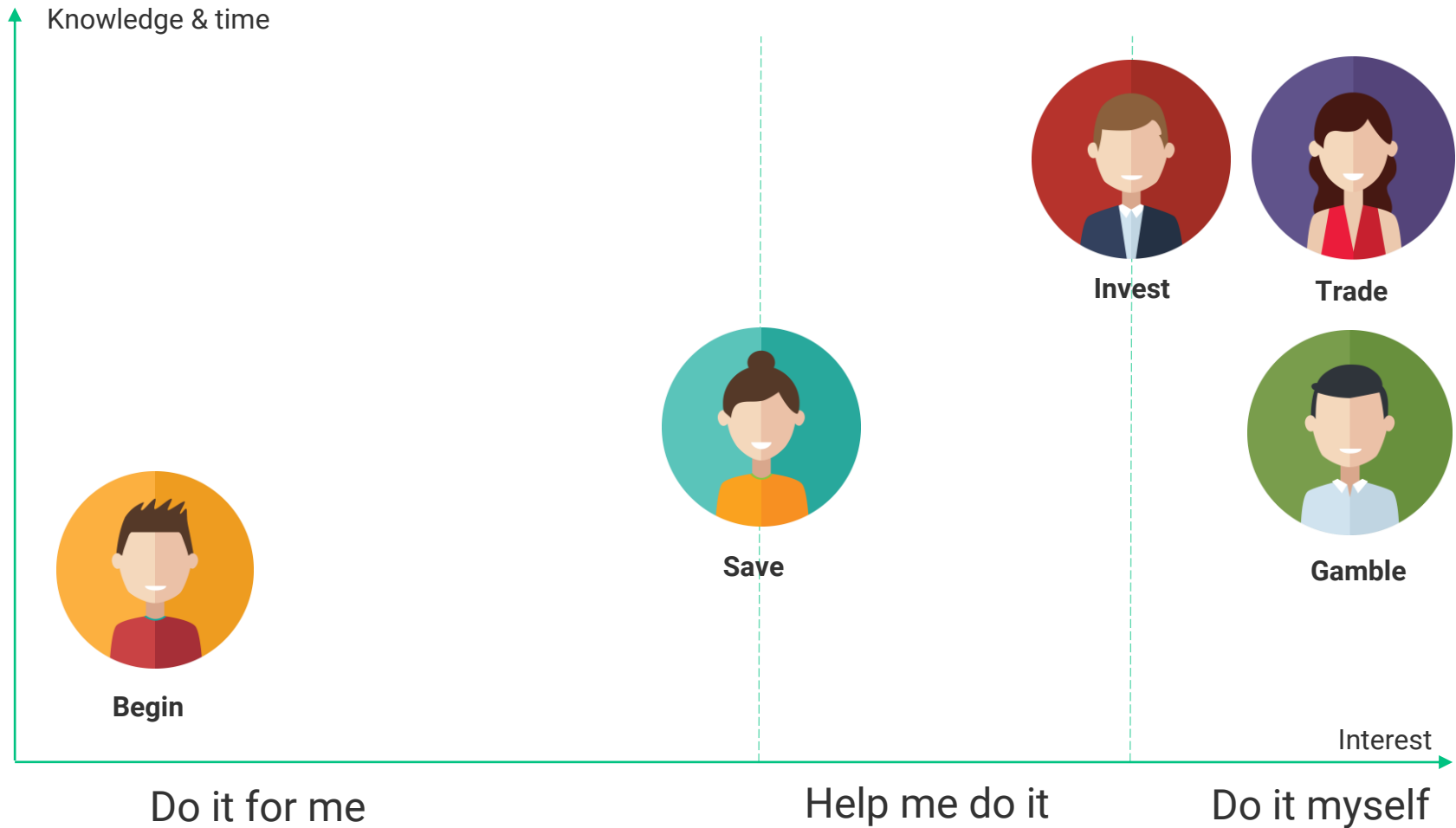
Strategy for more recurring income



Strong growth in occupational pension



Growth potential in broader customer groups



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	24-29
Financials	30-38
Balance sheet data	39-40
Contact details	41

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 NII sensitivity
- Scalability and cost control vital

Performance on targets 2019

Long-term targets	Outcome 2019	Comments
Sweden's most satisfied savers according to Swedish Quality Index	✓	Achieved in 2019 for the tenth consecutive year
Engaged employees, eNPS of at least 45	54	Very strong ambassadorship
Market share of at least 10% R 12M of the total net inflow to the Swedish savings market	15.6%	
1 million customers 2020	976,400	Target achieved in January 2020
Cost growth should not outpace income growth	✓	Income growth 13,8% Cost growth 10,6%, excluding fee and one-off write down
Dividend of at least 70% of net profit for the year	79%	Dividend SEK 2.30 per share

New long-term targets by 2025

The new targets are still focused on customer satisfaction and employee engagement, but also on growth in savings capital. Targets connected to sustainability are added

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 45

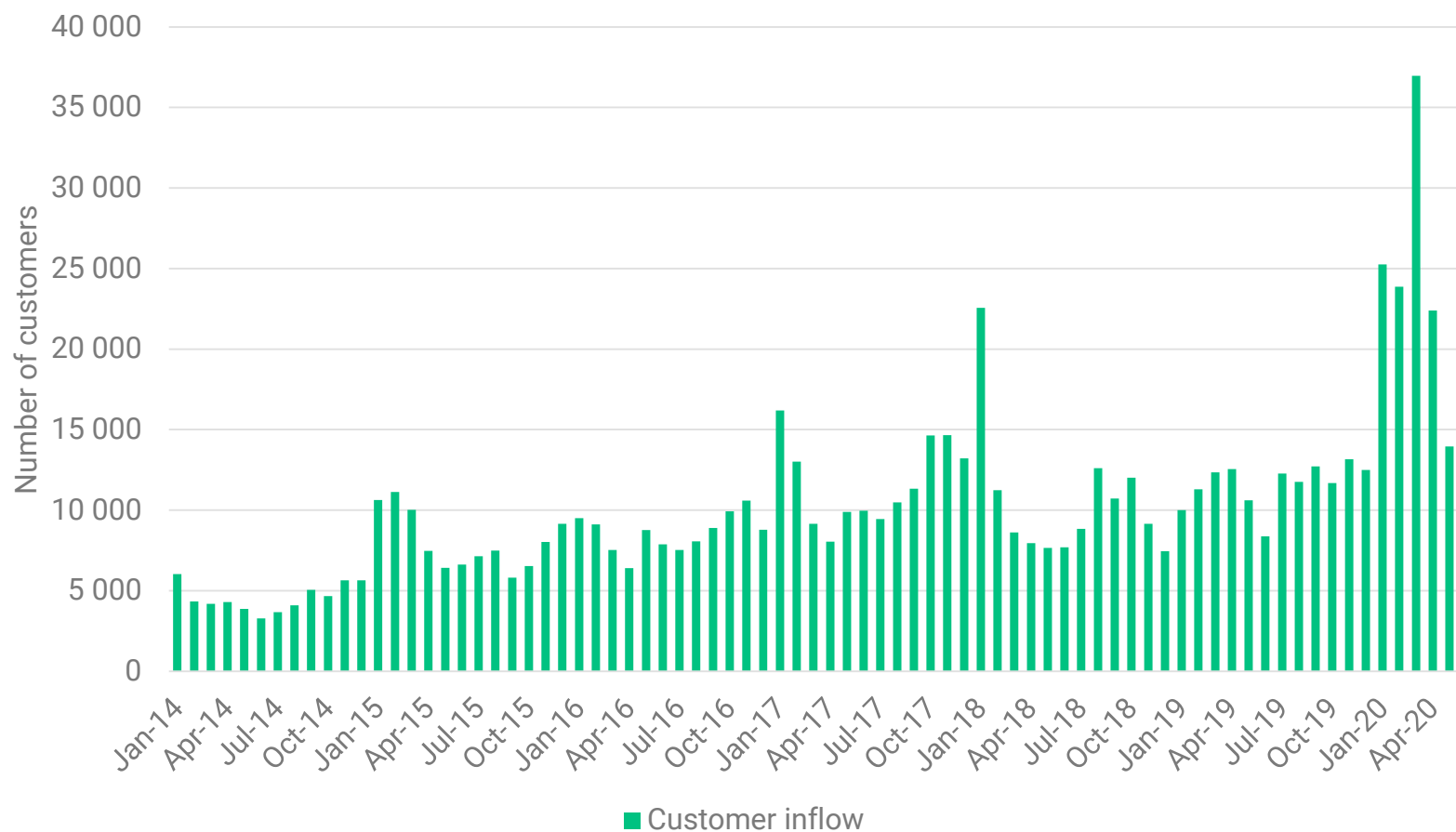
Long-term value growth:

- 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

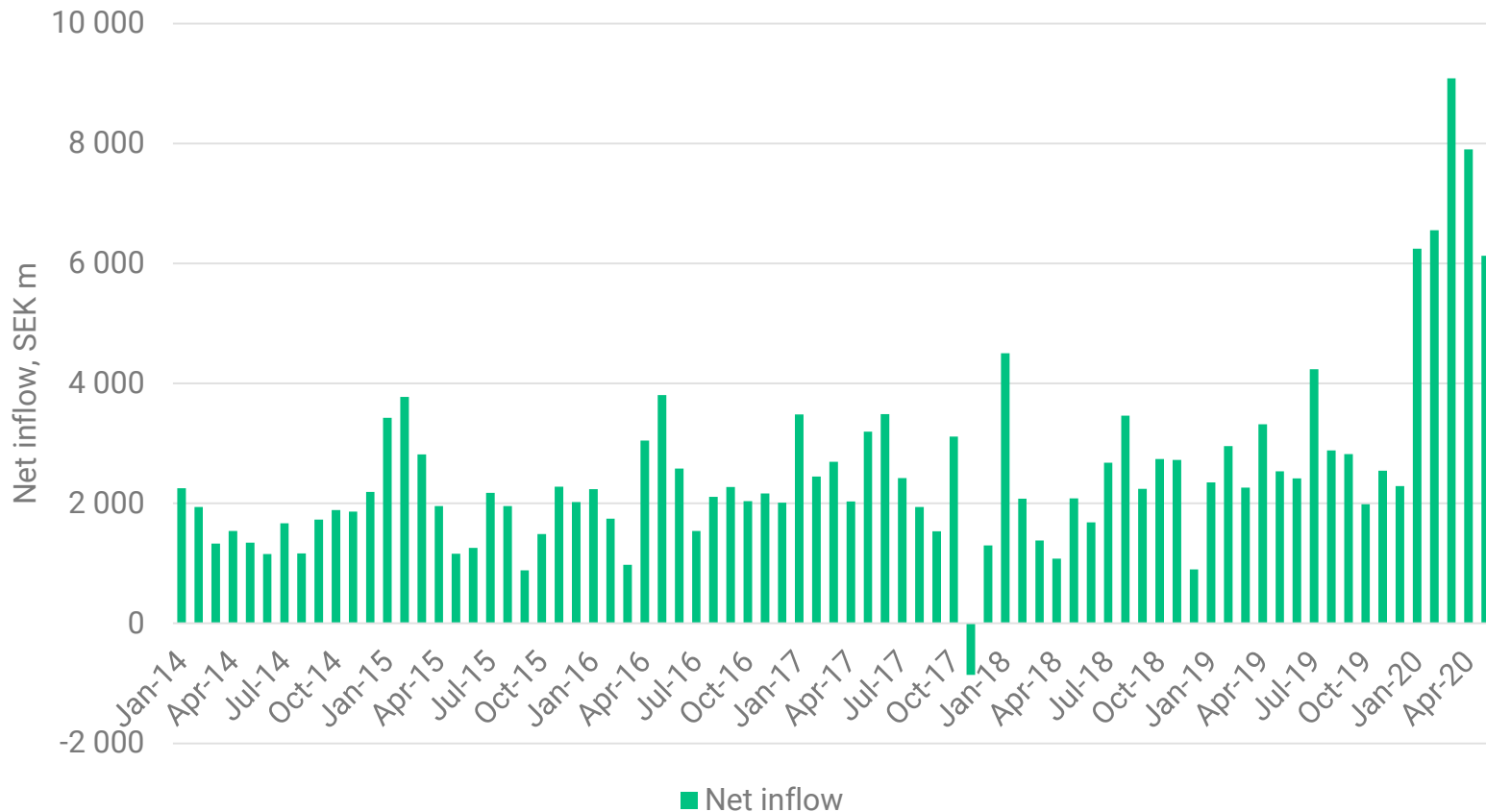
Sustainability:

- Increased share of capital in sustainable investments
- Increased share of customers who save in sustainable alternatives
- Be seen 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 inflow of 122,400 in 2020 (+116% Y/Y)



Net inflow of SEK 35,900m in 2020 (+168% Y/Y)



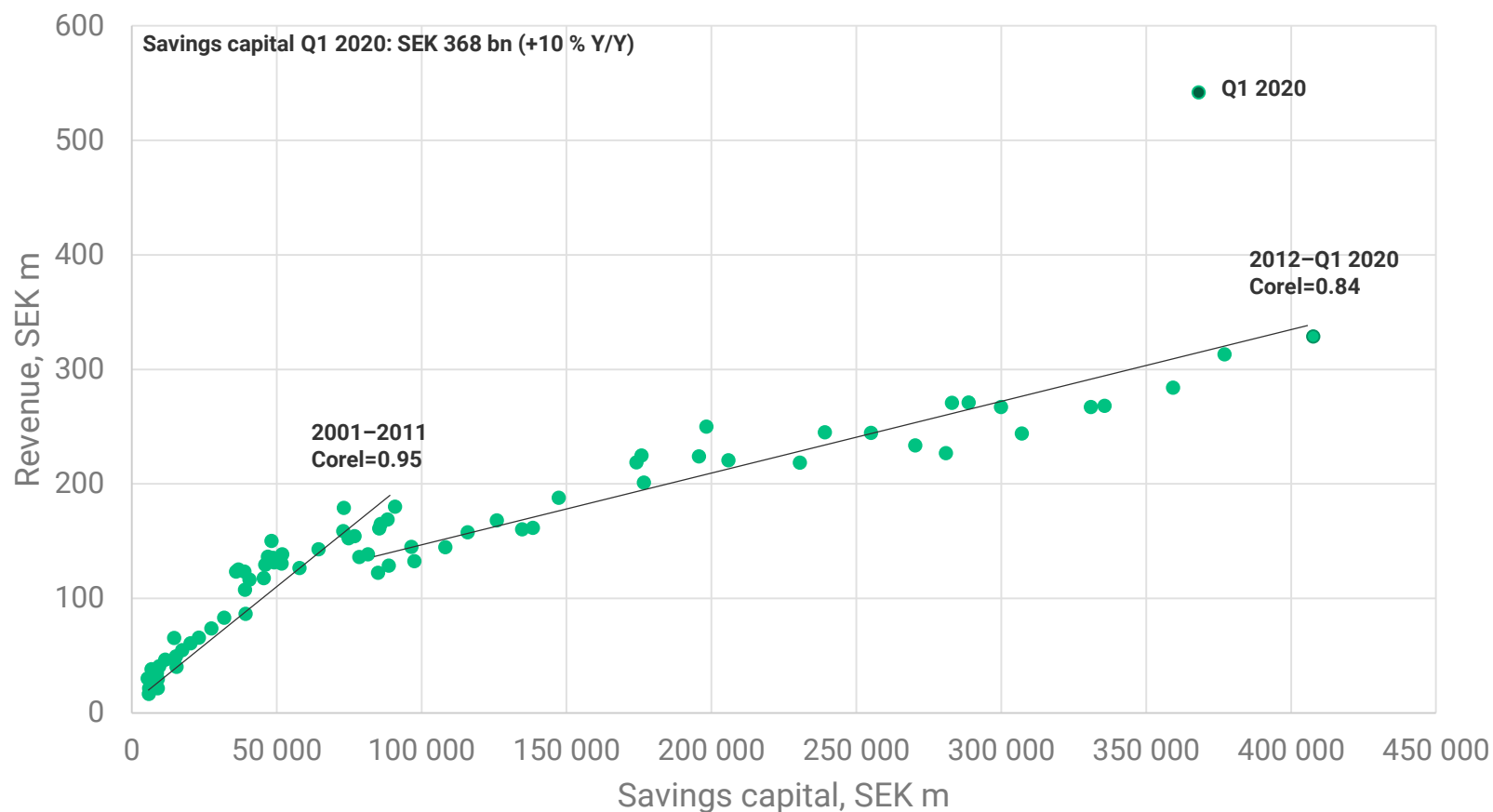
* Net outflow in November 2017 is explained by a few withdrawals amounting to SEK 2,200m, connected to customers' M&A activities.

Financial overview

	Q1 20	Q4 19	Δ %	Q1 19	Δ %
Operating income, SEK m	542	329	65	268	102
Operating expenses, SEK m	-179	-187*	-4	-164	9
Operating profit, SEK m	361	140	158	100	261
Operating margin, %	67	43	24	37	29
Income to savings capital ratio, %	0.56	0.34	0.22	0.34	0.22
Costs to savings capital ratio, %	0.18	0.19	-0.01	0.21	-0.02
ROE, %	64	26	39	23	41
EPS, SEK	1.98	0.79	152	0.57	245

* Including one-off write-down of SEK 8.3 million

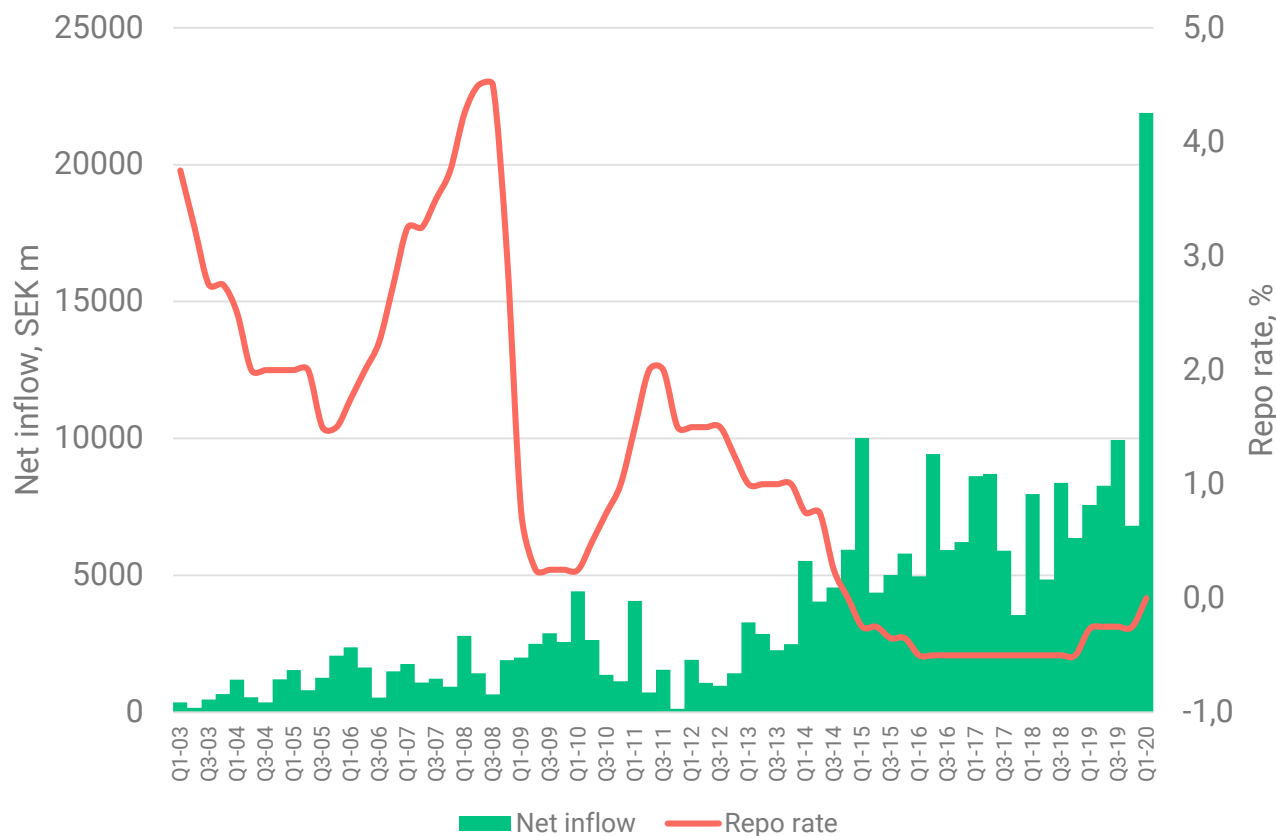
Relationship between long-term savings capital growth and revenue growth



Long-term revenue development

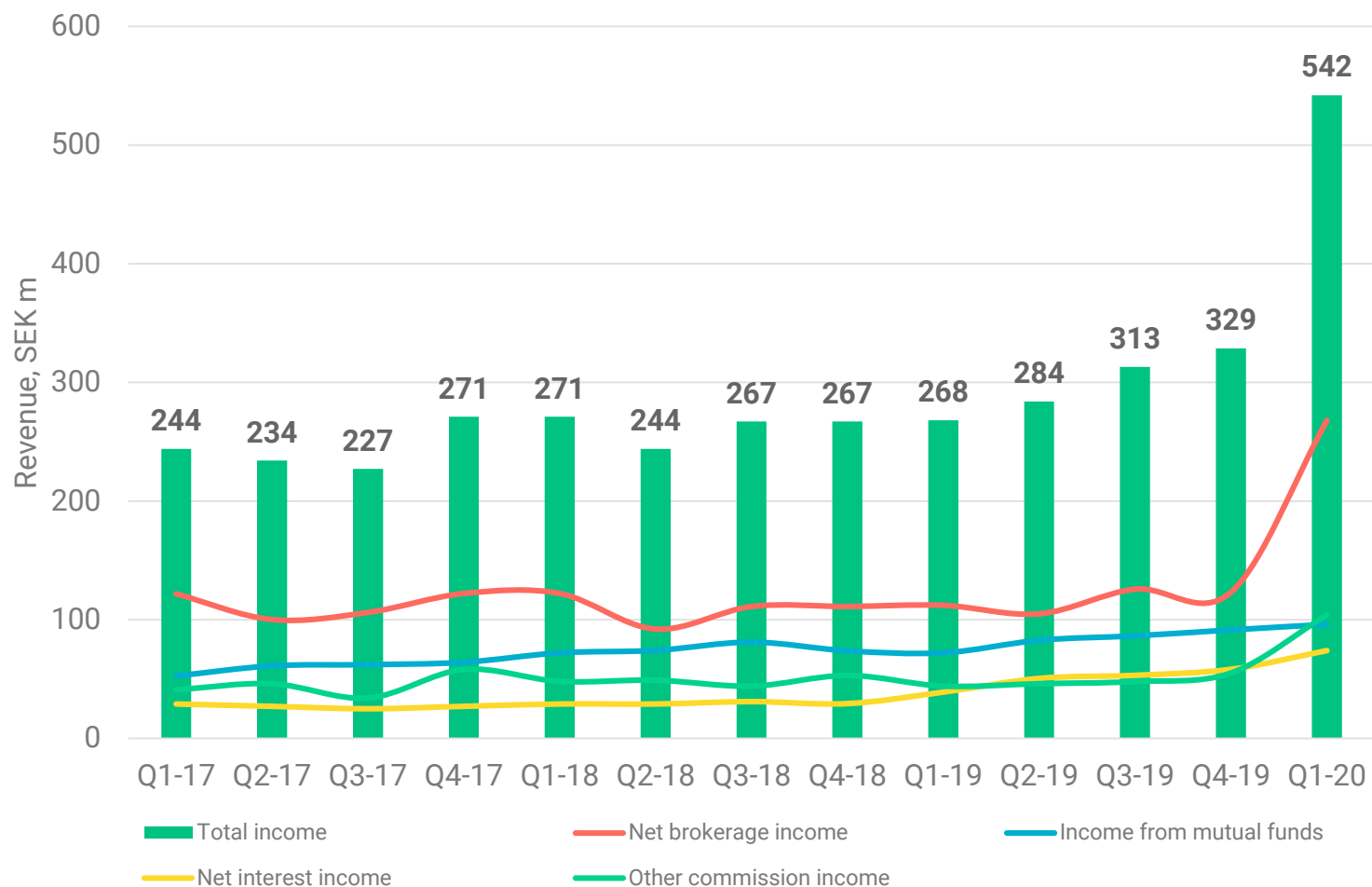


Historical correlation between low market rates and growth



- 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 500 m at Q1-20 volumes)

Revenue development



Income split Q1 2020

	SEK m	% of income	% of specific savings capital	% of total savings capital
Shares, bonds, options (transactions)	268	49	0.52	0.28
Mutual funds	96	18	0.36	0.10
Net interest income	74	14	0.40	0.08
Other**	104	18		0.11
Total	542	100	0.56	0.56

* Based on deposits

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

Cost development

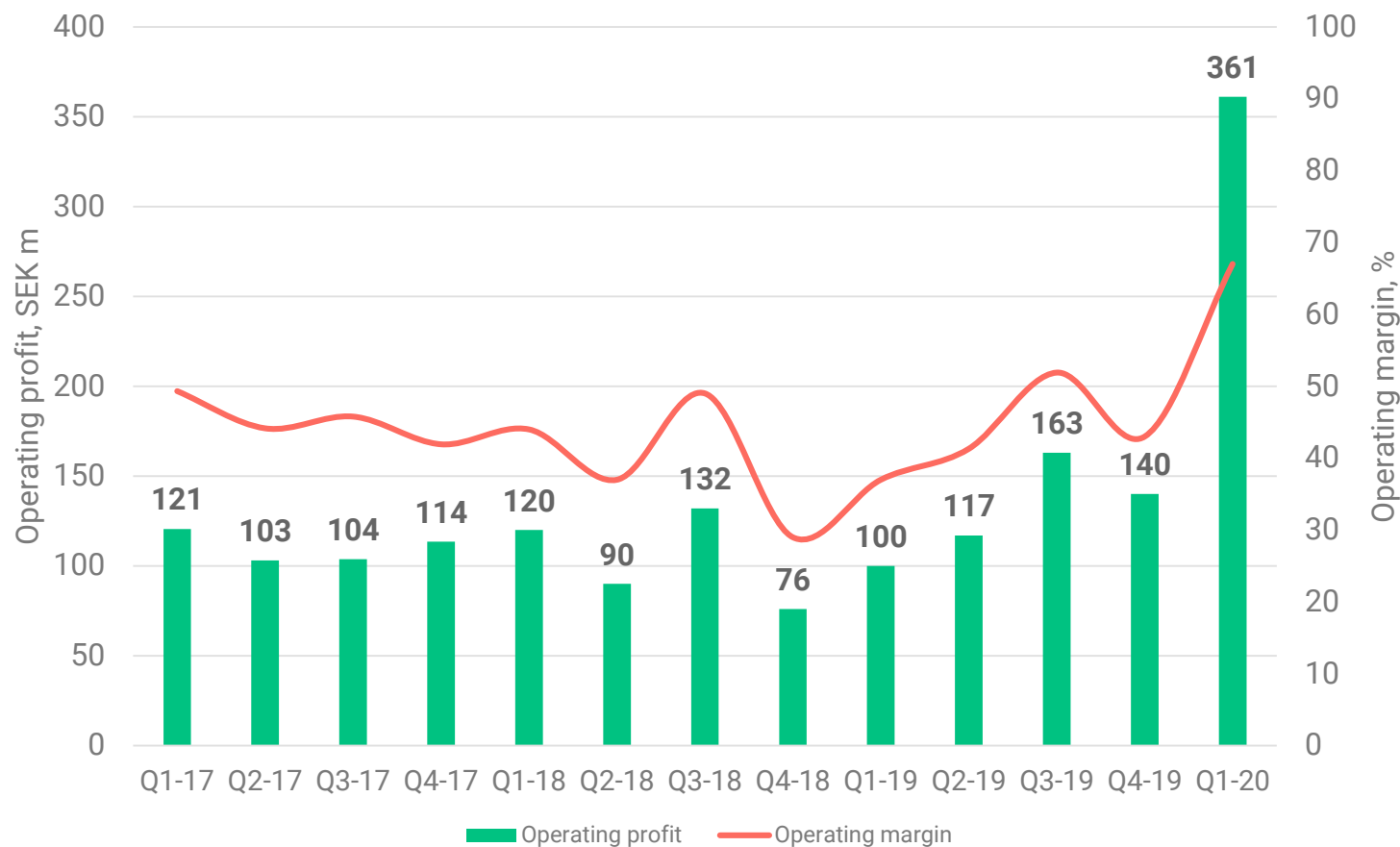


Q4 2018 including the Swedish Financial Supervisory Authority's administrative fee of SEK 35 million on the subsidiary Försäkringsaktiebolaget Avanza Pension
 Q4 2019 including one-off write-down of SEK 8.3 million

Costs Q1 2020

	SEK m	% of total costs	% of total income
Personnel	-110	62	20
IT	-19	11	3
External services	-7	4	1
Marketing & Sales	-8	4	1
Depreciation	-14	8	3
Other	-20	11	4
Total costs before credit losses	-179	100	33
Credit losses, net	1		
Profit/loss from participations in associated companies	-2		

Operating margin of 67% in Q1 2020



Operating profit in Q4 2018 is affected negatively by the Swedish Financial Supervisory Authority's administrative fee of SEK 35 million on the subsidiary Försäkringsaktiebolaget Avanza Pension.

Balance sheet, 31 March 2020

Assets	SEK m	Liabilities & equity	SEK m
Lending to credit institutions*	2,356	Deposits	51,593
Lending to the public	13,809	Liabilities in insurance operations	104,184
Bonds and other interest bearing securities	32,725	Other liabilities	1,297
Assets in insurance operations	104,183	Subordinated liabilities	100
Other assets	5,939	Equity	1,838
Total assets	159,011	Total liabilities and equity	159,011

Comments

- Mainly self-financed through shareholders' equity and customer deposits
- Surplus-liquidity of SEK 36,961m invested in covered bonds, at the Riksbank and O/N (including SEK 1,880 m deposits in client fund accounts)

* Incl. balances at central banks

Capital surplus for the Group

SEK m	31 March 2020
Shareholders' equity	1,838
Solvency capital	1,114
Less non-distributable solvency capital	-161
Subordinated loan	67
Additional value adjustments	-33
Intangible assets and deferred tax receivables	-74
Own funds before dividend adjustment	2,750
Capital requirement Pillar 1	-1,562
Buffer requirement	-189
Capital requirement Pillar 2	-119
Capital requirement	1,869
Capital surplus before dividend	881
Capital surplus per share, SEK	5.73
Total capital ratio (consolidated situation), %	18.1

Historical financial key data 2001 – Q1 2020

is available in Excel at:

avanza.se/keydata

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