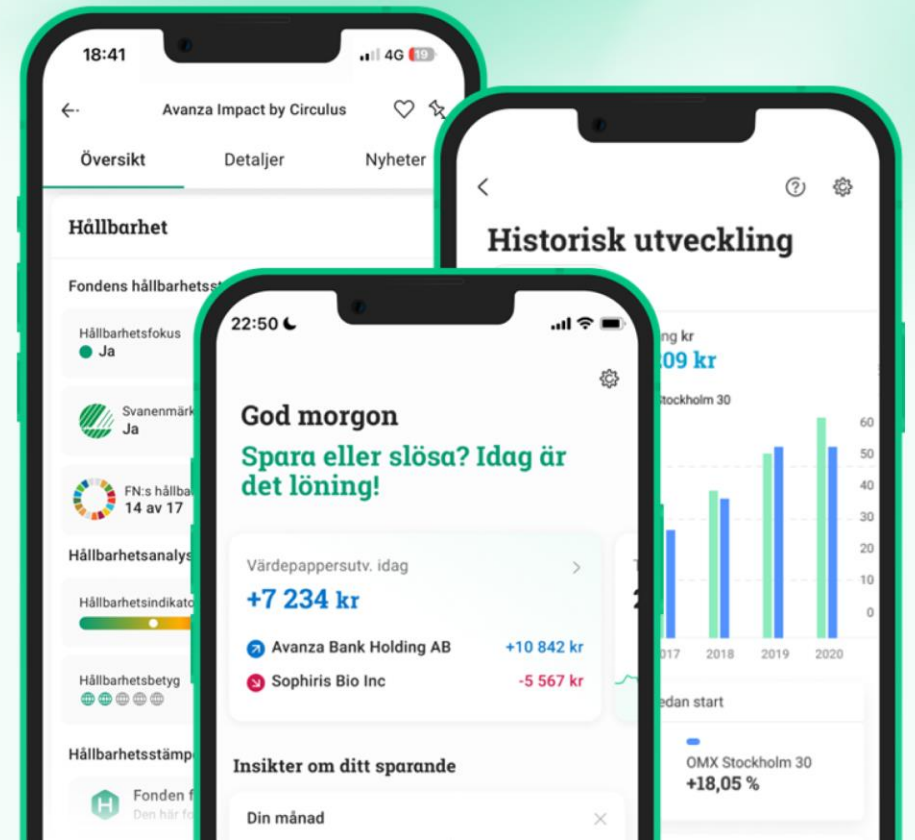
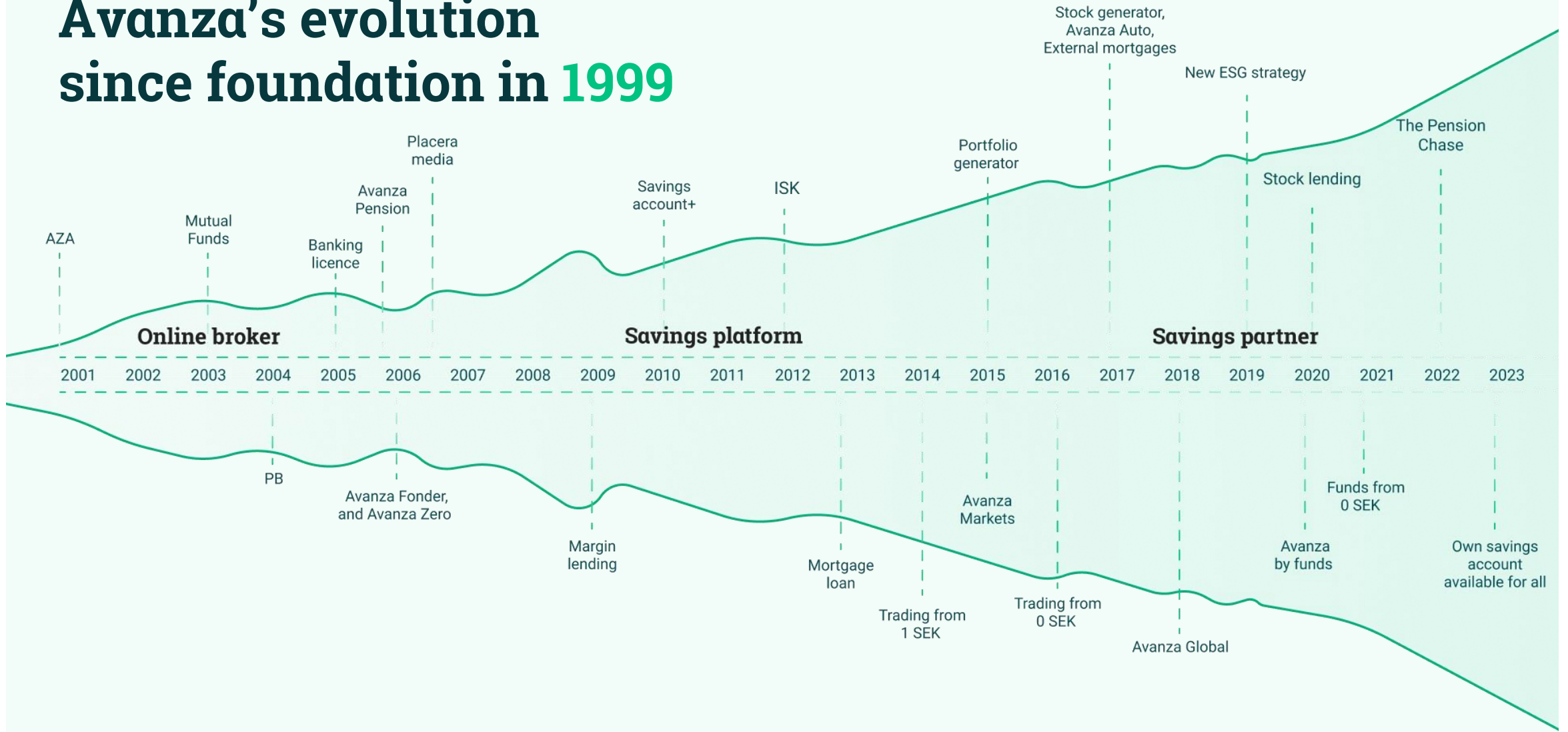


Company presentation and investment story



Avanza's evolution since foundation in 1999



Sweden's **leading** platform for savings and investments



No. 1 long-term target is to have the most satisfied savings customers in Sweden – won for the last 14 consecutive years

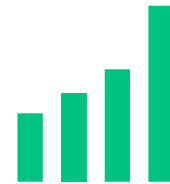
SQI, December 2023



2,025,000
customers

30 September 2024

SEK 928 bn
in savings
capital



30 September 2024

654
employees and
eNPS of
58

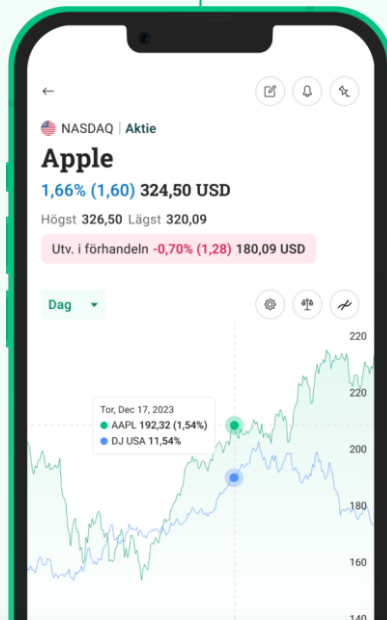
2023 average

7.5% market share of the
Swedish savings market

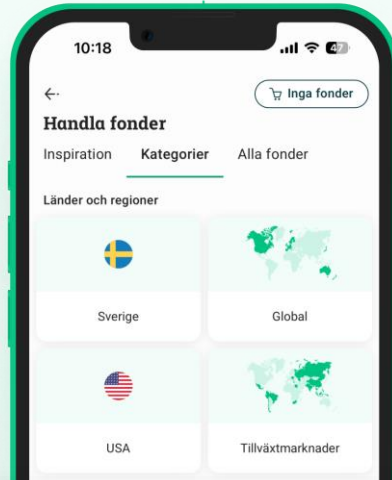
30 June 2024

Over 80 000 investment opportunities, together with decision-making tools, inspiration and education

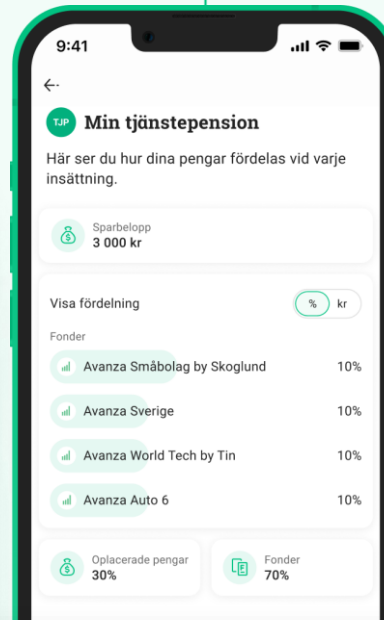
Equity trading



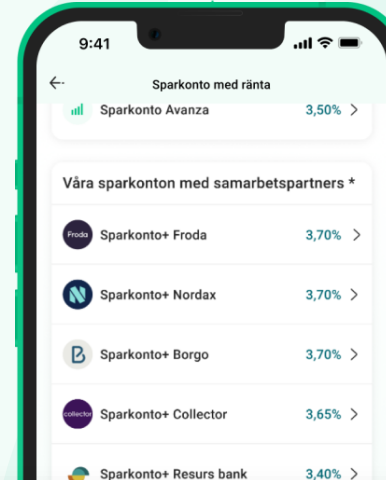
Mutual funds



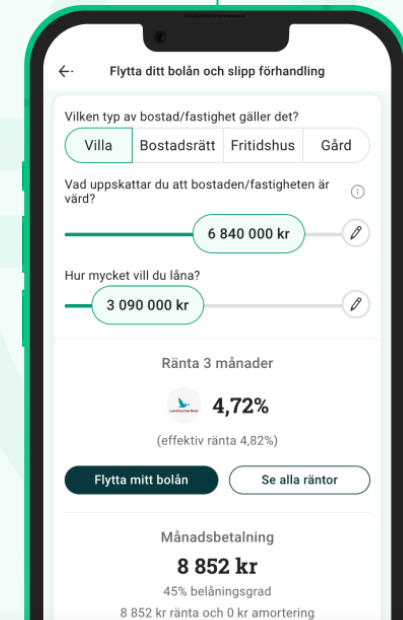
Retirement plans



Savings accounts

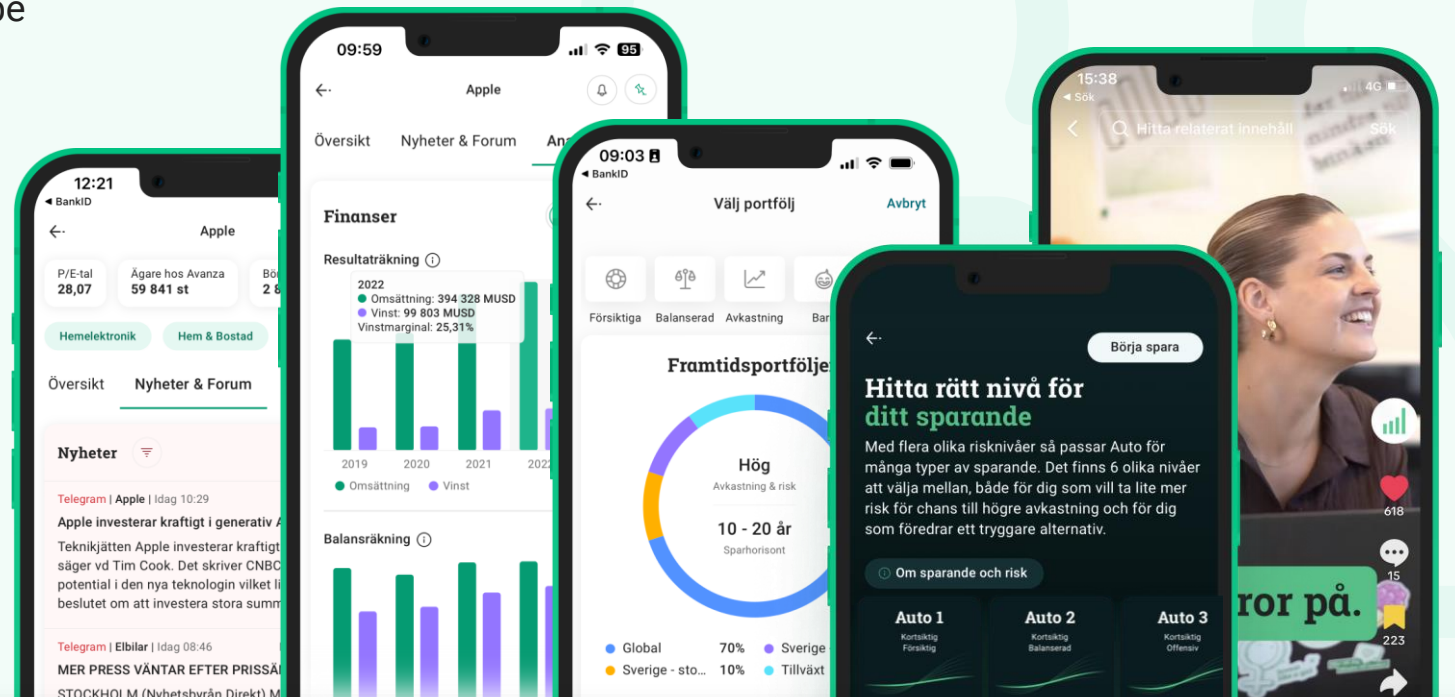


Mortgages and margin lending

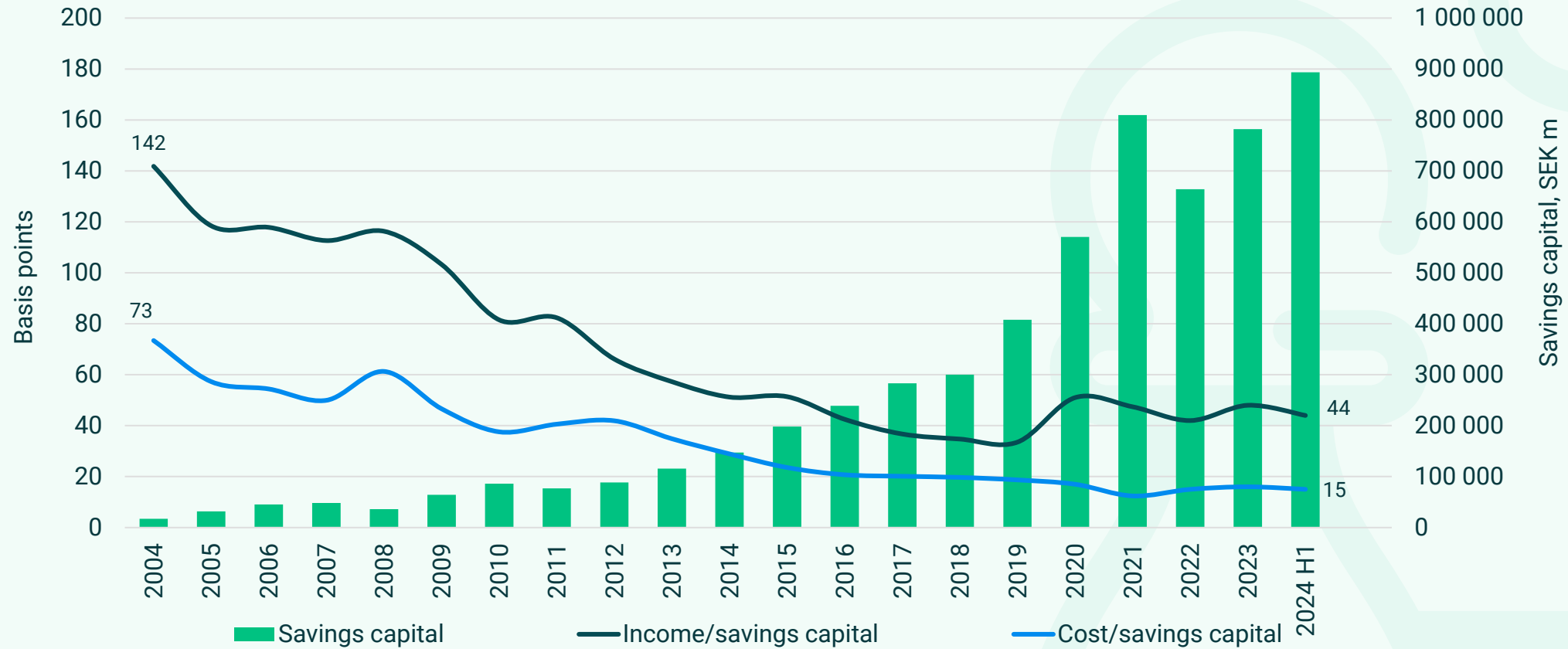


We don't give advice, but focus on decision-making tools

- The Avanza Academy
- The Avanza blog, podcasts and YouTube
- Auto funds
- Portfolio generator
- Stock generator
- Independent news site Placera
- Analysis tools



Business model built on scale



Capital light, fee-based business model

2023	% of income
Net brokerage income	21
Fund commissions, net	17
Currency-related income, net	8
Net interest income (NII)	46
Other income, net ¹⁾	8

1) Mainly income from Avanza Markets, compensation for distribution and stock lending, but also advertising sales, subscriptions and customer's add-on services.

- Mainly fixed costs, ~70% staff related
- High scalability
- Self-finances through shareholders' equity and customer deposits
- High interest rate sensitivity
- Capital-efficient and low risk balance sheet

Strong position and asset quality

Limited on balance sheet lending
SEK 22.6 bn

January-June 2024



No realised credit losses
for over 10 years

30 June 2024

On balance sheet deposits
SEK 62.0 bn

January-June 2024

25.5%
CET1 ratio

5.2%
Leverage ratio

January-June 2024

Solid financial position

37%
ROE

56%
Profit margin

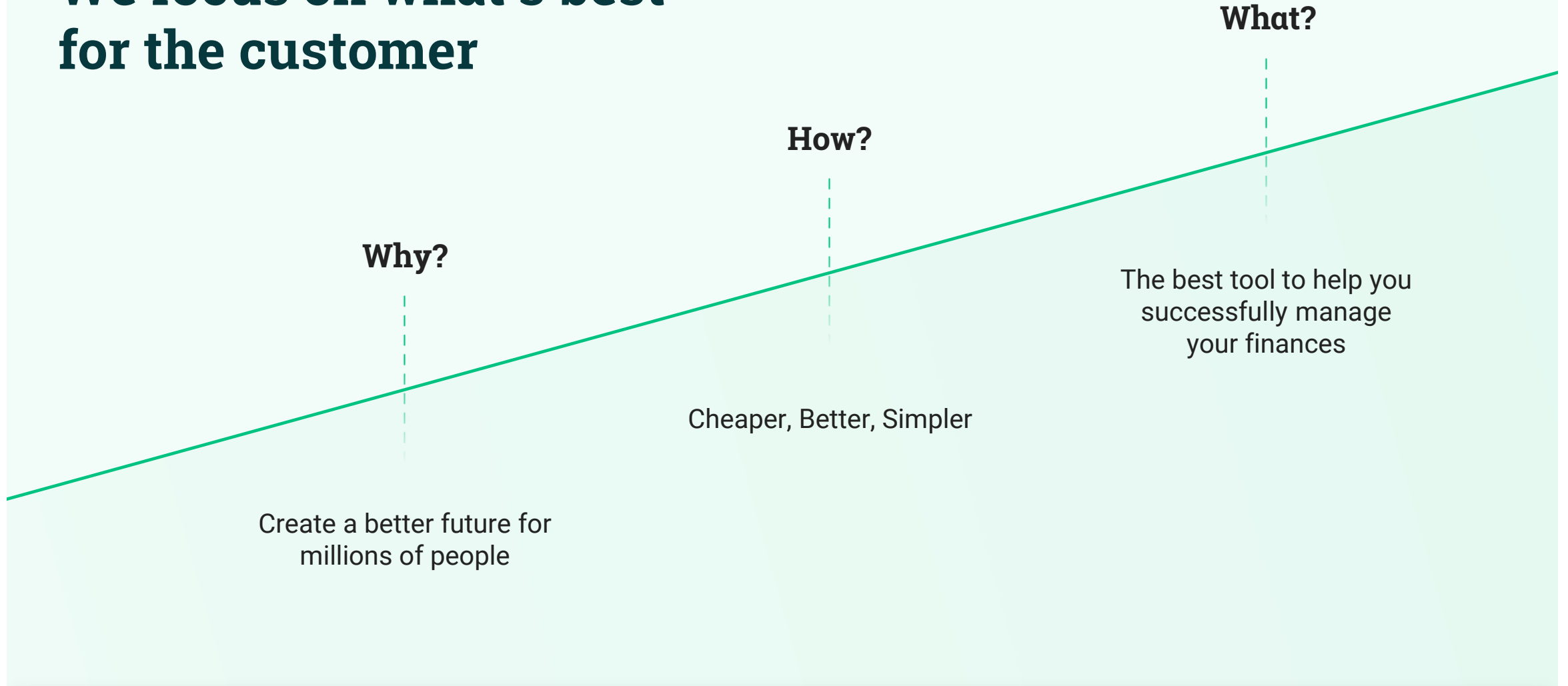
January-June 2024

High platform
availability

100%

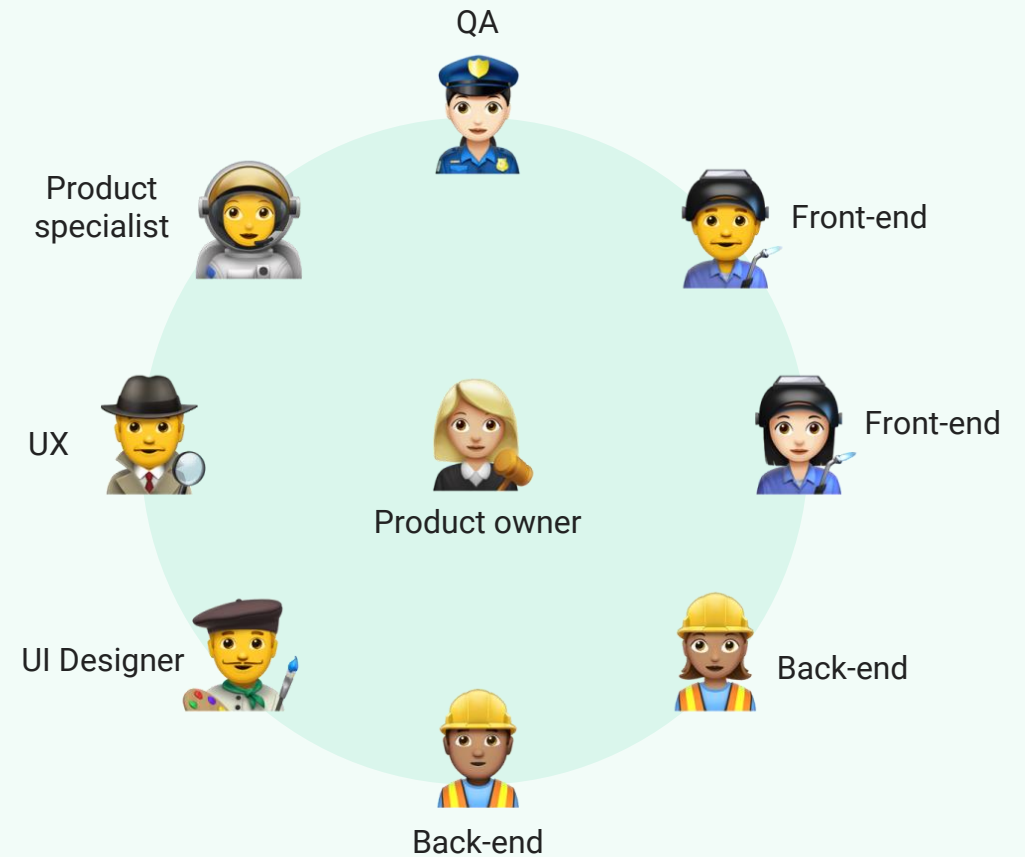
January-June 2024

We focus on what's best for the customer



A typical Avanza product team is fully equipped to reach its mission

- Product teams are experts within their domain and have all necessary skills in product development
- The same team innovates, optimises and maintains their product throughout its life cycle
- The team works within a larger area to ensure alignment with overall customer journey, product strategy and goals



We innovate together with our customers

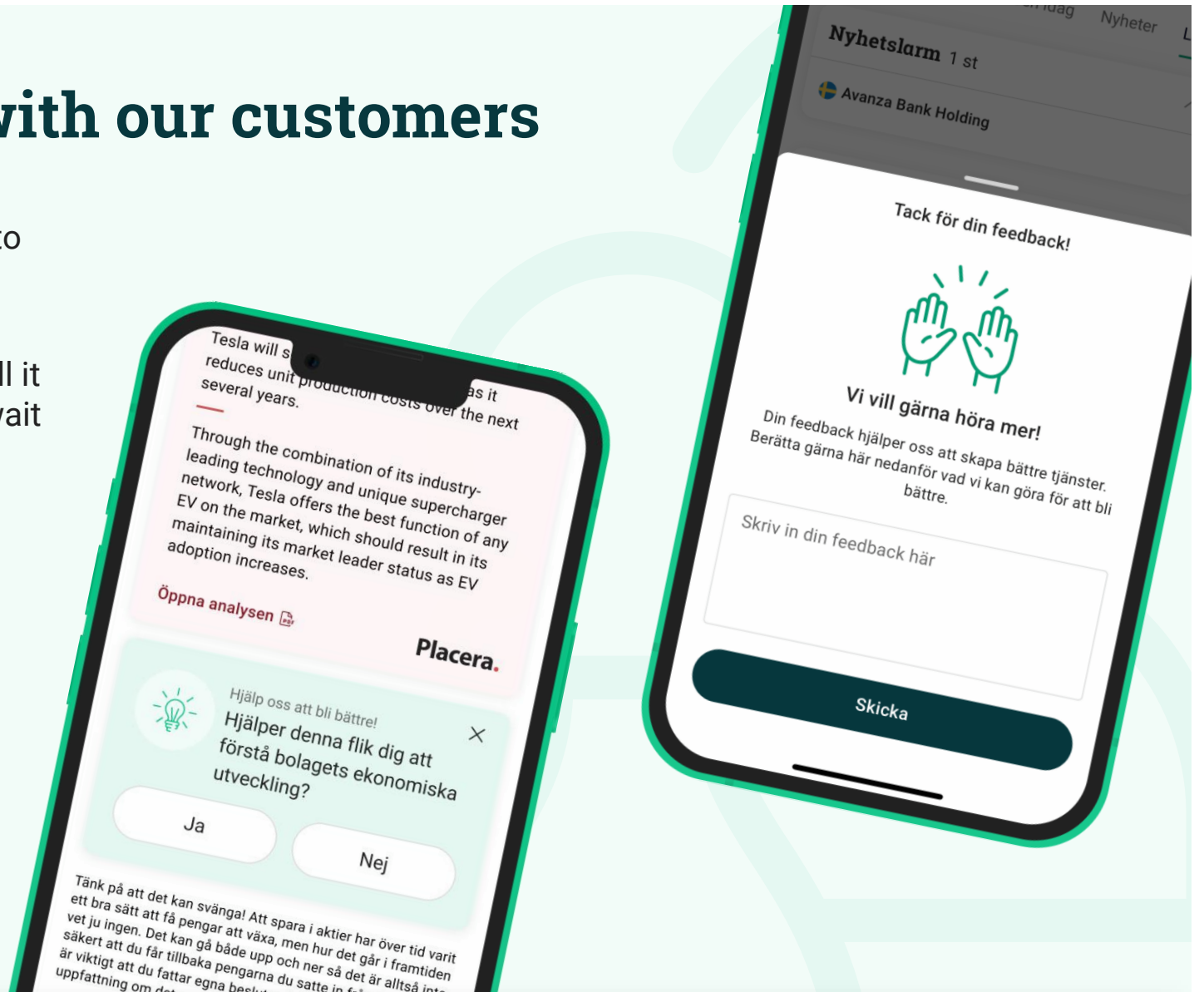
Customers can sign up for beta functionality to become test users of early releases of new features and provide feedback.

When we release a new feature, we initially roll it out only to a limited number of customers, await their feedback and make improvements accordingly, before releasing it broadly.

Our “feedback buddy” system also keeps our product teams close to the customers.

We work systematically with A/B testing, sharing insights between all product teams.

We also meet with hundreds of customers for interviews and user tests each year – and conduct surveys to understand our customers’ needs.



World-class user experience

It is in our DNA to constantly make improvements for the benefit of our customers.

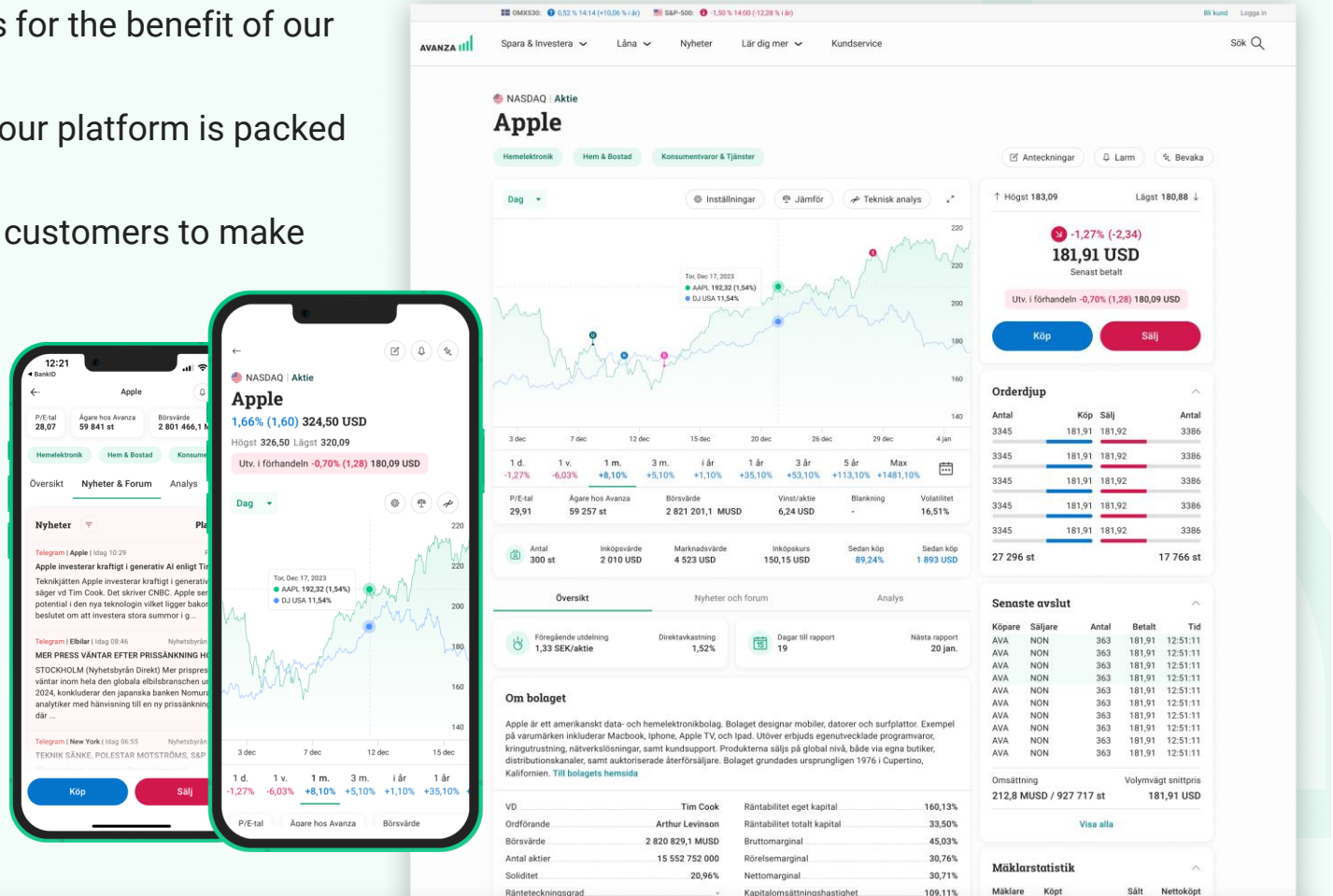
Our customer experience is extremely quick, and our platform is packed with real-time data.

The key is to create an experience empowers our customers to make informed investment decisions.

We collect customer data systematically – no one else in the industry has as much data and knowledge about retail savings and investments as Avanza.

We have a well-developed design system that allows us to maintain consistency in our product and roll out design changes within minutes.

During the past year, we have taken major steps to make our services accessible for customers with disabilities.



A diversified customer base of over 2 million

Our customers have different types of behaviours and needs – and our offering includes something for everyone



Novice

Risk-averse, is not active and wants everything to run smoothly with minimal effort



Save

Takes an interest in their economy, but needs some help and would like to learn more



Invest

Very interested in savings and has a well thought out long-term strategy for their investments



Trade

Professional trader, very active and makes both long- and short-term investments



For fun

Sees investing as a hobby, makes decisions based on gut feeling or recommendations and hopes for "skyrockets"

A strong brand and a loyal customer base

NPS
33 

SQI, 2023

Highest considered financial company in Sweden in Verian's yearly survey



Daily active users
R12M ~ 380,000

30 June 2024



Most satisfied savings customers in Sweden – won for the last 14 consecutive years

SQI, 2023

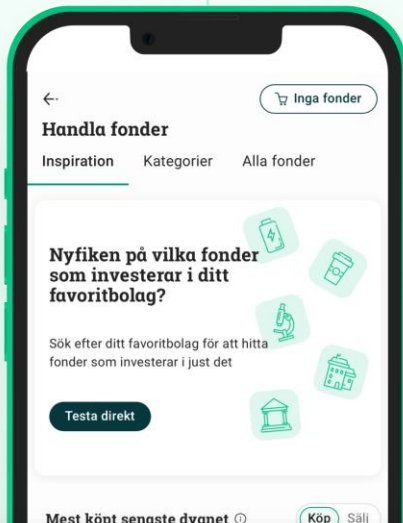
Churn, %
0.7

30 June 2024

Our superior customer experience, also makes us the perfect partner for product challengers

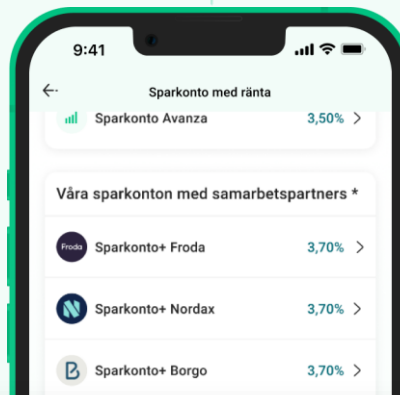
Mutual fund platform

Over 1,300 external funds on the platform and exclusive cooperations for actively managed funds



Third party savings

High yielding savings accounts with a number of partner banks



Mortgages

Our partners deliver low interest mortgages through our interface



Morgan Stanley

Exchange traded products

Exclusive exchange traded products with 0 brokerage fees



Social, environmental and economic sustainability are reflected in what we do and who we are

Sustainable organisation

Working actively to increase gender equality, diversity and employee engagement as well as tracking our climate impact and striving to reduce our ecological footprint – working towards net zero emissions.

Educate & challenge

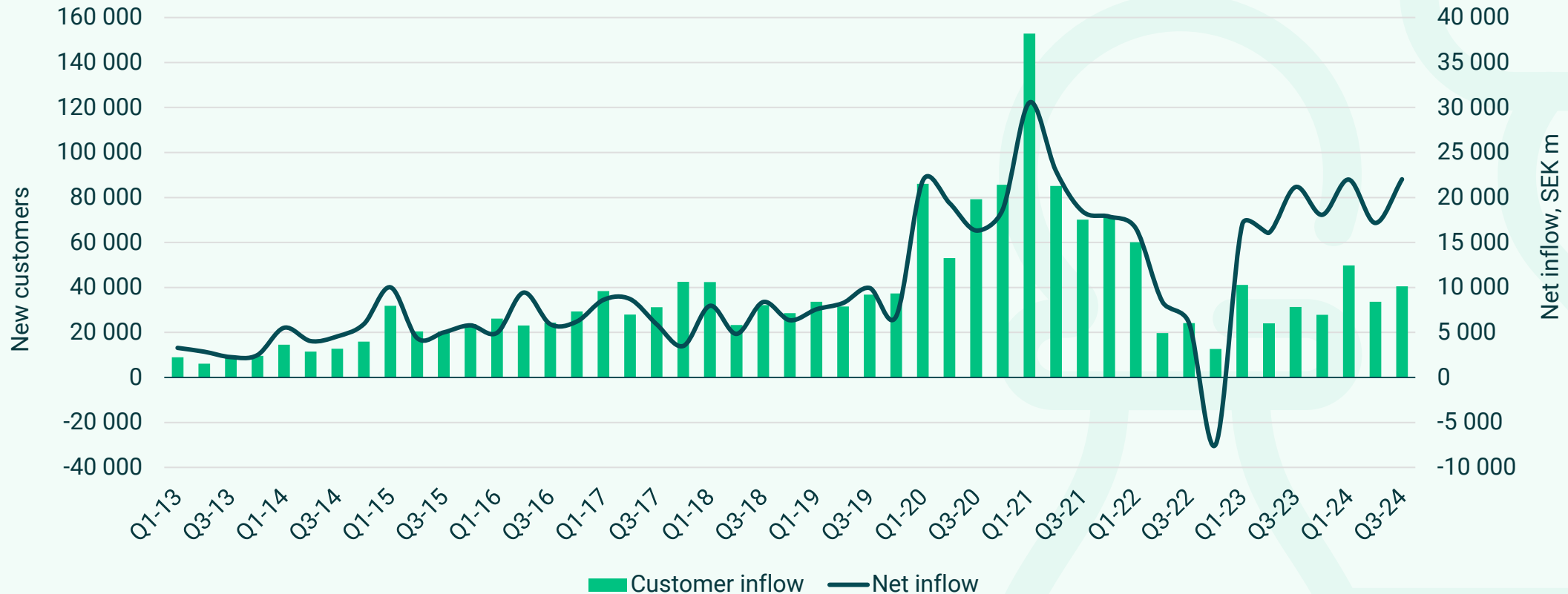
Working for improved financial literacy, more transparency in the finance industry and for increased gender equality in savings.

Sustainable investments

Offering sustainable alternatives and striving to make it easier for our customers to invest sustainably through concise information, decision support and education – while we do not offer investment advice.



Customer growth drives net inflow



Market share of 22% rolling 12M of net savings on the Swedish savings market



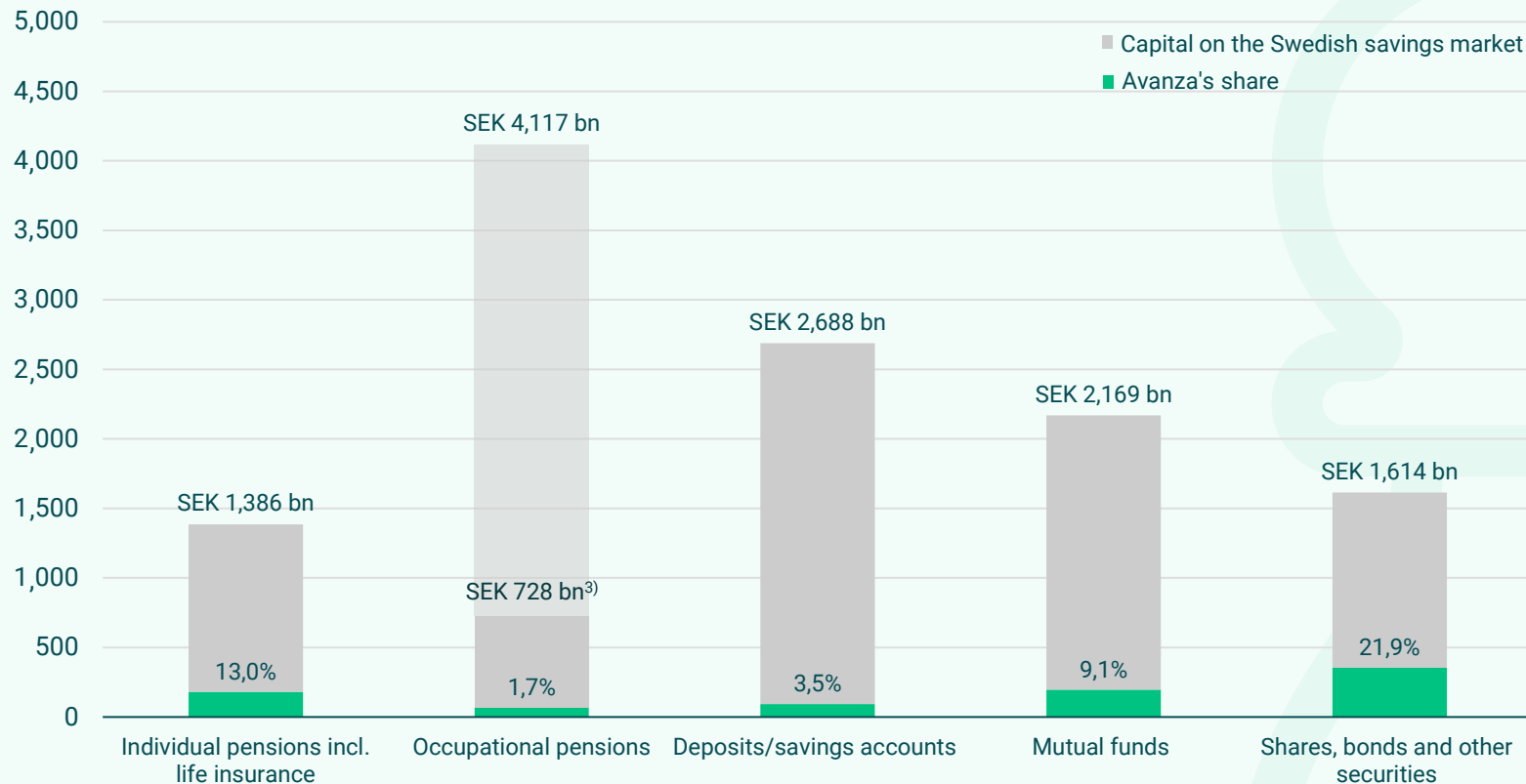
Avanza's share of the net inflow corresponds to 100% of the total net inflow to the savings market in Q4 2023, explained by large outflows in deposits and individual pensions at other institutions

Target 2025 of 10%

Q4 2022 includes a portfolio transfer of collectively agreed occupational pensions of SEK 2.4 billion to Futur Pension

The net inflow to Avanza is seasonally higher in Q1 and lower in Q2. In Q2 this is due to dividends, tax refunds, higher pension premiums and partly annual payments to contractual pensions, which are not included in Avanza's customer offering.

Significant growth potential with a 7.5% market share of the Swedish savings market



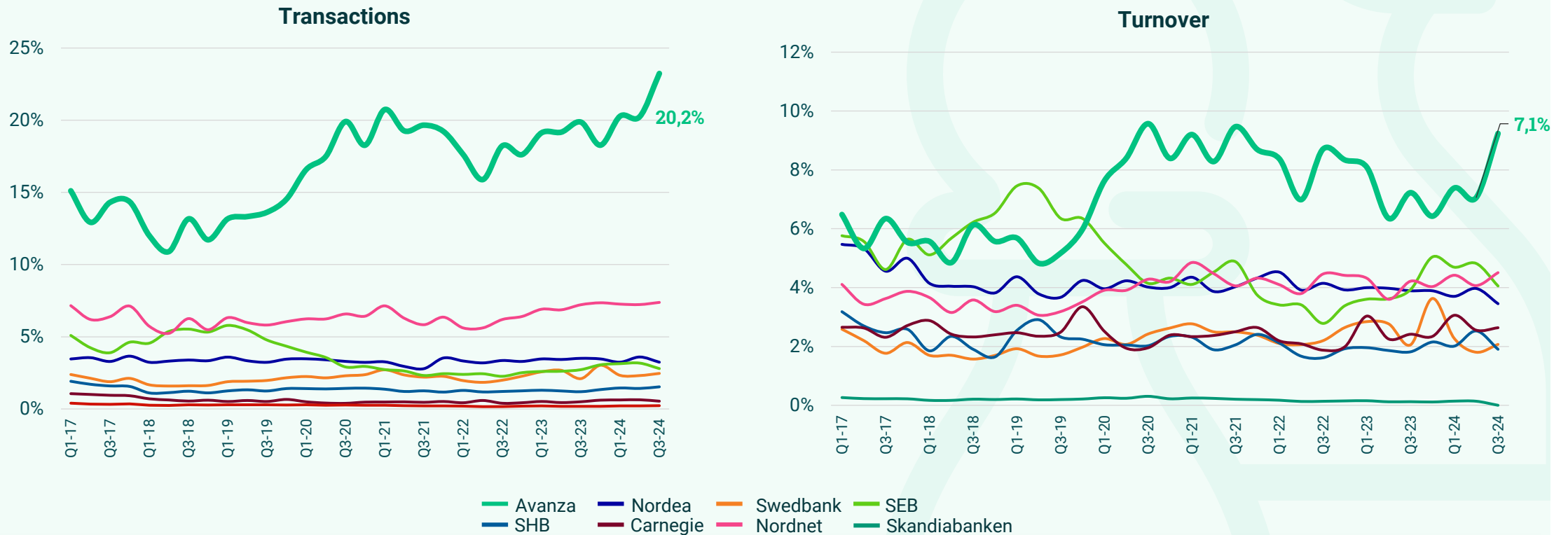
- The Swedish savings market SEK 11,974 bn¹⁾
- Annual market growth of on average 7% last ten years¹⁾
- An estimated 80% of the Swedish population saves in funds and around 20% own shares²⁾

¹⁾ SCB, 22 August 2024
²⁾ Euroclear, March 2023

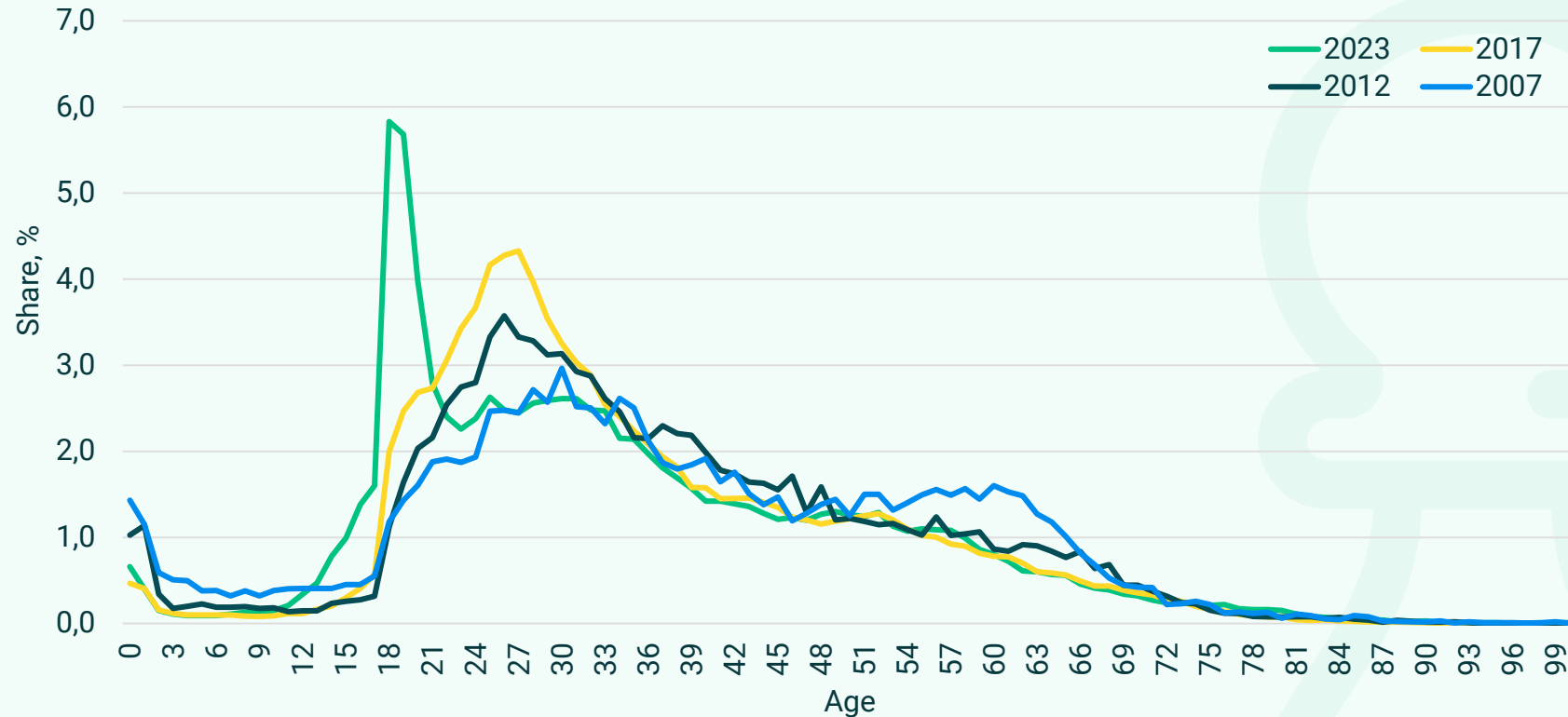
³⁾ The occupational pension market can be divided into traditional life and unit-linked insurance. Traditional life stands for 60 per cent and unit-linked for around 40 per cent. Avanza is active within unit-linked insurance outside of collectively agreed occupational pensions, which at the end of 2022 was valued at SEK 728 billion.

The largest Swedish participant in stock market transactions and turnover on Nasdaq OMX and First North

- Market share of 23.2% in terms of transactions and 9.2% of turnover in Q3 2024



Age distribution among new customers



Market penetration

Total share of Swedish population:
17.5% as of 1 November 2023

- ages 20-29: 32.9%
- ages 30-39: 33.3%
- ages 40-49: 24.8%

Highest penetration in urban areas.
Stockholm region, snapshot
(Women/Men) as of 1 November 2023:

- ages 20-29: 31%/44%
- ages 30-39: 35%/46%
- ages 40-49: 26%/36%
- ages 50-59: 22%/28%
- ages 60-69: 17%/21%

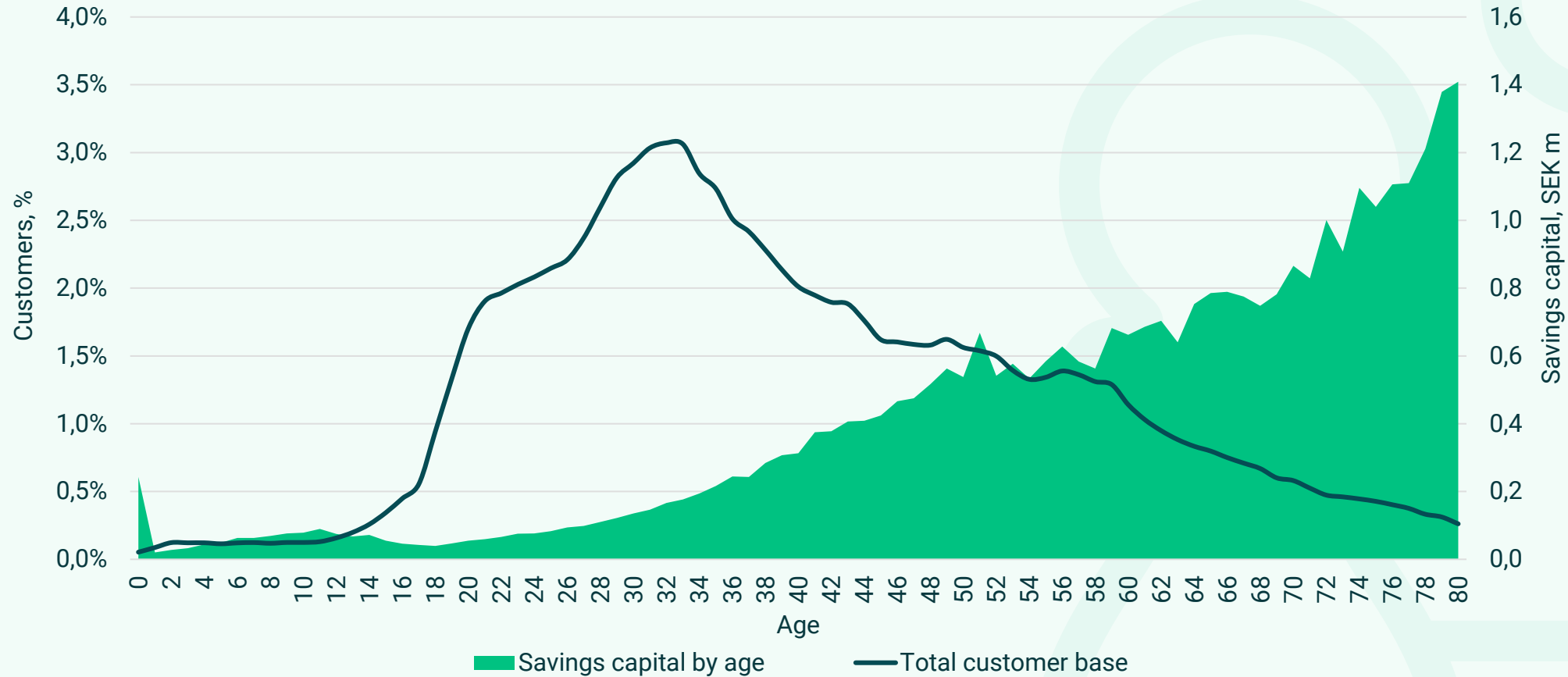
Source: SCB, November 2023

Potential in both existing and new customers

- Increasing share of wallet in existing customer base
- Continue to attract young people and keep them happy as wealth grow by age
- The broad offering makes us relevant for larger groups of people
- Increased savings among women
- Regulation and digitisation have decreased friction, created more awareness and simplified self-directed financial management
- More reasons for people to take responsibility for their own savings as public pension and welfare systems are covering fewer needs
- Facilitate and inspire sustainable savings to attract a broader audience

Growth potential

Savings capital grow by age



31 December 2023

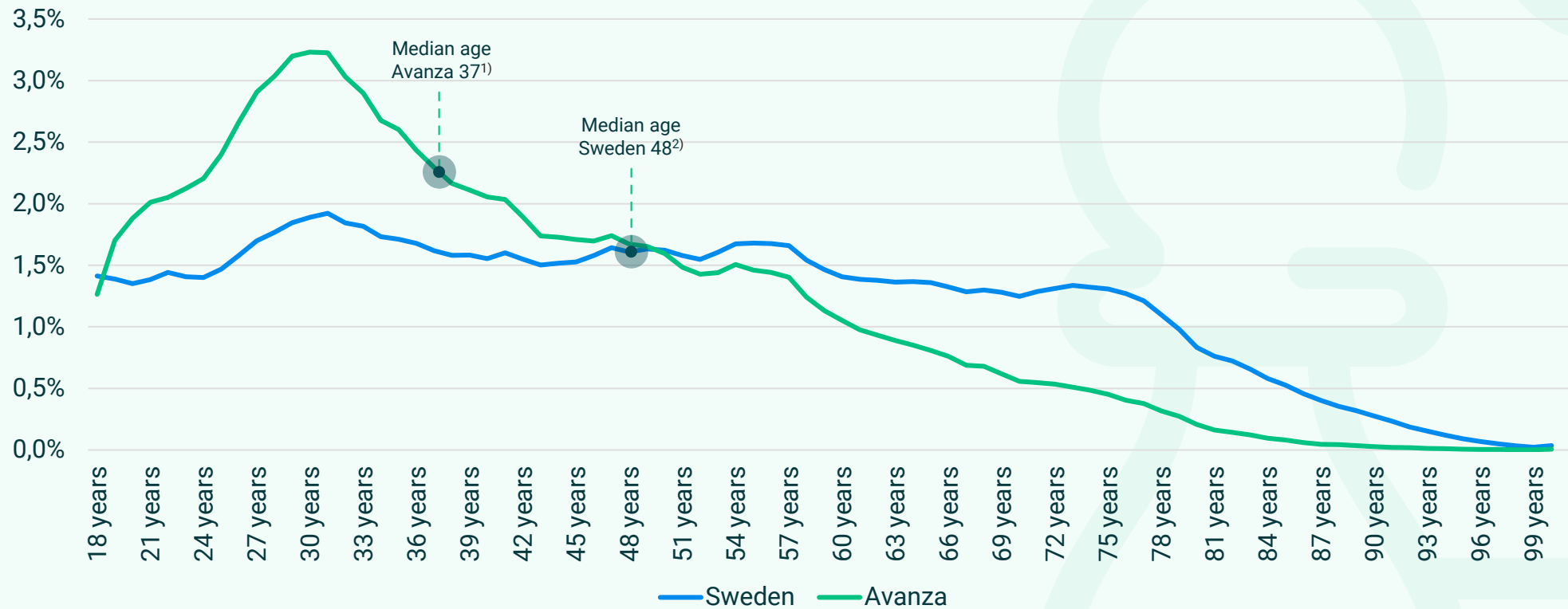
Average savings capital grow by number of years as a customer at Avanza



31 December 2023

Strong potential when wealth is transferred to the next generation

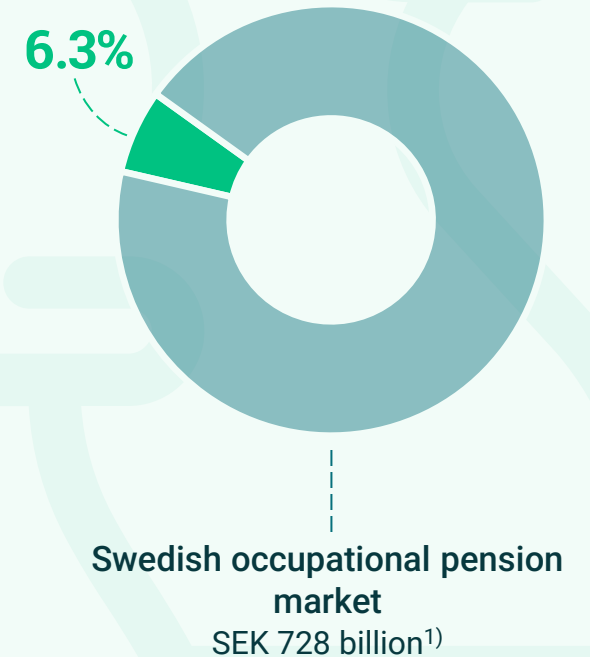
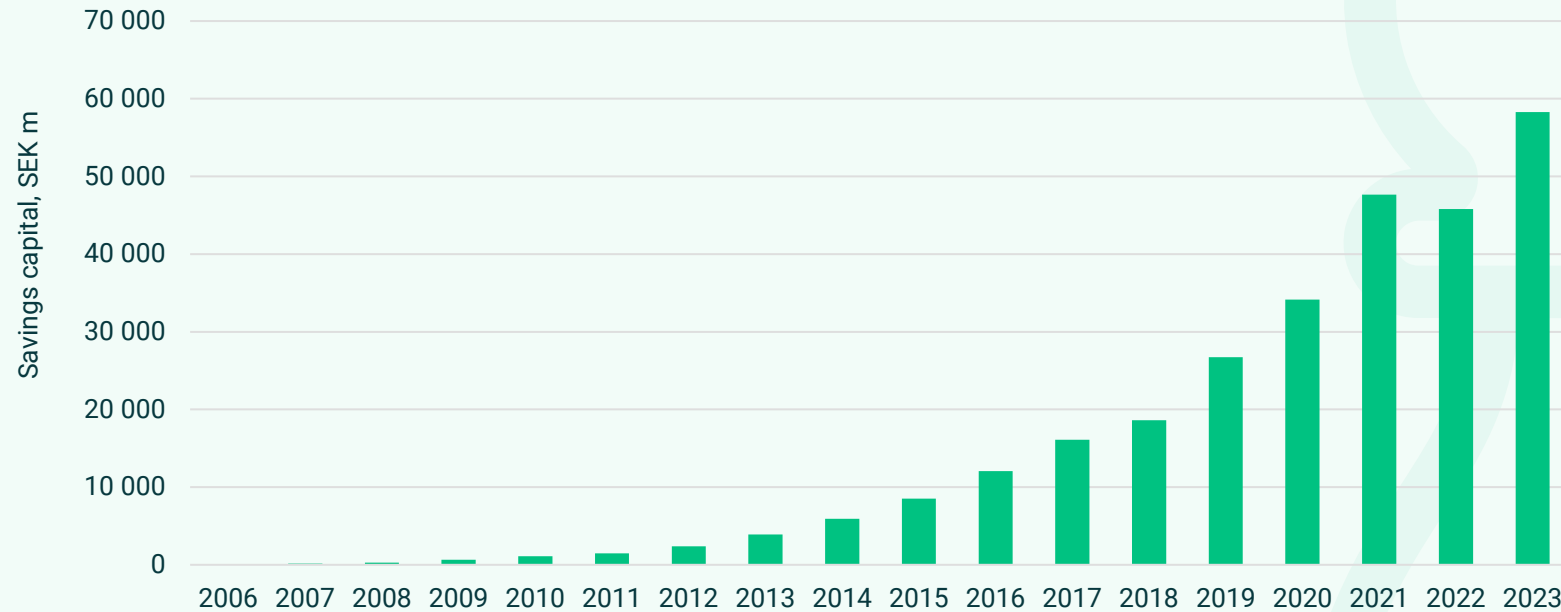
Age distribution Swedish population and Avanza's customers



1) 31 December 2023
2) SCB, November 2023

One of the fastest growing pension companies in Sweden

- Competitiveness with broad investment opportunities and no annual insurance fees
- The strong offer an advantage when the transfer right is improved to the benefit of the consumer



¹⁾ The occupational pension market can be divided into traditional life and unit-linked insurance. Traditional life stands for 60 per cent and unit-linked for around 40 per cent. Avanza is active within unit-linked insurance outside of collectively agreed occupational pensions, which at the end of 2022 was valued at SEK 728 billion. The previous year's reported market share has been adjusted due to the fact that significant insurance portfolios are no longer included in statistics from Swedish Insurance.

Enabling customers to apply for mortgages from various external lenders

- Important part of customers' personal finances
- Frees up savings capital with other banks



¹⁾SCB, 22 August 2024

Prepared to capture opportunities in a digitised world...



Increasing digitisation is leading to a more agile financial market.

openFinance

Data from different financial players can be easily shared with third parties by customer consent with the hope to make it easier for consumers to compare different products and switch to new providers.

SVERIGES RIKSDAG

A more mobile occupational pension market.



Increased transparency and consumer protection.

To summarise

Customer satisfaction and employee engagement create shareholder value over time

Long-term targets

- Customer satisfaction & Employee engagement
- Growth in customers and savings capital
- Profitability and effective management of the balance sheet

Business model

- More stable revenues through funds and mortgages
- High scalability
- Cost control vital
- Top modern IT platform and continued strong innovation

Customer proposition

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

Growth potential

- Strong potential in existing customer base
- Young customers a potential when wealth is transferred
- Public pension and welfare systems are covering fewer needs

Appendix

Operations	31-32
Financials	33-38
Balance sheet data	39-44
Contact details	45

Targets and fulfilment

Long-term targets	Outcome 2023	Comments
Sweden's most satisfied savers according to the Swedish Quality Index	✓	Achieved in 2023 for the 14 th consecutive year
Engaged employees, eNPS of at least 50	58	Very strong ambassadorship
Market share of nearly 10% 2025	7.1%	We will need a couple of good years for the stock market and will have to continue to create the best tool for our customers to manage their personal finances
Return on shareholders' equity of at least 35%	38%	Ensures focus on profitability and effective management of the balance sheet
Dividend of 70% of net profit	91%	Proposed dividend for 2023 of SEK 11.50 per share. Higher than the dividend policy as capitalisation is strong and margins to capital requirements are good
Maximum annual costs to savings capital ratio of 12 basis points over time	16 bps	Affected by the negative performance of the stock exchange in 2022 and 2023, although costs have increased as well
Net zero emissions		Our 1.5°C target was verified and approved by Science Based Target initiative. This means cutting emissions in half by 2030
Strengthen the sustainability score in customers' investments	19.6	The share of capital in sustainable investments increased as the sustainability score decreased from 20.0 to 19.6
Increase gender equality in savings		Still far from acceptable levels. Women's share of capital was 26%, and the share of women among customers was 39%

Our targets for a sustainable future

Net zero emissions

Avanza's goal is to reduce scope 1, 2 and 3 emissions by 50 percent by 2030 and to achieve net zero emissions of greenhouse gases as soon as possible, by 2045 the latest. This includes emissions generated by the bank itself from energy consumption and business travels, as well as indirect emissions such as the investments made by our fund company.



Strengthen the sustainability rating in our customers' investments

We are continuously improving our decision tools, making it easier for our customers to make sustainable investments. Our goal is lower sustainability risk in our customers portfolios.

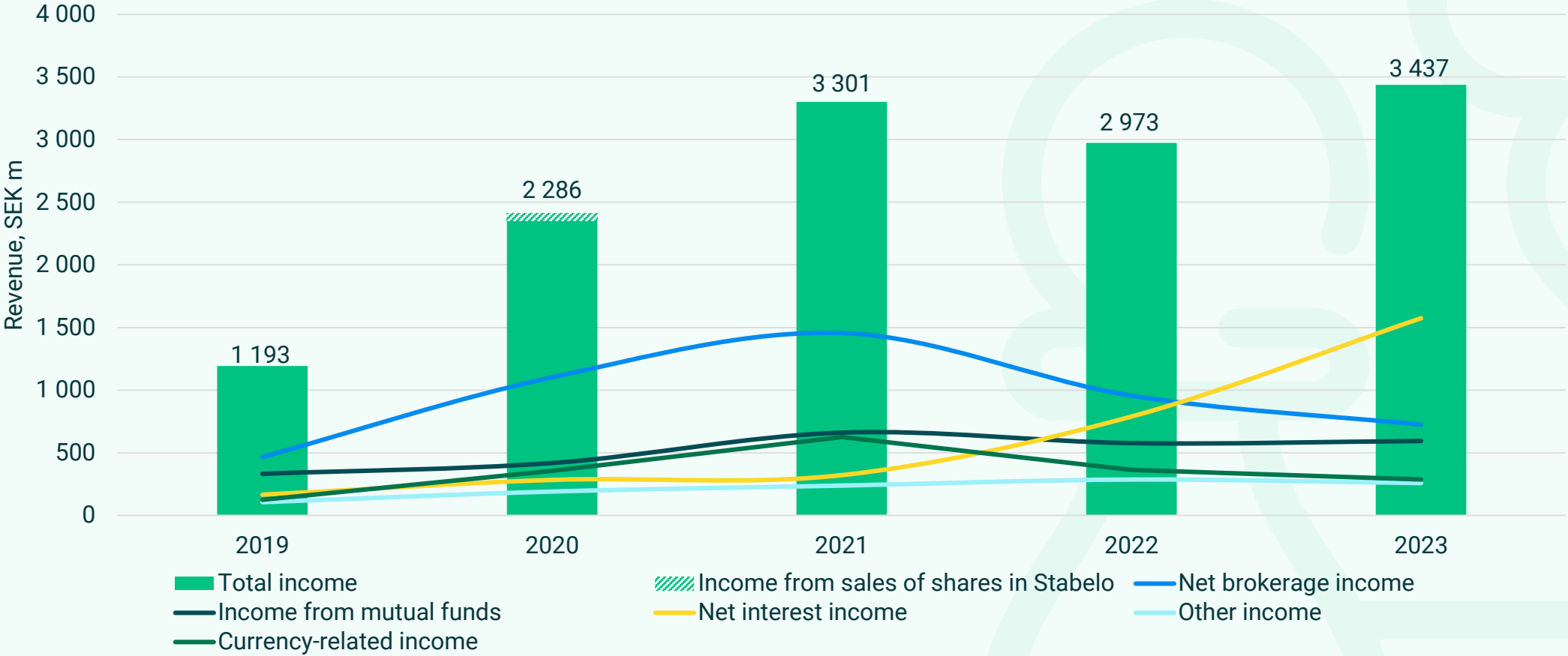
Increase gender equality in savings

The share of women on Avanza's platform today is 39 per cent. The share of savings capital they hold is only 26 per cent.

Financial overview

	H1 24	H1 23	Δ %	2023	2022	Δ %
Operating income, SEK m	1,879	1,701	10	3,437	2,973	16
Operating expenses, SEK m	-644	-577	12	-1,148	-1,031	11
Operating profit, SEK m	1,235	1,125	10	2,292	1,940	18
Operating margin, %	66	66	0	67	65	1
Income to savings capital ratio, %	0.44	0.48	-0.04	0.48	0.42	0.05
Costs to savings capital ratio, %	0.15	0.16	-0.01	0.16	0.15	0.01
ROE, %	37	39	-2	38	36	2
EPS, SEK	6.75	6.21	9	12.64	10.69	18

Long-term revenue development

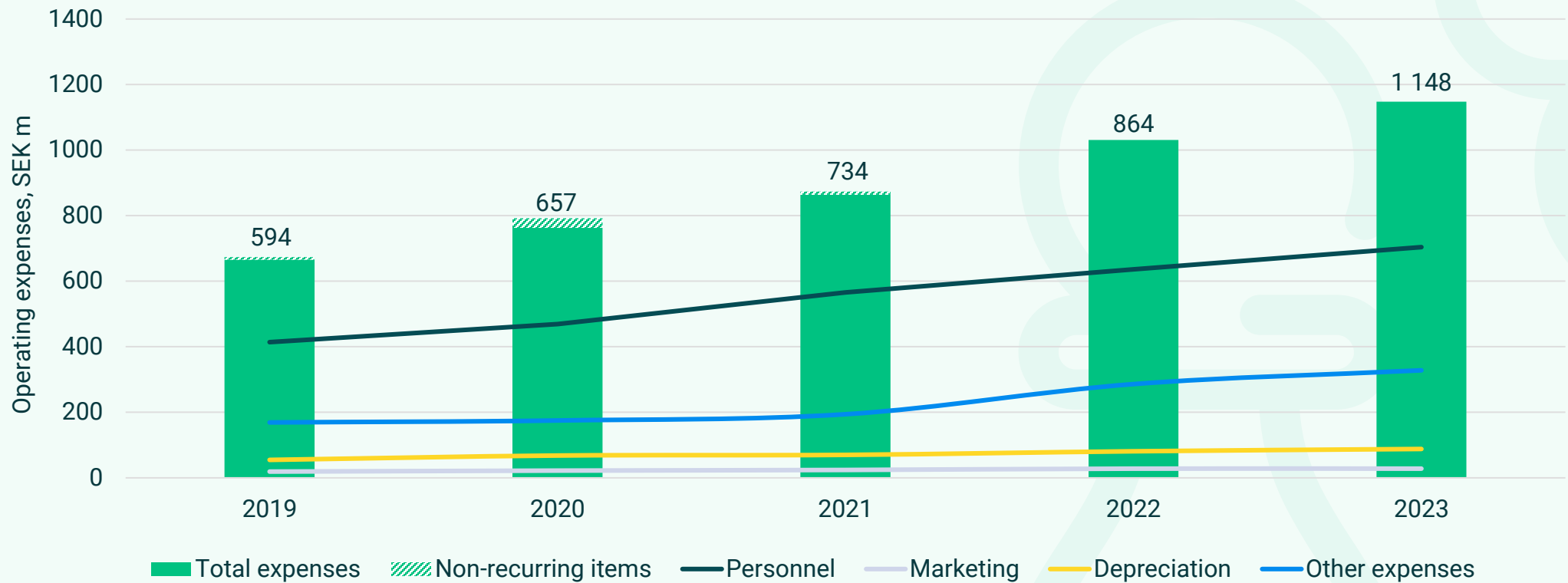


Income split H1 2024

	SEK m	% of income
Net brokerage income	428	23
Fund commissions, net	352	19
Currency-related income, net	199	11
Net interest income	807	43
Other income, net ¹⁾	93	5
Total	1,879	100

1) Mainly income from Avanza Markets, compensation for distribution and stock lending, but also advertising sales, subscriptions and customer's add-on services.

Annual cost development



Costs H1 2024

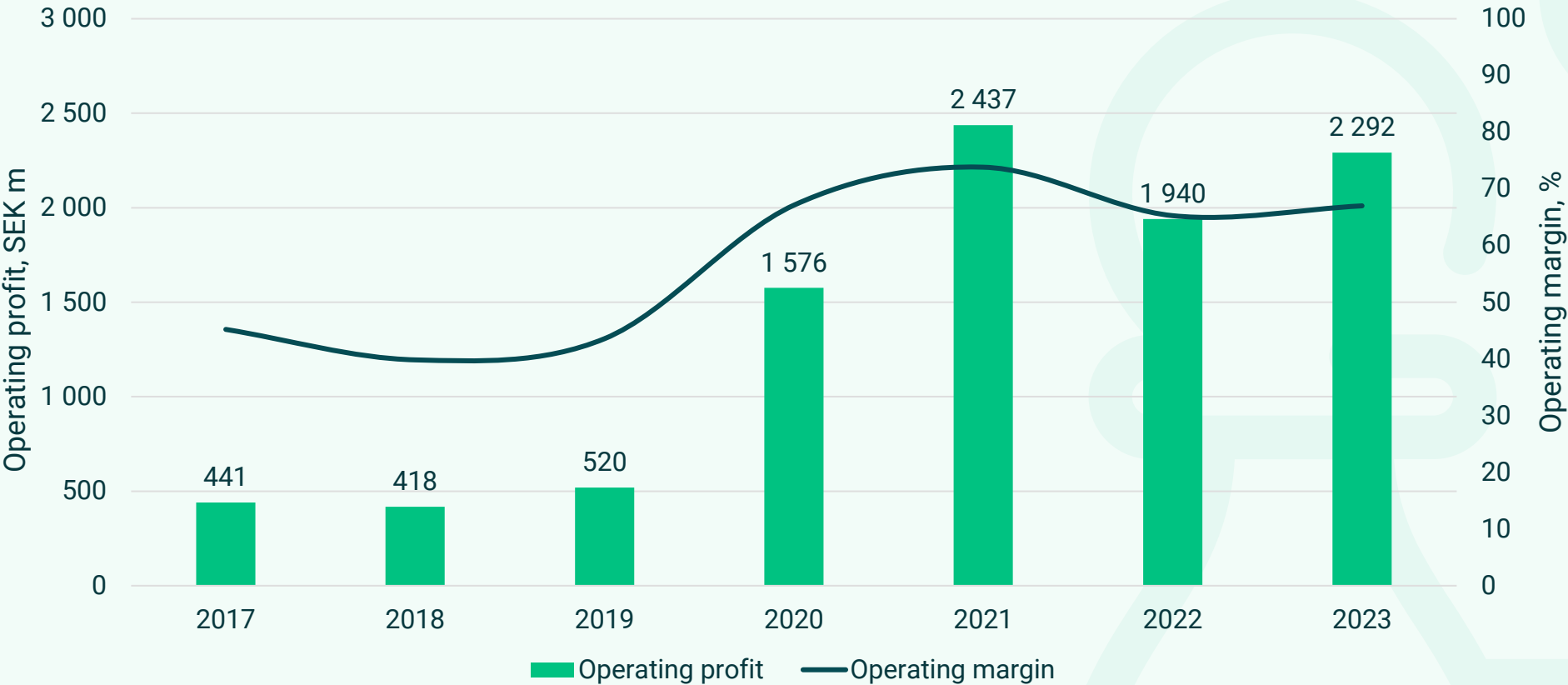
	SEK m	% of total costs
Personnel	-402	62
IT systems and licenses	-73	11
External services	-41	6
Marketing	-13	2
Depreciation, amortisation and impairment	-45	7
Other	-70	11
Total costs before credit losses	-644	100
Credit losses, net ¹⁾	0	

Comments

Regarding technology investments, our philosophy is to expense as much as possible through the income statement. Our aim is to maintain the balance sheet as clean and simple as possible, and we do not want to postpone costs.

¹⁾ Reported credit losses are attributable to calculations of expected credit losses according to IFRS9.

Operating margin at high levels



Balance sheet, 30 June 2024

Assets	SEK m	Liabilities & equity	SEK m
Lending to credit institutions ¹⁾	11,070	Deposits	62,022
Loans to the public	22,611	Liabilities in insurance operations	250,415
Bonds	32,549	Other liabilities	1,915
Assets in insurance operations	250,413	Shareholders' equity	5,128
Other assets	2,837		
Total assets	319,480	Total liabilities and shareholders' equity	319,480

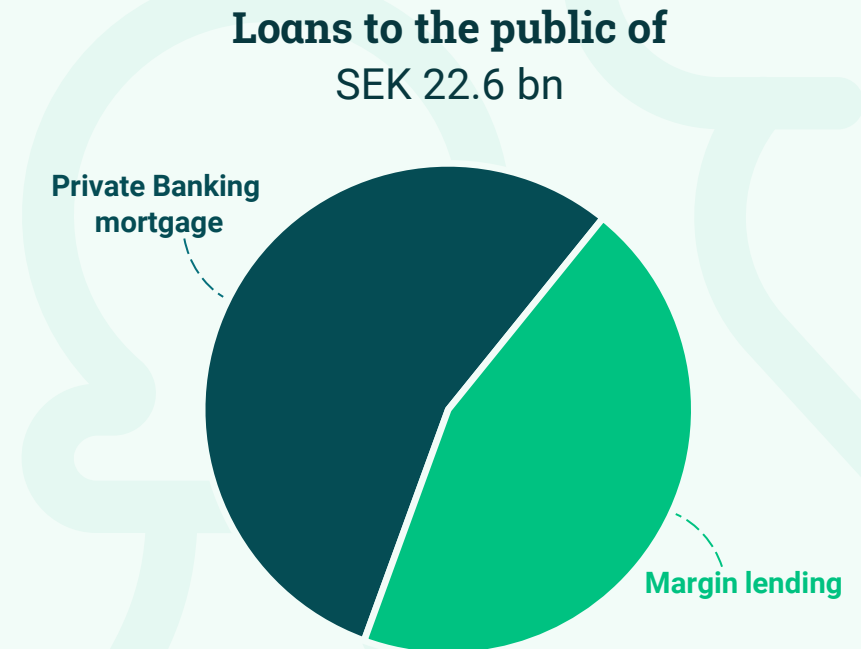
Comments

- Mainly self-financed through shareholders' equity and customer deposits
- Surplus-liquidity of SEK 43,619m invested in covered bonds, at the Riksbank and O/N
- The value of the insurance liabilities tracks the value of the insurance assets since the policyholders bear the direct investment risk. No products with guaranteed return is offered

1) Including balances at central banks and treasury bills eligible for refinancing.

Low-risk loan book

- Funded through customer deposits spread across a very large number of households
- All lending is secured
- Mortgage lending limited to 25 per cent of liquidity
- Private Banking mortgage requires SEK 3 million of savings capital. Average loan-to-value of 40 per cent
- Margin lending with collateral in securities. No significant concentration of pledged securities. Average loan-to-value of 25 per cent
- No realised credit losses attributable to events after 2011



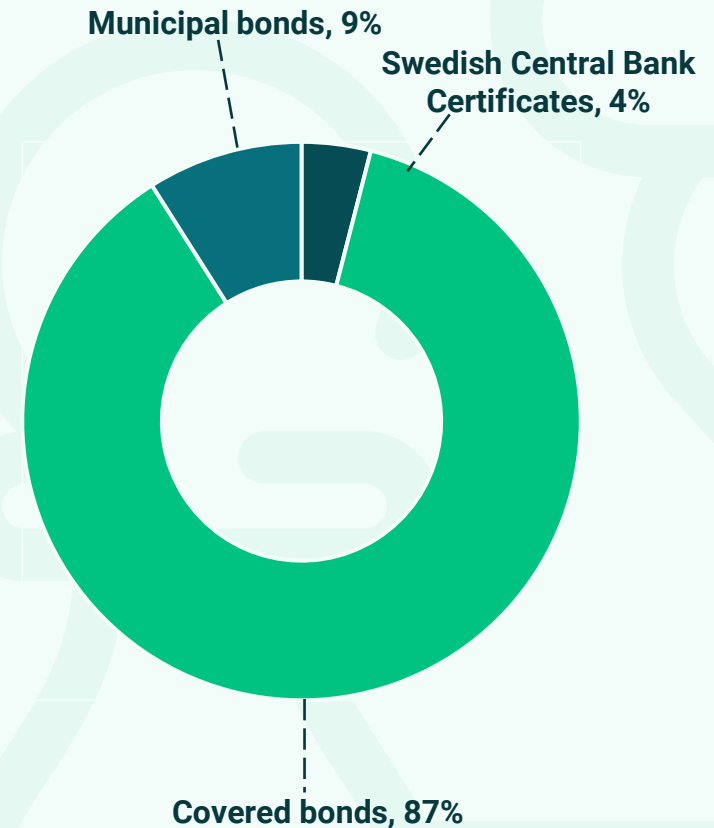
Low cost of risk with marginal credit losses, SEK m

- credit losses of 0.02% annually 2001 to 2023



Treasury portfolio composition

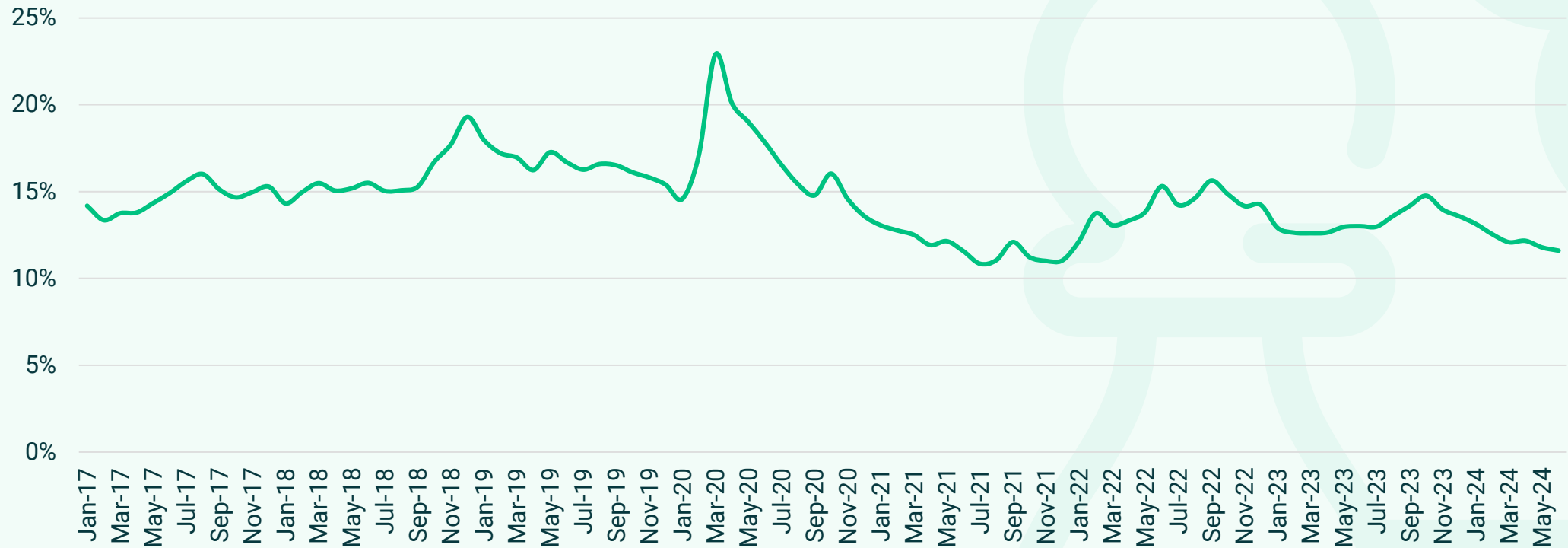
- Conservative credit profile
- All interest-bearing securities have the highest bond rating
- Balanced maturity structure
- Exposure in SEK
- All securities can be pledged to the Swedish Central Bank



31 December 2023

Stable share of liquidity of total savings capital

- Deposits from the public are considered one of the most secure sources of financing
- Liquidity risk is reduced as deposits are spread across a very large number of households



Strong capital position

	30 June 2024	31 December 2023
Total capital requirement, % ¹⁾	18.2	18.2
Capital surplus, %	7.2	6.5
Total capital ratio, %	25.5	24.7
Leverage ratio,% ²⁾	5.2	5.0
Capital surplus after LR-requirement and P2-guidance	1.7	1.5

1) Including external buffers and Pillar 2 requirements.

2) Requirement of 3%.

Historical financial key data 2001–2024 is available in Excel at: avanza.se/keydata

ir@avanza.se
[More contact details](#)

