



Quarter review 2021 Q3
Saldo Finance Oyj



Q3 2021 A strong newcomer to the Swedish market

Saldo expanded operations in Sweden

Despite restrictive emergency regulations, Saldo achieved a turnover of EUR 5.9 million (EUR 6.8 million in 2021 Q2) with an operating profit of EUR 3.9 million (EUR 4 million in Q2 2021) in Q3. Business development and the expansion of Saldo Finance remained stable despite lingering pandemic-related challenges.

During the third quarter, Saldo launched Saldo Kredit: a new consumer loan product tailored for Swedish consumers. Saldo Kredit's flexible revolving credit structure allows Saldo to grant larger loan amounts with longer maturities. As the loan amount grows, Saldo has the capacity to serve an increasing customer base and extend existing one-time transactions to long-term arrangements, leading to more valuable customer relationships. Saldo Kredit was well received during Q3, indicating strong growth opportunities within the Swedish market.

During Q4 Saldo is focusing on the MySaldo platform to the Swedish market, empowering customers to manage their own loan products. Benefits for customers include the ability to make additional withdrawals, check remaining credit and pay outstanding invoices. MySaldo is an excellent follow-up and support product to Saldo Kredit, and its release is expected to improve and strengthen customer satisfaction.

Restrictions on Saldo's operations in Finland, including a temporary interest rate cap and ban on direct marketing of loan products, were lifted at the end of September. This allowed Saldo to resume direct consumer communications and meet pent-up demand for new loans. The liberalisation of the market is expected to increase the company's domestic lending and turnover, and the positive impact will be evident in Q4 results.

The successful launch of Saldo Kredit in Sweden was in-line with the company's strategy of expanding into existing markets with new products tailored to meet the needs of the customer base. The MySaldo platform will follow suit, its features and usability designed to evolve to the nuances of the market.

Saldo aims to continuously launch new loan products, and will next focus on opening a corporate loan product in Lithuania for small and medium-sized enterprises. Strong market demand for corporate loans presents a market gap for Saldo to provide loans to companies in a fast and secure way, and without additional collateral.

The main strategic achievement of the year took place shortly after the close of Q3. At the end of October, Saldo met the main objective of its strategy period when the European Central Bank granted a specialised banking license to Saldo Finance's subsidiary, Saldo UAB. This license will enable the provision of standard banking services, such as deposits, to consumer customers throughout the EU, significantly increasing the volume of business and facilitating the opening of new markets.

Jarkko Mäensivu

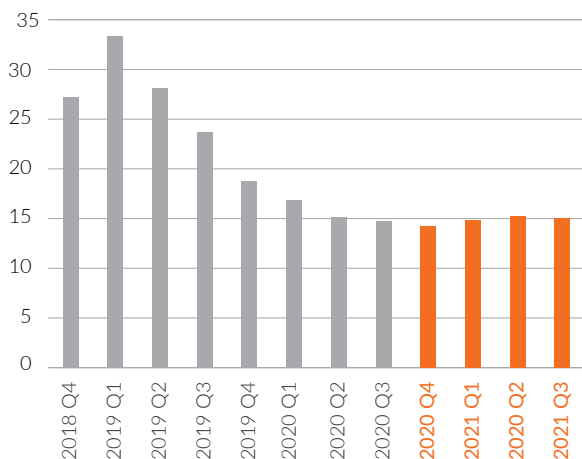
CEO, Saldo Finance Oyj
+358 50 470 1006
jarkko.maensivu@saldo.com

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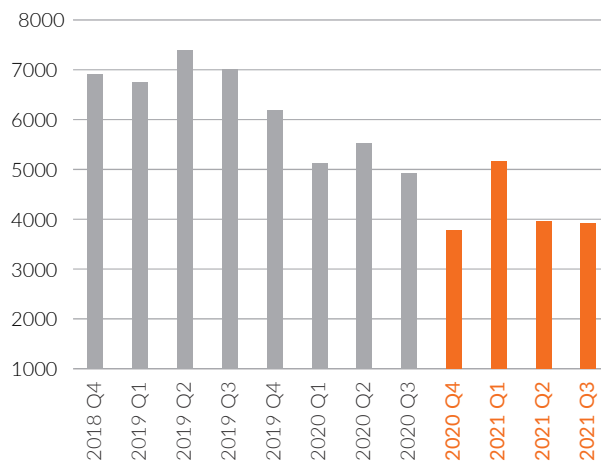
- Net sales were EUR 5,9 million (EUR 6,8 million), operating profit EUR 3,9 million (EUR 4 million).
- The Finnish government continued to regulate the interest rate on consumer loans until the end of September, when regulations were lifted.
- Saldo Kredit was well received after its launch in Sweden and indicates strong growth opportunities within the Swedish market.
- During Q4 Saldo is focusing on MySaldo in Sweden, further improving customer satisfaction.
- During the final quarter of the 2021 Saldo is also developing a corporate loan product for SME's in Lithuania.
- The main strategic achievement of the year took place at the end of October when the ECB granted a specialised banking license to Saldo Finance's subsidiary.

KPI's	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Turnover mEUR	7,0	7,5	6,8	5,9
Operating profit (loss, without one-offs) mEUR	3,8	5,2	4	3,9
Operating profit margin	53,71 %	68,74 %	57,96%	66,04%
Equity mEUR	90,9	91,0	82,9	86
Return on equity-%	14,69 %	18,73 %	17,21%	16,11%
Equity ratio %	97,98 %	97,04 %	96,98%	98,60%

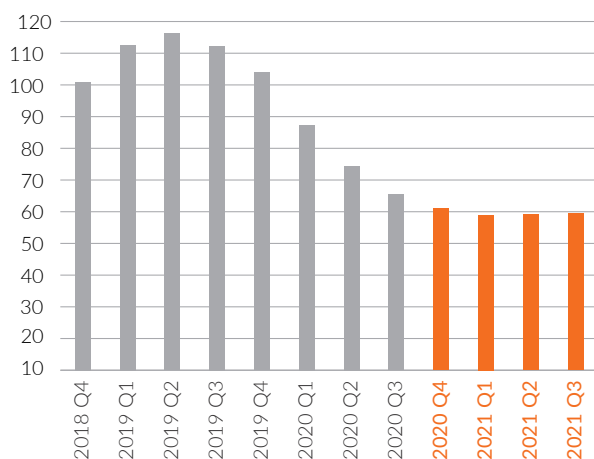
Lending quarterly mEUR



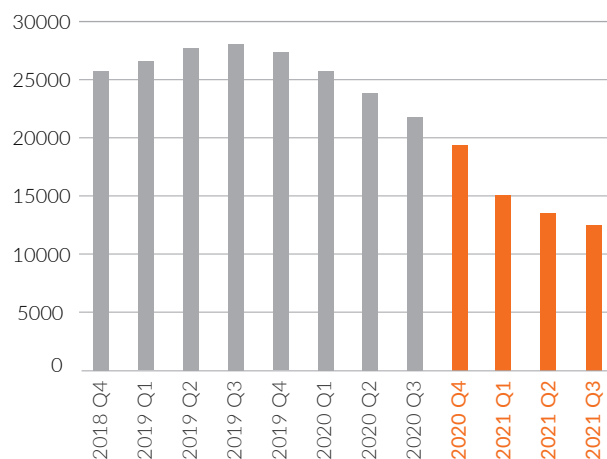
Operating profit quarterly, kEUR (without one-offs)



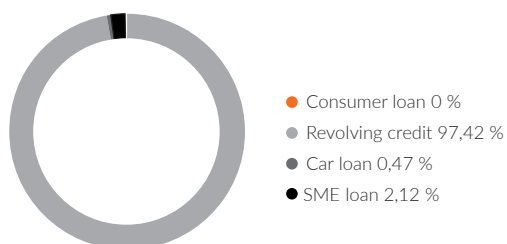
Lending quarterly, mEUR (12kk rolling)



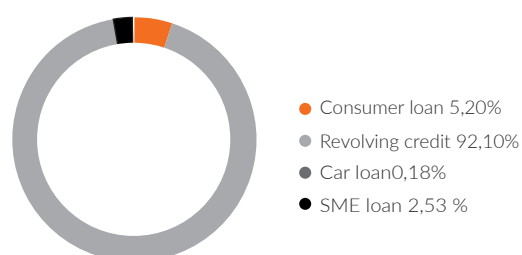
Operating profit quarterly, kEUR (12months rolling, without one-offs)



Share of lending 2021, Q3%



Share of operating profit 2021, Q3 %



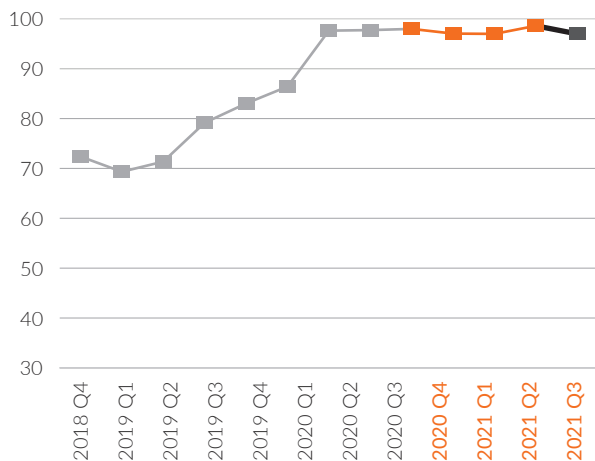
Profit and Loss KEUR

	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Turnover	7032	7510	6826	5938
Other operating income	124	6	6	9
Income, total	7156	7515	6832	5946
Expences, total	-3376	-2350	-2872	-2022
Depreciation and reduction in value	-3	-3	-3	-3
Operating profit (loss, without one-offs)	3777	5162	3956	3921
Financial income and expences	-74	-14	0	10
Profit before tax and appropriations	3703	5176	3956	3932
Income taxes	-632	-1013	-820	-791
Profit (loss)	3071	4164	3137	3141

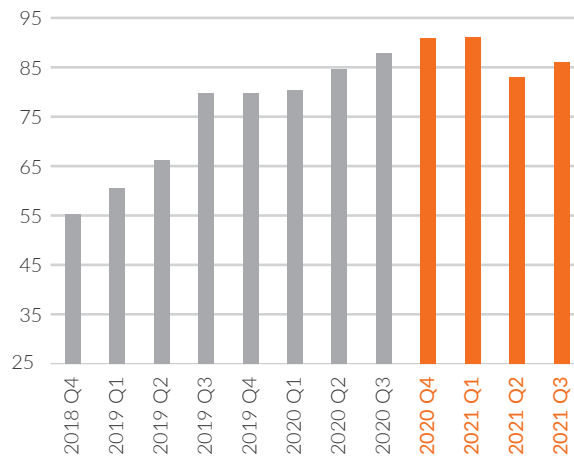
Balance sheet KEUR

	2020 Q4	2021 Q1	2021 Q2	2021 Q3
Assets				
Non-Current assets	85	89	1391	1388
Current assets				
Long-term debtors	48733	45931	39705	39755
Short-term debtors	19527	21448	24345	23205
Cash in hand and at banks	21534	25317	28345	21100
Total current assets	89793	92696	93795	84059
Total assets	89878	92785	93795	85447
Liabilities				
Capital and reserves				
Subscribed capital	150	150	150	150
Other reserves	668	668	668	668
Retained earnings (losses)	83099	87025	86032	78913
Profit (loss) for the financial year	3925	3071	4164	3137
Total shareholder's equity	80334	90914	87843	82868
Creditors				
Long-term creditors	0	0	0	0
Short-term creditors	2035	1871	2780	2579
Total creditors	2035	1871	2780	2579
Total Liabilities	89878	92785	93795	85447

Equity ratio, %



Equity, mEUR



Contact

Head Office
Saldo Finance Oyj
Juhana Herttuan puistokatu 3
20200 Turku

Saldo Finance Oyj
Aleksanterinkatu 46 C
00100 Helsinki

Inquiries
www.saldo.com/sijoittajille
investors@saldo.com

Jarkko Mäensivu
CEO, Saldo Finance Oyj
+358 50 470 1006
jarkko.maensivu@saldo.com