



INTERIM REPORT JANUARY – JUNE 2022

THE QUARTER IN BRIEF APRIL – JUNE 2022 (APRIL – JUNE 2021)

- Total operating income increased by 7 percent to SEK 105.4 million (98.2)
- Total operating expenses increased by 15 percent to SEK 104.1 million (90.4). Operating expenses excluding items affecting comparability increased by 4 percent
- Net credit losses amounted to SEK –35.1 million (–22.7). The increase was driven by increased provisions of the credit portfolio that is not under ongoing sales agreement, and increased provisions in line with IFRS 9 due to increased uncertainty
- Operating profit was SEK –33.9 million (–14.6). Operating profit excluding items affecting comparability amounted to SEK –23.6 million (–14.9)
- Net profit for the period was SEK –27.4 million (–12.2) and earnings per share amounted to SEK –1.52 (–0.68)

THE PERIOD IN BRIEF JANUARY – JUNE 2022 (JANUARY – JUNE 2021)

- Total operating income increased by 9 percent to SEK 211.4 million (194.6)
- Total operating expenses increased by 9 percent to SEK 190.7 million (175.3) Adjusted for items affecting comparability, expenses increased by 6 percent
- Net credit losses amounted to SEK –63.2 million (39.4). The increase was driven by increased provisions of the credit portfolio that is not under ongoing sales agreement and increased provisions in line with IFRS 9 due to increased uncertainty
- Operating profit was SEK –42.4 million (–20.1). Operating profit excluding items affecting comparability amounted to SEK –37.1 million (–20.1)
- Net profit for the period was SEK –34.6 million (–16.7) and earnings per share amounted to SEK –1.92 (–0.93)

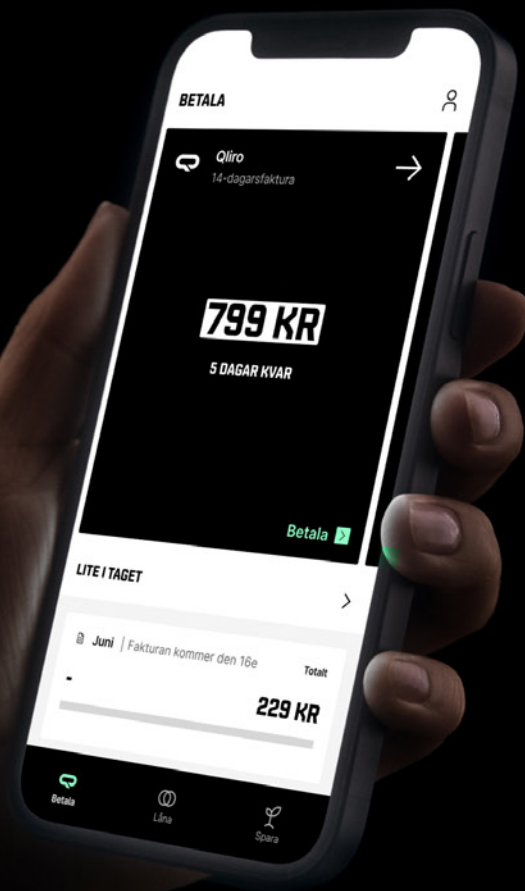
IMPORTANT EVENTS IN THE SECOND QUARTER 2022

- The company launched a new strategy, “Safe and simple payments,” with a new graphic identity
- Qliro AB (publ) (“Qliro”) received information that the Consumer Ombudsman (“KO”) will file a lawsuit with the Patents and Market Court at Stockholm District Court against Qliro’s marketing of consumer credit
- During the Annual General Meeting Patrik Enblad was elected as the new Chairman of the Board of Qliro, and Mikael Kjellman was elected as a new Board member
- The Annual General Meeting approved a directed issue to Patrik Enblad with a maximum of 550,000 new shares
- Christoffer Rutgersson was appointed by the Board of Directors as the new CEO of Qliro AB
- The Board of Directors of Qliro AB decided on a number of profitability measures intended to reduce Qliro’s costs and increase revenues. The aim is for Qliro to be profitable on an EBT level in the full year 2023

IMPORTANT EVENTS AFTER THE END OF THE PERIOD

- Qliro AB’s extraordinary general meeting on July 1, 2022 approved the Board of Directors’ decision on a directed share issue and warrant issue to Christoffer Rutgersson. Subscription is conditional on a supervisory review by the Swedish Financial Supervisory Authority

“WE ARE THE BEST PARTNER TO LARGE AND MEDIUM-SIZED E-MERCHANTS”



+7%

Income growth¹⁾

-7%

Growth in pay-after delivery volume¹⁾

2.5 M

Number of active customers²⁾

+2%

Lending growth¹⁾

1) Second quarter 2022 in comparison with second quarter 2021

2) Unique customers that have used Qliro's services in the last 12 months



CEO COMMENT

QLIRO CONTINUES TO GROW IN A TURBULENT WORLD

In summing up the second quarter of 2022, Qliro's income continued to grow despite an overall decline in e-commerce. Income amounted to SEK 105.4 million, up 7 percent compared with the second quarter 2021. The increase was again driven mainly by our payment solutions, which benefited not least from more customers with active accounts. It is worth stressing that this growth was achieved despite a very strong second quarter 2021, at the same time that e-commerce sales generally are on the decline.

On the credit side, we saw increased credit losses after having increased the provisions for loan portfolios not covered by ongoing sales agreements with external parties such as debt collection agencies. Due to growing uncertainty about the future, a provision was also allocated in accordance with IFRS 9 in the quarter, which further increased credit losses. Our underlying credit losses, adjusted for these two effects, amounted to SEK 26 million, compared with SEK 22.7 million the corresponding quarter last year. We can also say that Qliro is well positioned with respect to the interest rate hikes in the market, which neutralizes the impact on Qliro's net interest income.

POSITIVE RESPONSE TO OUR NEW STRATEGY

The response we have received to our new strategy and graphic identity, which were presented in the second quarter, has been unequivocally positive. Interest in Qliro has markedly increased and during the quarter we added two new e-merchants. Our pipeline of new e-merchants is larger than it has been in two years.

WELL-POSITIONED IN A DECLINING E-COMMERCE MARKET

According to Svensk Handel's (Swedish Trade Federation) indicator, e-commerce sales in Sweden fell by 13 percent in the period January–May. For Qliro, this has meant smaller volumes in the form of actual payment transactions. In the first six months of 2022 the share of customers who chose to partially pay for purchases increased, however. For these customers, growth in unique accounts was approximately 9 percent, raising Qliro's income and offsetting the lower invoice volumes.

ACCELERATED EFFORT TO REACH PROFITABILITY IN 2023

As communicated in June, the Board of Directors of Qliro has decided to implement a program to achieve profitability (positive earnings before tax) in 2023.

This will be achieved, among other things, by accelerating the implementation of our strategy with a stronger focus on payments, digitalization of customer communications and reduction of external costs. We are pleased that we are already in the first phase of this work and we will start to see the effects of the actions we are now taking in 2023.

In the shorter term, the measures involve one-off costs for implementation and asset revaluation. For the second quarter, this meant costs of SEK 5.6 million, of which SEK 2.6 million came from an increased rate of amortization of previous technology investments, and SEK 3 million was attributable to costs directly linked to the execution of the profitability measures such as consultancy costs.

Further costs for the profitability program are expected to amount to a maximum of SEK 55 million and are expected to be incurred before the end of the year. Of these, SEK 9 million relates to an accelerated amortization rate on previous technology investments.

In addition to cost reductions, the acceleration of our strategy through the profitability program involves the acceleration of a technology shift to increase the scalability of our platform which we are now implementing, strengthening Qliro for the future to continue to be an attractive partner to merchants, and scaling up growth initiatives through the recruitment of more developers and salespersons.

The goal is for the profitability measures to reach full impact in 2024, with the majority expected to be realized in 2023.

REVENUES GROWING FASTER THAN COSTS

In addition, an additional SEK 4.6 million in non-recurring costs were incurred in the quarter, including severance payment to a former member of the management team and a provision for legal costs related to the dispute with KO. Adjusted for all these one-off costs and the one-off costs related to the profitability program, we delivered in line with our targets in the quarter, where we grow revenues faster than costs.

CHRISTOFFER RUTGERSSON NEW CEO OF QLIRO

I would also like to take this opportunity to welcome Christoffer RutgerSSon as the new CEO of Qliro and at the same time thank you for these months I have had the pleasure to lead the company as Acting CEO. Christoffer will provide valuable experience from fast-growing companies in payment solutions and the tech sector in general as well as being involved in the launch of Qliro's profitability program. It will be very exciting to follow Qliro's development and I am convinced that Christoffer, together with the rest of the staff, will succeed in the continued efforts to grow Qliro profitably. Christoffer takes over on October 1, at which point I will be leaving Qliro.

Stockholm, July 19, 2022

Jonas Arlebäck
Acting CEO Qliro AB

QLIRO IN BRIEF

Qliro AB (Qliro), founded in 2014, is a tech company offering payment solutions in the form of digital checkout solutions for large and medium-sized e-merchants and their customers in the Nordics as well as digital financial services to consumers in Sweden. Since 2017 Qliro is a licensed credit market company under the supervision of the Swedish Financial Supervisory Authority (SFSA). Operations are managed from the head office in Stockholm.

In total, Qliro has 2.5 million active customers and 51 connected e-merchants that use Qliro’s payment solutions. In the last 12 months 7.2 million purchases were made with Qliro’s payment products with a value of approximately SEK 7 billion.

In October 2020 Qliro was listed on Nasdaq Stockholm with the ticker “QLIRO.” The largest owners are Rite Ventures with a 25.8% interest and Mandatum Private Equity (Sampo) with 9.8%.

QLIRO’S BUSINESS SEGMENTS IN BRIEF

PAYMENT SOLUTIONS

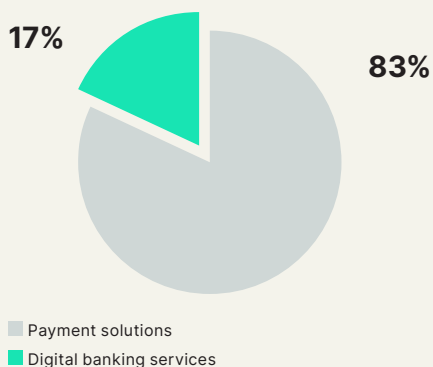
Payment solutions are offered to large and medium-sized e-merchants in the Nordics. The solutions contain Qliro’s pay-after-delivery (PAD) products for consumers who buy goods and services online. The products include invoicing, “Buy Now Pay Later” (“BNPL”) and various types of part payments. Qliro’s payment solution also contains other payment methods offered through partnerships, such as card payments, direct payments from bank accounts or via Vipps, Mobilpay and Swish, and PayPal payments. Qliro’s income is mainly generated through interest and fees associated with PAD products. The average credit is low and the maturity is short. Through its payment solutions, Qliro has since the

start interacted with 5.6 million unique customers in the Nordics, and the number of active customers in the last 12 months exceeds 2.5 million.

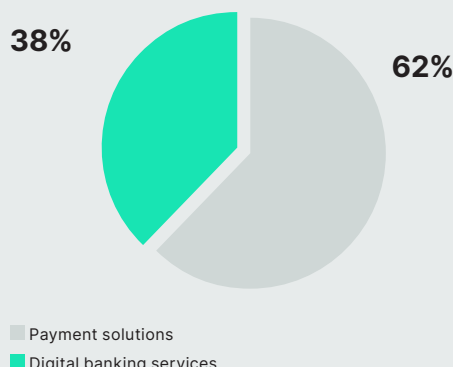
DIGITAL BANKING SERVICES

Digital banking services consist of the services offered on Qliro’s digital platforms beyond the payment products from Payment Solutions. Its large database of active consumers is a competitive advantage that enables Qliro to offer other attractive products, such as personal loans and savings accounts, at low cost. The products are marketed to existing customers through Qliro’s own digital channels such as the app and website.

SHARE OF TOTAL INCOME



SHARE OF LENDING TO THE PUBLIC



KEY PERFORMANCE MEASURES

SEK million except where otherwise stated	2022 Apr – Jun	2021 Apr – Jun	% Δ	2022 Jan – Jun	2021 Jan – Jun	% Δ	2021 Jan – Dec
Income statement							
Total operating income ^{1) 4)}	105.4	98.2	7%	211.4	194.6	9%	398.8
Total operating income adjusted for items affecting comparability ^{1) 4)}	105.4	98.2	7%	211.4	194.6	9%	398.8
Total expenses before credit losses ⁴⁾	-104.1	-90.4	15%	-190.7	-175.3	9%	-365.2
of which depreciation	-25.9	-24.1	7%	-50.3	-47.1	7%	-96.0
Total expenses before credit losses adjusted for items affecting comparability ⁴⁾	-93.9	-90.4	4%	-185.4	-175.3	6%	-358.4
Net credit losses	-35.1	-22.7	55%	-63.2	-39.4	60%	-81.9
Operating profit/losses ¹⁾	-33.9	-14.9	-127%	-42.4	-20.1	-111%	-48.3
Operating profit/loss adjusted for items affecting comparability ¹⁾	-23.6	-14.9	-59%	-37.1	-20.1	-84%	-41.5
Profit/loss for the period	-27.4	-12.2	-125%	-34.6	-16.7	-107%	-39.9
Profit/loss for the period adjusted for items affecting comparability	-19.3	-12.2	-58%	-30.4	-16.7	-82%	-34.4
Earnings per share before and after dilution SEK ⁴⁾	-1.52	-0.68	-125%	-1.92	-0.93	-107%	-2.22
Balance sheet							
Lending to the public ¹⁾	2,534	2,479	2%	2,534	2,479	2%	2,759
of which Payment solutions	1,578	1,458	8%	1,578	1,458	8%	1,699
of which Digital banking services	956	1,021	-6%	956	1,021	-6%	1,060
Deposits and borrowings from the public	2,661	2,384	12%	2,661	2,384	12%	2,231
Key figures							
Operating margin, % ^{1) 4)}	16.5%	16.1%	3%	16.0%	15.8%	1%	15.3%
Credit loss level, (%) ¹⁾	5.5%	3.7%	48%	4.8%	3.2%	49%	3.1%
Cost/income ratio, % ^{1) 4)}	98.8%	92.0%	7%	90.2%	90.1%	0%	91.6%
Return on equity, (%) ¹⁾	neg.	neg.	-	neg.	neg.	-	neg.
CET 1 capital ratio, % ³⁾	17.0%	20.8%	-18%	17.0%	20.8%	-18.27%	18.2%
Total capital Ratio, % ³⁾	21.3%	25.2%	-15%	21.3%	25.2%	-15.48%	22.4%
Liquidity coverage ratio (LCR), % ³⁾	365%	592%	-38%	365%	592%	-38.34%	364%
Pay-after-delivery volume ²⁾	1,596	1,710	-7%	3,148	3,273	-4%	7,125
Number of connected merchants ²⁾	51	47	11%	52	47	11%	50
Average number of employees ²⁾	202	209	-3%	203	208	-2%	208

1) Alternative performance measures that management and analysts use to evaluate the company's development, which are not specified or defined in IFRS or other applicable regulations. For definition and reconciliation tables see pages 27–30.

2) Operating performance measures. For definitions see page 29.

3) Other key performance measures. For definitions see page 29.

4) In the period items in other operating income were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q2 2021 SEK 2.6 million. There was also a reclassification from other operating expenses to commission expenses, by SEK 4.7 million for the full-year 2021 and by SEK 0.9 million for Q2 2021.

FINANCIAL PERFORMANCE

The second quarter 2022 compared with the second quarter 2021

Qliro's income primarily consists of interest income from pay-after-delivery (PAD) products and personal loans as well as fees charged when customers choose Qliro's payment methods, where payment is made after the customer has received their merchandise.

ITEMS AFFECTING COMPARABILITY

Items affecting comparability totaling SEK 10.2 million were recognized in the second quarter 2022, which had a negative effect on the company's profit. The expenses relate to the previously announced profitability program and comprise SEK 2.6 million in accelerated amortization of earlier technology investments and SEK 3 million primarily related to consulting expenses. Additional items affecting comparability include severance pay of SEK 2.1 million for a former member of the management team and a provision of SEK 2.5 million for legal expenses related to the dispute with the Consumer Ombudsman at the Patents and Market Court.

GROWING OPERATING INCOME

Total operating income increased by 7 percent to SEK 105.4 million (98.2). The increase was mainly driven by the increased interest in Qliro's payment solutions.

Net interest income increased by 6 percent to SEK 57.8 million (54.5). Interest income increased due to lending within Payment Solutions. Net commission income increased by 8 percent to SEK 48.3 million (44.6), where increased interest in Qliro's payment solutions contributed positively in the quarter. Net gains and losses on financial items amounted to SEK -0.9 million (-0.8). Other income amounted to SEK 0.2 million (0.0).

STABLE UNDERLYING EXPENSES

Total expenses increased by 15 percent in the quarter to SEK 104.1 million (90.4). Excluding the above-mentioned nonrecurring expenses of SEK 10.2 million, the increase in expenses was 4 percent.

General administrative expenses, mainly consisting of staff costs and IT expenses, increased by 20 percent to SEK 73.6 million (61.3). The increase was mainly due to items affecting comparability of SEK 7.7 million for severance pay, provisions for an ongoing legal dispute, and the profitability program. Excluding the items affecting comparability, the increase was 11 percent.

Other operating expenses decreased by 5 percent to SEK 6.7 million (6.2).

Depreciation, amortization and impairment increased by 7 percent to SEK 25.9 million (24.1). The increase consisted of the above-mentioned item affecting comparability of SEK 2.6 million due to accelerated amortization of earlier technology investments. Adjusted for the item affecting comparability, depreciation and amortization decreased by 3 percent in the quarter.

HIGHER RECOGNIZED CREDIT LOSSES DUE TO INCREASED PROVISIONS AND INCREASED UNCERTAINTY

Total credit losses increased to SEK 35.1 million (22.7) and the net credit loss level was 5.5 percent (3.7) of average lending. In absolute terms, recognized credit losses increased due to the growth in lending, among other things.

The deteriorating macroeconomic conditions negatively affected credit losses by SEK 2.8 million due to increased provisions for future expected credit losses in accordance with IFRS 9.

The slumping macro economy also led to an increase in provisions for loan portfolios not covered by ongoing sales agreements with external parties such as debt collection agencies. This enables Qliro to be efficiently utilize its capital and reduce the risk in the balance sheet. The increased provisions in these portfolios affected credit losses negatively by SEK 6.2 million.

Within Payment Solutions, credit losses increased to SEK 28.8 million (19.1). The increase was due to a revaluation of the portfolio of non-SRG receivables, i.e., where we do not have sales agreements with external parties such as debt collection agencies, and an increased provision due to the increased uncertainty in accordance with IFRS 9. In relation to PAD volume, credit losses corresponded to 1.8 percent (1.1). Adjusted for the revaluation and the increased provision, credit losses amounted to SEK 21.4 million.

In the Digital Banking Services segment, credit losses of SEK 6.3 million (3.6) were recognized. The credit losses corresponded to 2.6 percent of average lending (credit loss level 1.2 percent in the second quarter 2021). In Digital Banking Services, a provision of SEK 1.6 million was made in line with IFRS 9 due to increased uncertainty.

LOWER RESULT IN THE QUARTER

Operating profit decreased to SEK -33.8 million (-13.5) and SEK -23.6 million (-13.5) excluding items affecting comparability. Net profit for the period decreased to SEK -35.2 million (-10.8).

FINANCIAL PERFORMANCE CONT.

January-June 2022 compared with January-June 2021

ITEMS AFFECTING COMPARABILITY

An item affecting comparability recognized in the period for a VAT correction in the Norwegian operations reduced expenses by SEK 4.9 million in total. Additional items affecting comparability totaling SEK 10.2 million were recognized related to the second quarter, which had a negative impact on the company's profit. In total, items affecting comparability negatively impacted profit by SEK 5.3 million.

STRONGLY GROWING OPERATING INCOME

Total operating income increased by 9 percent to SEK 211.4 million (194.6). The increase was mainly driven by the increased interest in Qliro's payment solutions.

Net interest income increased by 7 percent to SEK 116.1 million (108.4). Interest income increased due to lending in both Payment Solutions and Digital Banking Services. Net commission income increased by 11 percent to SEK 96.6 million (86.9). Net gains and losses on financial items amounted to SEK -1.4 million (-0.7). Other income increased to SEK 0.2 million (0.1).

STABLE EXPENSES

Total expenses increased by 7 percent in the period to SEK 190.7 million (175.3). Adjusted for items affecting comparability, Qliro's expenses remain stable and amounted to SEK 185.4 million in the period.

General administrative expenses, mainly consisting of increased costs and IT expenses, increased by 16 percent to SEK 132.3 million (114.5). The increase was mainly due to items affecting comparability composing of severance pay, provisions for an ongoing legal dispute, and the profitability program as well as system costs relating to IT security and cloud services and remuneration to the interim CEO. Other expenses decreased by 41 percent to SEK 8 million (13.7).

The decrease was mainly due to a non-recurring VAT correction in the Norwegian operations in the first quarter.

Depreciation, amortization and impairment increased by 7 percent to SEK 50.3 million (47.1). The increase consisted largely of items affecting comparability, consisting of amortization of previously capitalized development expenses for e-merchant payment solutions, but also consumer products, the website and app solutions.

HIGHER RECOGNIZED CREDIT LOSSES DUE TO INCREASED PROVISIONS AND INCREASED UNCERTAINTY

Total credit losses increased to SEK 63.2 million (39.4), mainly due to revaluations of the portfolio and increased provisions in line with IFRS 9 amounting to SEK 9 million and an internally revised credit model that affects comparables. The net credit loss level was 4.8 percent (3.2) of average lending.

Within Payment solutions, credit losses increased to SEK 50.6 million (39.9). The increase was due to an adjusted provision for assets outside SRG agreements and provisions in line with IFRS 9. The increase in absolute terms was also affected by the loan portfolio's growth. In relation to PAD volume, credit losses corresponded to 1.6 percent (1.2).

In the Digital banking services segment, credit losses of SEK 12.5 million were recognized (-0.4). The credit losses corresponded to 2.5 percent of average lending (1.2). During the quarter, provisions in line with IFRS 9 were made due to increased uncertainty, which contributed to the increase in credit losses. The year-over-year comparison is impacted by the implementation of a new provision model to calculate the credit loss reserve in Q1 2021. The new calculation had a positive effect on last year's profit of SEK 7.5 million.

LOWER RESULT IN THE QUARTER

Operating profit declined to SEK -42.4 million (-20.1). Net profit for the period decreased to SEK -34.6 million (-16.7).

BUSINESS SEGMENTS

PAYMENT SOLUTIONS

Comparisons with the second quarter 2021 unless otherwise indicated.

EXPANDED OFFERING TO MEDIUM-SIZED MERCHANTS

Qliro offers digital payment solutions to e-merchants in the Nordics. Income is mainly generated by offering deferred payment for online purchases (pay-after-delivery, PAD). As new merchants join the platform, Qliro’s business volumes rise, gradually driving growth in the loan book and generating interest income over time. It is not uncommon for it to take several quarters from the time a merchant signs a contract and connects until it generates significant income for Qliro.

At the end of the second quarter there were 51 (47) connected merchants. Historically, Qliro’s strategy has been focused on a customized offering for the very largest Nordic e-merchants. In the second half of 2021 development was begun on a broader offering that includes a more standardized offering for medium-sized merchants. In the second quarter Qliro received PCI-DSS-approval, an important milestone in becoming a Collecting Payment Service Provider and a key component to further grow in the medium-sized e-merchant segment.

WEAKER VOLUMES AFFECTED BY INCREASED BRICK-AND-MORTAR

Svensk Handel’s (Swedish Trade Federation) e-commerce indicator published in June showed that e-commerce sales for the period January-May decreased by 13 percent compared with the same period in 2021. Qliro’s PAD volumes decreased by 7 percent to SEK 1,596 million. Part payment and BNPL volumes grew at a faster pace, while invoice volume posted a lower growth rate. In Qliro’s largest market, Sweden, volumes decreased by 8 percent. In the quarter 78 percent (81) of business volume related to Sweden. In

Norway, volumes were unchanged from the same period in 2021.

Growth in PAD volumes is driven by increased sales from previously connected merchants as well as new merchants that used Qliro as a payment partner. A large share of the volumes comes from merchants that added Qliro in the last year. The loan book grew up 8 percent in the quarter to SEK 1,578 million.

CONTINUED INCOME GROWTH

In the first quarter 2021 we saw a positive trend in PAD thanks to a reduced regulatory burden. The trend continued in the first quarter and held through the second quarter as well. Total operating income increased by 8 percent to SEK 87.0 million (80.8). The income margin increased to 22.2 percent (22.5). Net interest income increased by 6 percent to SEK 39.5 million (37.1). Increased lending to the public had a positive effect on net interest income in the quarter.

Net commission income increased by 8 percent to SEK 48.2 million (44.5). The increase was driven by increased interest in our part payment products.

STABLE UNDERLYING CREDIT LOSSES

Credit losses amounted to SEK 28.8 million (19.1). In relation to PAD volume, credit losses corresponded to 1.8 percent (1.1). The increased credit loss level was primarily due to increased provisions for assets outside SRG agreements of SEK 6.2 million as well as increased provisions in accordance with IFRS 9 of SEK 1.2 million as a result of increased macroeconomic uncertainty. Adjusted for these effects, credit losses amounted to SEK 21.4 million.

PAYMENT SOLUTIONS

SEK million except where otherwise stated	2022			2021			
	Apr – Jun	Apr – Jun	% Δ	Jan – Jun	Jan – Jun	% Δ	Jan – Dec
Net interest income	39.5	37.1	6%	78.6	74.0	6%	150.5
Net comission income ¹⁾	48.2	44.5	8%	96.3	86.7	11%	176.6
Total operating income ¹⁾	87.0	80.8	8%	173.7	160.1	9%	326.0
Net credit losses	28.8	19.1	51%	50.6	39.9	27%	-76.6
Total operating income less credit losses	58.2	61.7	-6%	123.1	120.2	2%	249.3
Lending to the public	1,578	1,458	8%	1,578	1,458	8%	1,699
Pay-after delivery (PAD), volume	1,596	1,710	-7%	3,148	3,273	-4%	7,125
Pay-after delivery (PAD), no of transactions, thousands	1,605	1,711	-6%	3,262	3,392	-4%	7,353
Credit losses, %, in relation to PAD volume	1.8%	1.1%	61%	1.6%	1.2%	32%	-1.1%

1) Comparative figures have been adjusted

83%
Share of total operating income

62%
Share of lending to the public

+8%
Income growth

+8%
Lending growth

BUSINESS SEGMENTS

DIGITAL BANKING SERVICES

Comparisons with the second quarter 2021 unless otherwise indicated.

DIGITAL OFFERING FOR EXISTING CUSTOMERS

Qliro drives growth in Digital Banking Services through marketing in its own digital applications (app and web) to the 2.5 million consumers (of whom 1.8 million in Sweden) who have used Qliro’s credit products in the last year.

Qliro offers personal loans and savings accounts to consumers in Sweden. Qliro’s app makes it easy to manage payments, loans and savings. The new apps simplify and improve the customer experience with an improved post-purchase experience.

In the second quarter nearly 900,000 unique customers logged in to Qliro’s app and website.

THE MAJORITY OF BORROWERS ARE EXISTING QLIRO CUSTOMERS

The majority of all borrowers had an existing relationship with Qliro and many applied through Qliro’s app. This means low customer acquisition costs and good knowledge of the customers who apply for loans. Credit checks are automated and based on a combination of internal and external data analyzed in real time through machine learning. More

than half of Qliro’s personal loan customers use the loans to consolidate smaller debts with higher interest rates and thereby reduce their interest costs.

Lending decreased by 6 percent to SEK 956 million (1,021). Despite the decrease, income increased thanks to improved lending margins. This contributed to an increase in income of 6 percent in the quarter to SEK 18.4 million (17.4). The income margin increased to 7.5 percent (7.0).

CREDIT LOSSES AFFECTED BY INCREASED PROVISIONS

Credit losses of SEK 6.3 million (3.6) were recognized in the quarter. The credit losses corresponded to 2.6 percent of average lending (1.4). The increase is primarily due to the increased provisions of SEK 1.6 million according to IFRS 9 due to the increased macroeconomic uncertainty. Adjusted for this effect, credit losses amounted to SEK 4.7 million. Moreover, the portfolio’s credit losses as per the loan book are increasing because Qliro has suspended e-mail marketing which has led to a changed customer profile with a higher risk, however with a positive effect on the income margin, however.

DIGITAL BANKING SERVICES

SEK million except where otherwise stated	2022 Apr – Jun	2021 Apr – Jun	% Δ	2022 Jan – jun	2021 Jan – Jun	% Δ	2021 Jan – Dec
Net interest income	18.3	17.3	6%	37.5	34.3	9%	72.5
Total operating income	18.4	17.4	6%	37.7	34.5	9%	72.9
Net credit losses	6.3	3.6	77%	12.5	-0.4	-3154%	5.3
Total operating income less credit losses	12.1	13.9	-13%	25.2	35.0	-28%	67.6
Lending to the public	956	1,021	-6%	956	1,021	-6%	1,060
Credit losses, %, in relation to average lending to the public	2.6%	1.4%	86%	2.5%	-0.1%	2600%	2.1%

17%

Share of total operating income

38%

Share of lending to the public

+6%

Income growth

-6%

Lending growth

CAPITAL, FUNDING AND LIQUIDITY

QLIRO IS WELL-CAPITALIZED

Qliro AB's own funds (see Note 9 Capital adequacy) decreased to SEK 493 million (542 as of December 31, 2021). In addition to Common Equity Tier 1 capital, own funds consist of SEK 100 million in subordinated Tier 2 capital in the form of subordinated bonds issued in 2019. The risk exposure amount increased slightly to SEK 2,316 million (2,423 as of December 31, 2021) due to slightly higher lending compared with the same period in 2021.

Qliro is well-capitalized and the total capital ratio was 21.3 percent (22.4 as of December 31, 2021), compared with the regulatory requirement of 10.6 percent. The Common Equity Tier 1 capital ratio was 17.0 percent (18.2 as of December 31, 2021), compared with the regulatory requirement of 7.1 percent.

DIVERSIFIED FUNDING PLATFORM

In addition to equity, lending to the public was funded with SEK 2,661 million (2,384 as of June 30, 2021) in deposits from the public (savings accounts) in Sweden and Germany and SEK 85 million (147 as of June 30, 2021) through a secured loan facility. The secured loan facility enables currency matching between the asset and liability sides of the balance sheet.

Deposits from the public are a flexible and functional form of funding given Qliro's lending, which largely consists of small loans of short duration. Qliro offers two different

savings accounts in Sweden: one with a variable interest rate of 1.1 percent as of June 30, 2022, and one account with a 1-year fixed interest rate that at the end of the period was 1.7 percent. In Germany Qliro also has a deposit offering in euro for retail customers in partnership with the open banking platform Raisin DS. Deposits in Germany amounted to SEK 668 million at the end of the quarter (512 as of June 30, 2021).

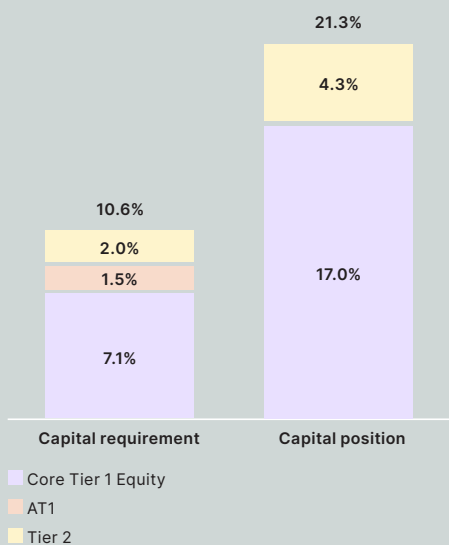
QLIRO HAS SOLID LIQUIDITY

Qliro has solid liquidity and as of June 30, 2022 Qliro's cash and cash equivalents amounted to SEK 383 million (181 as of June 30, 2021). In addition to the liquid investments, Qliro AB had access to SEK 315 million in back-up liquidity via undrawn funding in a secured committed credit facility. The liquidity portfolio is invested in Nordic banks as well as other liquid investments such as Swedish municipal bonds and commercial paper with an average rating of AA+ and an average maturity of 212 days.

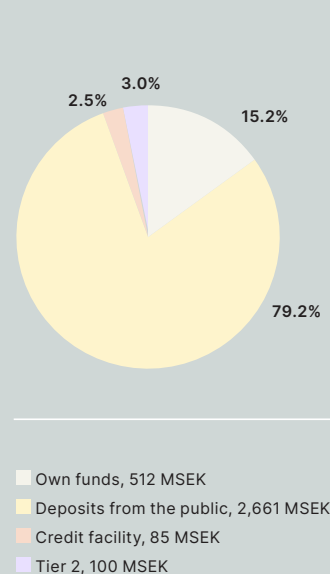
The Liquidity Coverage Ratio (LCR) as of June 30, 2022 was 365 percent, compared with the legal requirement of 100 percent.

In its strategic review, Qliro decided to terminate the secured credit facility that it currently has at its disposal. The facility will expire on March 31, 2023, and the company cannot rule out other funding alternatives in the future.

CAPITALISATION, %



FUNDING MIX, %



OTHER INFORMATION

OTHER EVENTS DURING THE PERIOD

BULLETIN FROM THE ANNUAL GENERAL MEETING IN QLIRO AB 2022

The Annual General Meeting was held in accordance with sections 20 and 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations and the shareholders exercised their voting rights at the general meeting solely by voting in advance, so-called postal voting.

All information on the Annual General Meeting on May 17 can be found on the following link www.qliro.com/sv-se/investor-relations

EVENTS AFTER THE END OF THE PERIOD

BULLETIN FROM THE EXTRAORDINARY GENERAL MEETING IN QLIRO AB JULY 1, 2022

The Extraordinary General Meeting was held in accordance with sections 20 and 22 of the Act (2022:121) on temporary exceptions to facilitate the execution of general meetings in companies and other associations and the shareholders exercised their voting rights at the general meeting solely by voting in advance, so-called postal voting.

All information on the Annual General Meeting on May 17 can be found on the following link www.qliro.com/sv-se/investor-relations

INCREASED MACROECONOMIC UNCERTAINTY

Russia's invasion of Ukraine contributed along with rising interest rates and increased inflation to increased macroeconomic and geopolitical uncertainty. As a result, the Swedish FSA raised the countercyclical buffer requirement to 2 percent in the second quarter 2022, from 1 percent previously. The new level will take effect at the end of June 2023.

The increasing inflation has been a reason why several central banks have, or plan to, tighten their monetary policies. In late April the Riksbank announced an initial rate hike and on June 30, 2022 the policy rate was raised again, to 0.75 percent, with a forecast that it will near 2 percent by early 2023. At the end of June Norges Bank also raised its benchmark rate, to 1.25 percent from 0.75 percent.

Qliro currently has no material exposure to Russia or Ukraine and its credit quality remains robust. But given the macroeconomic consequences, Qliro continuously evaluates the quality of its assets. Furthermore, Qliro has, in light of the elevated uncertainty, increased its provisions for future credit losses according to reporting standard IFRS 9. Qliro cannot rule out that the future effects of the war in Ukraine could negatively impact new lending, credit losses or operations.

QLIRO'S TOP 10 SHAREHOLDERS AS OF JUNE 30, 2022

Share of total number of shares

1. Rite Ventures 25.8%
2. Mandatum Private Equity 9.8%
3. Avanza Pension 6.6%
4. Staffan Persson 4.8%
5. Nordnet pensionsförsäkring 4.2%
6. Thomas Krishan 2.6%
7. Ulf Ragnarsson 1.7%
8. Sune Mordenfeld 1.7%
9. Nordea Liv & Pension 1.6%
10. Anders Böös 1.4%

Source: Monitor by Modular Finance. Compiled and processed data from Euroclear, Morningstar and the Swedish FSA, among others.

TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties are of the same character as described in the annual report for 2021, which was published on April 8, 2022.

SIGNIFICANT RISKS AND UNCERTAINTIES

Qliro's operations entail daily risks that are measured, controlled and when needed mitigated to protect the company's capital and reputation. The most prominent risks are credit risk, business risk/strategic risk, operational risk, currency risk, interest rate risk and liquidity risk. Qliro's annual report for 2021, which was published on April 8, 2022, and Qliro's prospectus, dated September 28, 2020, which was released prior to Qliro's shares listing for trading on Nasdaq Stockholm, contain a detailed description of the company's risk exposures and risk management. On October 21, 2021 a judgment was made by the Patent and Market Court prohibiting Svea Ekonomi AB from charging certain late fees on consumer loans. Svea Ekonomi AB has appealed the verdict. If the ruling gains legal force, it could affect the industry as a whole and have a negative effect on Qliro's future income.

FINANCIAL REPORTS

CONSOLIDATED INCOME STATEMENT

SEK million	Note	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Interest income		68.2	64.2	136.5	127.6
Interest expenses		-10.5	-9.8	-20.5	-19.2
Net interest income	2	57.8	54.4	116.1	108.4
Commission income ¹⁾	3	50.3	46.5	100.6	91.1
Commission expenses ¹⁾	3	-2.0	-1.9	-4.0	-4.2
Net profit/loss from financial transactions		-0.9	-0.8	-1.4	-0.7
Other operating income ¹⁾		0.2	0.0	0.2	0.1
Total operating income		105.4	98.2	211.4	194.6
General administrative expenses		-71.6	-59.3	-132.3	-114.5
Depreciation/amortization of tangible and intangible assets		-25.9	-24.1	-50.3	-47.1
Other operating expenses ¹⁾		-6.7	-7.0	-8.0	-13.7
Total expenses before credit losses		-104.1	-90.4	-190.7	-175.3
Profit/loss before credit losses		1.3	7.8	20.7	19.3
Net credit losses	4	-35.1	-22.7	-63.2	-39.4
Operating profit/loss		-33.9	-14.9	-42.4	-20.1
Income tax expense		6.5	2.7	7.9	3.4
Profit/loss for the period		-27.4	-12.2	-34.6	-16.7
Earnings per share before and after dilution ¹⁾		-1.52	-0.68	-1.92	-0.93
Average number of shares before and after dilution, thousands		17,973	17,973	17,973	17,973

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Profit/loss for the period		-27,4	-12.2	-34.6	-16.7
Other comprehensive income					
Items that will be reversed to the income statement					
Changes in value of financial assets recognized at fair value through other comprehensive income		-1,8	0.0	0.0	0.0
Total other comprehensive income for the period		0,0	0.0	-1.9	0.0
Total profit or loss and other comprehensive income		-29,2	-12.2	-36.5	-16.7

1) In Q1 2022 items in other operating income were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q2 2021 SEK 2.6 million. There was also a reclassification from other operating expenses to commission expenses, by SEK 4.7 million for the full-year 2021 and by SEK 0,9 million for Q2 2021.

CONSOLIDATED BALANCE SHEET

SEK million	Note	2022-06-30	2021-06-30	2021-12-31
Assets				
Lending to credit institutions		382.5	181.4	57.5
Lending to the public	5	2,533.9	2,479.1	2,758.9
Bonds and other fixed-income securities		300.1	400.7	354.0
Intangible assets		169.3	168.4	169.1
Tangible assets		19.9	28.2	27.5
Deferred tax assets		45.6	32.2	37.2
Other assets		52.4	46.5	47.2
Derivative		2.1		
Prepaid expenses and accrued income		23.2	22.5	22.6
Total assets		3,528.9	3,359.1	3 474.0
Liabilities and Equity				
Liabilities				
Liabilities to credit institutions		84.6	147.3	452.2
Deposits and borrowings from the public	6	2,661.3	2,383.8	2,231.0
Other liabilities		100.4	99.8	74.1
Derivative		0.7	0.2	1.2
Accrued expenses and deferred income		70.4	56.8	67.5
Subordinated debt		100.0	100.0	100.0
Total liabilities		3,017.4	2,787.8	2 925.9
Equity				
Share capital		50.3	50.3	50.3
Reserves		-2.0	0.0	- .1
Retained profit or loss		497.8	537.7	537.7
Profit/loss for the year		-34.6	-16.7	-39.9
Total equity		511.6	571.3	548.1
Total liabilities and equity		3,528.9	3,359.1	3 474.0

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEK million	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Opening balance	540.8	583.4	548.1	588.0
Profit/loss for the period	-27.4	-12.2	-34.6	-16.7
Total other comprehensive income for the period	-1.8	0.0	-1.9	0.0
Closing balance	511.6	571.3	511.6	571.3

CONSOLIDATED CASH FLOW STATEMENT

SEK million	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Operating activities				
Operating profit/loss	-33.9	-14.9	-42.4	-20.1
Adjustments	59.4	54.2	140.3	94.8
Changes in the assets and liabilities of operating activities	248.3	-114.7	274.1	5.4
Cash flow from operating activities	273.9	-75.4	372.0	80.0
Investing activities				
Purchase of tangible assets	-1.0	-0.8	-1.5	-6.4
Purchase of intangible assets	-21.0	-24.3	-41.4	-43.1
Cash flow from investing activities	-22.0	-25.1	-42.9	-49.5
Financing activities				
Amortization lease	-2.0	-2.0	-4.1	-4.1
Cash flow from financing activities	-2.0	-2.0	-4.1	-4.1
Cash flow for the period	249.8	-102.6	325.1	26.5
Cash and cash equivalents at beginning of the period	132.7	283.8	57.5	155.1
Exchange differences in cash and cash equivalents	0.0	0.2	0.0	-0.1
Cash flow for the period	249.8	-102.6	325.1	26.5
Cash and cash equivalents at the end of the period	382.5	181.4	382.5	181.4

PARENT COMPANY'S INCOME STATEMENT

SEK million	Note	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Interest income		68.2	64.2	136.5	127.6
Interest expenses		-10.4	-9.8	-20.4	-19.1
Net interest income	2	57.8	54.5	116.1	108.4
Commission income ¹⁾	3	50.3	46.5	100.6	91.1
Commission expenses ¹⁾	3	-2.0	-1.9	-4.0	-4.2
Net profit/loss from financial transactions		-0.9	-0.8	-1.4	-0.7
Other operating income ¹⁾		0.2	0.0	0.2	0.1
Total operating income		105.4	98.3	211.5	194.7
General administrative expenses		-73.6	-61.3	-136.4	-118.6
Depreciation/amortization of tangible and intangible assets		-23.8	-22.1	-46.2	-43.0
Other operating expenses ¹⁾		-6.7	-7.0	-8.0	-13.7
Total expenses before credit losses		-104.1	-90.4	-190.6	-175.3
Profit/loss before credit losses		1.3	7.9	20.9	19.4
Net credit losses	4	-35.1	-22.7	-63.2	-39.4
Operating profit/loss		-33.8	-14.8	-42.3	-20.0
Income tax expense		6.5	2.7	7.9	3.4
Profit/loss for the period		-27.3	-12.1	-34.4	-16.6
Earnings per share before and after dilution		-1.52	-0.67	-1.92	-0.92

PARENT COMPANY'S STATEMENT OF COMPREHENSIVE INCOME

SEK million	Note	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Profit/loss for the period		-27.3	-12.1	-34.4	-16.6
Other comprehensive income					
Items that will be reversed to the income statement					
Changes in value of financial assets recognized at fair value through other comprehensive income (net after tax)		-1.8	0.0	-1.9	0.0
Total other comprehensive income for the period		-1.8	0.0	-1.9	0.0
Total profit or loss and other comprehensive income		-29.1	-12.1	-36.4	-16.6

1) In Q1 2022 items in other operating income were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q2 2021 SEK 2.6 million. There was also a reclassification from other operating expenses to commission expenses, by SEK 4.7 million for the full-year 2021 and by SEK 0,9 million for Q2 2021.

PARENT COMPANY'S BALANCE SHEET

SEK million	Note	2022-06-30	2021-06-30	2021-12-31
Assets				
Lending to credit institutions		379.9	178.8	54.9
Lending to the public	5	2,533.9	2,479.1	2,758.9
Bonds and other fixed-income securities		300.1	400.7	354.0
Shares and units		0.1	0.1	0.1
Intangible assets		169.3	168.4	169.1
Tangible assets		9.8	17.9	13.3
Deferred tax assets		45.6	32.2	37.2
Other assets		55.0	49.0	49.8
Derivative		2.1	0	0
Prepaid expenses and accrued income		23.2	22.5	22.6
Total assets		3,518.8	3,348.7	3,459.7
Liabilities and Equity				
Liabilities				
Liabilities to credit institutions		84.6	147.3	452.2
Deposits and borrowings from the public	6	2,661.3	2,383.8	2,231.0
Other liabilities		89.5	88.9	59.3
Derivative		0.7	0.2	1.2
Accrued expenses and deferred income		70.4	56.8	67.5
Subordinated debt		100.0	100.0	100.0
Total liabilities		3,006.5	2,777.0	2 911.1
Equity				
Restricted equity				
Share capital		50.3	50.3	50.3
Reserve for development costs		126.5	117.8	116.5
Total restricted equity		176.8	168.1	166.9
Non-restricted equity				
Reserves		-2.0	0.0	-0.1
Share premium reserve		2.5	2.5	2.5
Retained profit or loss		369.4	417.7	419.0
Profit/loss for the year		-34.4	-16.6	-39.6
Total non-restricted equity		335.5	403.6	381.8
Total equity		512.3	571.7	548.7
Total liabilities and equity		3,518.8	3,348.7	3 459.7

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

SEK million	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Opening balance	541.4	583.8	548.7	588.3
Profit/loss for the period	-27.3	-12.1	-34.4	-16.6
Total other comprehensive income for the period	-1.8	0.0	-1.9	0.0
Closing balance	512.3	571.7	512.3	571.7

PARENT COMPANY'S CASH FLOW STATEMENT

SEK million	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Operating activities				
Operating profit/loss	-33.8	-14.8	-42.3	-20.0
Adjustments	57.3	52.1	136.1	90.6
Changes in the assets and liabilities of operating activities	248.3	-114.7	274.1	5.4
Cash flow from operating activities	271.8	-77.4	367.9	75.9
Investing activities				
Purchase of tangible assets	-1.0	-0.8	-1.5	-6.4
Purchase of intangible assets	-21.0	-24.3	-41.4	-43.1
Cash flow from investing activities	-22.0	-25.1	-42.9	-49.5
Cash flow for the period	249.8	-102.6	325.1	26.5
Cash and cash equivalents at beginning of the period	130.1	281.2	54.9	152.5
Exchange differences in cash and cash equivalents	0.0	0.2	0.0	-0.1
Cash flow for the period	249.8	-102.6	325.1	26.5
Cash and cash equivalents at the end of the period	379.9	178.8	379.9	178.8

NOTES

NOTE 1. ACCOUNTING POLICIES

The interim report for Qliro AB covers the period January 1 to June 30, 2022. Qliro has its registered address in Stockholm and its registration number is 556962-2441.

The interim report is prepared in accordance with IAS 34 Interim financial reporting. The consolidated accounts are prepared in accordance with the International Financial Reporting Standards (IFRS) and interpretive statements on these standards as approved for application within the EU. The complementary rules in the Annual Accounts Act for Credit Institutions and Securities Companies (ÅRKL) and the regulations and general advice FFFS 2008:25 of the Swedish Financial Supervisory Authority regarding annual reports at credit institutions and securities companies are applied as well.

RFR 1 Complementary accounting rules for groups and the statement from the Swedish Financial Reporting Board are also applied in the consolidated accounts.

The parent company has prepared the interim report in accordance with ÅRKL and the regulations and general advice of the Swedish Financial Supervisory Authority. The parent company also applies RFR 2 Accounting for legal entities of the Swedish Financial Reporting Board. In accordance with the Swedish Financial Supervisory Authority's general advice, the parent company applies the international financial reporting standards that have been approved by the EU in the preparation of the financial reports.

Qliro's interim report is prepared in accordance with the same accountings policies and calculation methods applied in the annual report for 2021.

NOTE 2. NET INTEREST INCOME

SEK million	Group			
	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Interest income				
Lending to the public	67.7	64.2	135.9	127.5
Interest-bearing securities	0.5	0.1	0.6	0.1
Total interest income	68.2	64.2	136.5	127.6
Interest expenses				
Liabilities to credit institutions	-3.4	-2.5	-7.1	-5.0
Deposits to the general public	-5.0	-5.4	-9.3	-10.5
Interest-bearing securities	-0.3	-0.1	-0.5	-0.2
Subordinated debt	-1.7	-1.7	-3.4	-3.4
Lease liabilities	-	-	-0.1	-0.1
Total interest expenses	-10.5	-9.8	-20.5	-19.2
Net interest income	57.8	54.4	116.1	108.4

SEK million	Parent company			
	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Interest income				
Lending to the public	67.7	64.2	135.9	127.5
Interest-bearing securities	0.5	0.1	0.6	0.1
Total interest income	68.2	64.2	136.5	127.6
Interest expenses				
Liabilities to credit institutions	-3.4	-2.5	-7.1	-5.0
Deposits to the general public	-5.0	-5.4	-9.3	-10.5
Interest-bearing securities	-0.3	-0.1	-0.5	-0.2
Subordinated debt	-1.7	-1.7	-3.4	-3.4
Total interest expenses	-10.4	-9.8	-20.4	-19.1
Net interest income	57.8	54.5	116.1	108.4

NOTE 3. NET COMMISSION INCOME

SEK million	Group and Parent company			
	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Commission income				
Lending commissions	40.4	37.0	80.2	72.4
Other commission income	9.9	9.5	20.4	18.7
Total commission income	50.3	46.5	100.6	91.1
Commission expenses				
Other commission expenses	-2.0	-1.9	-4.0	-4.2
Total commission expenses	-2.0	-1.9	-4.0	-4.2
				0
Net commission income	48.3	44.6	96.6	86.9

NOTE 4. NET CREDIT LOSSES

SEK million	Group and Parent company			
	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Expected credit losses on items in the balance sheet				
Net loss provision for the period, Stage 1	-0.9	-0.7	0.3	0.3
Net loss provision for the period, Stage 2	-2.6	-1.0	-1.6	10.5
Total net credit losses non-credit-impaired lending	-3.5	-1.7	-1.3	10.9
Net loss provision for the period, Stage 3	-1.7	5.0	-7.3	-5.7
Realized net credit losses for the period	-29.9	-26.0	-54.6	-44.6
Total net credit losses credit-impaired lending	-31.6	-21.0	-61.9	-50.3
Total net credit losses	-35.1	-22.7	-63.2	-39.4
Loss provisions on loans measured at amortized costs	-121.6	-126.1	-121.6	-126.1

NOTE 5. LENDING TO THE PUBLIC

2022-06-30, SEK million	Group and Parent company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2,067.6	438.8	149.1	2,655.5
Provisions for expected credit losses	-15.8	-36.4	-69.4	-121.6
Net lending to the public	2,051.8	402.4	79.8	2,533.9

2021-06-30, SEK million	Group and Parent company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2,053.4	394.5	157.2	2,605.2
Provisions for expected credit losses	-18.2	-35.1	-72.8	-126.1
Net lending to the public	2,035.2	359.4	84.4	2,479.1

2021-12-31, SEK million	Group and Parent company			
	Stage 1	Stage 2	Stage 3	Total
Loans receivable	2,278.7	448.6	143.7	2 871.0
Provisions for expected credit losses	-16.0	-34.6	-61.5	-112.1
Net lending to the public	2,262.7	414.0	82.2	2,758.9

Loans with modified conditions, where the loan is not derecognised from the balance sheet and replaced with new loan, amounted June 30 2022 to SEK 25.6 million (22).

NOTE 6. DEPOSITS AND BORROWINGS FROM THE PUBLIC

SEK million	Group / Parent company		
	2022-06-30	2021-06-30	2021-12-31
Deposits and borrowings from the public	2,661.3	2,383.8	2,231,0
By category			
Private individuals	2,661.3	2,383.8	2,231,0
Companies	-	-	-
Total	2,661.3	2,383.8	2,231,0
By currency			
Swedish currency	1,993.4	1,871.8	1,831,0
Foreign currency	667.9	512.1	400,0
Total	2,661.3	2,383.8	2,231,0

NOTE 7. FINANCIAL INSTRUMENTS

Classification of financial instruments

2022-06-30, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
Assets				
Bonds and other fixed-income securities	300.1	–	–	300.1
Lending to credit institutions	–	–	382.5	382.5
Lending to the public	–	–	2,533.9	2,533.9
Derivatives	–	2.1	–	2.1
Other assets	–	–	45.9	45.9
Accrued income	–	–	2.0	2.0
Total financial instruments	300.1	2.1	2,964.3	3,266.5
Other non-financial instruments	–	–	–	262.4
Total assets				3,528.9
Liabilities				
Liabilities to credit institutions	–	–	84.6	84.6
Deposits and borrowings from the public	–	–	2,661.3	2,661.3
Other liabilities	–	–	94.2	94.2
Derivatives	–	0.7	–	0.7
Accrued expenses	–	–	64.8	64.8
Subordinated debt	–	–	100.0	100.0
Total financial instruments	–	0.7	3,004.9	3,005.5
Other non-financial instruments	–	–	–	11.8
Total liabilities	–	–	–	3,017.4

2021-06-30, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
Assets				
Bonds and other fixed-income securities	400.7	–	–	400.7
Lending to credit institutions	–	–	181.4	181.4
Lending to the public	–	–	2,479.1	2,479.1
Other assets	–	–	41.9	41.9
Accrued income	–	–	5.2	5.2
Total financial instruments	400.7	–	2,707.5	3,108.2
Other non-financial instruments	–	–	–	250.9
Total assets				3,359.1
Liabilities				
Liabilities to credit institutions	–	–	147.3	147.3
Deposits and borrowings from the public	–	–	2,383.8	2,383.8
Other liabilities	–	–	94.9	94.9
Derivatives	–	0.2	–	0.2
Accrued expenses	–	–	50.8	50.8
Subordinated debt	–	–	100.0	100.0
Total financial instruments	–	0.2	2,776.8	2,776.9
Other non-financial instruments	–	–	–	10.9
Total liabilities	–	–	–	2,787.8

NOTE 7. FINANCIAL INSTRUMENTS CONT.

Classification of financial instrument

2021-12-31, SEK million	Group			
	Fair value through other comprehensive income	Fair value through income statement	Amortized cost	Total carrying amount
Assets				
Bonds and other fixed-income securities	354.0	–	–	354.0
Lending to credit institutions	–	–	57.5	57.5
Lending to the public	–	–	2,758.9	2,758.9
Other assets	–	–	41.0	41.0
Accrued income	–	–	1.7	1.7
Total financial instruments	354.0	–	2,859.1	3,213.1
Other non-financial instruments				260.9
Total assets				3,474.0
Liabilities				
Liabilities to credit institutions	–	–	452.2	452.2
Deposits and borrowings from the public	–	–	2 231.0	2 231.0
Other liabilities	–	–	69.1	69.1
Derivative	–	1.2	–	1.2
Accrued expenses	–	–	59.7	59.7
Subordinated debt	–	–	100.0	100.0
Total financial instruments	–	1.2	2,912.0	2,913.2
Other non-financial instruments				12.8
Total liabilities				2,925.9

Classification of financial instrument

The fair value of financial instruments traded in an active markets is based on quoted market prices on the closing day. The quoted market price used for Qliro's financial assets is the official bid rate. A disclosure of the fair value of items measured at fair value can be found below. The levels in the disclosure according to the fair value hierarchy below are defined as follows:

- Quoted prices (unadjusted) on active markets for identical assets or liabilities (Level 1)
- Observable data for assets or liabilities other than quoted prices included in Level 1, either directly (i.e., through price quotes) or indirectly (i.e., extrapolated from price quotes) (Level 2)
- Input data for assets or liabilities that are not based on observable market data, i.e., non-observable input data (Level 3)

2022-06-30, SEK million	Group			
	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed-income securities	300.1	–	–	300.1
Derivatives	–	2.1	–	2.1
Summa tillgångar	300.1	2.1	–	302.1
Liabilities				
Derivatives	–	0.7	–	0.7
Total liabilities	–	0.7	–	0.7

2021-06-30, SEK million	Group			
	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed-income securities ¹	400.7	–	–	400.7
Summa tillgångar	400.7	–	–	400.7
Liabilities				
Derivatives	–	0.2	–	0.2
Total liabilities	–	0.2	–	0.2

2021-12-31, SEK million	Group			
	Level 1	Level 2	Level 3	Total
Assets				
Bonds and other fixed-income securities ¹	354.0	–	–	354.0
Summa tillgångar	354,0	–	–	354,0
Liabilities				
Derivatives	–	1.2	–	1.2
Total liabilities	–	1.2	–	1.2

1) Bonds and other fixed-income securities have been reclassified from level 2 to level 1, hence comparative figures for 2021 have been adjusted to level 1.

For assets or liabilities which are recognized at to amortized cost, carrying amounts are considered equivalent to fair value.

NOTE 8. OPERATING SEGMENTS

The CEO of Qliro AB is the company's chief operating decision maker. Company management has determined the segments based on the information addressed by the CEO and for the purposes of allocation resources and assessing results. The CEO assess the results for Payment Solutions and Digital Banking Services. The CEO evaluates the development of the segments based on operating income less net credit losses. Segment reporting is based on the same principles and external accounting.

SEK million	Group					
	2022 Apr – Jun			2021 Apr – Jun		
	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total
Interest income	46.0	22.2	68.2	43.0	21.3	64.2
Interest expenses	-6.5	-3.9	-10.5	-5.9	-3.9	-9.8
Net commission income ¹	48.2	0.1	48.3	44.5	0.1	44.6
Net profit/loss from financial transactions	-0.9	0.0	-0.9	-0.8	0.0	-0.8
Other operating income	0.2	-	0.2	0.0	-	0.0
Total operating income	87.0	18.4	105.4	80.8	17.4	98.2
Net credit losses	-28.8	-6.3	-35.1	-19.1	-3.6	-22.7
Total operating income less credit losses	58.2	12.1	70.3	61.7	13.9	75.5

SEK million	Group					
	2022 Jan – jun			2021 Jan – jun		
	Payment solutions	Digital banking services	Total	Payment solutions	Digital banking services	Total
Interest income ¹	91.3	45.3	136.5	85,6	42,0	127,6
Interest expenses	-12.7	-7.8	-20.5	-11,6	-7,6	-19,2
Net commission income ¹	96.3	0.2	96.6	86,7	0,2	86,9
Net profit/loss from financial transactions	-1.4	0.0	-1.4	-0,7		-0,7
Other operating income	0.2	-	0.2	0,1		0,1
Total operating income	173.7	37.7	211.4	160,1	34,5	194,6
Net credit losses	-50.6	-12.5	-63.2	-39,9	0,4	-39,4
Total operating income less credit losses	123.1	25.2	148.2	120,2	35,0	155,2

1) In Q1 2022 items in other operating income in Payment solution were reclassified to commission income, because of which comparable figures have been adjusted. For the full-year 2021 the amount is SEK 10.7 million and for Q2 2021 SEK 2.6 million. There was also a reclassification from other operating expenses to commission expenses for Payment Solution, by SEK 4.7 million for the full-year 2021 and by SEK 0,9 million for Q2 2021

NOTE 8. OPERATING SEGMENTS CONT.

Of the net lending to the public of SEK 2,534 million (2,479 as of June 30, 2021 and 2,759 as of December 31, 2021), SEK 1,578 million (1,458 as of June 30, 2021 and 1,699 as of December 31, 2021) refers to Payment solutions and SEK 956 million (1,021 as of June 30, 2021 and 1,060 as of December 31, 2021) refers to Digital banking services.

Commission income per geographic market and segment

SEK million	Group and Parent company			
	2022 Apr – jun	2021 Apr – jun	2022 Jan – jun	2021 Jan – jun
Payment solutions				
Lending commissions				
Sweden	32.3	30.1	63.4	59.9
Finland	1.7	2.3	3.6	3.4
Denmark	0.9	0.6	2.0	1.2
Norway	5.4	4.0	10.9	7.7
Total	40.3	36.9	79.9	72.2
Other commission income				
Sweden	9.5	9.0	19.7	17.9
Finland	0.1	0.1	0.2	0.2
Denmark	0.0	0.0	0.0	0.0
Norway	0.2	0.4	0.5	0.6
Total	9.9	9.5	20.4	18.7
Total commission income Payment Solution	50.2	46.4	100.3	90.9
Digital banking services				
Lending commissions				
Sweden	0.1	0.1	0.2	0.2
Total commission income Digital Banking	0.1	0.1	0.2	0.2
Total commission income	50.3	46.5	100.6	91.1

NOTE 9. CAPITAL ADEQUACY ANALYSIS

In accordance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms ("CRR") and the Finansinspektionen's regulations regarding prudential requirements and capital buffers (FFFS 2014:12), Qliro AB ("Qliro") hereby discloses the information about capital adequacy and other information in accordance with the above regulations.

Qliro's internal procedures for reporting and disclosure of information are included in the Financial Handbook, owned by the Chief Financial Officer and annually approved by the CEO. The procedures include roles and responsibilities as well as Qliro's framework for internal control over the financial reporting.

Key metrics

Template "EU KM1 – Key metrics template" is disclosed below as per the technical standards in the Commission implementing regulation 2021/637.

Statement for the total capital requirement and capital base

Risk weighted capital requirements and leverage ratio capital requirements.

Internally assessed capital need

As per 30 June 2022 the internal assessed capital need, as per the minimum capital requirement according to Pillar 1, additional capital requirement as per the company's internal capital adequacy assessment process to cover for risks within Pillar 2, and the combined buffer requirement, amounted to SEK 287 million, or 12.4% of the risk-weighted exposure amount.

		2022-06-30	2022-03-31	2021-12-31	2021-09-30	2021-06-30
Available own funds (SEKm)						
1	Common Equity Tier 1 (CET1) capital	393.4	429.9	441.9	472.9	465.5
2	Tier 1 capital	393.4	429.9	441.9	472.9	465.5
3	Total capital	493.4	529.9	541.9	572.9	565.5
Risk-weighted exposure amounts (SEKm)						
4	Total risk exposure amount	2,316.4	2,290.9	2,423.0	2,322.3	2,242.8
Capital ratios (as a percentage of risk-weighted exposure amount)						
5	Common Equity Tier 1 ratio (%)	17.0%	18.8%	18.2%	20.4%	20.8%
6	Tier 1 ratio (%)	17.0%	18.8%	18.2%	20.4%	20.8%
7	Total capital ratio (%)	21.3%	23.1%	22.4%	24.7%	25.2%
Additional own funds requirements to address risks other than the risk of excessive leverage (as a percentage of risk-weighted exposure amount)						
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7b	of which: to be made up of CET1 capital (percentage points)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7c	of which: to be made up of Tier 1 capital (percentage points)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 7d	Total SREP own funds requirements (%)	8.0%	8.0%	8.0%	8.0%	8.0%
Combined buffer and overall capital requirement (as a percentage of risk-weighted exposure amount)						
8	Capital conservation buffer (%)	2.5 %	2.5%	2.5%	2.5%	2.5%
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State (%)	0.0%	0.0%	0.0%	0.0%	0.0%
9	Institution specific countercyclical capital buffer (%)	0.1 %	0.1%	0.1%	0.1%	0.1%
EU 9a	Systemic risk buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
10	Global Systemically Important Institution buffer (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 10a	Other Systemically Important Institution buffer	0.0%	0.0%	0.0%	0.0%	0.0%
11	Combined buffer requirement (%)	2.6%	2.6%	2.6%	2.6%	2.6%
EU 11a	Overall capital requirements (%)	10.6%	10.6%	10.6%	10.6%	10.6%
12	CET1 available after meeting the total SREP own funds requirements (%)	9.0%	10.8%	10.2%	12.4%	12.8%
Leverage ratio						
13	Total exposure measure (SEKm)	3,400.0	3,109.7	3,370.2	3,306.1	3,262.3
14	Leverage ratio (i %)	11.6%	13.8%	13.1%	14.3%	14.3%
Additional own funds requirements to address risks of excessive leverage (as a percentage of leverage ratio total exposure amount)						
EU 14a	Additional own funds requirements to address the risk of excessive leverage (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14b	of which: to be made up of CET1 capital (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14c	Total SREP leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Leverage ratio buffer and overall leverage ratio requirement (as a percentage of total exposure measure)						
EU 14d	Total SREP leverage ratio requirements (%)	0.0%	0.0%	0.0%	0.0%	0.0%
EU 14e	Overall leverage ratio requirements (%)	3.0%	3.0%	3.0%	3.0%	3.0%
Liquidity Coverage Ratio						
15	Total high-quality liquid assets (HQLA) (Weighted value – average, SEKm)	300.1	208.7	254.0	160.5	400.7
16a	Cash outflows – Total weighted value (SEKm)	329.0	305.9	279.2	401.5	270.7
16b	Cash inflows – Total weighted value (SEKm)	473.4	206.8	213.3	410.6	280.6
16	Total net cash outflows (adjusted value) (SEKm)	82.2	99.1	69.8	100.4	67.7
17	Liquidity coverage ratio (%)	364.9%	210.5%	364.0%	159.9%	592.0%
Net Stable Funding Ratio						
18	Total available stable funding (SEKm)	3,145.8	2,924.3	3,105.4	3,008.5	3,058.8
19	Total required stable funding (SEKm)	2,507.7	2,431.3	2,601.8	2 392.2	2 339.5
20	NSFR ratio (%)	125.4%	120.3%	119.4%	125.8%	130.7%

NOTE 9. CAPITAL ADEQUACY ANALYSIS CONT.

Statement for the total capital requirement and capital base

Risk-weighted capital requirement and capital requirement in relation to gross leverage.

	2022-06-30		2022-03-31		2021-12-31		2021-09-30		2021-06-30	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%
Risk-weighted capital requirement										
Risk-weighted exposure amounts										
Total risk-weighted exposure amount	2,316.4	-	2,290.9	-	2,423.0	-	2,322.3	-	2,242.8	-
Capital requirement (Pillar 1 requirement)¹										
Common Equity Tier 1 (CET1) capital	104.2	4.5%	103.1	4.5%	109.0	4.5%	104.5	4.5%	100.9	4.5%
Tier 1 capital	139.0	6.0%	137.5	6.0%	145.4	6.0%	139.3	6.0%	134.6	6.0%
Total capital requirement	185.3	8.0%	183.3	8.0%	193.8	8.0%	185.8	8.0%	179.4	8.0%
Special capital requirement (Pillar 2 requirement)²										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Pillar 2 requirement	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Combined buffer requirement³										
Capital conservation buffer	57.9	2.5%	57.3	2.5%	60.6	2.5%	58.1	2.5%	56.1	2.5%
Institution specific countercyclical capital buffer	2.2	0.1%	1.5	0.1%	1.6	0.1%	1.2	0.1%	1.2	0.1%
Combined buffer requirement	60.1	2.6%	58.7	2.6%	62.1	2.6%	59.3	2.6%	57.3	2.6%
Notification (Pillar 2-guidance)⁴										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Pillar 2 guidance	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total overall capital requirements										
Common Equity Tier 1 (CET1) capital	164.4	7.1%	161.8	7.1%	171.2	7.1%	163.8	7.1%	158.2	7.1%
Tier 1 capital	199.1	8.6%	196.2	8.6%	207.5	8.6%	198.6	8.6%	191.9	8.6%
Total Overall capital requirements	245.4	10.6%	242.0	10.6%	256.0	10.6%	245.1	10.6%	236.7	10.6%
Available own funds (Capital base)										
Common Equity Tier 1 (CET1) capital	393.4	17.0%	429.9	18.8%	441.9	18.2%	472.9	20.4%	465.5	20.8%
Tier 1 capital	393.4	17.0%	429.9	18.8%	441.9	18.2%	472.9	20.4%	465.5	20.8%
Total available own funds	493.4	21.3%	529.9	23.1%	541.9	22.4%	572.9	24.7%	565.5	25.2%

1) Capital requirements according to article 92.1 a–c, Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

2) Special capital requirement according to chapter 2, 1 2, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-requirement)

3) Combined buffer requirement according to chapter 2, 2, Act (2014:966) on capital buffers

4) Notification according to 2 chapter, 1 c, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-guidance)

	2022-06-30		2022-03-31		2021-12-31		2021-09-30		2021-06-30	
	MSEK	%	MSEK	%	MSEK	%	MSEK	%	MSEK	%
Leverage ratio – Capital requirements										
Total exposure amounts										
Total exposure amounts	3,400.0	-	3,109.7	-	3,370.2	-	3,306.1	-	3,262.3	-
Leverage requirements (Pillar 1 requirement)¹										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	102.0	3.0	93.3	3.0%	101.1	3.0%	99.2	3.0%	97.9	3.0%
Special leverage requirement (Pillar 2 requirement)²										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Notification (Pillar 2 guidance)³										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Total Overall capital requirements	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Overall leverage requirements										
Common Equity Tier 1 (CET1) capital	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%	0.0	0.0%
Tier 1 capital	102.0	3.0%	93.3	3.0%	101.1	3.0%	99.2	3.0%	97.9	3.0%
Total Overall capital requirements	102.0	3.0%	93.3	3.0%	101.1	3.0%	99.2	3.0%	97.9	3.0%
Available Common Equity Tier 1- and Tier 1 Capital (Capital base)										
Common Equity Tier 1 (CET1) capital	393.4	17.0%	429.9	18.8%	441.9	18.2%	472.9	20.4%	465.5	20.8%
Tier 1 capital	393.4	17.0%	429.9	18.8%	441.9	18.2%	472.9	20.4%	465.5	20.8%
Total Overall capital requirements	493.4	21.3%	529.9	23.1%	541.9	22.4%	572.9	24.7%	565.5	25.2%

1) Capital requirements according to article 92.1 d, Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms

2) Special capital requirement according to chapter 2, 1 1, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-requirement)

3) Notification according to chapter 2, 1 c, Act (2014: 968) on special supervision of credit institutions and securities companies (Pillar 2-guidance)

Internal assessed capital need

As per 2021-06-30 the internal assessed capital need, as per the minimum capital requirement according to Pillar 1, additional capital requirement as per the company's internal capital adequacy assessment process to cover for risks within Pillar 2, and the combined buffer requirement, amounted to SEK 287 million, or 12.4% of the risk-weighted exposure amount.

NOTE 10. DISCLOSURE OF LIQUIDITY RISKS

The disclosure below refers to Qliro AB and includes information in accordance with Finansinspektionen's regulations regarding management of liquidity risks in credit institutions and investment firms (FFFS 2010:7). The information is disclosed at least four times per year.

Sources of funding

Qliro AB's net lending to the public amounted to SEK 2 534 (2 479) million at the end of the quarter. The lending was financed by the amount of SEK 85 (147) million via a secured contracted credit facility and SEK 2 661 (2 384) million through deposits from the public (savings accounts) in Sweden and Germany, of which 99.7 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 73 percent on demand with variable rate and 27 percent fixed interest rate with a duration of 199 days as of 30 June 2022 (initially 6-month fixed rate and 1-year fixed rate). 26 percent of the deposit from the public is invested in liquid financial assets and placed in Nordic banks.

Liquidity

Qliro AB's total liquidity reserve as of 30 June 2022 amounted to SEK 680 million, consisting of:

- Investments in debt securities: SEK 300 million
- Bank balances in Nordic Banks: SEK 380 million
- In addition to the financial investments, Qliro AB had SEK 315 million in back up liquidity via undrawn funding in a secured committed credit facility.

The liquidity buffer consists of the following high-quality liquid assets:

- Investments in debt securities consists of SEK 259 million in SEK denominated currency and SEK 11 million in EUR denominated currency.
- Of the debt securities denominated in EUR currency SEK 11 million was invested Swedish municipalities securities.
- All debt securities in the portfolio had a rating of AA+ with an average maturity of 212 days.

As of 30 June 2022, the liquidity coverage ratio amounted to 365 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 300 million, related to net outflows of SEK 82 million over a thirty-day period under stressed market conditions.

NOTE 11. EVENT AFTER END OF PERIOD

Qliro AB's extraordinary general meeting on July 1, 2022 approved the Board of Directors' decision on a directed share issue and warrant issue to Christoffer Rutgersson. Subscription is conditional on a supervisory review by the Swedish Financial Supervisory Authority. Christoffer Rutgersson was appointed as CEO on June 8, 2022, and will take office on October 1, 2022.

ALTERNATIVE PERFORMANCE MEASURES

Alternative performance measures that management and analysts use to evaluate the company's development, which are not specified or defined in IFRS or other applicable regulations.

Performance measure	Definition	Motivation
Return on equity, %	Net income for the year/period, restated as a full-year value, as a percentage of average equity for two measurement periods (opening and closing balance for the period).	The measure is used to analyze profitability in relation to equity.
Deposits and funding from the public	The period's closing balance for deposits and funding from the public in the balance sheet.	The purpose is to monitor the level of and growth in the deposit business and to track the scope of external funding that comes from deposits from the public.
Items affecting comparability	Income and expenses that affect comparability over time in a significant way because they do not by nature or size recur with the same regularity as other items.	The company's management separates out items affecting comparability in order to explain variations over time. Separation of the items makes it easier for readers of the financial reports to understand and evaluate what management is doing when certain items, subtotals and totals from the income statement are presented or used in other performance measures.
C/I ratio, %	Total expenses before credit losses as a percentage of the sum of operating income.	The purpose is to provide an indication of the company's cost-effectiveness in relation to the sum of operating income. Also used in benchmark comparisons.
Net credit losses	The period's expected credit losses on items in the balance sheet as well as the period's established credit losses, net.	The purpose is to track the size of and trend in credit risks in lending and to explicitly do so for the size of the forecast-based credit loss amount that reduces net income for the period.
Credit loss level, % in relation to average lending	The period's credit losses, restated as a full-year value, net in relation to average net lending to the public for two measurement periods (opening and closing balance for the period).	The purpose is to provide a measure of credit losses in relation to net lending to the public. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Credit loss level, % in relation to average lending Digital Banking Services	The period's credit losses in Digital banking services, restated as a full-year value, net in relation to average net lending to the public in Digital banking services for two measurement periods (opening and closing balance for the period).	The purpose is to provide a measure of credit losses in relation to net lending to the public. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Credit loss level, % in relation to processed pay-after-delivery (PAD) volume	The period's credit losses for pay-after-delivery (PAD), restated as a full-year value, net in relation to total capitalized volume.	The purpose is to provide a measure of credit losses in relation to processed pay-after-delivery (PAD) volume. The measure is critical to the analysis of credit risk between various periods and versus the competition.
Net income for the period adjusted for items affecting comparability	Net income for the period after tax adjusted for items affecting comparability.	Net income for the period is tracked to monitor the total return, after all expenses and after tax. Adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Net commission income	The sum of commission income less commission expenses.	Net commission income is tracked to monitor development in the part of the core business not related to lending and deposits. Largely reflects the scope and profitability of lending commissions related to payment solutions and other payment services.
Net commission income adjusted for items affecting comparability	The sum of commission income less commission expenses adjusted for items affecting comparability.	Net commission income adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Net interest income	The sum of interest income less interest expenses.	Net interest income is monitored to track the development of the core business related to lending and deposits.
Net interest income adjusted for items affecting comparability	The sum of interest income less interest expenses adjusted for items affecting comparability.	Net interest income adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.
Operating profit	The sum of operating income less administrative expenses, depreciation, amortization and impairment of tangible and intangible assets, other operating expenses and credit losses, net.	Operating profit is monitored to track the profitability of the total business, taking into account credit losses and all other expenses except tax.
Operating profit adjusted for items affecting comparability	The sum of operating income less administrative expenses, depreciation, amortization and impairment, other operating expenses and credit losses adjusted for items affecting comparability.	Operating profit adjusted for items affecting comparability improves opportunities for evaluation and comparison over time.

ALTERNATIVE PERFORMANCE MEASURES, CONT.

Performance measure	Definition	Motivation
Operating profit less depreciation, amortization and impairment of intangible and tangible assets	The sum of operating profit less depreciation, amortization and impairment of tangible and intangible assets.	The purpose is to evaluate operating activities.
Total expenses before credit losses	The sum of the period's operating expenses, which for the company represents the sum of administrative expenses, depreciation, amortization and impairment of tangible and intangible assets, and other expenses.	The purpose is to monitor the size of central expenses that are not directly related to lending and commissions.
Total operating income	The sum of net interest income, net commission income, net gains and losses on financial transactions, and other operating income.	Total operating income is monitored to track the development of the core business before employee benefits, depreciation and amortization, credit losses and other central expenses. The measure depends primarily on the overall trend in net interest income and net commission income.
Total operating income adjusted for items affecting comparability (accrual of merchant commissions)	The sum of net interest income, net commission income, net gains and losses on financial transactions, and other operating income adjusted for items affecting comparability.	Total operating income adjusted for items affecting comparability provides improved opportunities for evaluation and comparison over time.
Total operating income margin, %	The sum of operating income restated as a full-year value, in relation to average net lending to the public for two measurement periods (opening and closing balance for the period).	The measure is used to analyze value creation and profitability in relation to net lending to the public.
Net lending to the public	Loans receivable less provision for expected credit losses.	Net lending to the public is a central driver of the sum of operating income.

OPERATIONAL PERFORMANCE MEASURES

Performance measure	Definition	Motivation
The number of connected merchants	The number of brands that use Qliro as a payment provider.	The number of connected merchants is a central measure in the analysis of the growth forecast for pay-after-delivery volume.
The number of average employees	Full-time services excluding contracted consultants.	The measure indicates how well one of the Group's key processes, HR recruitment and development, develops over time.
Pay after delivery, volume	Total volume of Qliro's payment products (invoice, BNPL or part payment), including VAT.	Pay-after-delivery volume is a central driver of the sum of operating income. It is used as a complement to net lending to the public to capture the high turnover of the loan book for the segment of payment solutions.
Pay after delivery, transactions	The number of transactions with Qliro's payment products (invoice, BNPL or part payment), including VAT.	Pay-after-delivery transactions is a central driver of the sum of operating income. It is used as a complement to net lending to the public to capture the high turnover of the loan book for the segment of payment solutions.

OTHER PERFORMANCE MEASURES

Performance measure	Definition	Motivation
Common Equity Tier 1 capital ratio, %	Regulation (EU) No. 575/2013. The institution's Tier 1 capital level expressed as a percentage of the risk exposure amount.	Regulatory requirement. A regulatory floor applies to total the Common Equity Tier 1 capital ratio to ensure that the institution has sufficient capital.
Liquidity Coverage Ratio (LCR) %	Regulation (EU) No. 575/2013 and Regulation (EU) No. 2015/61. The Liquidity Coverage Ratio is the high-quality liquid assets that the institution holds divided by net liquidity outflows during a 30 calendar day stress period.	Regulatory requirement. Legislators require the institution to hold high-quality liquid assets to cover net liquidity outflows during a 30 calendar day stress period to ensure that the institution has sufficient capital.
Total capital ratio, %	Regulation (EU) No. 575/2013. The total capital ratio is the institution's own funds expressed as a percentage of the total risk amount.	Regulatory requirement. A regulatory floor applies to total capital ratio to ensure that the institution has sufficient capital.

RECONCILIATION TABLES

for derivation of alternative key figures

SEK million (unless otherwise stated)	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Business volume				
Pay-after-delivery volume	1,596	1,710	3,148	3,273
Return on equity, %				
Total equity, opening balance	541	583	548	588
Total equity, closing balance	512	571	512	571
Average equity (OB+CB)/2	526	577	530	580
Profit/loss for the period	-27.4	-12.2	-34.6	-16.7
Average profit/loss for the period 12 month	-109.6	-48.7	-69.2	-33.5
Return on equity, %	-20.8%	-8.4%	-13.1%	-5.8%
Items affecting comparability				
VAT correction	-	-	-4.9	-
Severance pay	2.1		2.1	
Profitability project	5.6		5.6	
Legal fees	2.5		2.5	
Items affecting comparability	10.2	-	-5.3	-
C/I ratio, %				
Total expenses before credit losses	-104.1	-90.4	-190.7	-175.3
Total operating income	105.4	98.2	211.4	194.6
C/I ratio, %	98.8%	88.3%	90.2%	90.1%
Credit loss level, %				
Lending to the public, opening balance	2,570	2,401	2,759	2,460
Lending to the public, closing balance	2,534	2,479	2,534	2,479
Average lending to the public (OB+CB)/2	2,552	2,440	2,646	2,470
Net credit losses	-35.1	-22.7	-63.2	-39.4
Average net credit losses 12 month	-140.6	-90.8	-126.3	-78.9
Credit loss level, %	5.5%	3.7%	4.8%	3.2%
Credit loss level Digital banking services, %				
Lending to the public, Digital banking services, opening balance	1,014	985	1,060	937
Lending to the public, Digital banking services, closing balance	956	1,021	956	1,021
Average lending to the public Digital banking services (OB+CB)/2	985	1,003	1,008	979
Net credit losses	-6.3	-3.6	-12.5	0.4
Average net credit losses Digital banking services 12 month	-25.2	-14.2	-25.0	0.8
Credit loss level Digital banking services, %	2.6%	1.4%	2.5%	-0.1%
Credit loss level, % in relation to pay-after-delivery (PAD) volume				
Net credit losses, PAD	-28.8	-19.1	-50.6	-39.9
Pay-after-delivery (PAD) volume	1,596	1,710	3 148	3,273
Credit loss level, % in relation to pay-after-delivery (PAD) volume	1.8%	1.1%	1.6%	1.2%

RECONCILIATION TABLES CONT.

SEK million (unless otherwise stated)	2022 Apr – Jun	2021 Apr – Jun	2022 Jan – Jun	2021 Jan – Jun
Profit/loss for the period adjusted for items affecting comparability				
Profit/loss for the period	-27.4	-12.2	-34.6	-16,7
Items adjusted for items affecting comparability	10.2	0.0	5.3	0,0
Tax effect on items affecting comparability	-2.1	0.0	-1.1	0,0
Profit/loss for the period adjusted for items affecting comparability	-19.3	-12.2	-30.4	-16,7
Provisionsnetto justerat för jämförelsestörande poster				
Commission income	50.3	46.5	100.6	91.1
Commission expenses	-2.0	-1.9	-4.0	-4.2
Net commission income	48.3	44.6	96.6	86.9
Operating profit/loss less depreciation/amortization of tangible and intangible assets				
Operating profit/loss	-33.9	-14.9	-42.4	-20.1
Depreciation/amortization of tangible and intangible assets	25.9	24.1	50.3	47.1
Operating profit/loss excl. depreciation/amortization of tangible and intangible assets	-8.0	9.3	7.9	27.0
Operating profit/loss adjusted for items affecting comparability				
Operating profit/loss	-33.9	-14.9	-42.4	-20.1
Items affecting comparability	10.2	0.0	5.3	0.0
Operating profit/loss adjusted for items affecting comparability	-23.6	-14.9	-37.1	-20.1
Total operating income	105.4	98.2	211.4	194.6
of which Payment Solutions	87.0	80.8	173.7	160.1
of which Digital banking services	18.4	17.4	37.7	34.5
Total operating income margin, %				
Lending to the public, opening balance	2,570	2,401	2,759	2,460
Lending to the public, closing balance	2,534	2,479	2,534	2,479
Average lending to the public (OB+CB)/2	2,552	2,440	2,646	2,470
Total operating income	105.4	98.2	211.4	194.6
Average profit/loss for the period 12 month	421.6	393.0	422.8	389.2
Total operating income margin, %	16.5%	16.1%	16.0%	15.8%
Lending to the public	2,534	2,479	2,534	2,479
of which Payment Solution	1,578	1,458	1,578	1,458
of which Digital banking services	956	1,021	956	1,021

THE BOARD'S ASSURANCE

The Board of Directors and the CEO give their assurance that the interim report provides a fair summary of the operations, position, and earnings of Qliro AB and describes the material risks and uncertainties faced by the company and its subsidiaries.

The Board of Directors and the CEO attest that Qliro AB has made the disclosures required in accordance with the Regulation (EU) No 575/2013 of the European Parliament and of the Council on prudential requirements for credit institutions and investment firms, Part Eight, in accordance with Qliro's formal policies and internal processes, systems and controls.

This report has not been reviewed by the Company's auditors.

Stockholm, July 19, 2022

Patrik Enblad
Chairman of the Board

Alexander Antas
Board member

Mikael Kjellman
Board member

Monica Caneman
Board member

Lennart Francke
Board member

Helena Nelson
Board member

Jonas Arlebäck
Acting-CEO

PRESENTATION OF THE INTERIM REPORT

Media, analysts and investors are invited to a conference call on the 19th of July at 10 am when Acting-CEO Jonas Arlebäck and CFO Robert Stambro will present the results.

After the presentation there will be a Q&A session:

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Link to the webcast: tv.streamfabriken.com/qliro-q2-2022

YOU CAN ALSO FOLLOW THE PRESENTATION ON:

qliro.com/en/investor-relations/presentations

FINANCIAL CALENDAR 2022

25 October 2022, at 07.30 am

Interim report January–September 2022

FOR MORE INFORMATION PLEASE CONTACT:

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The financial reports are also published on: qliro.com/sv-se/investor-relations

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