

Investor Presentation

January-June 2021

Klarna Bank AB (publ)
(Corp.ID 556737-0431)



Shop.

Pay.

Bank.

Smoothly.

Klarna.

Strong financial growth across the board.

53%

Gross merchandise volume
YoY growth

USD 39bn (22bn)

Gross merchandise volume
SEK 328bn¹ (215bn)²

40%

Total net operating income
YoY growth

USD 755m (466m)

Total net operating income
SEK 6,345m (4,518m)

38.9% (22.3)

CET1 ratio³

The information is presented for Klarna Bank AB (publ).

¹ Klarna's results are reported in SEK. To arrive at USD values, average exchange rates over the period have been used.

1 USD equals approximately 8.4 SEK for the first six months of 2021. All percentages are calculated on a SEK basis.

² Klarna's results are reported in SEK. To arrive at USD values, the average exchange rates YTD have been used; 1 USD equals approximately 9.7 SEK for the first six months of 2020. All percentages are calculated on a SEK basis.

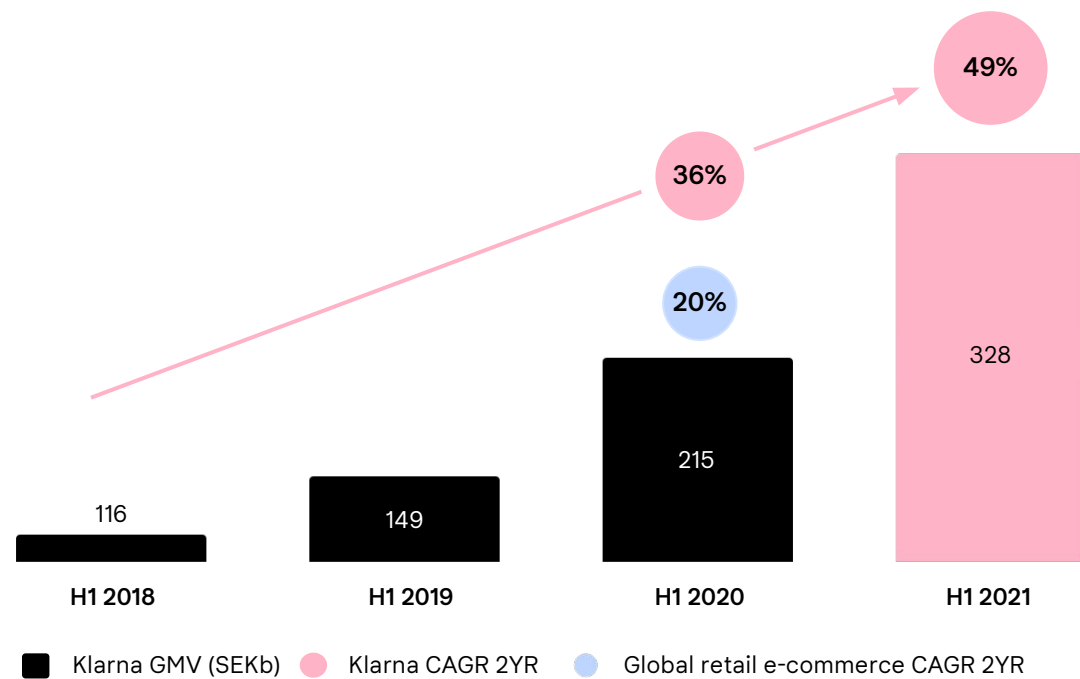
³ Consolidated Group CET1



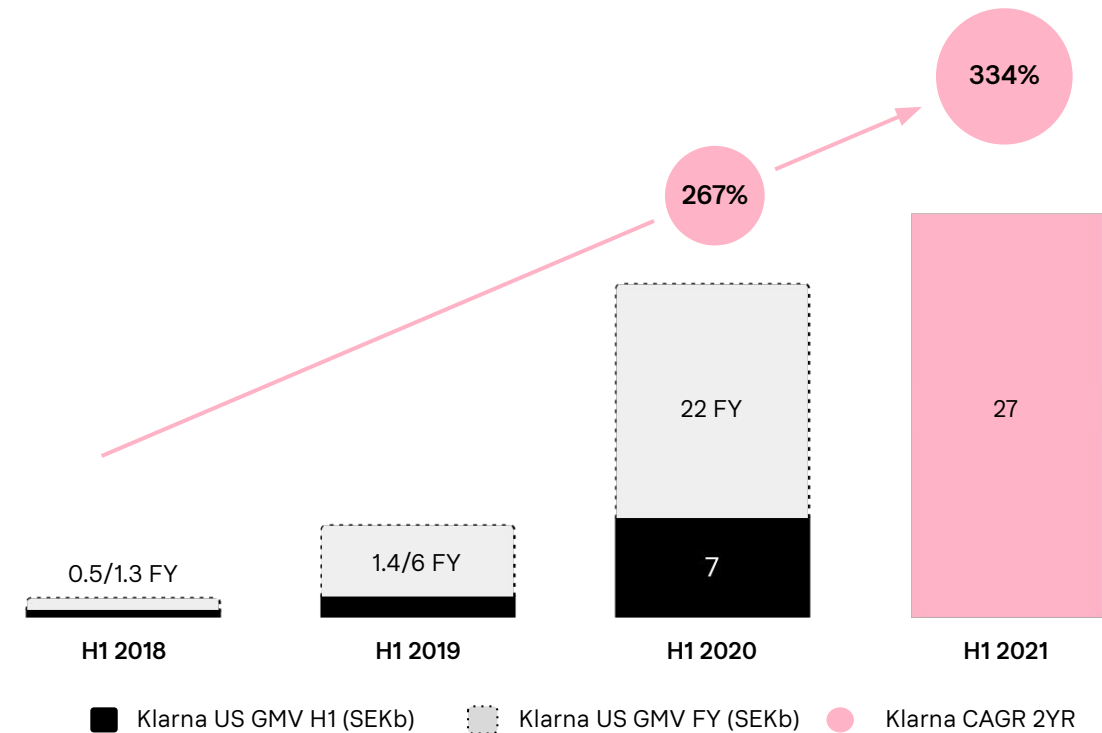
Klarna's consistent track record of growth.

- We have outpaced global and US e-commerce growth for the past 3 years
- US GMV in H1 2021 outperforms full year 2020 sales

Klarna Global GMV - H1



Klarna US GMV - H1



49%

Global Klarna volumes CAGR

20%

Global retail e-commerce CAGR*

334%

Klarna US volumes CAGR

23%

US retail e-commerce CAGR*

*Source: Statista, 2018 - 2020 CAGR

Huge opportunity for continued growth.

Total cashless transactions 2019

\$7.1tn

E-commerce 2019

\$3.4tn

Klarna H121


\$39bn


Klarna 2018

\$29bn

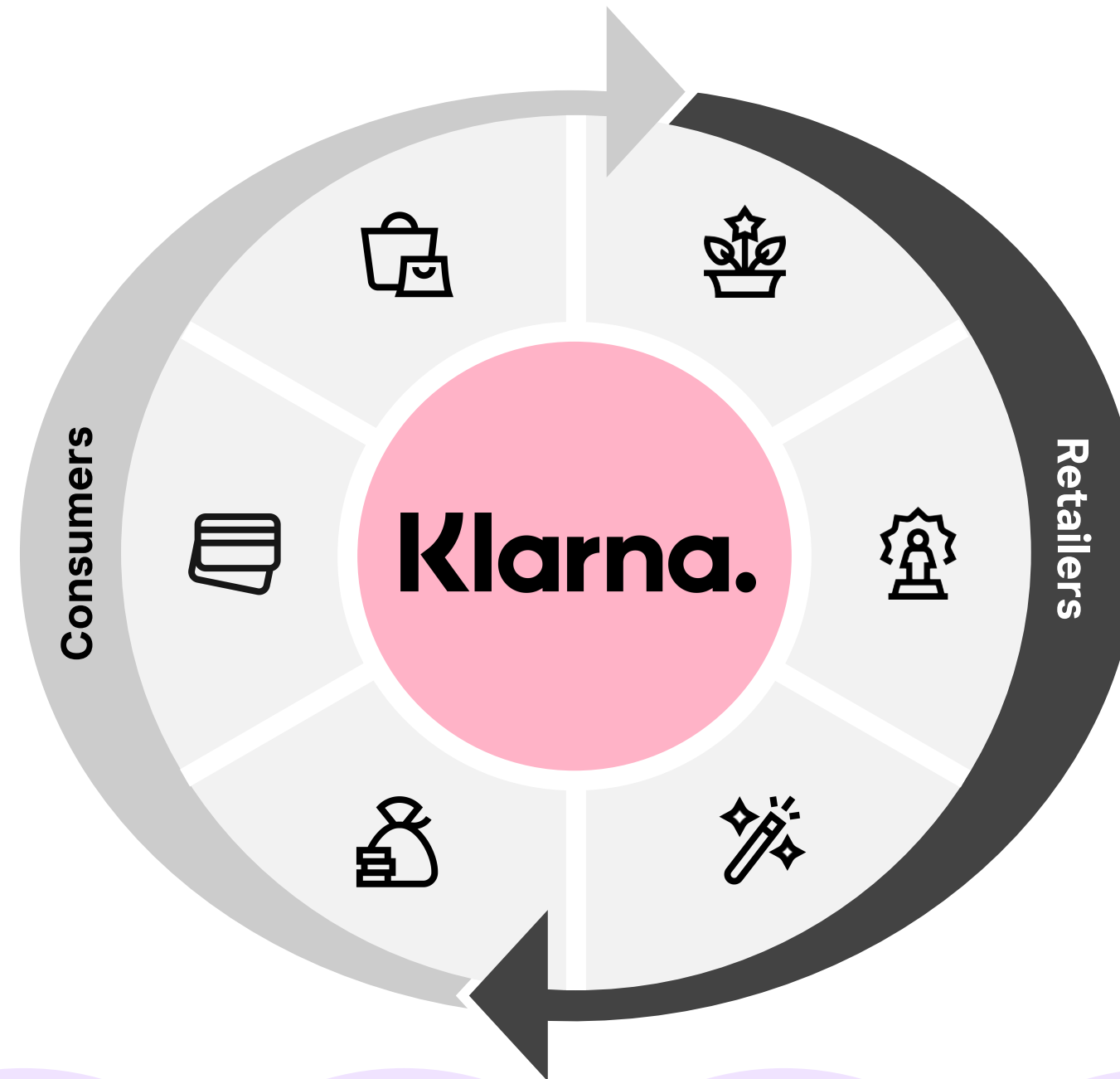


Building a sustainable global digital economy by creating benefits for consumers and retailers alike.


-  **Shop**
- Trusted brand
 - Price drops
 - One platform
 - Easy returns
 - Inspiration
 - Vibe program
 - Collections

-  **Pay**
- Spread costs
 - Payment snooze
 - Fast checkout
 - Budgeting tools
 - Zero interest on pay later

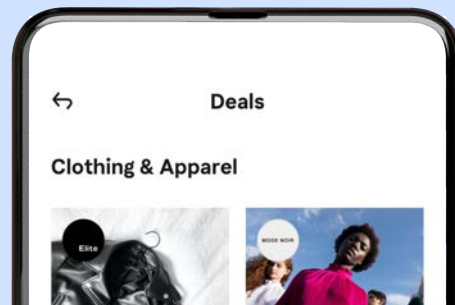
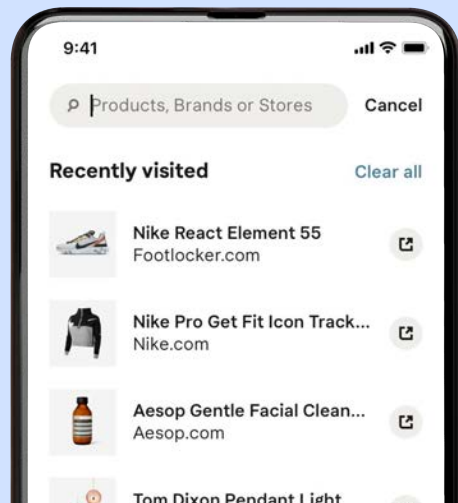
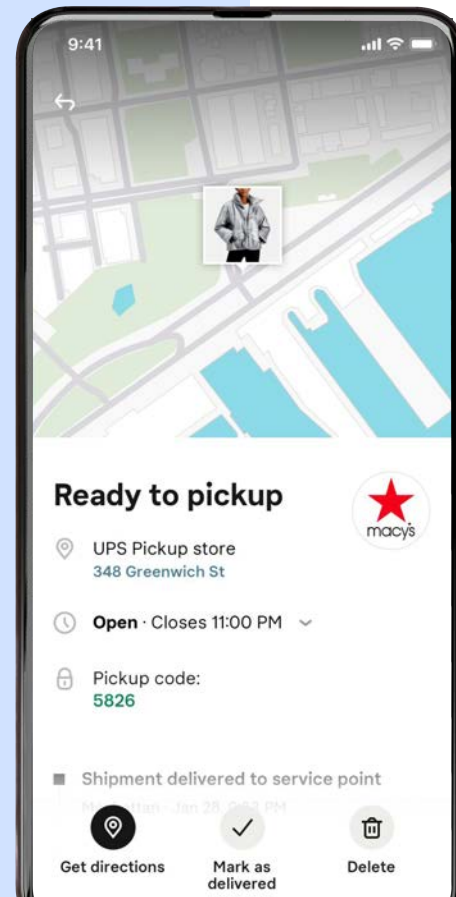
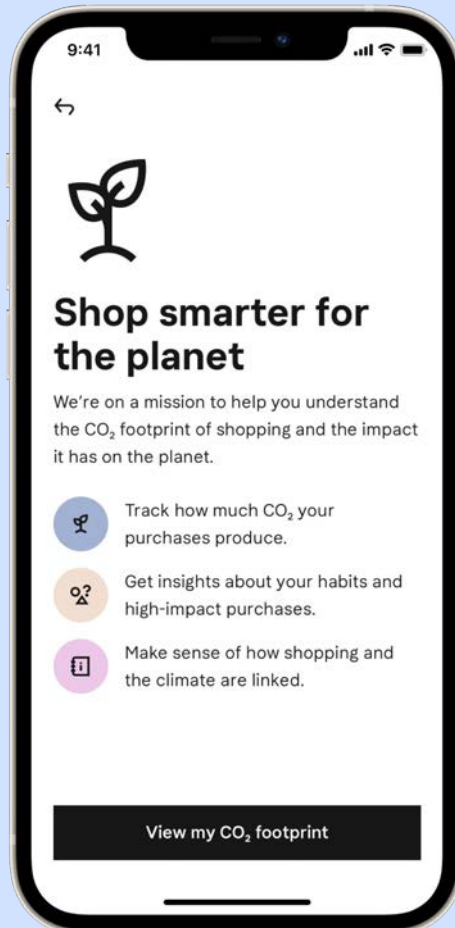
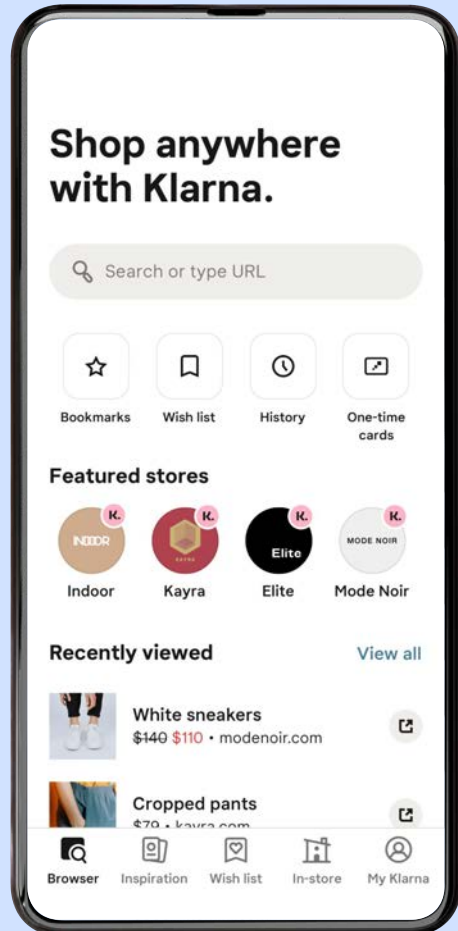
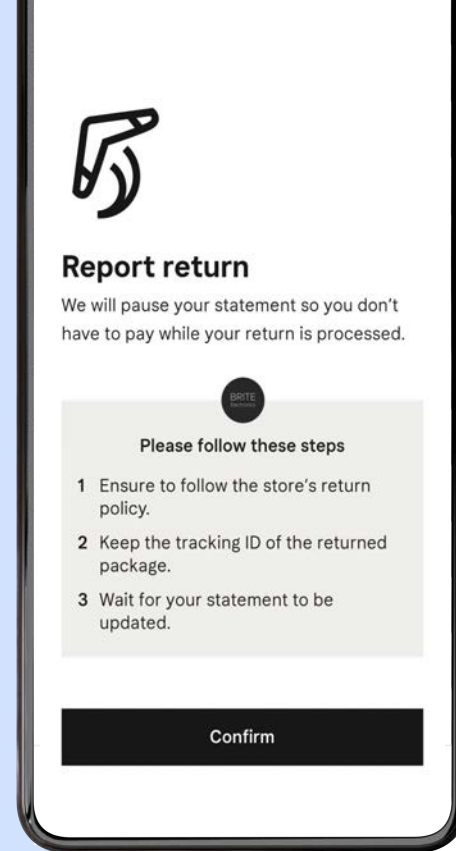
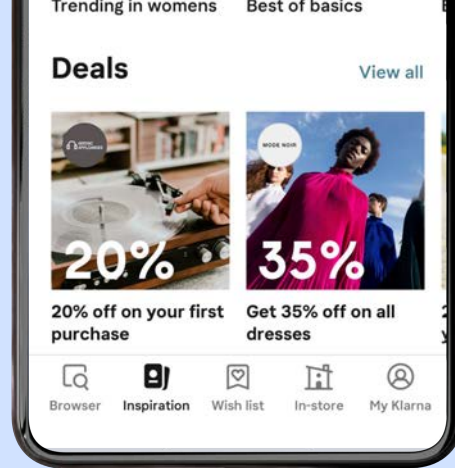
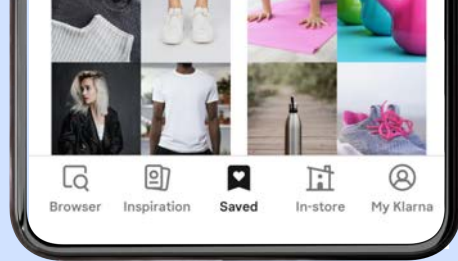
-  **Bank**
- Current and savings accounts



-  **Grow**
- Powerful partnerships
 - Halo effect of Klarna brand
 - Web referrals
 - Unparalleled insights
 - Consumer acquisition
 - Loyal customer base

-  **Support**
- Partner success teams
 - Omnichannel co-marketing

-  **Simplify**
- Zero credit risk
 - Fast integration



Shop with Klarna everywhere through one app.

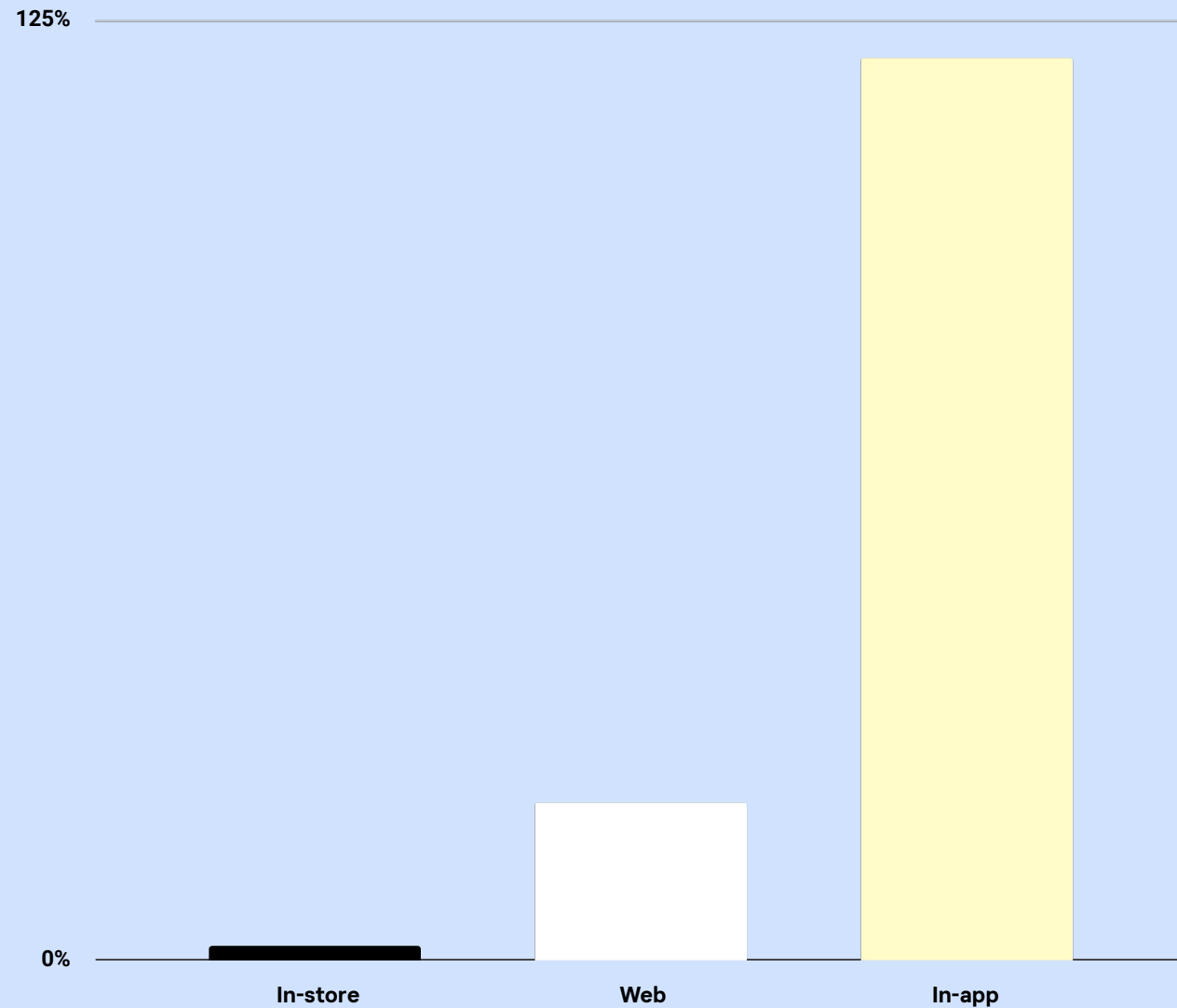
Live in US, Australia, Sweden, New Zealand and now UK (June 2021)

1. Search and shop anywhere in the browser
2. Discover and get inspired
3. Create and save collections
4. Price drop notifications
5. Daily deals tailored to you
6. Pay with Klarna everywhere
7. Spend overviews and management
8. CO2 tracking
9. Post-purchase tools



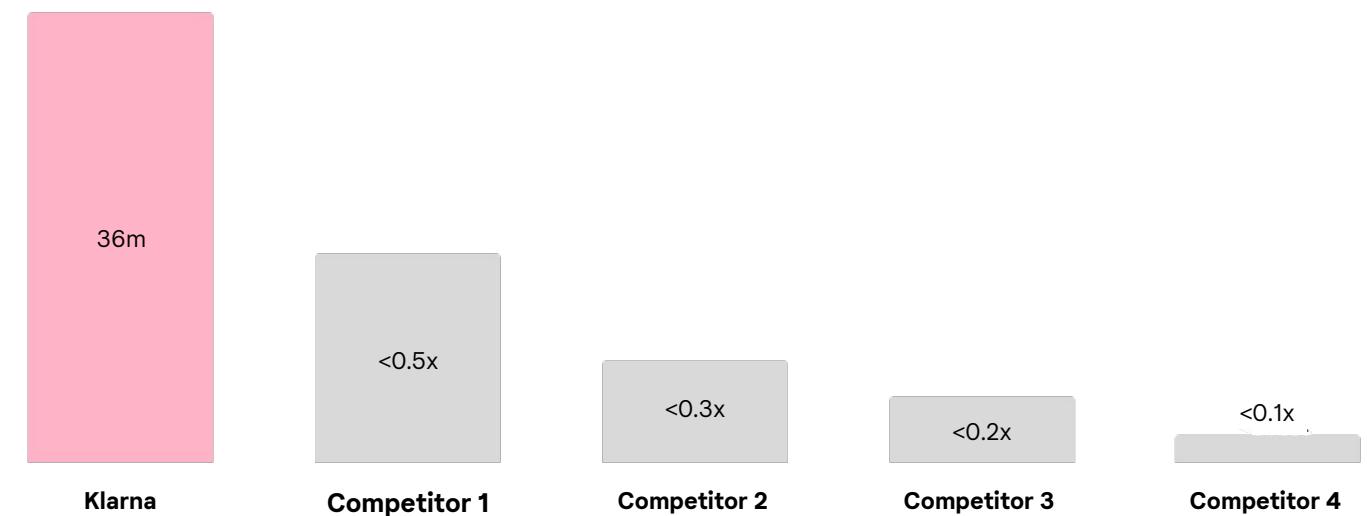
In-app shopping is a high growth volume segment.

E-commerce volume by channel projected growth (2018-2023)

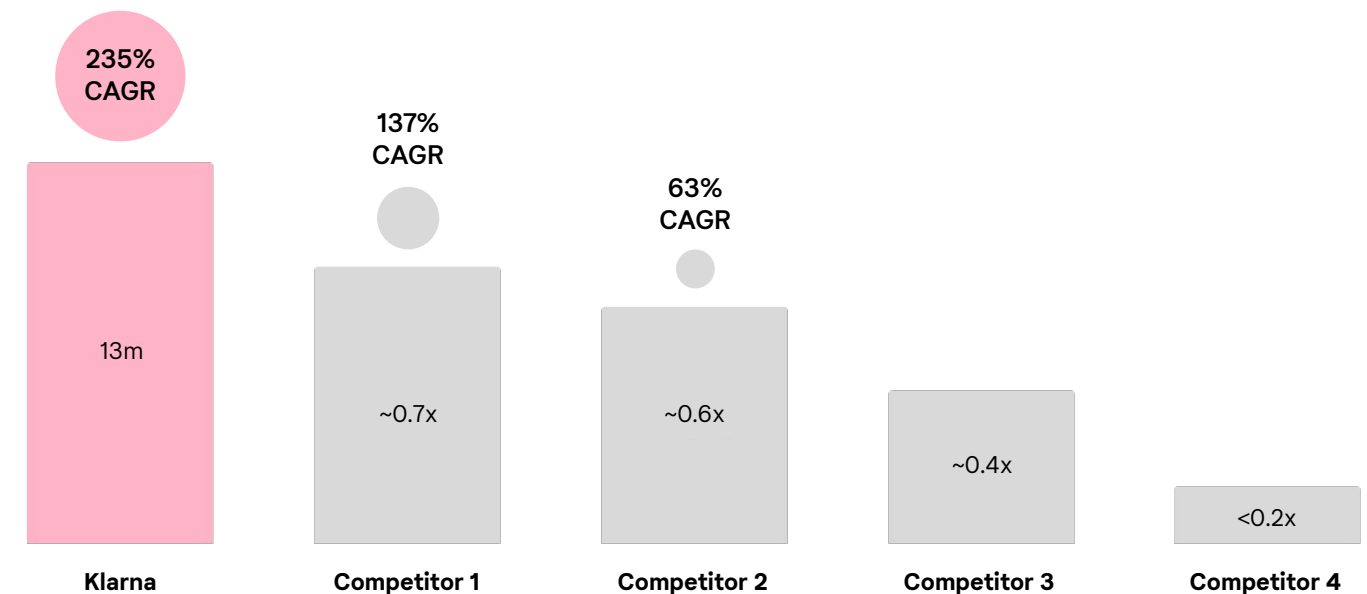


And Klarna is well placed to capture growth.

Global Cumulative App Downloads H1 2018 - H1 2021



US Cumulative App Downloads H1 2018 - H1 2021



Sources: Emarketer, SensorTower, BusinessWire

Source: App Annie

Driving consumer acquisition and adoption

... across demographics as consumers seek sustainable forms of credit.

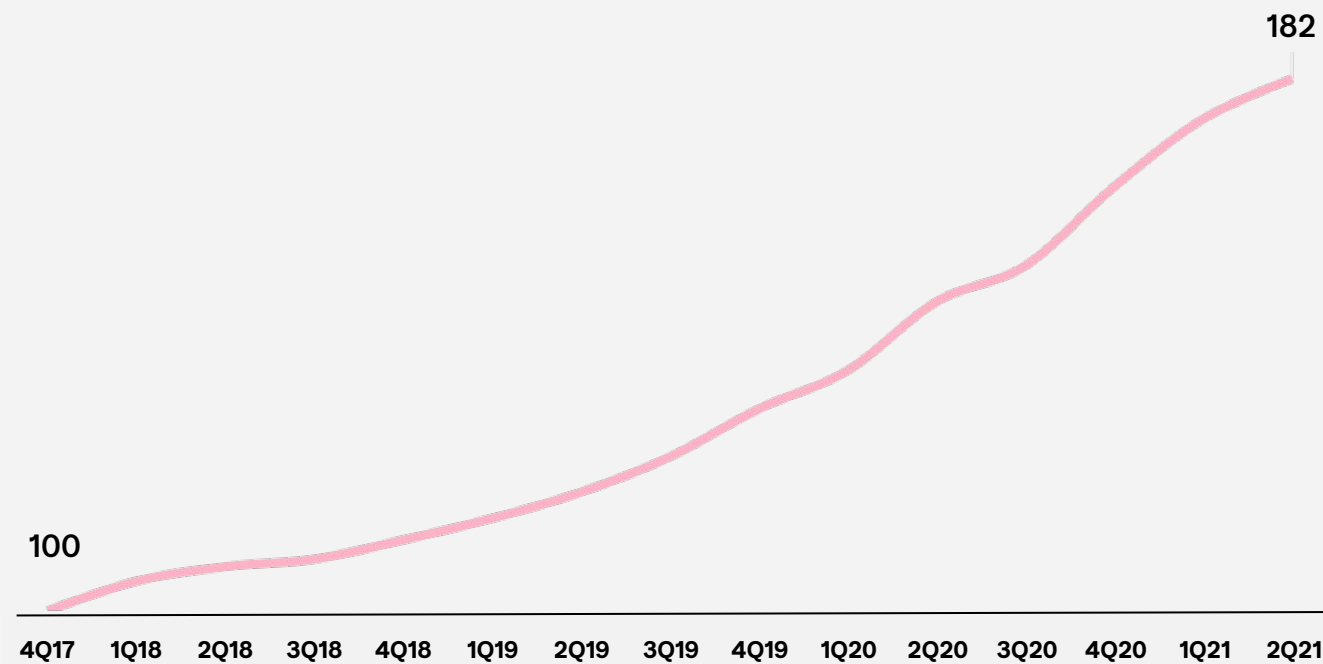
90m

Active users

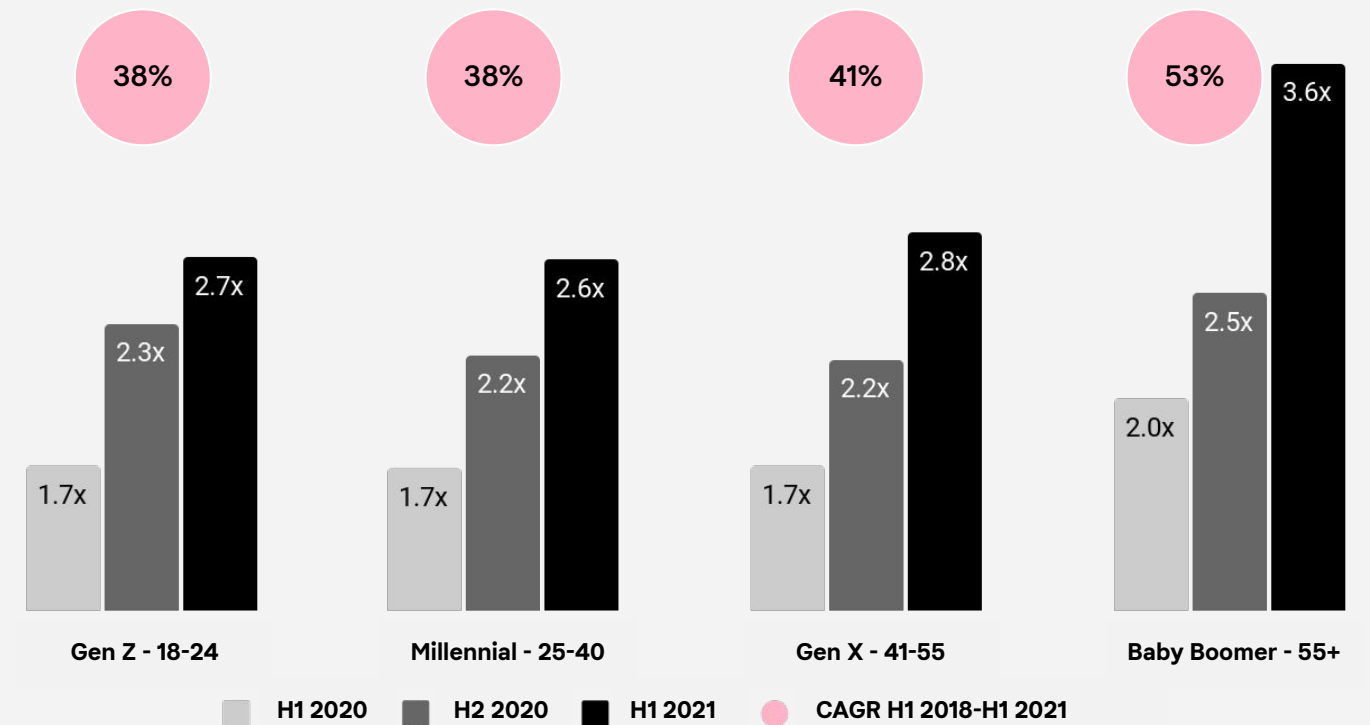
2m

Transactions per day

Indexed Global Active Users (Quarterly)

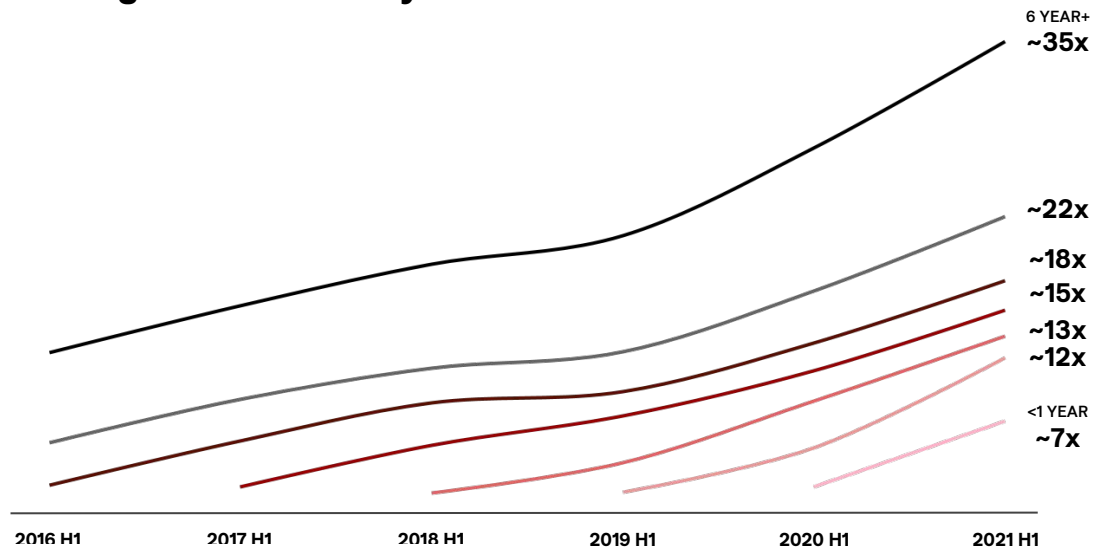


Indexed Consumer Growth vs H1 2018

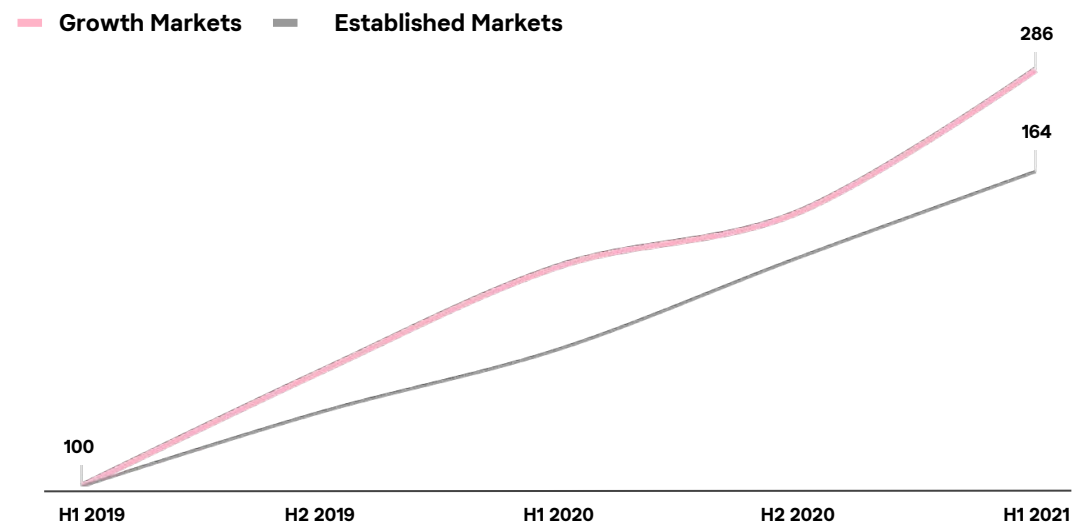


Consumers are moving their spend to Klarna over time.

Average # of Orders by Consumer Cohort in Sweden



Purchase Frequency Growth Index



And customer satisfaction remains high.

Klarna Net Promoter Score grows as markets mature and remains steady in the good to world class percentiles.

72

Average US NPS

65

Average SE NPS

The average NPS for banks is 34*

Above 50 is considered excellent
Bain & Co

K.

*Source: [Retently](#)

CURRENT

H&M RALPH LAUREN VANS SAMSUNG

SONOS ASOS SEPHORA Etsy

BEAUTYCOUNTER Calvin Klein ★macy's

NEW

NET-A-PORTER

OLAPLEX. HONEST

PRABAL GURUNG BED BATH & BEYOND storytel HAUS LABORATORIES DVF

PANDORA lululemon MR PORTER

Dickies

JBL by HARMAN

BUILD-A-BEAR EST. 1997

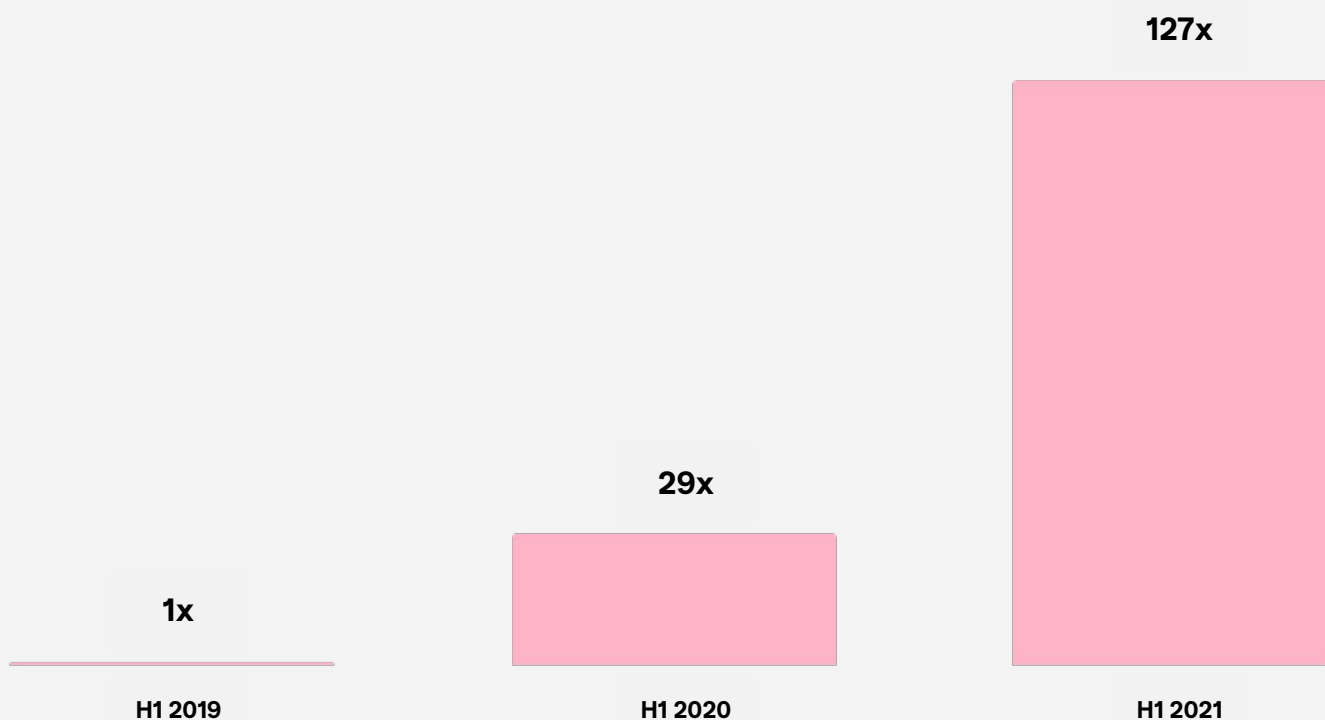
Long-term growth partner for retailers of all sizes.

- 250k global retail partners
- 13,000 SMBs onboarded globally through Klarna's organic pipeline
- Expanded relationships with Shopify and Stripe into 6 new markets to support SMBs
- \$4.5m of free services and marketing exposure donated to US SMBs, focused on minority and female-led businesses
- £3m of free services to donated to support growth of UK SMBs

Supporting retailers to enhance the consumer shopping experience with value additive services.

Bringing innovative global marketing support to retailers through Klarna partnership

Indexed Growth of Affiliate Revenue (H1)



New services to support retailer growth announced in H1

- Comparison Shopping Service (CSS) in 21 markets
- AI styling and content creation engine
- Social shopping video
- Conversational commerce across social and web channels, helping consumers with live product selection, information and advice
- Platform to connect retailers with the right content creators for their audience and track campaign success effectively.

Ensuring consumers get a fair deal.

The customer comes first.

Our services are built to solve problems that matter for shoppers, not to make short-term profit.

#1 most sustainable bank¹

Friendly and transparent.

We display clear terms and any costs up-front, so there are no unpleasant surprises.

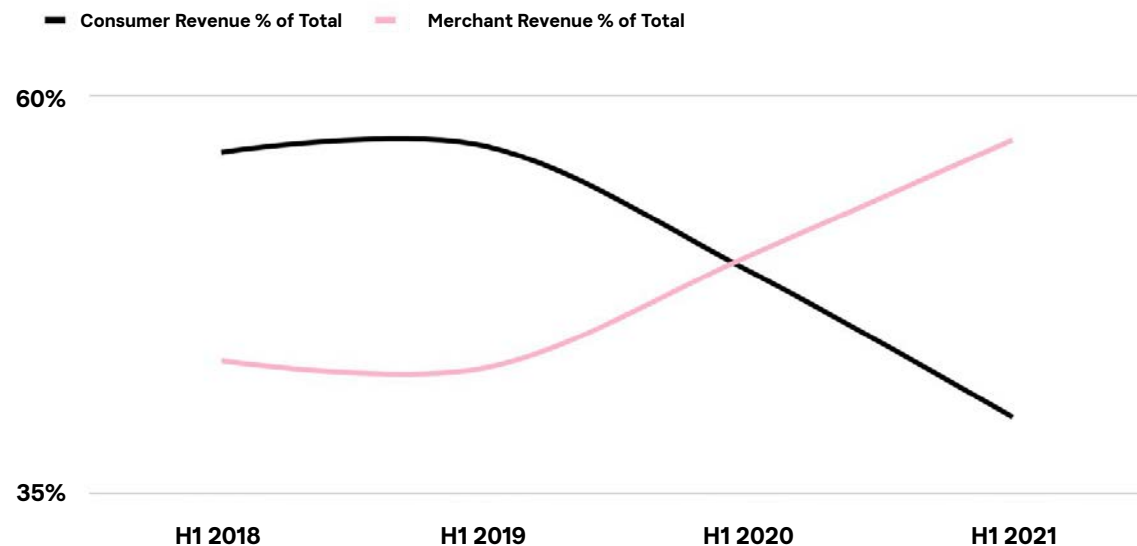
44% are more likely to shop when Klarna is available

Always here to help.

We send friendly payment reminders and offer 24/7 customer support in local languages.

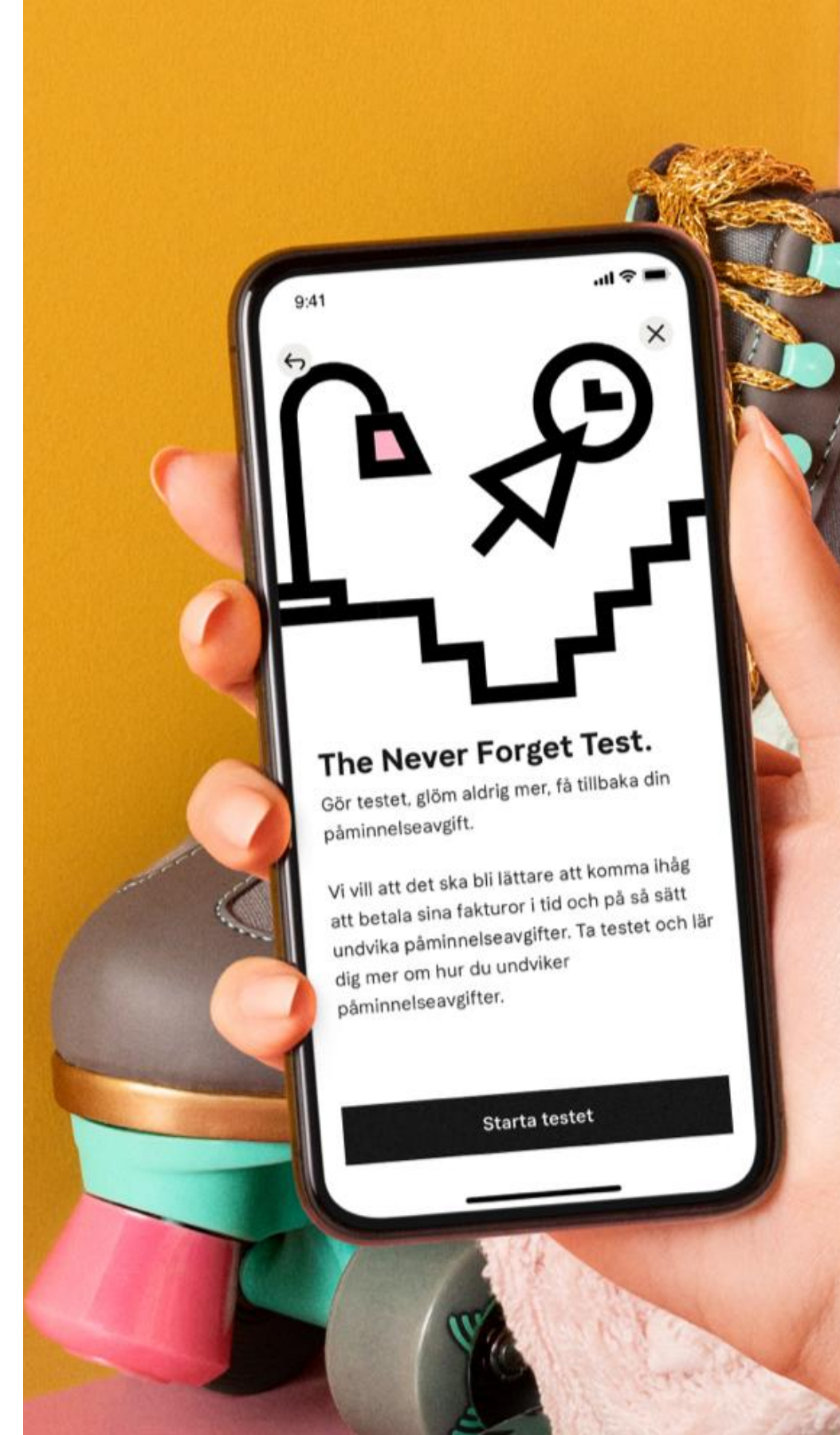
12th most trusted overall brand²

Revenue Split by Customer Type



In line with our business strategy, retailer revenue is growing at a faster rate than consumer revenue and is increasing as a proportion of total revenue.

Total consumer revenue continues to grow in line with consumer growth but we continue to nudge consumers to avoid late fees.



Helping our customers to a better way to bank.

We are strongly opposed to predatory credit, both from traditional banks and payday loan providers.

Real actions that help shoppers make smart decisions.

- **Product transparency.**

Increasing the clarity of payment schedules and interest at checkout.

- **Mindful money.**

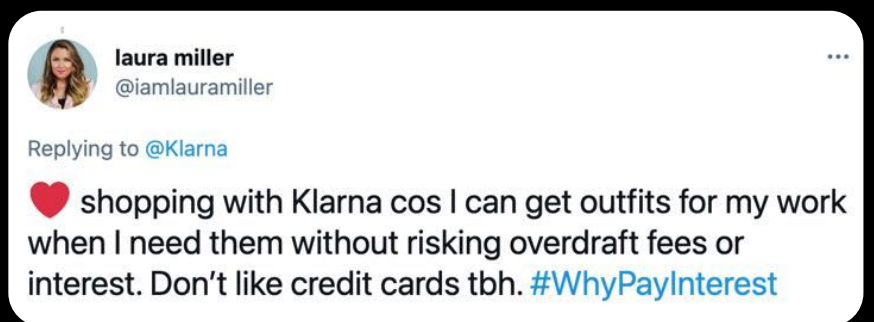
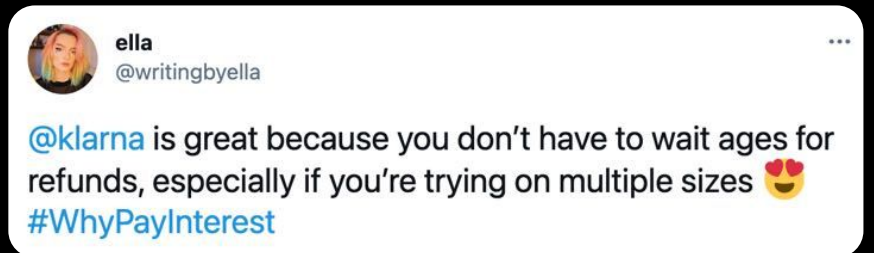
Educational work in through Social media, content creators and our blog.

- **Financial wellness app features.**

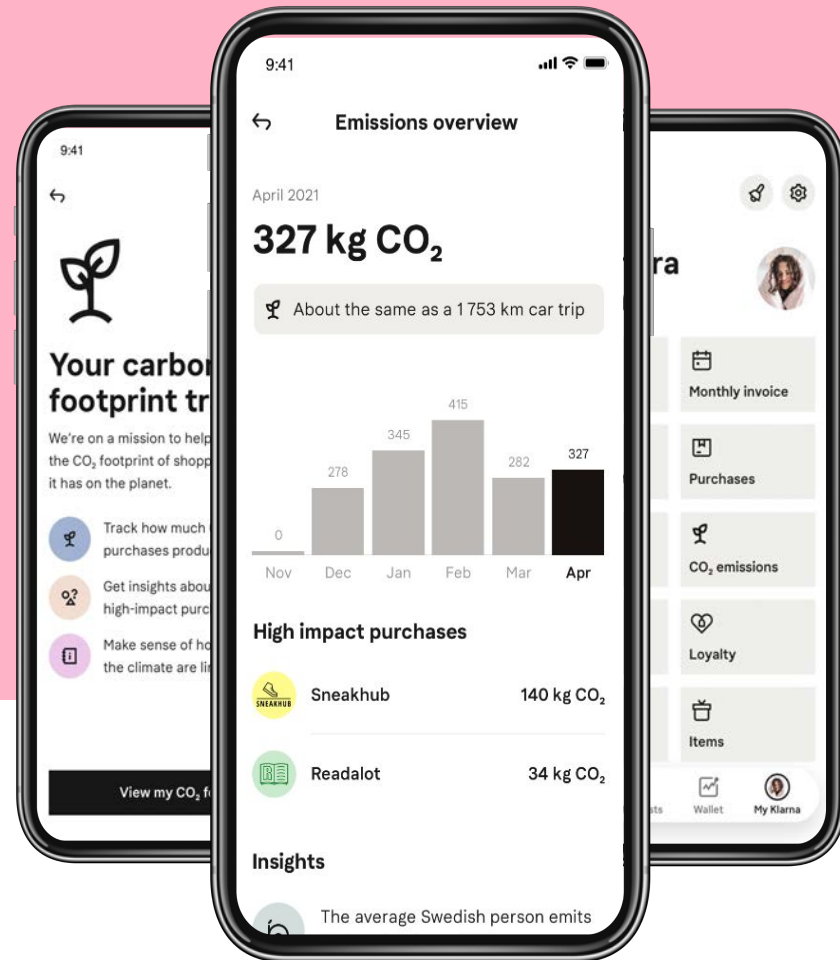
Rich overviews, budgeting tools, pausing of payments and much more.

#1 most sustainable bank¹.

We are commitment to building services responsibly. Not only are we compliant across 20 markets globally, we also go beyond what any bank has done before.

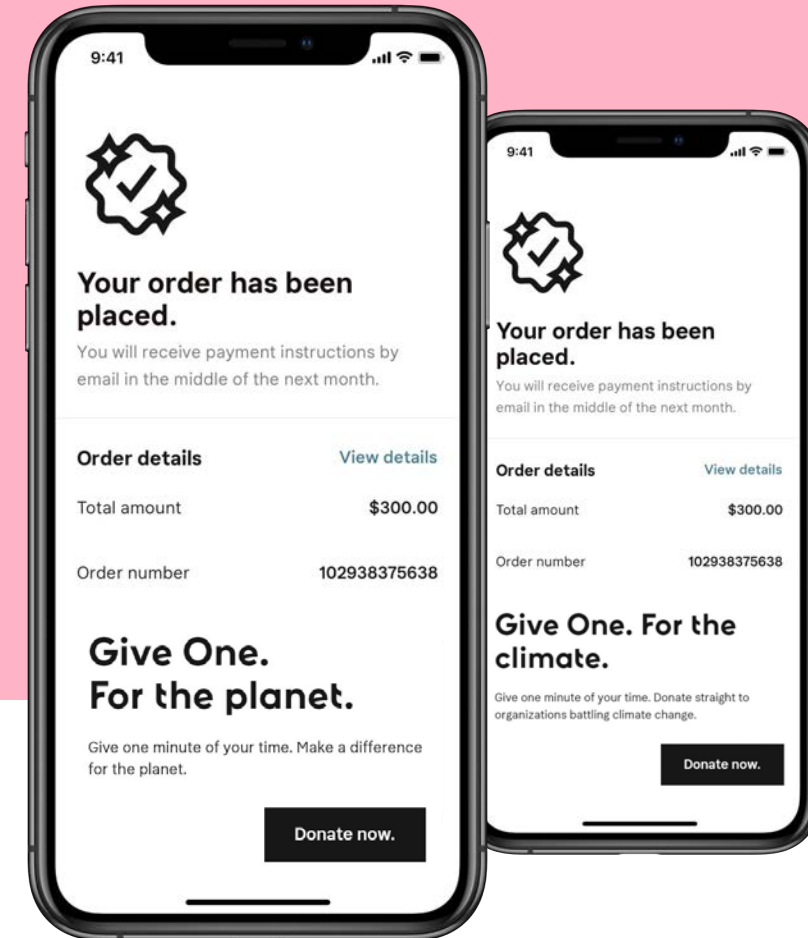


Supporting consumers in making everyday decisions for planet health.



In-app CO2 tracker

Customers can now track the carbon footprint of their purchases from within the Klarna app.



Checkout donations

Offering customers the opportunity to donate directly after a purchase to selected charities.

Playing our part in reducing our impact on the planet.



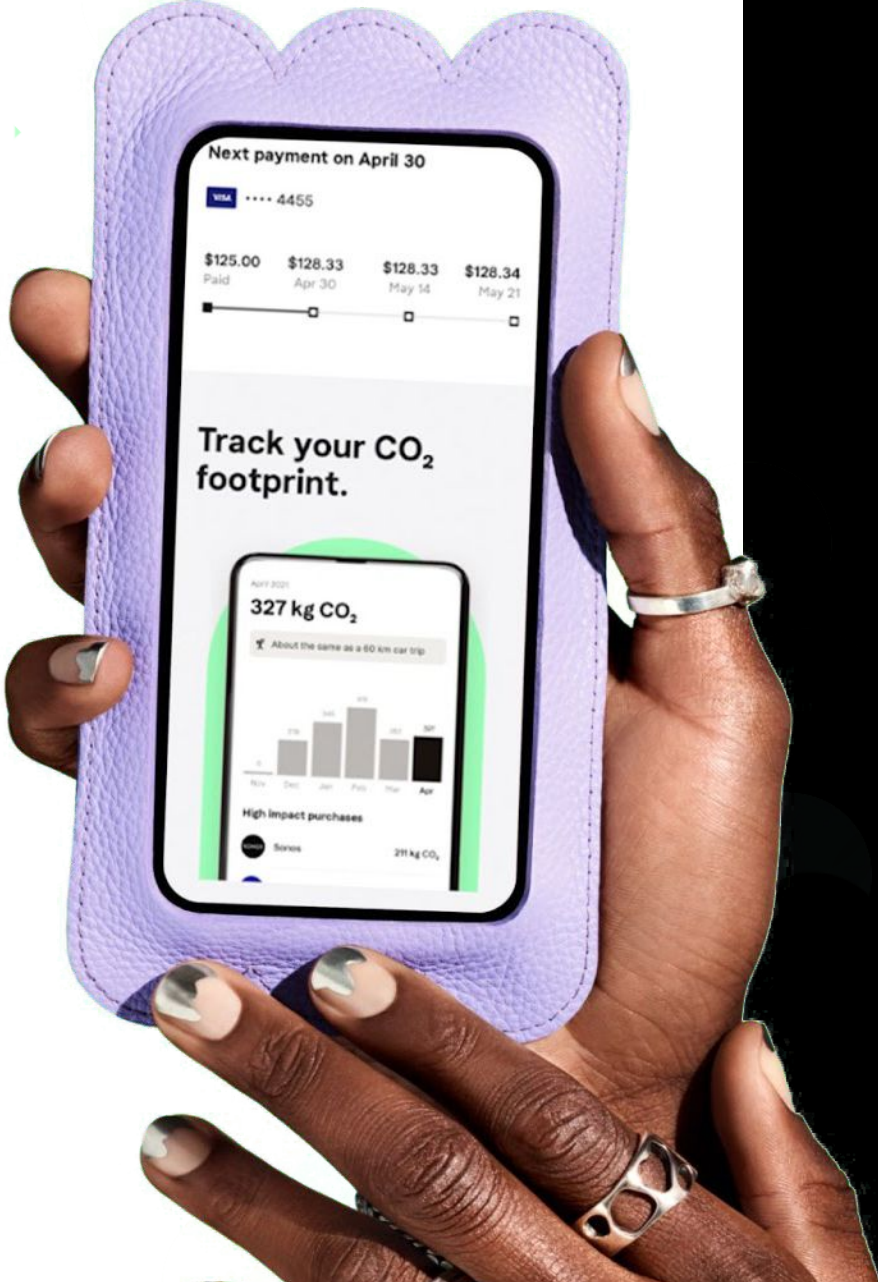
50%

reduction of our emissions by 2030



100%

renewable energy by 2025



Carbon Removal.

Reducing our emissions.

As part of our climate commitment, our target is to reduce our emissions by 50% by 2030 through facilitating supplier reductions, reviewing the carbon intensity of cloud regions when we expand our cloud infrastructure, buying zero-carbon electricity, and reducing business travel and commuting.

Following best practices.

To get to our goal we are following the WWF and BCG Blueprint for corporate climate action. We celebrate their strategy of sharing, reducing, pricing emissions, and then contributing to climate action.

Supporting climate projects.

We make annual financial contributions to high-impact climate projects, including carbon removal, blue carbon initiatives, reforestation and forest protection, and high-impact emission reduction projects. The annual sum will be established through an internal carbon tax set at \$100/tonne for all scope 1, 2 and travel emissions (remaining scope 3 emissions set at \$10/tonne).

Thank you.

Klarna.