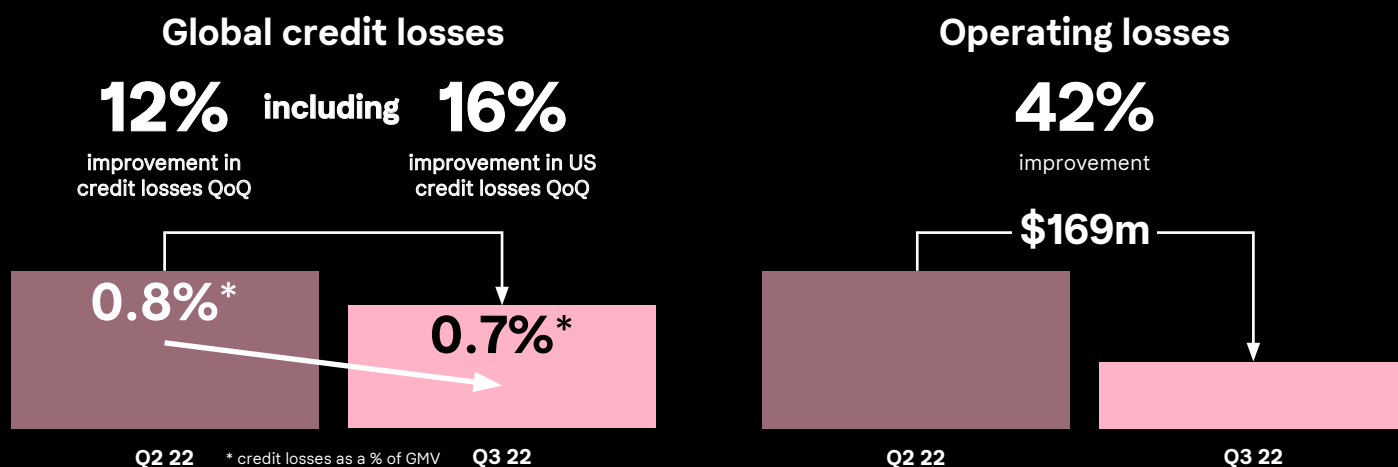


Third Quarter Results 2022

<p>GMV</p> <p>\$60.2bn</p> <p>up 22%</p> <p>YTD YoY</p>	<p>Revenue</p> <p>\$1.4bn</p> <p>up 22%</p> <p>YTD YoY</p>	<p>Net operating income</p> <p>\$1.2bn</p> <p>up 18%</p> <p>YTD YoY</p>
<p>Credit losses</p> <p>0.7%</p> <p>down from 0.8%</p> <p>as % of GMV QoQ</p>	<p>US GMV</p> <p>\$8.6bn</p> <p>up 92%</p> <p>YTD YoY</p>	<p>US credit losses</p> <p>30%</p> <p>down</p> <p>YoY as % of GMV</p>



“Klarna continues to outperform the market with global gross merchandise volumes and revenue up 22% YoY. Klarna has made huge progress on our path to profitability, which we expect to hit on a monthly basis in the second half of 2023, with our operating result improving \$169m or 42% on last quarter. We have achieved this while maintaining credit loss rates at very low levels, actually reducing them to just 0.7% of GMV and launching a ton of amazing products from search comparison to automated discounts all of which save consumers time and money.

“The US continues to show massive growth with volumes up 92% YoY. That is a brilliant result considering 2021 was significantly boosted by pandemic-driven e-commerce growth, and because we have driven credit losses down 16% compared to the last quarter and credit loss rates down 30% versus 2021. Our consistent average order values with 99% of consumers paying us back and 70% of global pay later orders settled early, highlight the strength of Klarna’s business model in more challenging times for consumers and retailers alike.”

Sebastian Siemiatkowski, CEO and Co-Founder of Klarna

Klarna, the global leader in the generational shift away from credit cards, continues to grow well ahead of e-commerce¹, with Gross Merchandise Volume (GMV) up 22%² compared to 2021 to USD³ 60.2bn⁴. All markets showed growth with the US and UK performing particularly strongly and newer markets including France, Italy, Poland and Australia showing triple digit GMV growth. As a result, revenue grew 22% to USD 1.4bn⁵ to September and net operating income increased 18% YoY to USD 1.2bn⁶.

The outstanding performance of the US continues (Jan-Sep) with GMV growing 92% YoY thanks to our growing consumer base of 31m and unrivaled roster of retail partners now including Tractor Supply, Fossil Group, Groupon and Instacart. US credit loss rates⁷ improved 30% versus the same period last year.

Progress on the path to profitability

We have made significant progress on the path to profitability with our top line continuing to grow while both credit losses and total operating expenses declined compared to the prior quarter. Total operating expenses before credit losses decreased 21% in Q322 compared to the prior quarter as we see the impact of changes announced in May and ongoing cost initiatives.

Global credit loss rates⁸ improved 8% compared to the prior quarter at 0.7% of GMV YTD. This is a testament to the dynamic nature of Klarna's underwriting that allows us to make changes and see the impact just a few months later. Overall the net operating loss for the quarter reduced by USD 169m⁹ compared to the prior quarter.

New products that save consumers time and money

We remain focused on helping consumers save time and money, and worry less over their finances while opening up new channels and revenue streams that drive significant growth both for Klarna and our 450,000+ global retail partners. Klarna's marketing revenue is our fastest growing revenue stream, growing 163% YoY by creating over 500m leads for Klarna's retail partners to drive shared growth.

Building on last year's product changes where we removed unnecessary fees and revolving credit from our products, Klarna has launched an intelligent, unbiased in-app search tool in the US, UK, and the Nordics that saves consumers time and money by comparing prices across thousands of retailers, offering a credible alternative to the established tech giants.

¹ e-commerce contraction of -3%, [SalesForce Shopping Index](#)

² Jan-Sep 2022

³ Q3 YTD USD 1 equals approximately SEK 8.5 for the first nine months of 2021 and SEK 9.9 for the first nine months of 2022.

⁴ Q3 22 fx rate is SEK 10.5. All % calculated on SEK basis. Figures are presented in SEK unless otherwise stated. \$ relates to USD.

⁵ SEK 595bn

⁶ SEK 13.7bn

⁷ SEK 11.6bn

⁸ Credit losses as a % of GMV

⁹ Credit losses as a % of GMV

⁹ SEK 1.5bn

The search and compare tool, powered by PriceRunner, is a key acquisition channel for retailers, boosting visibility, traffic, and sales with an already engaged audience. Klarna now automatically adds available coupons at checkout in the US and UK with further markets to follow, making money-saving effortless while allowing consumers to collect rewards through our in-app digital wallet for loyalty cards. Automated discounts have already saved US consumers in our small-scale pilot over USD 5 million in Q322 alone and will be a key consumer benefit during the peak holiday shopping season.

Shoppable video is now live in the US, allowing consumers to discover, find inspiration, and shop items directly, powering retailer growth through a smooth, immersive shopping experience. Our new Creator Platform, now available in all 45 markets, seamlessly connects creators and retailers to scale and optimize campaigns, ensuring strong, measurable results from marketing budgets.

Sustainable shopping made simple

Our upgraded in-app CO2e tracker now provides Klarna's 150 million global consumers even deeper insights into the environmental impact of their purchases, displaying the emissions for over 50 million items in every step of the product's lifecycle—from the sourcing of raw materials to its recycling. This brings to life one of the largest awareness-raising efforts on carbon footprints. The expansion of our [Give One](#) initiative with our new Donations feature in the Klarna App enables consumers to donate to vetted, high-impact organizations that protect planet health quickly and easily.

Significant events after the period

In October, Klarna repurchased SEK 1,844 million of senior unsecured floating rate bonds as part of our regular liability management due to Klarna's strong liquidity position.

Summary, Klarna Bank AB Group

Amounts in SEKk	9 months overview			3 months overview	
	Jan - Sep 2022	Jan - Sep 2021	Jul - Sep 2022	Apr - Jun 2022	Jul - Sep 2021
Income statement					
Total net operating income	11,551,258	9,764,189	4,056,726	3,943,037	3,418,725
Operating result	-8,261,373	-3,131,603	-2,093,125	-3,629,967	-1,370,127
Net result for the period	-8,342,140	-2,525,801	-2,127,729	-3,644,072	-1,117,858
Balance sheet					
Loans to credit institutions	5,766,683	2,772,858	5,766,683	4,999,934	2,772,858
Loans to the public	66,557,944	51,883,634	66,557,944	69,043,453	51,883,634
All other assets	45,599,365	37,660,852	45,599,365	37,454,292	37,660,852
Total assets	117,923,992	92,317,344	117,923,992	111,497,679	92,317,344
Liabilities to credit institutions	1,620,802	895,796	1,620,802	4,627,982	895,796
Deposits from the public	72,867,781	45,016,732	72,867,781	67,032,604	45,016,732
All other liabilities	31,843,524	29,504,485	31,843,524	26,510,614	29,504,485
Total equity	11,591,885	16,900,331	11,591,885	13,326,479	16,900,331
Total liabilities and equity	117,923,992	92,317,344	117,923,992	111,497,679	92,317,344
Klarna Holding AB (publ) Consolidated					
Own funds (Total capital) ¹	16,580,035	22,575,288	16,580,035	9,971,368	22,575,288
Capital requirement ¹	7,963,256	6,220,678	7,963,256	7,449,668	6,220,678
Total capital ratio ¹	26.0%	42.7%	26.0%	15.9%	42.7%

¹ Figures refer to Klarna Holding AB (publ) group. In accordance with the capital adequacy regulations, the consolidated situation is made up of Klarna Holding AB (publ) (Klarna Bank AB (publ)'s parent company) and its subsidiaries. All subsidiaries are fully consolidated in the Group.

Income Statement, Klarna Bank AB Group

Amounts in SEKk	Jan - Sep 2022	Jan - Sep 2021	Jan - Dec 2021
Interest income	3,260,663	2,928,013	4,040,280
Interest expenses	-744,482	-574,147	-821,909
Net interest income	2,516,181	2,353,866	3,218,371
Commission income	9,490,887	7,801,990	11,253,925
Commission expenses	-448,086	-512,462	-709,768
Net result from financial transactions	-993,005	-259,465	-670,730
Other operating income	985,281	380,260	662,691
Total net operating income	11,551,258	9,764,189	13,754,489
General administrative expenses	-14,451,884	-9,501,559	-15,032,878
Depreciation, amortization and impairment of intangible and tangible assets	-1,043,838	-447,006	-654,990
Total operating expenses before credit losses	-15,495,722	-9,948,565	-15,687,868
Operating result before credit losses, net	-3,944,464	-184,376	-1,933,379
Credit losses, net	-4,316,909	-2,947,227	-4,646,783
Operating result	-8,261,373	-3,131,603	-6,580,162
Income tax	-80,767	605,802	-512,341
Net result for the period	-8,342,140	-2,525,801	-7,092,503

Balance Sheet, Klarna Bank AB Group

Amounts in SEKk	30 Sep 2022	31 Dec 2021	30 Sep 2021
Assets			
Cash and balances with central banks	11,066,099	15,810,926	10,694,389
Treasury bills chargeable at central banks, etc.	15,264,079	9,744,295	13,795,235
Loans to credit institutions	5,766,683	4,990,233	2,772,858
Loans to the public	66,557,944	62,086,767	51,883,634
Bonds and other interest-bearing securities	968,901	1,132,964	1,291,540
Other shares and participations	372,484	792,259	972,513
Intangible assets	10,964,182	5,410,255	5,545,280
Tangible assets	1,707,169	1,512,605	1,449,236
Deferred tax assets	405,633	316,860	1,451,061
Other assets	4,034,619	2,367,069	1,960,302
Prepaid expenses and accrued income	816,199	960,256	501,296
Total assets	117,923,992	105,124,489	92,317,344
Liabilities			
Liabilities to credit institutions	1,620,802	712,580	895,796
Deposits from the public	72,867,781	59,670,325	45,016,732
Debt securities issued	3,794,995	9,122,819	8,088,619
Deferred tax liabilities	848,481	183,127	160,198
Other liabilities	24,727,517	13,953,739	18,962,527
Accrued expenses and prepaid income	2,070,789	2,669,347	1,859,762
Provisions	99,926	65,546	132,365
Subordinated liabilities	301,816	301,056	301,014
Total liabilities	106,332,107	86,678,539	75,417,013
Equity			
Share capital	68,181	65,329	58,369
Other capital contributed	27,492,075	26,301,043	20,299,929
Reserves	443,167	238,433	170,269
Additional Tier 1 instruments	276,000	250,000	250,000
Retained earnings	-8,345,398	-1,316,352	-1,352,435
Net result for the period	-8,342,140	-7,092,503	-2,525,801
Total equity	11,591,885	18,445,950	16,900,331
Total liabilities and equity	117,923,992	105,124,489	92,317,344

Cash Flow Statement, condensed, Klarna Bank AB Group

As a bank, cash flows from operating activities include the net of inflows and outflows from the bank's borrowing and lending activities, including deposits, and are not a simple reflection of a bank's net operating result for the period. In addition to cash and cash equivalents of SEK 14.3bn at the end of the period, Klarna holds SEK 13bn of additional liquidity portfolio.

Amounts in SEKk	Jan - Sep 2022	Jan - Sep 2021	Jan - Dec 2021
Cash flow from operating activities	4,542,657	-5,886,312	-6,887,807
Cash flow from investing activities	-4,350,361	-4,439,598	-4,931,944
Cash flow from financing activities	-5,278,447	16,398,415	23,364,968
Cash flow for the period	-5,086,151	6,072,505	11,545,217
Cash and cash equivalents at the beginning of the period	18,701,580	6,914,466	6,914,466
Cash flow for the period	-5,086,151	6,072,505	11,545,217
Exchange rate diff. in cash and cash equivalents	683,077	101,476	241,897
Cash and cash equivalents at the end of the period	14,298,506	13,088,447	18,701,580
Cash and cash equivalents include the following items			
Cash and balances with central banks	11,066,099	10,694,389	15,810,926
Loans to credit institutions	3,232,407	2,394,058	2,890,654
Cash and cash equivalents	14,298,506	13,088,447	18,701,580
Additional liquidity portfolio ¹	13,000,573	13,599,738	7,079,584
Total cash and liquidity	27,299,079	26,688,185	25,781,164

¹ Includes SEK870,490k of encumbered bonds (SEK208,518k Q321, SEKnil Q421)