

Klarna 2021 Interim Report Published

Stockholm, Sweden - 25 August 2021 [Klarna](#) Bank AB (publ), the leading global retail bank, payments provider and shopping service has released its interim report for January - June 2021. Klarna's H1 results show the strength of its appeal to both retailers and consumers, providing a healthier, simpler and smarter way to shop, bank and pay.

Highlights

- Record second quarter with over USD 20bn Gross Merchandise Volume (GMV) compared to USD 12bn in Q2 2020.
- GMV for H1 2021 at USD 39bn compared to USD 22bn in H1 2020, enhancing Klarna's position as the global shopping partner of choice.
- Net Operating Income was USD 766m compared to USD 466m in 2020.
- Growth in all key markets globally, with strong performance in the US with Gross Merchandise Volume up 311% in the first half of 2021, driven by rising consumer adoption, with 20 million Americans now using Klarna, up from 17 million in April 2021.
- With over 90 million global active users and 2 million transactions a day across 17 markets, Klarna is meeting the changing demands of consumers who want to shop, pay and bank on one intuitive platform and with one trusted brand. During the period we launched Klarna in France and New Zealand, and also Poland in August.
- The Klarna app alone now has 18 million global monthly active users choosing to shop, pay and bank with Klarna, up 50% year on year. The Klarna Shopping app feature, enabling consumers to shop everywhere with Klarna is now live in the US, Sweden, Australia, New Zealand and the UK.

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- Klarna is making giving back to the planet simple, transparent, and impactful for its 90 million consumers, through the addition of carbon footprint tracking of purchases and an in-app donation function to fund transformative environmental and social projects.
- Retailer partnerships go from strength to strength as we expand our relationships across markets globally including [Yoox Net-a-Porter](#), Charlotte Tilbury and Moncler, and develop our partnerships in-store as well as online.
- We continue to cement our position as the global partner of choice for Klarna's 250,000+ retail partners by adding to our suite of services that generate value by creating an inspiring and immersive shopping experience for consumers. In H1 2021 we have further developed our extensive in-house marketing support expertise with the acquisitions of Toplooks, HERO and APPRL, and launching our own Comparison Shopping Service through 2020 acquisition Semtail.
- Klarna cards continue to grow in popularity with consumers attracted to the smart, flexible features including no fees, no added FX cost, and instant purchase notifications. There are now 660,000 in use in Sweden and Germany, up 83% year on year.
- The introduction of current accounts in Germany enables consumers to have all their finances in one place where they can easily track, categorize and analyze all of their everyday spending. After a successful initial test phase, accounts are now being offered to the waitlist. As Sweden's most sustainable bank as voted for by consumers¹, we continue to attract new consumers to our Savings accounts with 15,000 new accounts opened during the first half of 2021.

US focus

US consumers continue to actively move away from interest-bearing forms of credit and embrace Klarna's offering with Gross Merchandise Volume up 311% year on year to June 2021, driven by a rise in consumers to 20 million. Klarna's brand awareness in the market continues to grow rapidly, supported by 'Four Quarter-Sized Cowboys' ad that aired during the fourth quarter of the Super Bowl LV and the global 'Drop

¹<https://hallbaravarumarken.se/>

Your Lockdown Look' campaign with A\$AP Rocky. This growth in awareness and preference strengthened Klarna's position as one of the most downloaded shopping apps, with installations up 115% year on year, and 20% higher than our nearest competitor². Our average Net Promoter Score at 72³ is in the top quartile of consumer goods and services companies, and well above the average of 34 for traditional banks⁴, illustrating a high level of satisfaction with Klarna.

We continue to develop new retailer relationships across a range of verticals and price points, while also enhancing relationships with existing partners to expand their online and in-store offering especially in the US new partners Dickies, Prabal Gurung, Petco, The Honest Company, Mr Porter, Olaplex while expanding our existing relationships with Nike (Pay in 4), Pandora, Ralph Lauren and CK (in-store) so consumers can use Klarna everywhere they want to shop.

Supporting retailers of all sizes to reach global audiences

As a global partner of choice, Klarna is strengthening new and existing retailer partnerships by expanding them to global scale across demographics and verticals. For example, during the period we signed Yoox Net-a-Porter group and their four brands, Net-a-Porter, Mr Porter, Yoox, and The Outnet, launching the partnership in the US, UK, Germany, Italy, Austria, Finland, and The Netherlands, as well as Charlotte Tilbury, expanding our current UK relationship to a further 9 markets including the US, Australia, Spain, Italy and France.

Klarna continues to support Small and Medium-sized Businesses (SMBs) to reach global audiences, but has refocused its support in light of the disproportionate impact the pandemic has had, particularly on minority and female-led businesses. Klarna donated USD 4.5m in free services to aid SMBs in recovery by offering free access to Klarna services, including fee-free payment services and marketing exposure across Klarna's ecosystem to help them return to growth. In the UK, we launched a GBP 3m Small Business Support Package to provide 100 British retail SMBs with access to Klarna marketing and payment services, amounting to over

² AppAnnie, 2021

³ Klarna customer survey pulse, Jan-Jun 2021

⁴ Retently, 2021

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GBP 30,000 for each business. Over 13,000 SMBs globally joined Klarna through its organic pipeline in the first half of 2021, in addition to those accessing Pay Now and Pay Later services through payment partners, Stripe and Shopify, with whom we have expanded our relationship into six new European markets.

Sebastian Siemiatkowski, CEO and Co-founder of Klarna said: "Sustainable credit is the basis of our long-term business model. Klarna's innovative products that suit the way consumers shop, pay and bank today, drives huge benefits for consumers and retailers. This is why Klarna's growth has consistently outpaced both global and US e-commerce for the last three years as we continue to connect consumers and retailers in new ways to elevate the shopping experience. As we invest for growth by expanding our offering in existing markets and bringing Klarna to new markets, we are confident we can continue this strong track record that is helping create a sustainable global digital economy that benefits everyone."

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The full report and Investor Presentation for January - June 2021 are available [Here](#) as well as an H1 Sustainability update.

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About Klarna

We make shopping smooth. With Klarna consumers can buy now and pay later, so they can get what they love today. Klarna's offering to consumers and retailers include payments, social shopping, and personal finances. Over 250,000 retail partners, including H&M, IKEA, Expedia Group, Samsung, ASOS, Peloton, Abercrombie & Fitch, Nike and AliExpress have enabled Klarna's innovative shopping experience online and in-store. Klarna is one of the most highly valued private fintechs globally with a valuation of \$45.6 billion. Klarna was founded in 2005, has over 4,000 employees and is active in 17 countries. For more information, visit klarna.com.

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Klarna has been backed by Sequoia Capital since 2010 and more recently, Dragoneer, Bestseller Group, Permira, Visa, Atomico, Ant Group and Silver Lake, HMI Capital, TCV, Commonwealth Bank of Australia, Merian Chrysalis Investment Company Limited, funds and accounts managed by BlackRock amongst others.

This information is information that Klarna Bank AB (publ) is obliged to make public pursuant to the Securities Markets Act. The information was submitted for publication, through the agency of the contact person set out above, at 0800 CET on August 25 2021.