

# Interim report Q2 2021

Qred Holding AB (publ)



# Interim report

## April – June 2021

Qred continued to grow during the quarter and consolidated its position as market leader in the Nordic region and the Netherlands / Belgium. Qred's automated, smart and easy to use products simplifying financing for small businesses are proving popular, and have resulted in achieving Sweden's most satisfied customers with an average rating of 4.8 on Trustpilot in our target customer segment.

Commission income increased by 99% as a result of an increasing amount of loans being mediated to a 3rd party. The number of active customers increased by 44% and amounted to 11,545 (8,014).

Significant resources are being invested to develop new products to further enhance our customer experience. Qred will during the third quarter release a unique credit card tailored for small businesses. The card will come with a number of features to further simplify being a small business owner such as automated accounting, credits approved in real-time and improved ability to control the company's expenses.

Values for the same period last year are stated in brackets.

## April – June 2021

- Operating income increased by 8% to SEK 88.3 m (81.6)
- Commission income increased by 99% to SEK 52.8 m (26.5)
- Interest income decreased by 10% to SEK 45.2 m (50.3)
- Operating profit amounted to SEK 2.7 m (37.1)
- Net income for the period amounted to SEK 2.1 m (32.2)

## January – June 2021

- The number of active users increased by 44% to 11,545 (8,014)
- Operating income increased by 7% to SEK 168.4 m (157)
- Interest income decreased by 19% to SEK 89 m (109.4)
- Commission income increased by 127% to SEK 97.5 m (42.9)
- Operating profit amounted to SEK 1.5 m (18.0)
- Net income for the period amounted to SEK 0.7 m (19.0)
- The loan portfolio decreased by 2% to SEK 590.9 m (604.1)

## Significant events during the interim period

- The Annual General Meeting appointed Sean Cory as Chairman of the Board.
- Qred sold bonds with a nominal value of EUR 2.0m.

## Significant events after the interim period

- Qred received Principal Membership with Visa and intends to launch a credit card with innovative features specifically aimed at small businesses during Q3 2021.

## KPIs

	Q2 2021	Q2 2020	Δ %	H1 2021	H1 2020	Δ %	FY 2020
Operating income (SEK m)	88.3	81.6	8.3	168.4	157.0	7.2	297.7
Commission income (SEK m)	50.2	25.6	96.2	92.4	40.5	128.3	105.8
Interest income (SEK m)	37.4	41.4	-9.8	74.6	90.3	-17.3	165.4
Profit margin	2.4%	39.5%	-37.2	0.4%	12.1%	11.7	9.9%
Nr of active users	11,545	8,014	44.1				7,387
FTEs	106	69	52.9	101	63	59.5	71

**Interest income:** Interest income for the period decreased by interest expenses

**Profit margin:** Profit for the period divided by operating income

**Active users:** Number of companies that at the end of the period actively used Qred for financing through corporate loans or factoring.

## Other Information

### Risks and uncertainties

For a description of risks and uncertainties, please refer to the annual report for 2020, which is available on the company's website [qred.com](http://qred.com).

### Other

This report has not been subject to review by the company's auditors. The Board of Directors and the CEO ensure that the interim report provides a true and fair view of the parent company's and the Group's operations, position and earnings, and describes the significant risks that the parent company and the group face.

## Comments by the CEO

Like most small business owners, I look forward to being able to meet and socialize with employees and customers - not just through video, but in real face to face meetings. Many of our customers have longed to once again be able to welcome more customers back to restaurants and shops. The time of restrictions for many small businesses has been a challenging time, and help is needed to get the businesses back on track. In many cases, access to financing is absolutely crucial. Together with our almost 12,000 active customers, we help to restart society.

We have worked intensively during the spring and summer with the launch of Qred's credit card, which will make life easier for small businesses. The card will be connected to our app and will be packed with smart features such as automated receipt management, virtual cards, payment via mobile and total cost control. Everything in real time and completely free for you as an entrepreneur.

Small business owners are generally a neglected customer group when it comes to financing, and the demand for the services that Qred offers is very high also internationally. Qred continues to grow rapidly in new markets. During the second quarter, the international markets accounted for about two thirds of total revenues. This is proof of the scalability of Qred's business model. With digital systems and processes, Qred's offering can relatively easily be expanded to new markets through cross-border operations.

4 out of 5 new jobs are created by small businesses. Here, Qred makes a difference. With the help of our platform for financing, we now create 10 new jobs a day, 7 days a week, through our customers. In addition, we have Sweden's most satisfied customers according to Trustpilot.

Together we make it easier and more fun to run a business.

Emil Sunvisson  
CEO

## Qred in brief

### This is what we do

Qred helps small companies with simple and flexible financing services; corporate loans, factoring and payments. Through digitization, the process has become easier, faster and safer both for our customers and for us at Qred. Therefore, many customers have chosen Qred instead of traditional bank financing. Today we help customers in Sweden, Finland, Denmark, the Netherlands, Belgium and Brazil. In 2020 alone, we at Qred have ensured that more than ten thousand small companies have had access to the financing needed to be able to invest and create growth in their companies and communities.

### This is what we offer

Financing is a highly sought-after service among small businesses. Our proprietary, automated credit system enables us to quickly provide entrepreneurs with capital to create growth in their businesses. With Qred, small businesses get access to simple, fast and transparent financing, be it business loans, factoring or payments.

### These are our products

Qred offers flexible and expeditious business loans. Loan amounts are relatively small (up to approximately SEK 2 million) and maturities are normally 6–36 months, with straight-line repayment. The loans have no set-up fee, no hidden costs, and no lock-in period. Qred's loans have a fixed monthly fee and as a customer you only pay for the months you use the loan.

With factoring, entrepreneurs are able to free up capital through our digital platform. The system is integrated with all standard accounting systems, so that you as a business owner can easily choose whether you want to sell invoices and which invoices you want to sell. We make sure that they are paid and that you thus have an overview of your finances.

### This is our team

Qred's employees are the single most important success factor. Today, we are around 100 people with headquarters in Stockholm and regional offices in Helsinki, Malmö and São Paulo. With a focus on leading technology and data processing, international expansion and strong growth, Qred has established itself as an attractive employer. This means that we have had the opportunity to recruit many entrepreneurial and motivated talents, offer developmental opportunities, and deepen our team's strengths with experience and cutting-edge skills.

# Group income statement

SEK 000	Note	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
Interest income		45 235	50 352	88 991	109 383	199 095
Interest expense		-7 850	-8 912	-14 383	-19 126	-33 734
Commission income		52 809	26 498	97 463	42 946	111 336
Commission expense		-2 563	-883	-5 079	-2 475	-5 490
Net result from financial transactions		66	13 854	159	25 003	24 010
Other income		600	645	1 200	1 260	2 475
<b>Total operating income</b>	3	<b>88 298</b>	<b>81 554</b>	<b>168 351</b>	<b>156 991</b>	<b>297 692</b>
<b>Operating expense</b>						
Net loan losses	4	-37 644	-18 013	-79 092	-82 319	-143 887
Personnel costs		-17 148	-12 537	-33 021	-23 863	-46 859
Other expenses		-29 622	-13 126	-52 436	-30 457	-71 124
Depreciation		-1 197	-773	-2 254	-2 336	-4 064
<b>Total operating expense</b>		<b>-85 611</b>	<b>-44 449</b>	<b>-166 803</b>	<b>-138 975</b>	<b>-265 634</b>
<b>Operating profit</b>		<b>2 687</b>	<b>37 105</b>	<b>1 548</b>	<b>18 016</b>	<b>31 758</b>
Other financial income		-	-	-	49	156
Other financial cost		-2	-37	-21	-37	-209
Income from shares in associates		30	4 021	-595	6 223	6 193
<b>Income/cost financial transactions</b>		<b>28</b>	<b>3 984</b>	<b>-616</b>	<b>6 235</b>	<b>6 139</b>
<b>Earnings before tax</b>		<b>2 715</b>	<b>41 089</b>	<b>932</b>	<b>24 251</b>	<b>37 897</b>
Income taxes		-624	-8 853	-271	-5 245	-8 453
<b>Net income</b>		<b>2 091</b>	<b>32 236</b>	<b>661</b>	<b>19 006</b>	<b>29 444</b>
<i>Net income attributable to</i>						
<i>Parent company shareholders</i>		1 984	32 254	704	19 128	29 802
<i>Holdings without dominant influence</i>		107	-18	-43	-122	-358

## Group results

SEK 000	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
Net income	2 091	-32 236	661	19 006	29 444
Adjustments after re-calculating foreign operations	-1 084	-2 714	523	218	-3 286
Tax on Adjustments after re-calculating foreign operations	224	581	-107	-47	703
<b>Total net income for the period</b>	<b>1 231</b>	<b>30 103</b>	<b>1 077</b>	<b>19 177</b>	<b>26 861</b>

# Group balance sheet

SEK 000	Note	2021-06-30	2020-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Assets with right of use		4 750	4 861
Deferred tax		8 001	8 114
Left depositions		1 648	
Long term loan receivables	5	37 884	37 108
Shares in associates		5 797	6 392
Intangible assets		9 051	4 430
Tangible assets		155	177
<b>Total fixed assets</b>		<b>67 286</b>	<b>61 082</b>
<b>Current assets</b>			
Loan receivables	5	374 085	375 152
Other receivables		97 264	75 396
Cash		62 800	23 477
<b>Total current assets</b>		<b>534 149</b>	<b>474 025</b>
<b>TOTAL ASSETS</b>		<b>601 435</b>	<b>535 107</b>
<b>EQUITY</b>			
<b>Equity attributable to the parent company</b>			
Share capital		15 420	15 421
Other directly contributed capital		164 978	167 392
Reserves		-388	-830
Retained earnings including profit for the year		77 470	79 032
<b>Equity attributable to Parent company shareholders</b>		<b>257 480</b>	<b>261 015</b>
Holding without dominant influence		-155	-112
<b>Total equity</b>		<b>257 325</b>	<b>260 903</b>
<b>Provisions</b>			
Other Provisions		46 403	34 950
Deferred Tax		1 153	1 276
<b>Total Provisions</b>		<b>47 556</b>	<b>36 226</b>
<b>LIABILITIES</b>			
<b>Long-term liabilities</b>			
Debt to credit institutions		36 542	25 481
Bond		237 996	186 687
Other long-term liabilities		810	1 325
<b>Total liabilities</b>		<b>275 348</b>	<b>213 493</b>
<b>Short-term liabilities</b>			
Accounts payable		7 146	4 477
Other debts		6 126	14 135
Accrued expenses and prepaid income		7 934	5 873
<b>Total short-term liabilities</b>		<b>21 206</b>	<b>24 485</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>601 435</b>	<b>535 107</b>

# Changes in group equity

SEK 000	Share capital	Other directly contributed capital	Reserves	Retained earnings including profit for the year	Holdings without dominant influence	Total equity
<b>Equity 2020-01-01</b>	<b>14 788</b>	<b>164 683</b>	<b>1 675</b>	<b>55 372</b>	<b>242</b>	<b>236 760</b>
Result for the period				29 802	-325	29 444
Exchange rate differences			-3 286			-3 286
Tax on exchange rate differences			703			703
<b>Total net income for the period</b>	<b>0</b>	<b>0</b>	<b>-2 583</b>	<b>29 802</b>	<b>-358</b>	<b>26 861</b>
Transaction costs new share issue		-33				-33
Tax effect transaction costs new share issue			7			7
Redemption preferred stock	-5	-40 584				-40 589
Paid, but not yet registered preferred stock	0	0				0
Issue new shares, preferred stock	0	1 930				1 930
Dividend on preferred shares				-6 142		-6 142
Paid, not yet registered common stock	638	41 396				42 034
Share capital					4	4
Share-based remuneration - value of employee service			71			71
<b>Equity 2020-12-31</b>	<b>15 421</b>	<b>167 392</b>	<b>-830</b>	<b>79 032</b>	<b>-112</b>	<b>260 903</b>

SEK 000	Share capital	Other directly contributed capital	Reserves	Retained earnings including profit for the year	Holdings without dominant influence	Total equity
<b>Equity 2021-01-01</b>	<b>15 421</b>	<b>167 392</b>	<b>-830</b>	<b>79 032</b>	<b>-112</b>	<b>260 903</b>
Result for the period				704	-43	661
Exchange rate differences			523			523
Tax on exchange rate differences			-108			-108
<b>Total net income for the period</b>	<b>0</b>	<b>0</b>	<b>415</b>	<b>704</b>	<b>-43</b>	<b>1 076</b>
Redemption preferred stock	-1	-3 649				-3 650
Redeemed not yet registered preferred stock		-130				-130
Dividend on preferred shares				-2 266		-2 266
Warrants		1 365				1 365
Share-based remuneration - value of employee service			27			27
<b>Equity 2021-06-30</b>	<b>15 420</b>	<b>164 978</b>	<b>-388</b>	<b>77 470</b>	<b>-155</b>	<b>257 325</b>



# Group cash flow analysis

SEK 000	Note	H1 2021	H1 2020	FY 2020
<b>Cash flow from operating activities</b>				
Operating profit incl. operating expenses		1 548	-18 016	31 758
Whereof received interest		88 683	117 113	202 769
Whereof paid interest		-14 453	-20 479	-36 377
<i>Adjustments for items not included in cash flow</i>				
-Replacement of depreciation		2 254	2 336	4 064
-Capitalised interest		106	-588	-911
-Change in credit losses		48 136	63 240	113 388
-Other financial transactions		-389	3 337	3 108
Other interest paid		-20	-37	-209
Paid tax		-11 736	-9 253	-18 265
<b>Cash flow from operating activities before changes in working capital</b>		<b>39 899</b>	<b>77 051</b>	<b>132 933</b>
<b>Change in working capital</b>				
Change in loan receivables		-34 411	290 094	89 017
Change in other operating receivables		-22 011	-70 883	-28 291
Change in accounts payable		2 638	-937	314
Change other operating liabilities		4 725	4 163	1 925
<b>Change in working capital</b>		<b>-49 059</b>	<b>222 437</b>	<b>62 965</b>
<b>Cash flow from operating activities</b>		<b>9 160</b>	<b>299 488</b>	<b>195 898</b>
<b>Cash flow from investment activities</b>				
Reduction of other financial fixed assets		-1 651	31	31
Change in other intangible fixed assets		-5 198	-	-4 541
Change in other tangible fixed assets		-	-219	-219
<b>Cash flow from investment activities</b>		<b>-6 849</b>	<b>-188</b>	<b>-4 729</b>
<b>Cash flow from financing activities</b>				
Transactions for holding without dominant influence		-	50	160
New issues common shares		-	-	42 020
New issue/redemption preferred shares	6	-3 780	-26 880	-38 677
Preferred shares dividend	6	-2 266	-3 483	-6 142
Warrants		1 365	-	-
New loans		63 734	25 030	31 885
Amortisation of loans		-3 904	-161 130	-232 519
<b>Cash flow from financing activities</b>		<b>55 149</b>	<b>-166 413</b>	<b>-203 273</b>
<b>Cash flow for the period</b>		<b>39 140</b>	<b>132 887</b>	<b>-12 104</b>
Cash at the beginning of the period		23 477	39 633	39 633
Exchange rate differences in cash		183	1 862	-4 052
<b>Cash at the end of the period</b>		<b>62 800</b>	<b>170 658</b>	<b>23 477</b>

# Income statement, parent company

SEK 000	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
Interest income and similar items	10 703	11 339	20 284	22 961	45 189
Interest expenses and similar items	-10 703	-10 192	-20 284	-20 447	-40 433
Net result from financial transactions	3 261	-11 435	-2 774	1 435	11 070
Other income	-	10 928	-	30 471	30 478
<b>Total operating income</b>	<b>3 261</b>	<b>23 510</b>	<b>-2 774</b>	<b>34 420</b>	<b>46 304</b>
Other external expenses	-1 065	-226	-1 392	-496	-1 358
<b>Total operating expense</b>	<b>-1 065</b>	<b>-226</b>	<b>-1 392</b>	<b>-496</b>	<b>-1 358</b>
<b>Operating profit</b>	<b>2 196</b>	<b>23 284</b>	<b>-4 166</b>	<b>33 924</b>	<b>44 946</b>
Other financial income	-	458	-	507	614
Other financial costs	-	-7	-	-8	-12
<b>Income/cost financial transactions</b>	<b>-</b>	<b>451</b>	<b>-</b>	<b>499</b>	<b>602</b>
<b>Appropriations</b>					
Provided group contributions	-	-	-	-	-45 350
<b>Result before tax</b>	<b>2 196</b>	<b>23 735</b>	<b>-4 166</b>	<b>34 423</b>	<b>-198</b>
Tax on profit	-452	-4 983	858	-7 260	-11
<b>Net income</b>	<b>1 744</b>	<b>18 752</b>	<b>-3 308</b>	<b>27 163</b>	<b>187</b>
<b>Parent company report on other result</b>					
Profit of the year	1 744	18 752	-3 308	27 163	187
<b>Total profit of the year</b>	<b>1 744</b>	<b>18 752</b>	<b>-3 308</b>	<b>27 163</b>	<b>187</b>

# Balance sheet, parent company

SEK 000	2021-06-30	2020-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
Shares in Group companies	57 196	56 196
Shares in Associates	200	200
Deferred tax assets	858	
Receivables from Group companies	534 463	532 775
<b>Total financial fixed assets</b>	<b>592 717</b>	<b>589 171</b>
<b>TOTAL FIXED ASSETS</b>	<b>592 717</b>	<b>589 171</b>
Other receivables	1 070	615
Prepayments and accrued income	202	108
Cash and cash equivalents	3 057	992
<b>Total current assets</b>	<b>4 329</b>	<b>1 715</b>
<b>TOTAL ASSETS</b>	<b>597 046</b>	<b>590 886</b>
<b>EQUITY</b>		
<b>Restricted equity</b>		
Share capital	15 420	15 421
Statutory reserve	7	6
<b>Total restricted equity</b>	<b>15 427</b>	<b>15 427</b>
<b>Non-restricted equity</b>		
Other contributed capital	1 235	
Share premium	164 524	168 174
Retained earnings	1 006	3 085
profit of the year	-3 308	187
<b>Total non-restricted equity</b>	<b>163 457</b>	<b>171 446</b>
<b>TOTAL EQUITY</b>	<b>178 884</b>	<b>186 873</b>
<b>Long-term liabilities</b>		
Long-term liabilities to group companies	141 972	185 569
Borrowings	236 049	183 724
<b>Total long-term liabilities</b>	<b>378 021</b>	<b>369 293</b>
<b>Short-term liabilities</b>		
Accounts Payable	117	488
Short-term liabilities to group companies	38 646	33 867
Accrued expenses and prepaid income	1 378	365
<b>Total short-term liabilities</b>	<b>40 141</b>	<b>34 720</b>
<b>Total Liabilities</b>	<b>418 162</b>	<b>404 013</b>
<b>TOTAL LIABILITIES &amp; EQUITY</b>	<b>597 046</b>	<b>590 886</b>

# Comments and notes

Amounts in thousands of SEK

## Note 1 – General information

Qred Holding AB (publ), with corporate identity number 559031-0685, conducts business through its subsidiaries. The head office is in Stockholm. The address of the head office is Tulegatan 15, 113 53 Stockholm. The business consists of financing services in the form of corporate loans, aimed at companies in Sweden, Finland, Denmark and the Netherlands, as well as factoring services for companies in Sweden.

<b>Subsidiaries</b>	<b>Org.nr</b>	<b>%</b>
Qred AB	559008-9800	100
Qred Factoring AB	559221-0180	77

<b>Branches Qred AB</b>	<b>Org.nr</b>
Finland	2868615-5
Danmark	38972294
Holland	72603372
Lettland	40203125230

## Note 2 – Summary of important accounting principles

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the EU and the Annual Accounts Act. For further information on accounting principles, please refer to the Company's annual report.

Exchange rate effects are reported in the respective line in the income statement, but have previously been reported under financial items. A new line has been added to the income statement, 'Net income from financial transactions'.

Receivables from credit institutions have previously been reported under the item 'Receivables from credit institutions and cash and cash equivalents'. Receivables from credit institutions have been transferred and are reported under 'Other receivables'.

The parent company's accounts have been prepared in accordance with the Annual Accounts Act and RFR 2 Accounting for Legal Entities.

The Group's and the Parent Company's accounting principles, calculation bases and presentation are essentially unchanged compared with the 2020 annual report.

**Note 3 – Income**

<b>Group revenue 2021 Q2</b>	<b>Sweden</b>	<b>Other Countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	10 824	34 411	-	45 235
Interest expenses	-3 286	-4 564	-	-7 850
<i>Whereof internal financing expenses</i>	-1 654	-4 123	5 777	-
Net interest income	7 538	29 847	-	37 385
Commission income	23 683	29 127	-	52 810
Commission expenses	-1 060	-1 503	-	-2 563
Net commission income	22 623	27 624	-	50 246
Net result from financial transactions	-	-	66	66
<i>Whereof income repurchase bond</i>	-	-	408	408
Other income	600	-	-	600
<b>Total operating income</b>	<b>30 761</b>	<b>57 470</b>	<b>66</b>	<b>88 298</b>

<b>Group revenue 2020 Q2</b>	<b>Sweden</b>	<b>Other Countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	18 154	32 198	-	50 352
Interest expenses	-3 499	-5 413	-	-8 912
<i>Whereof internal financing expenses</i>	-2 714	-4 608	7 322	-
Net interest income	14 655	26 785	-	41 440
Commission income	13 98	12 701	-	26 498
Commission expenses	-510	-373	-	-883
Net commission income	13 288	12 328	-	25 615
Net result from financial transactions	-	-	13 854	13 854
<i>Whereof income repurchase bond</i>	-	-	9 398	9 398
Other income	645	-	-	645
<b>Total operating income</b>	<b>28 588</b>	<b>39 113</b>	<b>13 854</b>	<b>81 554</b>

<b>Group revenue 2021 H1</b>	<b>Sweden</b>	<b>Other Countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	23 252	65 739	-	88 991
Interest expenses	-5 840	-8 543	-	-14 383
<i>Whereof internal financing expenses</i>	-3 108	-7 281	10 388	-
Net interest income	17 412	57 196	-	74 608
Commission income	45 256	52 207	-	97 463
Commission expenses	-1 879	-3 200	-	-5 079
Net commission income	43 377	49 006	-	92 384
Net result from financial transactions	-	-	159	159
<i>Whereof income repurchase bond</i>	-	-	1 019	1 019
Other income	1 200	-	-	1 200
<b>Total operating income</b>	<b>61 989</b>	<b>106 203</b>	<b>159</b>	<b>168 351</b>

<b>Group revenue 2020 H1</b>	<b>Sweden</b>	<b>Other Countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	40 614	68 769	-	109 383
Interest expenses	-7 532	-11 594	-	-19 126
<i>Whereof internal financing expenses</i>	-6 643	-10 771	17 414	-
Net interest income	33 082	57 174	-	90 257
Commission income	22 961	19 984	-	42 946
Commission expenses	-1 506	-969	-	-2 475
Net commission income	21 455	19 016	-	40 471
Net result from financial transactions			25 003	25 003
<i>Whereof income repurchase bond</i>			30 471	30 471
Other income	1 260	-	-	1 260
<b>Total operating income</b>	<b>55 797</b>	<b>76 190</b>	<b>25 003</b>	<b>156 991</b>

<b>Group revenue 2020</b>	<b>Sweden</b>	<b>Other Countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	69 679	129 416	-	199 095
Interest expenses	-14 216	-19 518	-	-33 734
<i>Whereof internal financing expenses</i>	-10 888	-17 848	28 737	-
Net interest income	55 464	109 897	-	165 361
Commission income	58 578	52 757	-	111 336
Commission expenses	-3 399	-2 092	-	-5 490
Net commission income	55 180	50 666	-	105 846
Net result from financial transactions			24 010	24 010
<i>Whereof income repurchase bond</i>			27 377	27 377
Other income	2 475	-	-	2 475
<b>Total operating income</b>	<b>113 119</b>	<b>160 563</b>	<b>24 010</b>	<b>297 692</b>

#### Note 4 – Net credit losses

There are increasingly clear signs of recovery from the COVID pandemic. The remaining restrictions that had a negative effect on the ability to pay for many of the company's customers are lifted on an ongoing basis. The company has developed different scenarios that have been weighted according to the estimated probability. No adjustments to the macroeconomic outlook were made during the quarter, as the outlook remains somewhat uncertain. The risk of default is still estimated to be 22% higher compared to the levels prevailing before the pandemic.

Group	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
Realised credit losses	30 769	7 959	30 945	19 078	30 493
Change in reserves, net	4 810	8 976	36 764	10 460	80 151
Provisions for guarantee commitments	2 065	1 078	11 383	22 781	33 243
<b>Total</b>	<b>37 644</b>	<b>18 013</b>	<b>79 092</b>	<b>82 319</b>	<b>143 887</b>

#### Note 5 – Loan receivables

Group	2021-06-30	2020-12-31
Loan receivables, gross	590 934	553 738
<i>Whereof long-term</i>	49 939	51 246
<i>Whereof short-term</i>	540 995	502 492
Reservation for uncertain loan receivables	-178 965	-141 478
<i>Whereof long-term</i>	-12 055	-14 139
<i>Whereof short-term</i>	-166 910	-127 339
<b>Net Loan receivables</b>	<b>411 969</b>	<b>412 260</b>
Overdue loan receivables	127 221	107 562
Loan receivables maturing in 0 to 3 months	172 278	161 443
Loan receivables maturing in 3 to 12 months	241 496	233 487
Loan receivables maturing in more than 12 months	49 939	51 246
<b>Total</b>	<b>590 934</b>	<b>553 738</b>
Loan receivables per currency	<b>2021-06-30</b>	<b>2020-12-31</b>
SEK '000	172 815	185 879
EUR '000	28 976	24 782
DKK '000	92 039	88 386

The provision for credit losses amounted to SEK 178,965 k (95,820). Qred makes ongoing assessments of loan receivables. The provisions are calculated based on the expected cash flow with regard to an age analysis. No further impairment loss is considered to exist at the end of the quarter. The provision for doubtful loan receivables and reversals are expensed under Loan losses, net in the consolidated income statement.

## Note 6 – Dividend and new share issue

### Information about the Company's shares

The company's shares are issued in two series, common shares and preference shares. Both common shares and preference shares carry one vote per share. The number of registered shares as of June 30, 2021 amounted to 10,555,561 common shares and 6,324 preference shares, whereof 13 redeemed not yet registered. The nominal value per share is SEK 1.46. See the annual report for further information regarding the company's shares.

### Dividend and new share issue

Until the end of June 2021, a dividend of SEK 0 k was paid for common shares and SEK 2,266 k for preference shares. During the same period, 378 preference shares were redeemed.

## Note 7 – Transactions with related parties

Group	Q2 2021	Q2 2020	H1 2021	H1 2020	FY 2020
Costs					
Interest	-	150	-	150	350
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>		<b>350</b>

The Group has borrowed from shareholders and companies affiliated to the Company's shareholders. Loan agreements are made on market terms.

## Note 8 – Significant events after the end of the interim period

Qred receiveds Principal Membership with Visa and intends to launch a credit card with innovative features specifically aimed at small businesses during Q3 2021.

## Contact

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