

# Interim report Q2 2022

**Qred Holding AB (publ)**



# Interim report 2nd quarter 2022

Qred continues to grow in line with expectations, but increased credit losses burdened the quarter's results. Qred both issued new common shares, and refinanced a senior secured bond during the quarter. Qred is thus in a good position to deliver continued growth and develop new services in the coming years. The operating income increased by 55% to SEK 137.0m during the interim period and the period's net income amounted to SEK -9.2m.

Values for the same period the previous year are stated within brackets.

## April – June 2022

- Operating income increased by 55% to SEK 137.0m (88.3)
- Commission income increased by 41% to SEK 74.3m (52.8)
- Interest income increased by 49% to SEK 67.6m (45.2)
- Operating profit amounted to SEK -12.2m (2.7)
- Net income for the period amounted to SEK -9.2m (2.1)

## January – June 2022

- The number of active monthly users increased by 35% to 15,568 (11,545)
- Income increased by 51% to SEK 254.8m (168.4)
- Commission income increased by 49% to SEK 145.5m (97.5)
- Interest income increased by 41% to SEK 125.8m (89.0)
- Operating profit amounted to SEK -11.1m (1.5)
- Net income for the period amounted to SEK -8.4m (0.7)
- The loan portfolio increased by 74% to SEK 1029.7m (590.9)

## Significant events April – June 2022

- Qred launched a new B2B payment service in April 2022, which allows companies to pay invoices using Qred VISA.
- As part of the previous agreement with the Nordic Capital Evolution Fund, the general meeting of Qred Holding AB (publ) on 19 April 2022 decided to increase the Company's share capital by SEK 1,106,899 through a directed new issue of 758,150 common shares series B to Cidron Gallo 2 S.à .rl
- Qred issued a senior secured bond of EUR 40m on 13 April 2022 and has redeemed the bond issued in 2019.

## Significant events after the end of the interim period

No significant events have occurred after the end of the interim period.

## KPIs

	Q2 2022	Q2 2021	Δ %	H1 2022	H1 2021	Δ %	Full year 2021
Total operating income (SEKm)	137.0	88.3	55.2	254.8	168.4	51.4	372.6
Net commission income (SEKm)	71.3	50.2	41.9	138.9	92.4	50.4	214.1
Net interest income (SEKm)	56.4	37.4	50.9	105.0	74.6	40.7	156.2
Operating profit margin	-6.7%	2.4%	- 9.1	-3.3%	0.4%	-3.7	4.6%
Active users	15,568	11,545	34.8				13,483
Average number of employees	150	106	41.5	144	101	42.6	111

**Net interest income:** Interest income for the period less interest expenses

**Net commission income:** commission income for the period less commission expenses

**Operating profit margin:** Operating 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 business loans, credit cards or factoring.

## Other information

### Risks and uncertainties

For a description of risks and uncertainties, refer to the annual report for 2021 which can be found on the company's website [qred.com](https://qred.com).

### Other

This report has not been subject to review by the company's auditors. The board and the managing director assure that the interim report provides a fair overview of the parent company's and the group's operations, position and results, and describes essential risks and uncertainty factors that the parent company and the group face.

## Comments by the CEO

Qred has delivered a strong second quarter despite a challenging macro environment. Income has continued to increase, as operating income grew by 55% compared to the same period last year. The number of monthly active users (MAU) increased by 35%. The result for the period ended at SEK -9.2m, mainly as a result of augmented credit losses.

Few have missed the fact that the second quarter of 2022 has been marked by major market changes, such as the socio-economic effects of the war in Ukraine and rising inflation. A contributing factor to increased payment difficulties is also presumed to be that small businesses are distressed as governmental pandemic subsidies are wound down, and, in some cases, need to be suddenly repaid.

In general - not least in the tech sector - the market has experienced a dramatic shift. We see how many industry peers are laying off employees, cutting costs and repositioning their focus from growth to targeting profitability; investors are in turn raising the hurdle to justify further growth investments. Against this backdrop, Qred has been able to demonstrate strong growth, expand product portfolio and strengthen its staff base.

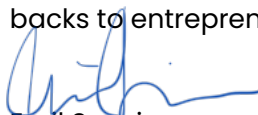
Since our founding, Qred's goal has been to grow with profitability, which we have been able to deliver year after year. Achieving this goal in 2022 will be a challenge that will put the entire organization to the test.

Qred's ambition is to help as many small businesses as possible. Given the uncertain global situation, we will adapt our lending practices to prevailing market conditions.

We are convinced that our digitized services in combination with advanced risk and scoring algorithms will mean that Qred will continue to do well - even in a tougher market climate.

With last year's investment from Nordic Capital and this spring's refinancing of Qred's corporate bond, we strengthened the balance sheet and increased the solvency to 47% and have a solid foundation to build from despite the quarter's deteriorated bottom line.

We are very proud to have helped tens of thousands of small businesses during the pandemic that otherwise might not have survived during this stressful period. On that point, nothing will change and we are determined to continue serving this underserved and deprioritized segment. With strong faith in the future, we will continue to support small businesses, even in stormy weather, and when the old banks turn their backs to entrepreneurs in need.

A blue ink signature of Emil Sunvisson, written in a cursive style.

Emil Sunvisson  
CEO

# Qred in brief

## This is what we do

Qred helps small businesses with simple and flexible financing services; business loans, invoice purchases and credit cards. 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, Norway and Brazil. We currently have over 15,000 small companies that use Qred to gain access to the financing needed to be able to create growth.

## This is what we offer

Financing is a highly sought-after service among small businesses. Our own, automated credit system enables us to quickly provide entrepreneurs with what is needed to be able to create growth in their businesses. With Qred, small businesses get access to simple, fast and transparent financing, regardless of whether it concerns business loans, invoice purchases or payments.

## These are our products

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

With the Qred VISA credit card, small businesses are given the opportunity to handle daily purchases in a simple way, and also receive up to 45 days of free credit. The card is used together with an app that gives entrepreneurs control over costs.

With factoring, entrepreneurs easily release capital through our digital platform. The system is integrated with all standard accounting systems, so that you as an entrepreneur 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 have an overview of your finances.

With Qred Pay, we enable entrepreneurs to pay invoices using their credit card. Through Qred Pay, companies get the opportunity to divide larger payments into smaller parts in order to optimize their liquidity. Additional services within the Qred Pay family for partial payment of purchases and invoices are under development and will be released shortly.

## This is our team

Qred's employees are the single most important success factor. Today we are around 150 people with headquarters in Stockholm and regional offices in Helsinki, Malmö and Sao Paulo. With a focus on leading technology and data processing, international expansion and strong growth, Qred is an attractive employer. This gives us the opportunity to recruit many talented people and expand our team with the right skills.

## Group Income statement

kSEK	Note	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Interest income		67 587	45 235	125 848	88 991	187 641
Interest expenses		-11 175	-7 850	-20 849	-14 383	-31 467
Commission income		74 304	52 809	145 515	97 464	224 867
Commission expenses		-3 006	-2 563	-6 586	-5 080	-10 813
Net income from financial transactions		8 701	66	9 699	159	- 21
Other income		600	600	1 200	1 200	2 400
<b>Total operating income</b>	3	<b>137 011</b>	<b>88 298</b>	<b>254 827</b>	<b>168 351</b>	<b>372 607</b>
<b>Operating expenses</b>						
Credit losses, net	4	-76 911	-37 644	-132 558	-79 092	-163 898
Personnel costs		-23 886	-17 148	-45 829	-33 021	-70 346
Other costs		-46 321	-29 622	-83 770	-52 436	-117 495
Depreciation and amortization		-2 134	-1 197	-3 788	-2 254	-5 111
<b>Total operating expenses</b>		<b>-149 252</b>	<b>-85 611</b>	<b>-265 945</b>	<b>-166 803</b>	<b>-356 850</b>
<b>Operating profit</b>		<b>-12 241</b>	<b>2 687</b>	<b>-11 118</b>	<b>1 548</b>	<b>15 757</b>
Other financial costs		- 15	- 2	- 53	- 21	- 212
Profit from shares in associated companies		732	30	677	- 595	6 114
<b>Profit from financial transactions</b>		<b>717</b>	<b>28</b>	<b>624</b>	<b>- 616</b>	<b>5 902</b>
<b>Profit before tax</b>		<b>-11 524</b>	<b>2 715</b>	<b>-10 494</b>	<b>932</b>	<b>21 659</b>
Income tax		2 306	- 624	2 046	- 271	-4 635
<b>Net income for the period</b>		<b>-9 218</b>	<b>2 091</b>	<b>-8 448</b>	<b>661</b>	<b>17 024</b>
<i>Profit for the period attributable to Parent Company's shareholders</i>		<i>-9 218</i>	<i>1 984</i>	<i>-8 448</i>	<i>704</i>	<i>17 024</i>
<i>Holdings without controlling influence</i>		<i>-</i>	<i>107</i>	<i>-</i>	<i>- 43</i>	<i>-</i>

## Group statement of comprehensive income

kSEK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Net profit for the period	-9 218	2 091	-8 448	661	17 024
Translation differences when translating foreign operations	3 861	-1 084	4 267	523	2 438
Tax on translation differences when translating foreign operations	- 879	224	- 879	-107	- 502
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>-6 236</b>	<b>1 231</b>	<b>-5 061</b>	<b>1 077</b>	<b>18 960</b>

# Group Balance sheet

kSEK	Note	2022-06-30	2021-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Right of use assets		3 726	4 436
Deferred tax		7 796	7 992
Left depositions		1 737	1 665
Long-term loan receivables	5	48 773	35 739
Shares in associated companies		21 149	20 472
Intangible fixed assets		25 253	15 010
Tangible fixed assets		417	134
<b>Total fixed assets</b>		<b>108 851</b>	<b>85 448</b>
<b>Current assets</b>			
Loan receivables	5	641 961	436 016
Other receivables		157 921	194 712
Cash and cash equivalents		89 867	105 180
<b>Total current assets</b>		<b>889 749</b>	<b>735 908</b>
<b>TOTAL ASSETS</b>		<b>998 600</b>	<b>821 356</b>
<b>EQUITY</b>			
<b>Equity attributable to the parent company's shareholders</b>			
Share capital		17 676	15 462
Other contributed capital		368 426	268 184
Reserves		5 405	1 589
Retained earnings including profit for the year		77 731	88 336
<b>Total equity</b>		<b>469 238</b>	<b>373 571</b>
<b>Provisions</b>			
Other provisions		62 687	52 639
Deferred tax		2 675	2 535
<b>Total provisions</b>		<b>65 362</b>	<b>55 174</b>
<b>LIABILITIES</b>			
<b>Long-term liabilities</b>			
Liabilities to credit institutions		37 761	23 420
Bond		387 310	-
Other long-term liabilities		569	571
<b>Total long-term liabilities</b>		<b>425 640</b>	<b>23 991</b>
<b>Short-term liabilities</b>			
Accounts payable		13 438	6 219
Bond		-	342 880
Other liabilities		13 819	10 983
Accrued expenses and prepaid income		11 103	8 538
<b>Total short-term liabilities</b>		<b>38 360</b>	<b>368 620</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>998 600</b>	<b>821 356</b>

# Change in equity Group

	Share capital	Other contributed capital	Reserves	Retained earning including profit for the year	Holding without controlling interest	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>
Profit for the year				17 243		17 024
Exchange rate differences			2 437			2 437
Tax on exchange rate differences			-502			-502
<b>Total comprehensive income for the period (net after tax)</b>	<b>0</b>	<b>0</b>	<b>1 936</b>	<b>17 024</b>	<b>0</b>	<b>18 960</b>
Transaction costs for new share issue		-2 087				-2 087
Tax effect transaction costs for new share issue			430			430
Redemption preference shares, registered	-1	-4 969				-4 970
Issued warrants		1 426				1 426
Subscribed, unregistered ordinary shares		103 313				103 313
Dividend preference shares				-4 458		-4 458
New issue of ordinary shares	42	3 109				3 151
Acquisition of minority interest				-3 263	112	-3 151
Share-based payments - value of employee service			53			53
<b>Equity 2021-12-31</b>	<b>15 462</b>	<b>268 184</b>	<b>1 589</b>	<b>88 336</b>	<b>0</b>	<b>373 571</b>

	Share capital	Other contributed capital	Reserves	Retained earnings including profit for the year	Total equity
<b>Equity 2022-01-01</b>	<b>15 462</b>	<b>268 184</b>	<b>1 589</b>	<b>88 336</b>	<b>373 571</b>
Profit for the period				-8 448	-8 448
Exchange rate differences			4 267		4 267
Tax on exchange rate differences			-879		-879
<b>Total comprehensive income for the period (net after tax)</b>	<b>0</b>	<b>0</b>	<b>3 388</b>	<b>-8 448</b>	<b>-5 061</b>
Transaction costs for new share issue		-2 081			-2 081
Tax effect transaction costs for new share issue			429		429
Redemption of preference shares, registered	0	-1 460			-1 460
Redemption of preference shares, not registered		-100			-100
Issued warrants		2 072			2 072
Redeemed warrants		-30			-30
Subscribed, not registered ordinary shares		1 500			1 500
New issue of ordinary shares	1 107	101 448			102 555
Dividend preference shares				-2 156	-2 156
Registration of previously unregistered ordinary shares	1 107	-1 107			0
<b>Equity 2022-06-30</b>	<b>17 676</b>	<b>368 426</b>	<b>5 405</b>	<b>77 731</b>	<b>469 238</b>



# Group Cash flow analysis

kSEK	Note	H1 2022	H1 2021	FY 2021
<b>Cash flow from operating activities</b>				
Operating profit incl. operating interest expenses		-11 118	1 548	15 757
<i>Of which received interest</i>		<i>118 538</i>	<i>88 683</i>	<i>174 923</i>
<i>Of which interest paid</i>		<i>-23 396</i>	<i>-14 453</i>	<i>-34 969</i>
<i>Adjustments for non-cash items</i>				
-Depreciation and amortization		3 788	2 254	5 111
-Capitalized interest		5 195	106	451
-Change in credit loss reserve		91 909	48 136	119 519
-Other		-2 493	-389	803
Other interest paid		-53	-20	-211
Tax paid		-1 460	-11 736	-20 035
<b>Cash flow from operating activities before change in working capital</b>		<b>85 768</b>	<b>39 899</b>	<b>121 395</b>
<b>Cash flow from changes in working capital</b>				
Change in loan receivables		-281 660	-34 411	-155 089
Change in other operating receivables		45 696	-22 011	-107 681
Change in accounts payable		6 987	2 638	1 666
Change in other operating liabilities		5 998	4 725	5 558
<b>Cash flow from changes in working capital</b>		<b>-222 979</b>	<b>-49 059</b>	<b>-255 546</b>
<b>Cash flow from operating activities</b>		<b>-137 211</b>	<b>9 160</b>	<b>-134 151</b>
<b>Cash flow from investment activities</b>				
Change in other financial fixed assets		-12	-1 651	-1 648
Investments in associated companies		-	-	-7 966
Change in other intangible fixed assets		-12 313	-5 198	-12 353
Change in other tangible fixed assets		-319	-	-
<b>Cash flow from investment activities</b>		<b>-12 644</b>	<b>-6 849</b>	<b>-21 967</b>
<b>Cash flow from financing activities</b>				
New issue ordinary shares		101 974	-	101 226
Redemption of preference shares	6	-1 560	-3 780	-4 970
Dividend preference shares	6	-2 156	-2 266	-4 458
Warrants		2 042	1 365	1 426
New loans		379 669	63 734	147 133
Repayment of loans		-345 633	-3 904	-2 841
<b>Cash flow from financing activities</b>		<b>134 336</b>	<b>55 149</b>	<b>237 516</b>
<b>Cash flow for the period</b>		<b>-15 519</b>	<b>39 140</b>	<b>81 398</b>
Cash at beginning of period		105 180	23 477	23 477
Exchange rate differences in cash		206	183	305
<b>Cash at the end of the period</b>		<b>89 867</b>	<b>62 800</b>	<b>105 180</b>

## Income statement, Parent company

kSEK	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Interest income and similar items	11 598	10 703	22 342	20 284	41 325
Interest expenses and similar items	-11 598	-10 703	-22 342	-20 284	-41 325
Net result from financial transactions	900	3 261	955	-2 774	-6 977
<b>Total operating income</b>	<b>900</b>	<b>3 261</b>	<b>955</b>	<b>-2 774</b>	<b>-6 977</b>
Other external expenses	-245	-1 065	-491	-1 392	-1 747
<b>Total operating expenses</b>	<b>-245</b>	<b>-1 065</b>	<b>-491</b>	<b>-1 392</b>	<b>-1 747</b>
<b>Operating profit</b>	<b>655</b>	<b>2 196</b>	<b>464</b>	<b>-4 166</b>	<b>-8 724</b>
Other financial expenses	-	-	-1	-	-16
<b>Result from financial items</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>0</b>	<b>-16</b>
<b>Appropriations</b>					
Group contributions received	-	-	-	-	10 900
<b>Earnings before tax</b>	<b>655</b>	<b>2 196</b>	<b>463</b>	<b>-4 166</b>	<b>2 160</b>
Tax on profit for the period	-135	-452	-95	858	-445
<b>Net income for the period</b>	<b>520</b>	<b>1 744</b>	<b>368</b>	<b>-3 308</b>	<b>1 715</b>
<b>The parent company's report on other comprehensive income</b>					
Net income	520	1 744	368	-3 308	1 715
<b>TOTAL COMPREHENSIVE INCOME FOR THE PERIOD</b>	<b>520</b>	<b>1 744</b>	<b>368</b>	<b>-3 308</b>	<b>1 715</b>

# Balance sheet, Parent company

kSEK	2022-06-30	2021-12-31
<b>ASSETS</b>		
<b>Fixed assets</b>		
Shares in group companies	59 347	59 347
Shares in associated companies	8 166	8 166
Receivables from group companies	543 496	537 530
<b>Total Financial fixed assets</b>	<b>611 009</b>	<b>605 043</b>
<b>Total fixed assets</b>	<b>611 009</b>	<b>605 043</b>
<b>Current assets</b>		
claims at Group Companies	122 924	13 888
Other receivables	1 795	683
Prepaid expenses and accrued income	106	93
Cash and cash equivalents	38 511	76 438
<b>Total current assets</b>	<b>163 336</b>	<b>91 102</b>
<b>TOTAL ASSETS</b>	<b>774 345</b>	<b>696 145</b>
<b>EQUITY</b>		
<b>Restricted equity</b>		
Share capital	17 676	15 462
Reserve fund	7	7
<b>Total restricted equity</b>	<b>17 683</b>	<b>15 469</b>
<b>Non-restricted equity</b>		
Other contributed capital	4 868	104 739
Share premium	365 199	164 657
Retained earnings	-1 627	-1 186
Profit for the year	367	1 716
<b>Total non-restricted equity</b>	<b>368 807</b>	<b>269 926</b>
<b>Total equity</b>	<b>386 490</b>	<b>285 395</b>
<b>LIABILITIES</b>		
<b>Long-term liabilities</b>		
Bond	387 310	-
<b>Total long-term liabilities</b>	<b>387 310</b>	<b>-</b>
<b>Short-term liabilities</b>		
Accounts payable	-	16
Liabilities to group companies	-	68 242
Bond	-	341 949
Accrued expenses and prepaid income	545	543
<b>Total short-term liabilities</b>	<b>545</b>	<b>410 750</b>
<b>Total liabilities</b>	<b>387 855</b>	<b>410 750</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>744 345</b>	<b>696 145</b>

## Comments and notes

Amounts in thousands of kronor (kSEK)

### Note 1 – General information

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

<b>Subsidiary</b>	<b>Org. no.</b>	<b>%</b>
Qred AB	559008-9800	100
Qred Factoring AB	559221-0180	100

<b>Branches Qred AB</b>	<b>Org. no.</b>
Finland	2868615-5
Denmark	38972294
Netherlands	72603372
Norway	928148793

### Note 2 – Summary of important accounting principles

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.

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, basis of calculation and presentation are essentially unchanged compared to the annual report 2021.

### Note 3 – Operating income

<b>Operating income 2022 Q2</b>	<b>Sweden</b>	<b>Other countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	8 627	58 960	-	<b>67 587</b>
Interest expenses	-2 554	-8 620	-	<b>-11 175</b>
<i>Of which internal financing costs</i>	<i>-1 785</i>	<i>-8 568</i>	<i>10 353</i>	<b>-</b>
Net interest income	6 073	50 340	-	<b>56 413</b>
Commission income	29 242	45 062	-	<b>74 304</b>
Commission expenses	-979	-2 027	-	<b>-3 006</b>
Net commission income	28 263	43 035	-	<b>71 298</b>
Net income from financial transactions	-	-	8 701	<b>8 701</b>
<i>which income sales bond</i>	<i>-</i>	<i>-</i>	<i>-</i>	<b>-</b>
Other operating income	600	-	-	<b>600</b>
<b>Total operating income</b>	<b>34 936</b>	<b>93 375</b>	<b>8 701</b>	<b>137 011</b>

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

<b>Operating income 2022 H1</b>	<b>Sweden</b>	<b>Other countries</b>	<b>Central functions</b>	<b>Group</b>
Interest income	16 674	109 174	-	<b>125 848</b>
Interest expenses	-5 114	-15 735	-	<b>-20 849</b>
<i>Of which internal financing costs</i>	<i>-3 232</i>	<i>-15 517</i>	<i>18 749</i>	<b>-</b>
Net interest income	11 560	93 439	-	<b>105 000</b>
Commission income	58 440	87 074	-	<b>145 514</b>
Commission expenses	-2 569	-4 016	-	<b>-6 586</b>
Net commission income	55 871	83 058	-	<b>138 929</b>
Net income from financial transactions	-	-	9 699	<b>9 699</b>
<i>which income sales bond</i>	<i>-</i>	<i>-</i>	<i>-</i>	<b>-</b>
Other operating income	1 200	-	-	<b>1 200</b>
<b>Total operating income</b>	<b>68 632</b>	<b>176 497</b>	<b>9 699</b>	<b>254 827</b>

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

	Sweden	Other countries	Central functions	Group
<b>Operating income full year 2021</b>				
Interest income	41 909	145 732	-	<b>187 641</b>
Interest expenses	-9 462	-22 005	-	<b>-31 467</b>
<i>Of which internal financing costs</i>	-4 123	-20 392	24 515	-
Net interest income	32 448	123 726	-	<b>156 174</b>
Commission income	99 471	125 396	-	<b>224 867</b>
Commission expenses	-3 975	-6 838	-	<b>-10 813</b>
Net commission income	95 496	118 558	-	<b>214 053</b>
Net income from financial transactions	-	-	-21	<b>-21</b>
<i>which income sales bond</i>	-	-	1 019	<b>1 019</b>
Other operating income	2 400	-	-	<b>2 400</b>
<b>Total operating income</b>	<b>130 343</b>	<b>242 284</b>	<b>-21</b>	<b>372 607</b>

#### Note 4 - Credit losses, net

Group	Q2 2022	Q2 2021	H1 2022	H1 2021	FY 2021
Realized credit losses	38 562	30 769	41 568	30 945	44 511
Change in reserves, net	35 278	4 810	82 038	36 764	102 054
Provision for guarantee commitment	3 071	2 065	8 952	11 383	17 333
<b>Total</b>	<b>76 911</b>	<b>37 644</b>	<b>132 558</b>	<b>79 092</b>	<b>163 898</b>

## Note 5 – Loan receivables

<b>Group</b>	<b>2022-06-30</b>	<b>2021-12-36</b>
Loan receivables, gross	960 649	635 498
<i>Of which long-term</i>	68 766	52 034
<i>Of which short-term</i>	835 335	557 633
<i>Of which acquired receivables in default</i>	56 549	25 831
Reservation for doubtful loan receivables	-269 915	-163 743
<i>Of which long-term loans</i>	-19 993	-16 295
<i>Of which short-term</i>	-237 821	-141 023
<i>Of which acquired receivables in default</i>	-12 102	-6 425
<b>Loan receivables, net</b>	<b>690 734</b>	<b>471 755</b>
Overdue loan receivables	171 300	91 765
Loans due in 0 to 3 months	290 789	192 515
Loans due in 3 to 12 months	429 794	299 184
Loans due in more than 12 months	68 766	52 034
<b>Total</b>	<b>960 649</b>	<b>635 498</b>

## Reported amounts, per currency, for the Group's loan receivables

	<b>2022-06-30</b>	<b>2021-12-31</b>
SEK '000	143 560	119 269
EUR '000	52 879	37 148
DKK '000	186 416	157 969

The provision for credit losses amounted to SEK 338,987k (178,965). Qred makes ongoing assessments of loan receivables. The provisions are calculated on the expected cash flow with regards to an age analysis. There is no further need for impairment at the end of the quarter output. The provision for the doubtful loan receivables and the reversal are expensed under Credit losses, net in the Group's income statement.

## **Note 6 – Dividends and new share issue**

### **Information about the company's shares**

The company's shares are issued in three series, ordinary shares, ordinary shares B and preference shares. Both ordinary shares as well as preference shares carry one vote per share. Ordinary shares B carry 1.5 votes per share. The number of registered ordinary shares as of 30th of June 2022 amounted to 10,584,311 and the number of not registered amounted to 30,000. Registered ordinary shares B amounted to 1,516,300. The number of preference shares amounted to 6,059 of which 10 not yet registered redeemed. The nominal value per share is SEK 1.46. See the annual report for further information regarding the company's shares.

### **Dividends and new share issue**

Until the end of June 2022, dividends have taken place with SEK 0 to common shares and common shares B and SEK 2,156,000 to preference shares. During the same period, 156 preference shares have been redeemed.

As part of the previous agreement with the Nordic Capital Evolution Fund, the general meeting of Qred Holding AB (publ) on 19 April 2022 decided to increase the Company's share capital by SEK 1,106,899 through a directed new issue of 758,150 common shares series B to Cidron Gallo 2 S.à .rl

According to the decision at the general meeting on May 30, an issue from options has taken place at a value of 30,000 in respect of common shares.

## **Note 7 – Significant events after the end of the interim period**

No significant events have occurred after the end of the interim period.

## **Contact**

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