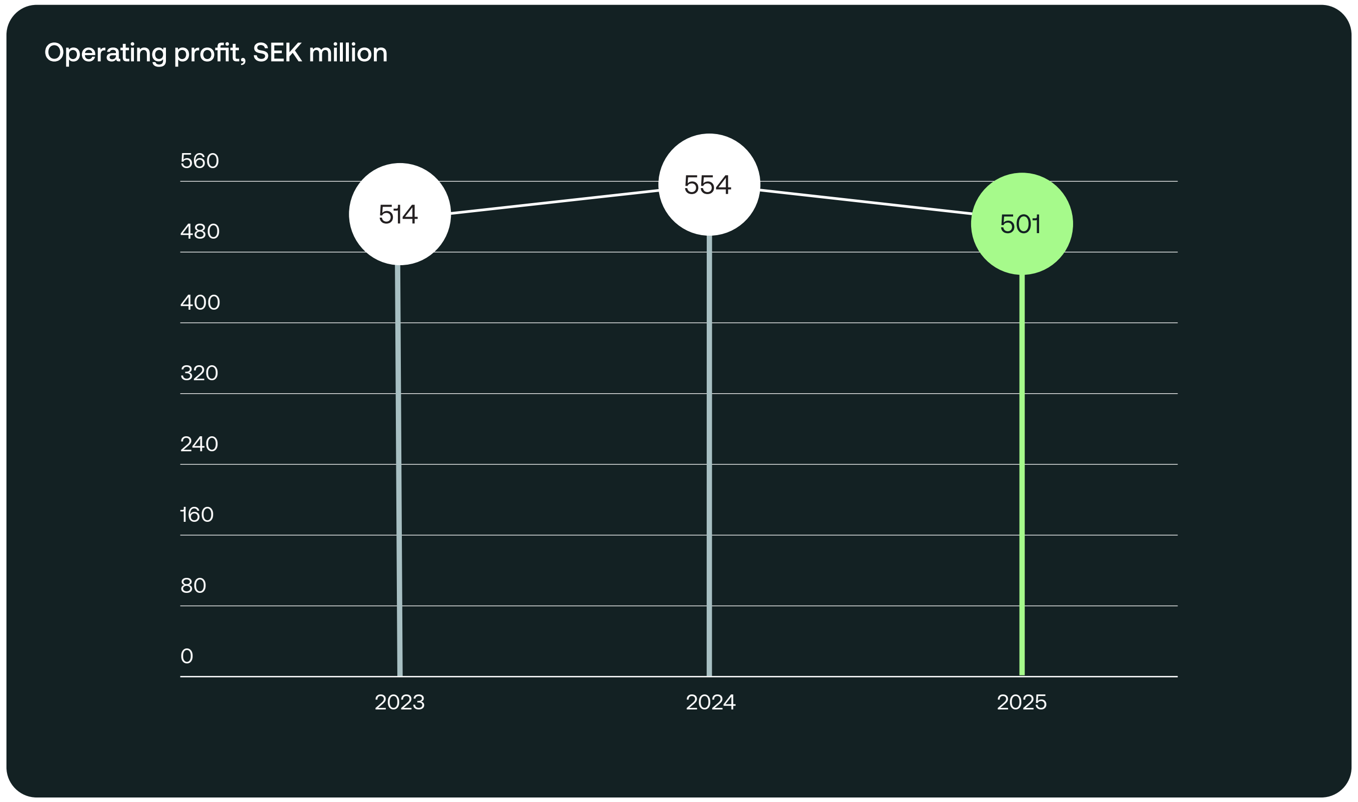
Interim report 1 January – 30 June

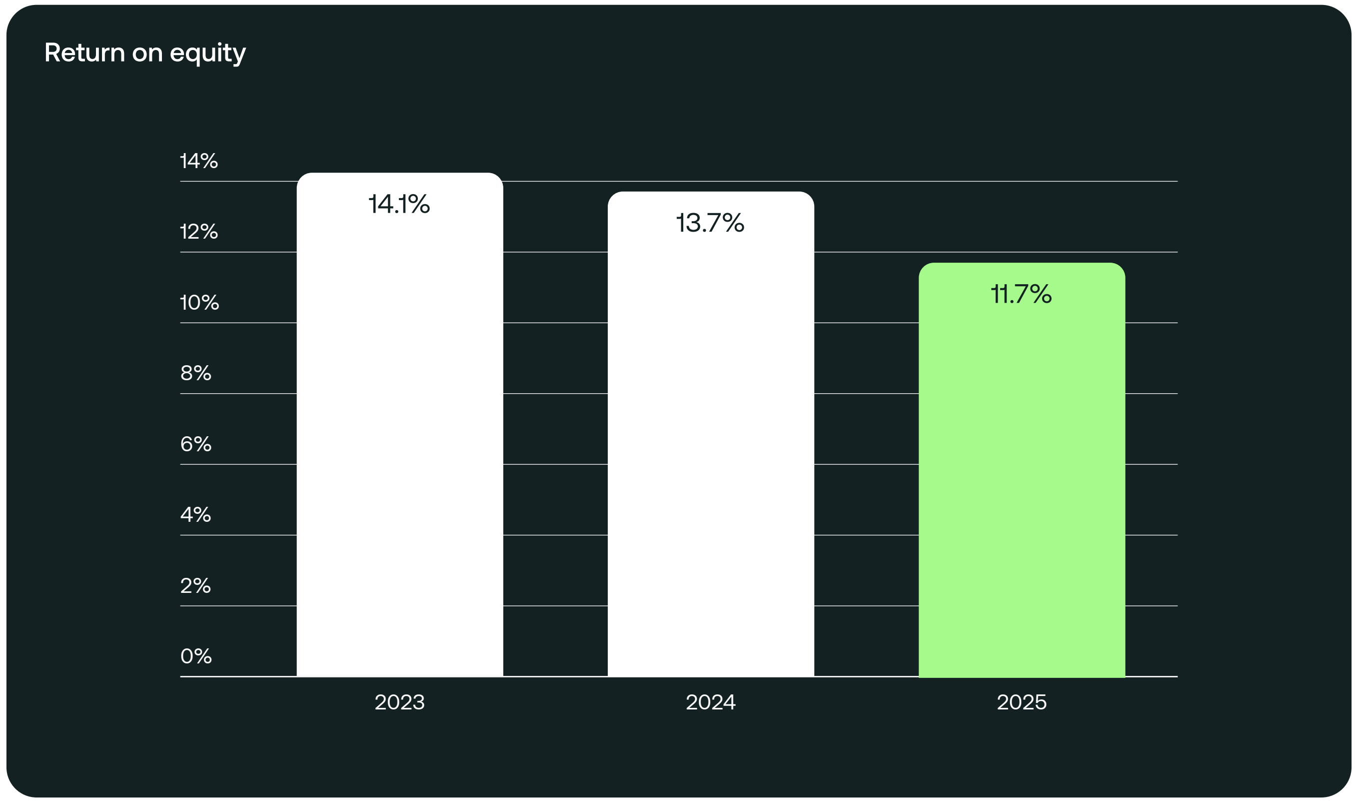
2025

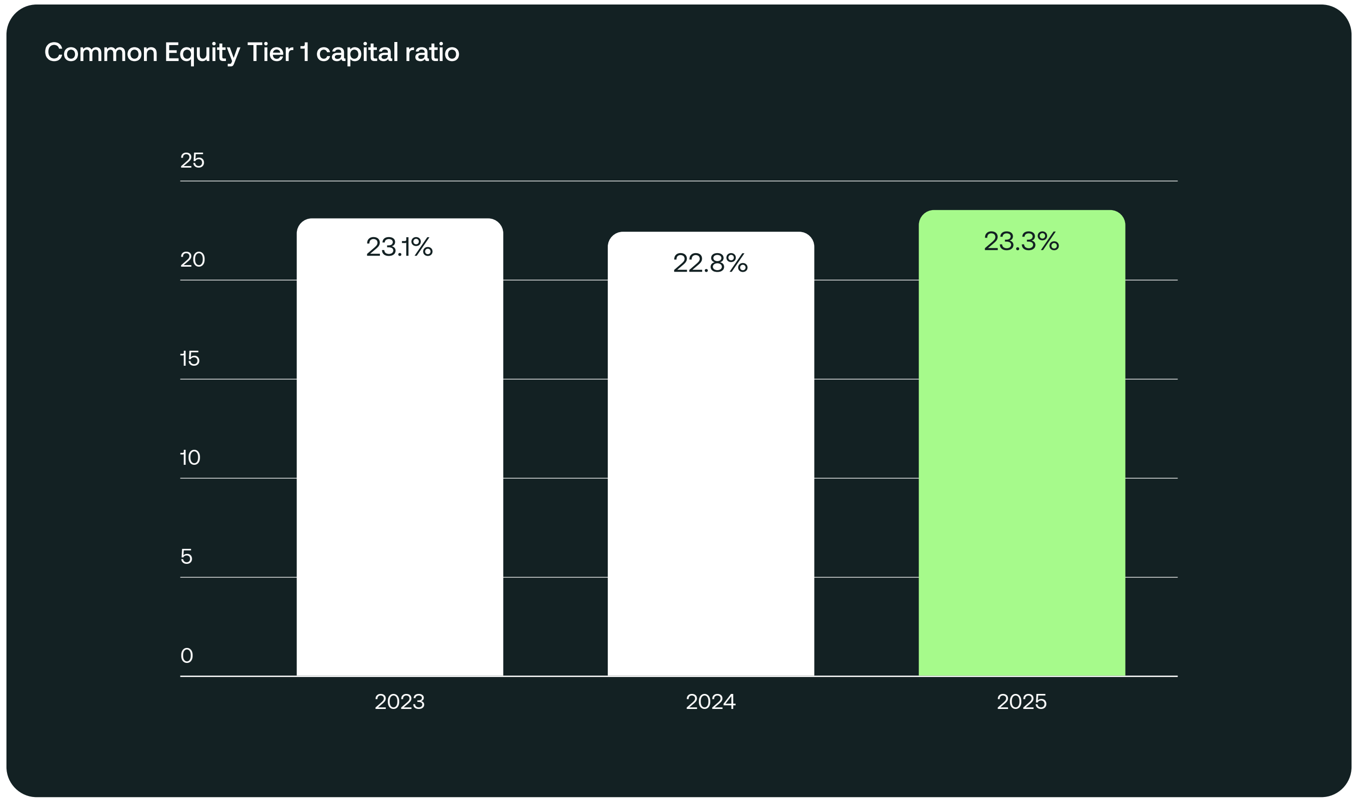
Ziklo The Mobility Bank

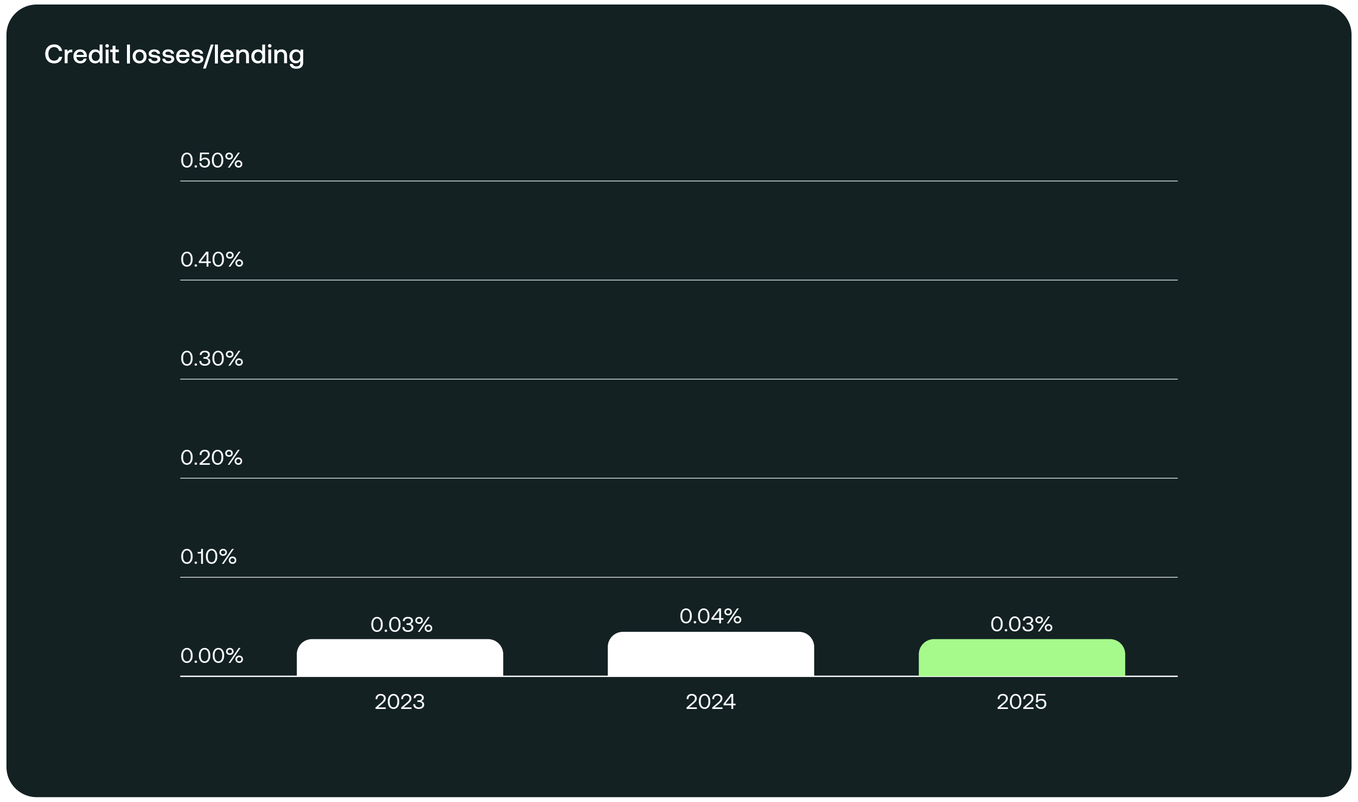
Summary

Jan–Jun









Introduction and financial statements

Jan–Jun 2025 in summary

Operating profit
SEK 501 million (554)

Return on equity
11.7% (13.7)

Lending as of 30 June
SEK 51.0 billion (44.2)

Credit losses / lending
0.03 % (0.04)

Common Equity Tier 1 capital ratio
23.3% (22.8)

Cost/Income ratio*
0.40 (0.39)

*Excluding residual value provision

Statement by the CEO

During the first six months of 2025, Ziklo Bank delivered a stable performance and a profit of SEK 501 million (554) despite challenging market conditions. At SEK 51 million (44.2), lending reached a new record with an increase of 15% compared with the same period for the previous year.

Earnings were slightly lower than in 2024, but adjusted for items affecting comparability, such as reclaimed VAT and the net result from financial transactions, they were in line with last year – an affirmation of strength in this uncertain market and these recessionary times. Price adjustments on new vehicles have affected the second-hand market, thereby weakening the bank's surplus from leasing disposals at the same time as provisions for future disposal gains have increased. While lower interest rates have had an adverse effect on net interest income during the period, they benefit our customers' perspective purchasing power, which bodes well for future lending volumes.

Interest and commission revenues from the bank's volume growth made a positive contribution, as did reduced expenditures in the operation, where we are now seeing the effects of the bank's savings programme initiated during the year. We expect to see continued cost reductions during the second half of 2025, compared to 2024.

Our risk-sharing model allows the bank to maintain a low credit cost ratio, where a major part of the risk is shared with our dealership partners. In conjunction with our conservative credit policy, this has resulted in a record low credit cost ratio of 0.03% (0.04).

In May, Moody's adjusted the bank's credit assessment prospects from stable to negative as a direct result of corresponding changes for Volvo Cars, our 50 percent owner. Ziklo Bank, with its recurrent strong profits and strong financial position, enjoys a high level of trust on the capital market. Among other things, the ability of the bank to pay a second dividend of just over SEK 191 million after the reporting period in addition to the ordinary dividend in June in the same amount, clearly reflects this. Even after payment of these dividends, our Common Equity Tier 1 capital ratio remains at a record high level.

In summarizing the market, we note that while the Swedish economy and vehicle market continues to await stronger domestic consumption, we also see signs of growing activity in vehicle showrooms. Statistics for new vehicle registrations in Sweden show an increase of 8.8% for Volvo Cars, reflecting a market share of 18.3 % (17.9) and 25,800 registrations as of 30 June. Total registrations in Sweden increased by 6.6% to almost 141,000 vehicles. Polestar enjoyed a very strong 28.5% increase in registrations, where the effect of the new 3 and 4 models can be clearly seen. The proportion of rechargeable passenger cars among new car registrations was 61% with pure BEVs at 35%, which is an increase of 3 percentage points year-on-year. The proportion of EVs in June alone was 39%, and the overall market leaves no room for doubt that rechargeable is the right choice for most new car drivers. It's especially pleasing that no less than 94% of new passenger cars registered during the year and financed by Ziklo Bank were rechargeable.

In the case of HGVs, the overall market retreated for the third year in a row with registrations during the first six months down 8% at 2,568 vehicles. Volvo Trucks' market share decreased by 2.6 percentage points to 38%. The proportion of EVs grew to around 7%, an increase of one percentage point. It's easy to concur with Mobility Sweden's call for policy instruments to stimulate demand – such as tax relief for charging and a deduction for green haulage purchasers – as required to accelerate the transition in the heavy segment.

Our ambition is for Ziklo Bank to offer market-independent financing solutions that accelerate the transition to sustainable haulage. Volvofinans continues to be our strong product brand for all Volvo-related services, and with the Ziklo brand, we've been able to expand our business as "Sweden's Mobility Bank". Thus it's very satisfying that lending volume has increased to SEK 51 million, which is a new record for the bank, and we see growth in multiple areas where e.g. the investment in leisure vehicles now means that we have almost 50 new dealerships as partners in this business segment.

In the Mobility Report published by the bank, we share insights into the way Swedes view mobility, and in particular the transition to electric vehicles. We're currently busy with the second edition and we note distinct differences between people who've already taken the EV plunge and those who have yet to do so. In general, EV owners are significantly more positive to everyday matters concerning EVs as well as their overall economy, compared to fossil-fuelled vehicles. We note similar patterns in heavy haulage, where we play an important part by providing TCO calculations, digital services, information and consultation in the choice of haulage solutions. The 2025 Mobility Report will be published at the end of October.

Our vision is to become the leading bank for the mobility of the future. Together with our customers, partners and employees, we're looking forward to making the second half of 2025 a strong finish to the year.

"With the Ziklo brand, we've been able to expand our business as Sweden's Mobility Bank".

Joel Graffman

CEO
Ziklo Bank AB

Ziklo Bank AB (publ), Co. Reg. 556069-0967, is obliged to publish this information under the Swedish Securities Market Act (SFS 2007:528). This report was submitted for publication on 26 August 2025.

Financial statements

Ownership/Operations

The bank was established in 1959 with 50% owned by the Swedish Volvo dealers through their holding company AB Volverkinvest, and 50% by Volvo Personvagnar AB.

As its primary task, Ziklo Bank offers financial and administrative services in the Swedish mobility and vehicle industry through direct sales and an extensive partner distribution network for the purpose of delivering market-leading solutions to partners and end customers alike.

Ziklo Bank is the parent company of a group with dormant subsidiaries. Under Chapter 7, section 6a of the Swedish Annual Accounts Act for Credit Institutions and Securities Companies, Ziklo Bank does not prepare consolidated accounts as activities in subsidiaries are negligible.

Trends in volume/lending

Lending volume reached SEK 51.0 billion compared to 44.2 billion in the previous year. Trucks accounted for SEK 6.5 billion (6.4) of lending, equivalent to 13% (14) of the total. Fleet's share of lending totalled SEK 14.7 billion (12.6) corresponding to 29% (29) and the Volvo card's share was 4% (4) or SEK 1.9 billion (2.0). The remainder – SEK 27.9 billion (23.2) – is attributable to passenger car financing in Cars business area, which corresponds to 55% (53) of lending.

Operating income, operating profit, the number of contracts and lending volumes for Ziklo Bank's business areas are presented in Note 3.

Development of profits

The bank's profit after credit losses was SEK 501.3 million (554.0), which is SEK 52.7 million or 10% lower year-over-year. The net result from financial transactions burdened profits in the amount of SEK 25.5 million (-7.6), due to falling long-term interest rates during the period. During the first half of the previous year, the bank received a VAT refund of SEK 19.6 million following a review by the Swedish Tax Agency. At SEK 14.3 million, net interest income and net leasing were lower than the previous year, mainly due to a lower interest rate environment. Revenues from service and repair contract increased by SEK 36.4 million, mainly due to an increase in the volume of operational leases driven by the acquisition of Care by Volvo cars at the end of 2024. Disposal gains from the Bank's sale of returned cars related to operating leases generated a surplus of SEK 160.7 million, which is SEK 57.4 million lower than in the previous year. During the first six months of 2025, booked changes of accumulated impairment charges in respect of residual value positions on operating lease assets increased by SEK 50.7 million, which is SEK 13.7 million higher compared to the previous year. Overhead expenses, driven by the bank's cost-saving program, were SEK 26.4 million or 7% lower than the previous year.

Credit risks and credit losses

Because the major part of credit risk is borne by individual Volvo dealers through recourse agreements, the credit risk for Ziklo Bank is very low.

Defaulted receivables are defined as receivables more than 90 days overdue or defaulted on for other reasons. Ziklo Bank's defaulted credit card receivables totalled SEK 25.4 million (22.0) and for loans and leasing SEK 286.7 million (322.1), of which SEK 283.8 million (318.9) is covered by recourse. All loans and lease products in respect of vehicle financing are hedged by items. Loans subject to deferral totalled SEK 108.6 million (92.6).

Verified credit losses of SEK 7.4 million (3.9) relate mainly to the credit card business. Expected credit losses are calculated based on a prospective impairment model, where the calculation takes account of macroeconomic data, demographic variables and behavioural variables. Expected credit losses increased by SEK 1.0 million (10.4) during the first six months. Thus credit losses for the year totalled SEK 8.3 million (14.3). The provision for expected credit losses totals SEK 44.0 million (42.1).

Residual value risk

There is residual value risk in operating leases corresponding to the risk that the present value of the remaining rents plus the present value of the expected residual value is lower than the book value and that the bank thereby sustains a loss. During the year the bank carried out impairments totalling SEK 50.7 million (37.0) related to residual value risk, mainly due to lower EV value measurements. As of 30 June 2025, the bank's residual value positions for operating lease assets totalled SEK 9.2 billion (6.7). The bank carried out accumulated impairments totalling SEK 427.5 million (337.4). During the first six months, the surplus from the sale of returned operating lease vehicles totalled SEK 160.7 million (218.1).

Funding and liquidity

Deposits in the bank's savings account increased by SEK 548 million during the second quarter, to reach a total of SEK 23.7 billion (22.8) at half-year end. Total deposits including the credit balance for CarPay / Volvo Card and deposits from dealerships stood at SEK 25.0 billion (24.3) and accounted for 51% (60) of the bank's financing.

The bank's MTN programme allows the issue of both conventional and green bonds in SEK, NOK and EUR. Bonds with a value of SEK 4.4 billion were issued during the first six months, of which green bonds accounted for SEK 2.5 billion of the issued volume. No repurchase of own bonds was made during the quarter. Commercial papers relating to short-term borrowing were issued in the amount of SEK 1.1 billion during the reporting period. Ziklo Bank's outstanding financing through its market loan programmes, MTN and certificates totalled a nominal SEK 20.7 billion (15.3), of which green bonds accounted for SEK 9.5 billion on 30 June 2025.

In addition to market borrowing and deposits, the bank also finances its activities through bank credits, which totalled SEK 2.8 billion (1.2) at half-year end. The proportion of financing from market loans programmes and the banking sector with remaining maturity of more than one year was 83% (75).

Borrowing with a remaining term of less than one year together with a proportion of deposits, must be covered at all times by the liquidity reserve and unutilised credit facilities. The total liquidity reserve at half-year end was SEK 8.0 billion (6.5). The securities holding accounted for SEK 4.2 billion (52%) and non-fixed deposits at other banks totalled SEK 3.8 billion (48%). Ziklo Bank's liquidity reserve must always be at least 10% in relation to lending volume. As of 30 June 2025, total lending was SEK 51.0 billion, which means the liquidity reserve corresponded to 16% (15). In addition to the liquidity reserve, available and unutilised loan facilities totalled SEK 3.8 billion (3.8).

At the end of the second quarter, Ziklo Bank's liquidity coverage ratio (LCR) under article 415 of the EU Capital Requirements Regulation (CRR) totalled 276% (281), and the net stable funding ratio (NSFR) was 123% (119) under CRR2.

Capital adequacy

Ziklo Bank calculates most of the credit risk on the basis of its internal ratings based approach (IRB), while the remainder is calculated according to the standard method. The Swedish Financial Supervisory Authority has given Ziklo Bank permission to use modified PD models that meet the requirements of CRR (EU) 575/2013 as amended by (EU) 439/2022 and EBA/GL/2017/16, known simply as Basel IV. Because the bank's new LGD models and the CF model are not yet approved by the Financial Supervisory Authority, the bank has chosen to correct the capital requirement calculation such that the requirement in relative terms reaches the previous level. This correction, known as an Article 3 mark-up, is used in the bank's capital requirement calculation as of Q2, 2023. The Tier 1 ratio amounted to 23.3% (22.8) as of 30 June 2025 and the capital requirement was assessed internally to 14.4% (14.4) calculated on the basis of the methods and models used to calculate capital requirement within the framework of Pillar 1. The capital conservation buffer of 2.5% (2.5) of REA was SEK 708 million (716). The countercyclical buffer value of 2.0% (2.0) of REA totalled SEK 566 million (573). The leverage ratio was 11.2% (12.9) as of 30/06/2025.

As of 2025, Ziklo Bank has chosen to exclude accrued earnings from capital base earnings on a quarterly basis. This means that profits generated during the year are not recognised in the capital base until determined in conjunction with the annual accounts. The decision is in line with a more conservative assessment of the composition of the capital base. Implementation of the new Basel IV regulations has affected Ziklo Bank's capital requirement calculation. The transition to the new standardised approach for the capital requirement calculation for operational risk involves a reduction in the bank's capital requirement for operational risk. As of 2025, the Bank has implemented a few voluntary changes due to the EU's second banking package. In one such change, the bank now uses fair values as maturity in calculating the weight for risk in the corporate portfolio for financing products. Also, the bank has begun using underlying items as acceptable collateral. The changes have resulted in a lower risk-weighted amount for the bank's primary corporate exposures. The bank's total capital requirements are not currently affected by the new floor rules (output floor).

Disclosures are provided in compliance with Swedish Financial Supervisory Authority publication requirements FFFS 2014:12, FFFS 2010:7 and FFFS 2014:21.

Under its review and evaluation process, the Financial Supervisory Authority may decide on a specific capital base requirement and a gross leverage ratio requirement. The bank has not yet received an assessment from the authority regarding specific Pillar 2 guidance.

Other significant information

The bank's operations are continually exposed to a number of financial risks.

Liquidity risk is the risk that Ziklo Bank's payment obligations cannot be met on maturity without significant increased costs in terms of the means of payment or, in the worst-case, cannot be met at all. To manage liquidity stress, Ziklo Bank maintains a liquidity reserve as well as agreed credit facilities that can be utilised at short notice.

Interest rate risk is the current and future risk that net interest income will decline as a result of unfavourable changes in the interest rate. The major part of the bank's lending and all borrowing follows the short-term market interest rate, which entails a limited interest rate risk.

Currency risk is the risk of unfavourable changes in exchange rates. All of Ziklo Bank's lending is in Swedish kronor. Any borrowing in foreign currency is hedged, which means the bank is not exposed to exchange rate fluctuations.

Rating

The bank's international credit ratings from Moody's Investors Service are as follows:

- Short-term financing: P-2
- Long-term financing: A3
- Outlook: Negative

There was no change in the credit rating during the period. The outlook has changed from stable to negative as a result of a change in the outlook for Volvo Personvagnar AB, one of our part owners. A detailed, up-to-date analysis from Moody's can be found on our website, under 'About us / Investor relations / Rating'.

Calendar:

7 November 2025	Interim Report January-September 2025
5 February 2026	Year-end report 2025

Certificate

The interim report provides a true and fair view of the bank's operations, position and financial performance, and describes the material risks and uncertainties relating to the bank.

Gothenburg, 26 August 2025

Björn Ingemanson Chairman of the Board	Synnöve Trygg Vice Chairman of the Board
Per Avander Board member	Anna Wibring Board member
Ann Hellenius Board member	Björn Rentzhog Board member
Jessica Span Board member	Joel Graffman CEO

The report will be available on our website Ziklo.com, under 'About us / Investor relations / Financial reports'.

Should you have any questions, please call CEO Joel Graffman, +46 31-83 88 00

Review

The report has not been subject to a separate review by the bank's auditors.

In the event of conflict in interpretation or differences between this interim report and the Swedish version, the latter will prevail.

Key ratios

	30/06/2025	30/06/2024	31/12/2024
Return on equity, %	11.75	13.71	11.78
Deposits / Lending, %	48.97	55.0	50.5
Profit / Risk-weighted assets, %	3.54	3.87	3.0
Total capital ratio, %	23.29	22.79	20.63
Common Equity Tier 1 capital ratio, %	23.29	22.79	20.63
Cost/Income ratio	0.45	0.43	0.47
Cost/Income ratio excluding residual value provision	0.40	0.39	0.43
Credit losses / Lending, %	0.03	0.04	0.06
Liquidity coverage ratio, %	276	281	242
Net Stable Funding Ratio (NSFR), %	123	119	120
Leverage ratio, %	11.2	12.9	11.9

Definitions for alternative key ratios and key ratios according to Swedish rules on capital adequacy can be found at:
https://www.Ziklo.com/om-oss/investerarrelationer/finansiella-rapporter/

Income statement, overview

Amounts in SEK thousand

	2025 Q2	2025 Q1	2024 Q2	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Interest income	277,572	282,201	350,009	559,772	698,135	1,357,096
Lease income	1,925,315	1,899,100	1,805,669	3,824,415	3,653,888	7,218,542
Interest expenses	-331,455	-343,706	-433,139	-675,161	-858,676	-1,675,910
Dividends received	-	-	-	-	13	86
Commission income	127,257	108,621	120,985	235,877	228,230	452,474
Commission expenses	-52,463	-42,767	-38,317	-95,230	-88,436	-227,360
Net result from financial transactions	-28,087	2,598	-8,998	-25,489	-7,559	-7,548
Other operating income, Note 4	113,170	124,464	155,467	237,634	277,611	516,083
Total operating income	**2,031,309**	**2,030,509**	**1,951,676**	**4,061,818**	**3,903,205**	**7,633,462**
General administrative expenses	-168,975	-170,700	-182,214	-339,676	-344,314	-713,034
Depreciation and impairments of tangible and intangible non-current assets, Note 5	-1,619,438	-1,579,006	-1,472,599	-3,198,444	-2,955,552	-5,868,984
Other operating expenses	-9,687	-6,994	-16,642	-16,681	-37,164	-62,780
Total operating expenses	**-1,798,100**	**-1,756,700**	**-1,671,455**	**-3,554,800**	**-3,337,030**	**-6,644,798**
Profit before credit losses	**233,209**	**273,808**	**280,220**	**507,018**	**566,175**	**988,663**
Credit losses, net, Note 6	-1,525	-4,251	-3,808	-5,777	-12,869	-24,650
Impairments/Reversals of financial fixed assets, net	58	-25	541	33	662	662
Operating profit	**231,742**	**269,532**	**276,954**	**501,274**	**553,968**	**964,676**
Appropriations	-	-	-	-	-	-964,039
Tax	-47,739	-55,524	-57,053	-103,262	-114,117	-638
Profit	**184,003**	**214,008**	**219,901**	**398,012**	**439,850**	**-**

Introduction and
financial statements

Balance sheet highlights

Amounts in SEK thousand

	30/06/2025	30/06/2024	31/12/2024
Treasury bills eligible as collateral etc.	1,908,478	1,845,380	1,684,154
Lending to credit institutions	3,801,859	2,179,917	2,660,161
Loans and advances to the public	18,837,780	17,154,365	17,795,682
Bonds and other interest-bearing securities	2,250,700	2,440,460	2,419,068
Shares and participations in other companies	9,919	7,002	10,271
Shares and participations in associated companies	5,140	5,140	11,115
Shares and participations in Group companies	6,742	6,742	6,742
Intangible non-current assets	29,703	52,999	41,451
Tangible assets: inventory	2,546	2,716	2,450
Tangible assets: lease items	32,196,277	27,047,739	31,244,548
Tangible current assets	79,881	14,403	33,639
Other assets*	1,269,119	1,297,643	2,062,428
Prepaid expenses and accrued income	131,337	121,179	88,173
Total assets, Note 8	**60,529,482**	**52,175,684**	**58,059,881**
Liabilities to credit institutions	2,754,762	1,247,619	3,402,381
Deposits and borrowing from the public	24,989,882	24,295,574	24,779,095
Securities issued	20,586,619	15,245,574	18,441,029
Other liabilities*	1,747,928	1,420,721	1,500,558
Accrued expenses and deferred income	2,056,110	2,102,727	1,749,162
Total liabilities, Note 8	**52,135,301**	**44,312,215**	**49,872,224**
Untaxed reserves	6,661,700	5,697,661	6,661,700
Equity	**1,732,481**	**2,165,808**	**1,525,957**
Total liabilities and equity	**60,529,482**	**52,175,684**	**58,059,881**

*Of which derivative instruments with positive and negative market values			
Derivative instruments with positive market value	42,575	34,611	63,060
Derivative instruments with negative market value	-122,456	-50,265	-67,989

Change in equity

Amounts in SEK thousand

	Restricted equity			Non-restricted equity	
	Share capital	Statutory reserve	Development fund	Retained earnings	Total equity
Opening equity, 1 January 2024	400,000	20,000	15,568	1,492,879	1,928,447
Profit for the period after tax	-	-	-	439,850	439,850
Capitalisation of development expenditures	-	-	10,529	-10,529	-
Dissolution resulting from development expenditure depreciations and impairments for the year			-12,998	12,998	-
Total before transactions with shareholders	400,000	20,000	13,099	1,935,198	2,368,297
Dividend	-	-	-	-202,490	-202,490
Closing equity, 30 June 2024	400,000	20,000	13,099	1,732,708	2,165,808
Opening equity, 1 January 2024	400,000	20,000	15,568	1,492,879	1,928,447
Profit for the period after tax	-	-	-	-	-
Capitalisation of development expenditures	-	-	2,547	-2,547	-
Dissolution resulting from development expenditure depreciations and impairments for the year	-	-	-8,014	8,014	-
Total before transactions with shareholders	400,000	20,000	10,101	1,498,346	1,928,447
Dividend	-	-	-	-402,490	-402,490
Closing equity, 31 December 2024	400,000	20,000	10,101	1,095,856	1,525,957
Opening equity, 1 January 2025	400,000	20,000	10,101	1,095,856	1,525,957
Profit for the period after tax	-	-	-	398,012	398,012
Capitalisation of development expenditures	-	-	-	-	-
Dissolution resulting from development expenditure depreciations and impairments for the year	-	-	-3,198	3,198	-
Total before transactions with shareholders	400,000	20,000	6,903	1,497,066	1,923,970
Dividend	-	-	-	-191,488	-191,488
Closing equity, 30 June 2025	400,000	20,000	6,903	1,305,578	1,732,481

Cash flow statement

Amounts in SEK thousand

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Operating profit	501,274	553,968	964,676
Adjustment for items not included in cash flow			
Unrealised portion of net result from financial transactions	-25,433	-7,006	-6,992
Depreciations, amortisation, impairments	3,198,444	2,955,552	5,869,020
Credit losses	5,777	12,869	24,649
Paid/refunded (-/+) tax	1,687	-21,854	-25,681
Changes to assets and liabilities in operating activities			
Treasury bills eligible as collateral	-224,324	-14,388	146,838
Loans and advances to the public	-1,047,991	-792,063	-1,445,162
Disposal of tangible assets	4,095,270	3,493,373	6,392,651
Acquisition of tangible assets	-8,280,034	-7,380,919	-17,397,327
Bonds and other interest-bearing securities	168,368	-229,835	-208,444
Deposits and borrowing from the public	210,787	-73,373	410,148
Liabilities to credit institutions	-647,619	-47,619	2,107,143
Other assets	645,310	-195,620	-810,089
Securities issued	2,145,590	1,770,528	4,965,982
Other liabilities	388,265	504,017	230,274
Cash flow from operating activities	**1,135,371**	**527,630**	**1,217,686**
Investing activities			
Capitalised development expenditures	-	-1,979	-2,547
Investments in shares and participations	-121	-384	-9,628
Disposal/redemption of shares and participations	6,447	3,118	3,118
Cash flow from investing activities	**6,327**	**755**	**-9,057**
Financing activities			
Dividends paid	-	-202,490	-402,490
Cash flow from financing activities	**-**	**-**	**-402,490**
Cash flow for the period			
Cash and cash equivalents at beginning of year	2,660,161	1,854,022	1,854,022
Cash flow from operating activities	1,135,371	527,630	1,217,686
Cash flow from investing activities	6,327	755	-9,057
Cash flow from financing activities	-	-202,490	-402,490
Cash and cash equivalents at end of period	**3,801,859**	**2,179,917**	**2,660,161**

Notes

NOTES
Unless otherwise specified, amounts are stated in SEK thousand.

NOTE 1. Accounting policies

This interim report was prepared in accordance with IAS 34 Interim Financial Reporting. Ziklo Bank applies legally restricted IFRS, which means the interim report has been prepared in compliance with IFRS with the additions and exceptions set out in the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities; the stipulations and general recommendations of the Swedish Financial Supervisory Authority on annual reporting by credit institutions and securities companies (FFFS 2008:25) in compliance with the change regulations in FFFS 2009:11 and the Swedish Annual Accounts Act for Credit Institutions and Securities Companies. No changes in the bank's accounting policies as described in the Annual Report 2024 have taken place.

Future regulatory changes IFRS

IFRS 18 – Presentation and disclosures in financial statements
On 9 April 2024, the IASB published a new standard, IFRS 18 – Presentation and disclosures in financial statements, which replaces IAS 1 – Presentation of financial statements. Given that IFRS 18 is adopted by the EU, and that the effective date proposed by the IASB is not changed, the standard will be applied from the beginning of the 2027 financial year. IFRS 18 entails new requirements for presentation and disclosures in financial statements with a particular focus on the income statement and disclosures concerning management performance measures. The standard is not expected to entail any financial effects for the bank as IFRS 18 focuses on presentation and disclosures in the financial statements.

Other changes, IFRS
None of the other changes in accounting policies issued for application are considered to have any material impact on Ziklo bank's financial reports, capital adequacy or major exposures, or any other applicable operating regulations.

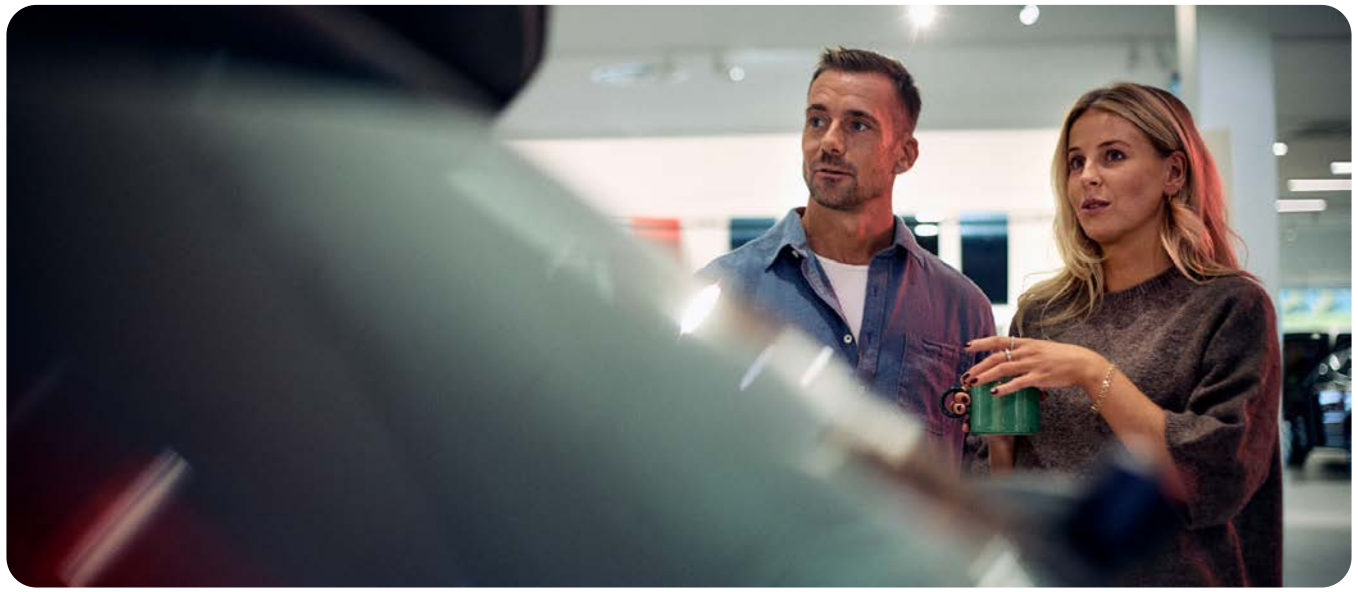
NOTE 2. Judgements and estimates in the financial statements

Preparation of the financial statements in compliance with IFRS requires the bank's management to make assessments, estimations and assumptions that affect the application of the accounting policies and the carrying amounts of assets, liabilities, revenues, and expenses. These estimations and assumptions are based on historical experience and a number of other factors deemed reasonable under current circumstances. The outcomes of these estimates and assumptions are then used as the basis of the carrying amounts of assets and liabilities not otherwise clearly provided by other sources.

Primarily, the bank made the following critical assessments when applying significant accounting policies:
- Choice of method for calculating expected credit losses
- Whether the bank has assumed significant risks and benefits from the seller on acquisition of receivables and agreements

Actual outcomes may deviate from the estimations made in this report. Areas in which uncertainty about estimates may exist are:
- Estimations of expected residual values for lease objects
- The actual outcome of credit losses may deviate from the anticipated outcome

Estimates and assumptions are reviewed regularly. Changes in estimates are reported in the period during which a change is made if the change affects only that particular period, or in the period during which the change is made and future periods if the change affects both the current and future periods.



NOTE 3. Operating segments

The bank's operations are divided into operating segments based on the business areas that the bank's chief operating decision-maker monitors.

Operations are organised such that management monitors profit, returns and cash flows generated by the various services. Internal reporting is structured to allow management to monitor the performance of all services. It is on the basis of this reporting that the bank has identified the segments Cars, Trucks and Fleet.

All operating income derives from external customers and all of the bank's operations take place in Sweden.

The tables below show segment reports on an aggregated level.

Income statement	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Net interest income and net leasing*	576,039	590,318	1,137,159
Dividends received	-	13	86
Commission income	235,877	228,230	452,474
Commission expenses	-95,230	-88,436	-227,360
Net result from financial transactions	-25,489	-7,559	-7,548
Service, repair and tyre agreements	72,594	36,208	87,399
Disposals, operating leases	160,658	218,065	377,609
Other income	4,382	23,338	51,074
Operating income	**928,830**	**1,000,177**	**1,870,892**
Overhead expenses**	-368,542	-394,958	-801,956
Credit losses	-7,370	-3,911	-16,579
Credit risk provision, change	-977	-10,356	-11,314
Residual value reserve, change	-50,668	-36,983	-76,367
Operating profit	**501,274**	**553,968**	**964,676**

*Including depreciation of lease items.
**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairments of lease items.

Lending	30/06/2025	30/06/2024	31/12/2024
Car loans, Truck loans etc.	16,629,357	14,815,298	15,499,414
Contract credits	14,456	12,707	9,547
Credit card credits	1,921,902	1,958,609	1,932,601
Inventory credits	232,101	294,847	300,584
Promissory note loans	39,964	72,903	53,535
Lease items	32,196,277	27,047,739	31,244,548
Lending	**51,034,057**	**44,202,104**	**49,040,230**

Product Information	30/06/2025	30/06/2024	31/12/2024
Number of transferred loans and leases	195,140	187,187	194,544
of which loans	90,944	88,374	88,740
of which leases	104,196	98,813	105,804

	30/06/2025	30/06/2024	31/12/2024
Average amount per contract loan and leasing	250	224	240
of which loans	183	168	175
of which leases	309	274	295

Cars

The Cars segment consists of three businesses: Retail Cars, OEM and Payments, all of which are aimed at consumers and small companies.

Passenger cars, light trucks and other products that are sold and used by our partners, often in package solutions comprising insurance, service agreements and credit cards, are financed by Retail Cars. The close collaboration with Volvo Cars and Volvo dealers can be found e.g. in Retail Cars under the Volvofinans brand. Other marques are also financed under the Ziklo brand, and during the spring of 2024 the bank extended its offer further to begin financing camper vans and caravans, to which almost 50 dealers have joined as partners. OEM, original equipment manufacturer, includes financing of EVs from Polestar. The manufacturer now has three models available on the market, which the business is financing. Polestar is also increasing its availability through several Retail Partners in Volvo dealerships, who also cooperate with Ziklo Bank.

New passenger car registrations in Sweden totalled 140,976 during the first six months, which is 7% more compared to 2024. Companies accounted for 66% of newly registered vehicles and the share of rechargeable vehicles was 61%, compared to 55% in 2024. Volvo's and Polestar's share of new car registrations totalled 20.9%. The industry organisation Mobility Sweden forecasts 275,000 new passenger car registrations for 2025. Although sales of used vehicles decreased by 2% during the first six months compared to the previous year, the bank increased financing volumes for used vehicles. In all, the Swedish dealerships sold just under 190,000 used cars during the first half of the year, according to the industry association Vroom.

The Payments business offers card payments and digital payment solutions aimed at creating convenient payment solutions for all mobility requirements. Using CarPay, the bank's customers can pay for their workshop visits and fuel stops in Volvo dealerships directly in the app. Bonus checks can be redeemed in Volvo dealerships, when charging EVs, and on public transit and trains. On the partner side, we offer a point-of-sale system with card redemption, terminals and several different payment options, in addition to the loyalty programme. The business also provides a subscription service where various customer subscriptions for service agreements, tyre changes, car washes and other aftermarket services can be created and paid for using the bank's E-checkout. The digital customer journey for vehicle financing is under constant development, and together with digital payment solutions, the bank focuses intensely on living up to our customer promise of flexible, simple and smarter payments.

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Net interest income and net leasing*	417,980	415,285	808,127
Dividends received	-	13	86
Commission income	153,753	147,761	298,739
Commission expenses	-89,817	-84,059	-218,691
Net result from financial transactions	-24,855	-6,099	-5,501
Service, repair and tyre agreements	29,246	-	-
Disposals, operating leases	50,583	41,565	61,410
Other income	4,248	19,052	41,148
Operating income	**541,138**	**533,517**	**985,318**
Overhead expenses**	-250,187	-270,526	-545,671
Credit losses	-7,340	-3,904	-16,121
Credit risk provision, change	923	-8,610	-9,319
Residual value reserve, change	-1,630	-14,350	-52,748
Operating profit	**282,904**	**236,126**	**361,459**

*Including depreciation of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Product information, loans and leasing	30/06/2025	30/06/2024	31/12/2024
Number of contracts	144,824	139,282	146,242
Total volume, SEK million	28,306	23,525	27,396
of which transferred, %	99.3	98.6	99.2
of which pledged, %	0.7	1.4	0.8
of which loans, %	41.6	42.3	38.8
of which leases, %	58.4	57.7	61.2
Private leasing as a proportion of total leases, %	32.5	26.6	34.6

Product information, cards	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Number of unique active accounts	475,697	491,932	534,282
Average number of active accounts	355,694	364,723	362,508
Total volume, SEK million	1,917	1,959	1,927
Average number of credit customers	62,859	74,180	67,537
Total sales, card accounts, SEK million	8,273	8,520	17,284
of which fuel, %	22.3	26.5	25.3
of which workshop, %	13.2	12.8	12.5
of which retail store, %	0.8	0.8	0.8
of which car wash, %	1.2	1.0	0.9
of which sales outside Volvo dealers, %	58.3	52.3	54.1
of which other (incl. vehicle loans and insurance), %	4.3	6.7	6.3

Trucks

The Trucks segment offers loans and lease financing for new and used trucks including trailers, and financing for trailers, superstructures and other equipment.

During the second quarter, the bank's financing levels for new trucks continued to face challenges. In spite of this, we are still very confident that we will achieve our target KPI of 54%. The financing level for new electric trucks, used trucks and trailers remain stable at above 60%.

The development of financing solutions and our range of services continues in close collaboration with Volvo Trucks and the Swedish Volvo dealerships with the aim of strengthening and modernizing our joint customer offering. The quarter was characterised by continued improvements in delivery capacity following earlier limitations resulting from weak order intake during the second and third quarters of the previous year. Order intakes have shown positive trends in several product segments even though regional variations remain.

The ongoing transition toward electric haulage solutions continues to be hampered by low fuel prices, making it more difficult to incentivise investments in electric trucks. This underscores the importance of intensifying our consulting and information initiatives with the aim of supporting our customers in their efforts to transition towards sustainable haulage solutions.

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Net interest income and net leasing*	49,670	61,959	113,959
Commission income	2,817	2,038	4,879
Commission expenses	-482	-602	-1,190
Net result from financial transactions	-339	-608	-1,181
Other income	-2	1,152	2,577
Operating income	**51,664**	**63,939**	**119,043**
Overhead expenses**	-18,447	-21,788	-45,844
Credit losses	-	-	-
Credit risk provision, change	-26	-57	8
Operating profit	**33,190**	**42,094**	**73,207**

*Including depreciation and impairment of lease items.

**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Product information, loans and leasing	30/06/2025	30/06/2024	31/12/2024
Number of contracts	7,637	7,949	7,779
Total volume, SEK million	6,961	6,811	6,890
of which transferred, %	93.5	93.8	93.9
of which pledged, %	6.5	6.2	6.1
of which loans, %	75.7	77.6	76.8
of which leases, %	24.3	22.4	23.2
Operating leases as a proportion of total leases, %	20.5	23.3	21.7

Fleet

Ziklo Fleet Services manages and finances vehicle fleets for all kinds of companies through operational or financial leasing solutions (or a combination of both).

Whether a customer needs just one or several hundred vehicles, we can help with a simple, flexible overall solution based on the customer's specific needs. We attach great importance to our advisory role in our customers' green transition and how they can best adapt to new and future regulations.

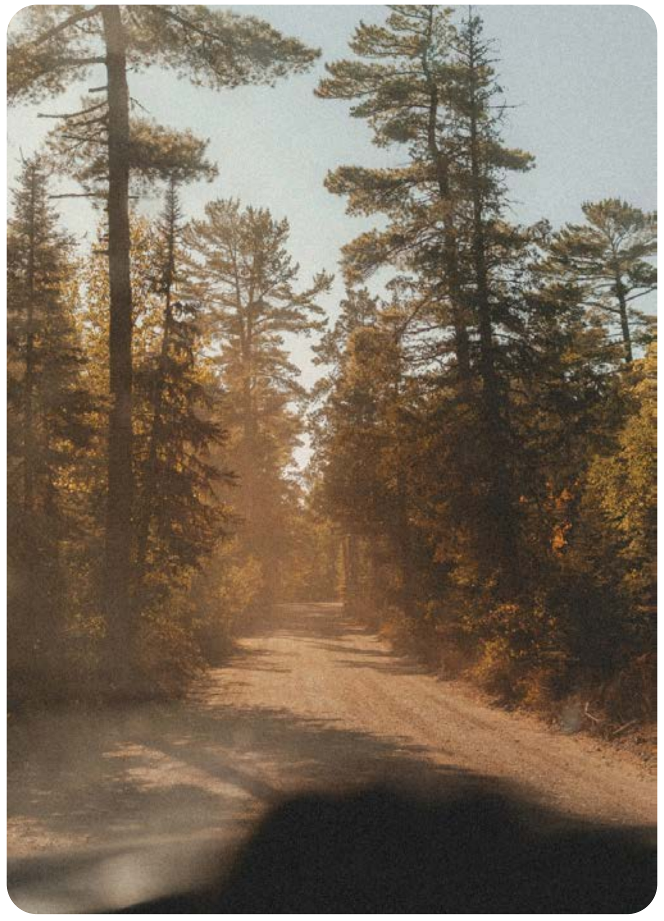
The business area enjoyed good sales during the first six months of 2025, and it continues to gain market share. The number of leases during the first six months increased by 5.0% compared to the market increase of 1.4%, and the share of newly concluded leases was evenly distributed between operating and financial leasing. Our focus on fostering long-term customer relationships continues to enable us to maintain our market-leading position.

The market for used vehicles, in particular EVs, weakened somewhat during the first six months, and this is reflected in the disposal gains from returned operating lease vehicles.

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Net interest income and net leasing*	108,388	113,074	215,073
Commission income	79,307	78,432	148,856
Commission expenses	-4,931	-3,775	-7,478
Net result from financial transactions	-295	-852	-866
Service, repair and tyre agreements	43,347	36,208	87,399
Disposals, operating leases	110,075	176,500	316,199
Other income	136	3,134	7,349
Operating income	**336,029**	**402,720**	**766,531**
Overhead expenses**	-99,907	-102,644	-210,441
Credit losses	-30	-7	-459
Credit risk provision, change	-1,873	-1,689	-2,003
Residual value reserve, change	-49,039	-22,633	-23,619
Operating profit	**185,181**	**275,748**	**530,010**

*Including depreciation of lease items.
**Including depreciations of tangible and intangible non-current assets excluding depreciation and impairment of lease items.

Product Information	30/06/2025	30/06/2024	31/12/2024
Number of financing contracts	44,464	42,403	42,495
Number of administered contracts	57,292	53,397	55,101
Total volume, SEK million	14,674	12,626	13,495
of which operating leases, %	67.8	69.5	70.0
of which financial leases, %	32.2	30.5	30.0



NOTE 4. Other operating income

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Capital gains on the sale of tangible assets	102	391	1,314
Revenues, service and repair contracts	72,594	36,208	87,399
Disposals, Operating leases	160,658	218,065	377,609
of which sales revenue	(1,274,775)	(1,207,655)	(2,169,039)
of which cost of goods sold	(-1,114,117)	(-989,590)	(-1,791,430)
Income from associated companies	4,090	2,986	5,975
Reversal of opening VAT following review	-	19,589	43,130
Other income	190	372	656
Total	**237,634**	**277,611**	**516,083**

NOTE 5. Depreciation and impairments of tangible and intangible non-current assets

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Depreciation, leased items	-3,132,988	-2,903,028	-5,762,570
Impairment charges / Reversals; lease item residual value risk	-50,668	-36,983	-76,367
Impairment charges / Reversals; lease item credit risk	-2,603	-2,060	-3,906
Depreciation, inventory	-437	-483	-1,028
Depreciations and impairment of intangible assets	-11,748	-12,998	-25,114
Total	**-3,198,444**	**-2,955,552**	**-5,868,984**

NOTE 6. Credit losses, net

Credit losses	30/06/2025	30/06/2024	31/12/2024
Loans at amortised cost (incl. unused part of limit)			
Provisions – stage 1	5,829	5,653	6,049
Provisions – stage 2	12,978	16,757	15,500
Provisions – stage 3	12,923	11,800	11,774
Total reserve	**31,730**	**34,210**	**33,323**

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Loans at amortised cost (incl. unused part of limit)			
Change in provisions – stage 1	220	-257	-652
Change in provisions – stage 2	2,522	-1,023	234
Change in provisions – stage 3	-1,149	-7,678	-7,652
Total change in provisions	**1,593**	**-8,958**	**-8,070**
Write-off, confirmed credit losses	-8,155	-5,035	-17,834
Recoveries of previously confirmed credit losses	805	1,131	1,714
Total	**-7,350**	**-3,904**	**-16,120**
Credit losses, net*	**-5,757**	**-12,862**	**-24,190**

*Should be read together with the line item 'Confirmed credit losses for lease items' further down in the note for comparison with the income statement overview and the line item 'Credit losses' in Note 6.

Credit losses	30/06/2025	30/06/2024	31/12/2024
Lease assets at accrued cost			
Provisions – stage 1	4,732	3,771	5,535
Provisions – stage 2	2,199	794	944
Provisions – stage 3	4,912	2,828	2,761
Total reserve	**11,843**	**7,393**	**9,240**

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Lease assets at accrued cost			
Change in provisions – stage 1	803	-458	-2,221
Change in provisions – stage 2	-1,255	-152	-302
Change in provisions – stage 3	-2,151	-1,450	-1,383
Total change in provisions**	**-2,603**	**-2,060**	**-3,906**
Write-off, confirmed credit losses	-20	-7	-459
Recoveries of previously confirmed credit losses	-	-	-
Total***	**-20**	**-7**	**-459**
Credit losses, net	**-2,623**	**-2,067**	**-4,365**

**Income statement overview and the line item 'Depreciation and impairment of tangible and intangible non-current assets', Note 5. Note 5 refers to the line item 'Impairment charges / Reversals; lease item credit risk'.

***For comparison, should be read together with the line item 'Credit losses, net' under 'Loans at amortised cost' in the note's first table.

Credit losses	30/06/2025	30/06/2024	31/12/2024
Financial fixed assets			
Provisions – stage 1	433	467	455
Provisions – stage 2	-	-	11
Provisions – stage 3	-	-	-
Total reserve	**433**	**467**	**466**

	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Financial fixed assets			
Change in provisions – stage 1	22	662	673
Change in provisions – stage 2	11	-	-11
Change in provisions – stage 3	-	-	-
Total change in provisions	**33**	**662**	**662**
Credit losses, net****	**33**	**662**	**662**

****See 'Income statement, overview' and the line item 'Impairments / Reversals of financial intangible assets, net'.

Credit losses	30/06/2025	30/06/2024	31/12/2024
Total assets			
Provisions – stage 1	10,994	9,891	12,039
Provisions – stage 2	15,177	17,551	16,455
Provisions – stage 3	17,835	14,628	14,535
Total reserve	**44,006**	**42,070**	**43,029**

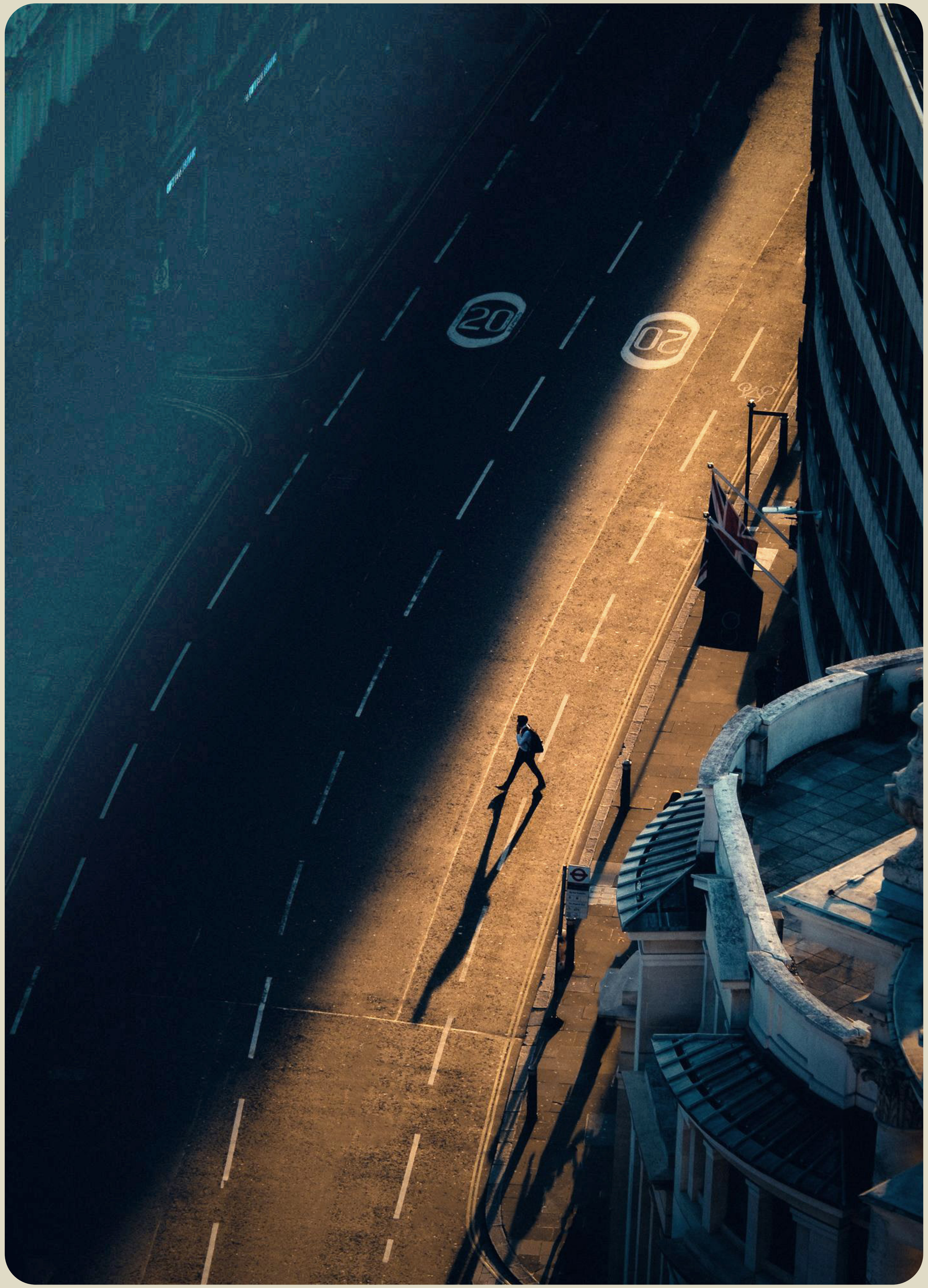
	2025 Jan–Jun	2024 Jan–Jun	2024 Jan–Dec
Total assets			
Change in provisions – stage 1	1,045	-53	-2,200
Change in provisions – stage 2	1,278	-1,175	-79
Change in provisions – stage 3	-3,300	-9,128	-9,035
Total change in provisions	**-977**	**-10,356**	**-11,314**
Write-off, confirmed credit losses	-8,175	-5,042	-18,293
Recoveries of previously confirmed credit losses	805	1,131	1,714
Total	**-7,370**	**-3,911**	**-16,579**
Credit losses, net	**-8,347**	**-14,267**	**-27,893**

NOTE 7. Capital adequacy analysis

KEY RATIOS

Available capital base (amount)	30/06/2025	31/03/2025	31/12/2024	30/09/2024	30/06/2024
Common Equity Tier 1 (CET1) capital	6,590,454	6,585,242	6,579,663	6,474,428	6,523,759
Tier 1 capital	6,590,454	6,585,242	6,579,663	6,474,428	6,523,759
Total capital	6,590,454	6,585,242	6,579,663	6,474,428	6,523,759
Risk-weighted exposure amounts					
Total risk-weighted exposure amount	28,301,583	26,842,423	31,895,521	28,981,847	28,628,789
Capital ratio (as a percentage of the risk-weighted exposure amount)					
Common Equity Tier 1 capital ratio (%)	23.3	24.5	20.6	22.3	22.8
Tier 1 capital ratio (%)	23.3	24.5	20.6	22.3	22.8
Total capital ratio (%)	23.3	24.5	20.6	22.3	22.8
Additional capital base requirements to address risks other than the risk of excessive leverage (%)					
of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
of which: to be made up of Tier 1 capital (percentage points)	-	-	-	-	-
Total SREP capital base requirements (%)	8.0	8.0	8.0	8.0	8.0
Combined buffer requirement and overall capital requirement (as a percentage of the risk-weighted amount of exposure)					
Capital conservation buffer (%)	2.5	2.5	2.5	2.5	2.5
Conservation buffer due to macro-prudential or systemic risks identified at the level of a Member State (%)	-	-	-	-	-
Institution-specific countercyclical capital buffer (%)	2.0	2.0	2.0	2.0	2.0
Systemic risk buffer (%)	-	-	-	-	-
Buffer for global systemically important institutions (%)	-	-	-	-	-
Buffer for other systemically important institutions (%)	-	-	-	-	-
Combined buffer requirement (%)	4.5	4.5	4.5	4.5	4.5
Overall capital requirements (%)	12.5	12.5	12.5	12.5	12.5
Available Common Equity Tier 1 capital after meeting the total capital base requirement for SREP (%)	15.3	16.5	12.6	14.3	14.8
Leverage ratio					
Total exposure measure	58,927,005	56,400,110	55,451,023	52,470,363	50,707,110
Leverage ratio (%)	11.2	11.7	11.9	12.3	12.9
Additional capital base requirements to address the risk of excessive leverage (%)					
Additional own funds requirements to address the risk of excessive leverage (as a percentage of the total exposure measure)	-	-	-	-	-
of which: to be made up of CET1 capital (percentage points)	-	-	-	-	-
Total SREP leverage ratio requirements (%)	3.0	3.0	3.0	3.0	3.0
Leverage buffer and overall leverage ratio requirement (as a percentage of total exposure measurement)					
Leverage ratio buffer requirement (%)	-	-	-	-	-
Overall leverage ratio requirement (%)	3.0	3.0	3.0	3.0	3.0
Liquidity coverage ratio					
Total high-quality liquid assets (weighted value – average)*	3,140,221	3,095,791	3,027,868	2,986,169	2,933,458
Cash outflows – Total weighted value*	5,158,979	5,159,300	4,982,851	4,718,364	4,668,727
Cash inflows – Total weighted value*	5,014,704	4,910,819	4,652,917	4,342,143	4,332,083
Total net cash outflows (adjusted value)	1,289,745	1,289,825	1,245,713	1,181,496	1,169,087
Liquidity coverage ratio (%)	248	245	248	254	252
Net stable funding ratio					
Total available stable funding	51,915,488	49,946,157	49,163,382	45,119,232	44,010,384
Total required stable funding	42,277,739	41,100,901	40,874,702	38,026,077	36,959,004
Net stable funding ratio (%)	123	122	120	119	119

*Calculated as the simple average of end-of-the-month observations over the past 12 months.



CAPITAL BASE

Common Equity Tier 1 capital Instruments and reserves	30/06/2025	30/06/2024	31/12/2024
Capital instruments and the related share premium accounts	400,000	400,000	400,000
Retained earnings	907,566	1,292,858	904,368
Other reserves	5,316,292	4,557,042	5,319,490
Net interim profit after deductions for predictable expenses and dividends verified by persons in an independent position.	-	329,888	-
Common Equity Tier 1 capital before regulatory adjustments	**6,623,859**	**6,579,788**	**6,623,859**
Common Equity Tier 1 capital: regulatory adjustments			
Further value adjustments (negative amount)	-175	-92	-141
Intangible assets	-29,703	-52,999	-41,451
Other regulatory adjustments	-3,527	-2,938	-2,603
Total regulatory adjustments to Common Equity Tier 1	**-33,405**	**-56,029**	**-44,196**
Common Equity Tier 1 (CET1) capital	**6,590,454**	**6,523,759**	**6,579,663**
Tier 1 capital contribution: Instrument			
Tier 1 capital (Tier 1 capital = Common Equity Tier 1 capital ratio + Tier 1 capital contribution)	**6,590,454**	**6,523,759**	**6,579,663**
Tier 2 capital	-	-	-
Total capital (Common Equity Tier 1 capital + Tier 2 capital)	**6,590,454**	**6,523,759**	**6,579,663**
Total risk-weighted assets	**28,301,583**	**28,628,789**	**31,895,521**

CAPITAL RATIOS AND BUFFERS

	30/06/2025	30/06/2024	31/12/2024
Risk-weighted assets	28,301,583	28,628,789	31,895,521
Common Equity Tier 1 capital ratio	23.29	22.79	20.63
Tier 1 capital ratio	23.29	22.79	20.63
Total capital ratio	23.29	22.79	20.63
Total capital requirement	14.37	14.37	14.42
Institution-specific Common Equity Tier 1 capital requirements including buffer requirements	10.05	10.05	10.08
of which: Pillar 1 requirement	4.50	4.50	4.50
of which: Pillar 2 requirement	1.05	1.05	1.08
of which requirement for capital conservation buffer	2.50	2.50	2.50
of which requirement for countercyclical buffer	2.00	2.00	2.00

INTERNALLY ASSESSED CAPITAL REQUIREMENT

	Capital require-ment	30/06/2025 Capital re-quirement / Total REA	Of which CET1 require-ments / REA	Capital require-ment	30/06/2024 Capital re-quirement / Total REA	Of which CET1 require-ments / REA	Capital require-ment	31/12/2024 Capital re-quirement / Total REA	Of which CET1 requirements / REA
Credit risk	1,878,219	6.6%	3.7%	1,890,724	6.6%	3.7%	2,113,377	6.6%	3.7%
Operational risk*	197,203	0.7%	0.4%	215,203	0.8%	0.4%	244,711	0.8%	0.4%
CVA risk	5,599	0.0%	0.0%	3,311	0.0%	0.0%	5,102	0.0%	0.0%
Additional risk exposure amounts according to Article 3 CRR	183,105	0.6%	0.4%	181,065	0.6%	0.4%	188,451	0.6%	0.3%
Pillar 1 capital requirement	**2,264,127**	**8.0%**	**4.5%**	**2,290,303**	**8.0%**	**4.5%**	**2,551,642**	**8.0%**	**4.5%**
Concentration risk	273,454	1.0%	0.5%	291,341	1.0%	0.6%	360,714	1.1%	0.6%
Strategic risk	113,206	0.4%	0.2%	114,515	0.4%	0.2%	127,582	0.4%	0.2%
Market risk	142,598	0.5%	0.3%	128,105	0.4%	0.3%	124,597	0.4%	0.2%
Pillar 2 capital requirement	**529,258**	**1.9%**	**1.1%**	**533,961**	**1.9%**	**1.0%**	**612,894**	**1.9%**	**1.1%**
Capital conservation buffer	707,540	2.5%	2.5%	715,720	2.5%	2.5%	797,388	2.5%	2.5%
Countercyclical capital buffer	566,032	2.0%	2.0%	572,576	2.0%	2.0%	637,910	2.0%	2.0%
Combined buffer requirement	**1,273,571**	**4.5%**	**4.5%**	**1,288,296**	**4.5%**	**4.5%**	**1,435,298**	**4.5%**	**4.5%**
Capital requirements	**4,066,956**	**14.4%**	**10.1%**	**4,112,560**	**14.4%**	**10.0%**	**4,599,834**	**14.4%**	**10.1%**
Capital base	**6,590,454**	-	-	**6,523,759**	-	-	**6,579,663**	-	-
Capital surplus	**2,523,498**	-	-	**2,411,199**	-	-	**1,979,829**	-	-

*As of 31 March 2025, the capital requirement calculation for operational risk uses the new standardised Basel IV approach, which means a reduction in the capital requirement for operational risk.

CAPITAL REQUIREMENT AND RISK-WEIGHTED EXPOSURE AMOUNT

	30/06/2025			30/06/2024			31/12/2024		
	Capital require-ment	Risk-weight-ed exposure amount	Average risk weighting	Capital require-ment	Risk-weight-ed exposure amount	Average risk weighting	Capital require-ment	Risk-weight-ed exposure amount	Average risk weighting
Credit risk according to IRB									
Corporate exposures	555,756	6,946,947	44.5%	801,772	10,022,153	71.8%	898,802	11,235,020	74.7%
Retail exposures	435,422	5,442,779	17.0%	435,661	5,445,767	18.1%	448,594	5,607,426	17.9%
Non credit-obligation assets exposure	667,899	8,348,737	100.0%	474,173	5,927,168	100.0%	582,290	7,278,625	100.0%
Total according to IRB	**1,659,077**	**20,738,464**	**37.0%**	**1,711,607**	**21,395,088**	**42.9%**	**1,929,686**	**24,121,070**	**45.0%**
Credit risk STD									
Exposures to central governments or central banks	-	-	0.0%	-	-	0.0%	-	-	0.0%
Exposures to provincial or regional government bodies or local authorities	-	-	0.0%	-	-	0.0%	-	-	0.0%
Exposures to public sector	278	3,473	20.0%	285	3,565	20.0%	258	3,231	20.0%
Exposures to institutions	64,097	801,213	20.1%	37,238	465,476	20.0%	44,869	560,867	20.0%
Corporate exposures	66,574	832,177	83.7%	93,577	1,169,707	86.6%	76,333	954,160	83.9%
Retail exposures	70,868	885,856	69.4%	30,939	386,740	63.6%	45,279	565,992	67.2%
Exposures in default	410	5,122	148.9%	813	10,165	149.7%	821	10,265	144.4%
Covered bonds	12,232	152,905	10.0%	12,701	158,758	10.0%	11,640	145,501	10.0%
Equity exposures	1,744	21,802	100.0%	1,511	18,884	100.0%	2,250	28,128	100.0%
Other items	2,939	36,732	100.0%	2,053	25,667	100.0%	2,240	28,003	100.0%
Total STD	**219,142**	**2,739,280**	**27.5%**	**179,117**	**2,238,964**	**28.0%**	**183,692**	**2,296,146**	**25.4%**
Total	**1,878,219**	**23,477,744**	**35.6%**	**1,890,724**	**23,634,052**	**40.8%**	**2,113,377**	**26,417,217**	**42.2%**
Operational risk according to the basic indicator approach	197,203	2,465,036	-	215,203	2,690,038	-	244,711	3,058,888	-
Credit value adjustment (CVA)	5,599	69,994	-	3,311	41,393	-	5,102	63,777	-
Additional risk exposure amounts according to Article 3 CRR	183,105	2,288,809	-	181,065	2,263,307	-	188,451	2,355,640	-
Total minimum capital require-ment and risk-weighted exposure amount	**2,264,127**	**28,301,583**	-	**2,290,303**	**28,628,789**	-	**2,551,642**	**31,895,521**	-

NOTE 8. Carrying amount of financial instruments by category and disclosures about fair value

Methods for determining fair value

Derivatives are reported under other assets or other liabilities. Because the derivative instruments have no quoted price on an active market (Level 1), the bank uses a discounted cash flow analysis to determine the fair value of the instruments in accordance with IFRS 13. When discounting, only observable market data is used (Level 2).

Under IFRS 13 Fair value measurement, treasury bills eligible as collateral, other eligible securities, bonds and other interest-bearing securities are measured at fair value with prices quoted on an active market (Level 1) and also at market value using observable market data (Level 2). Shares and participations in other companies have been marked to market using observable market data (Level 2).

Lending to the public has been calculated by discounting the contractual cash flows using a discount rate based on a current lending spread (Level 3) to determine fair value according to IFRS 13.

Issued securities have been calculated based on current borrowing spreads (Level 2) to determine fair value according to IFRS 13. Liabilities to credit institutions have been calculated on the basis of estimated borrowing spreads (Level 3). Deposits and borrowings from the general public are calculated by estimating borrowing spreads (Level 3); the carrying amount is considered to be a good approximation of fair value due to the short remaining term.

Other categories belong to Level 3. The carrying amounts of these assets and liabilities provide a good approximation of fair value due to their short remaining maturity.

Fair values are categorised into levels in a fair value hierarchy based on the use of input data in the following measurement techniques.

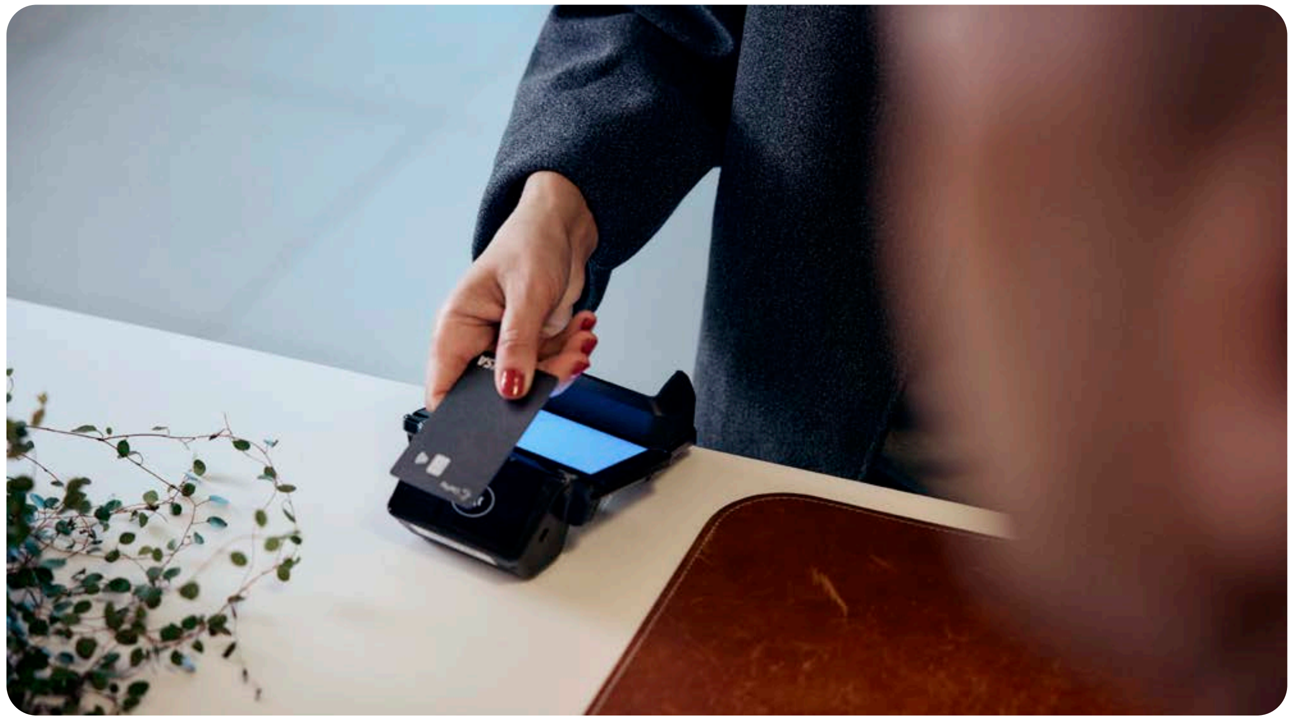
Level 1 – according to quoted price on an active market for identical instruments.

Level 2 – from directly or indirectly observable market data not included in Level 1. This category includes instruments whose value is based on quoted prices on active markets for similar instruments; quoted prices for identical or similar instruments traded on non-active markets, or other valuation techniques where all material input data is directly and indirectly observable on the market.

Level 3 – from input data not observable on the market. This category includes all instruments where the valuation technique comprises inputs that are not based on observable data and where such data has a material impact on valuation.

Financial instruments that are offset in the balance sheet or covered by netting agreements

Ziklo Bank concludes derivative contracts under the International Swaps and Derivatives Association (ISDA) master agreement. No amounts have been offset in the balance sheet. In the case of derivative agreements concluded, Ziklo Bank receives and provides collateral in the form of bank balances in accordance with the standard conditions of the ISDA Credit Support Annex. Assets for derivative agreements amount to SEK 42.6 million and liabilities to SEK 122.5 million. Securities totalling SEK 5.7 million were received and assets of SEK 74.7 million were pledged as of 30 June 2025.



Assets, Jan – Jun 2025	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Treasury bills eligible as collateral etc.	1,908,815	-	-	1,908,815	1,908,478
Lending to credit institutions	-	-	3,801,859	3,801,859	3,801,859
Loans and advances to the public	-	-	19,344,964	19,344,964	18,837,780
Bonds & other interest-bearing securities	1,530,057	721,649	-	2,251,707	2,250,700
Shares and participations in other companies*	-	9,919	-	9,919	9,919
Other assets*	-	42,575	1,226,543	1,269,119	1,269,119
Prepaid expenses and accrued income	-	-	131,337	131,337	131,337
Total	**3,438,872**	**774,144**	**24,504,703**	**28,717,720**	**28,209,192**

Liabilities, Jan – Jun 2025	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Liabilities to credit institutions	-	-	2,812,254	2,812,254	2,754,762
Deposits and borrowing from the public	-	-	24,989,888	24,989,888	24,989,882
Securities issued	-	20,693,630	-	20,693,630	20,586,619
Other liabilities*	-	122,456	1,625,472	1,747,928	1,747,928
Accrued expenses and deferred income	-	-	2,056,110	2,056,110	2,056,110
Total	**-**	**20,816,086**	**31,483,723**	**52,299,809**	**52,135,301**

Assets, Jan – Jun 2024	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Treasury bills eligible as collateral etc.	1,845,320	-	-	1,845,320	1,845,380
Lending to credit institutions	-	-	2,179,917	2,179,917	2,179,917
Loans and advances to the public	-	-	17,570,157	17,570,157	17,154,365
Bonds & other interest-bearing securities	1,588,670	852,880	-	2,441,550	2,440,460
Shares and participations in other companies*		7,002	-	7,002	7,002
Other assets*	-	34,611	1,263,031	1,297,643	1,297,643
Prepaid expenses and accrued income	-	-	121,179	121,179	121,179
Total	**3,433,990**	**894,494**	**21,134,285**	**25,462,768**	**25,045,945**

Liabilities, Jan – Jun 2024	Level 1	Level 2	Level 3	Total fair value	Total carrying amount
Liabilities to credit institutions	-	-	1,267,620	1,267,620	1,247,619
Deposits and borrowing from the public	-	-	24,295,574	24,295,574	24,295,574
Securities issued	-	15,368,896	-	15,368,896	15,245,574
Other liabilities*	-	50,265	1,370,456	1,420,721	1,420,721
Accrued expenses and deferred income	-	-	2,102,727	2,102,727	2,102,727
Total	**-**	**15,419,161**	**29,036,377**	**44,455,539**	**44,312,215**

*The financial instruments measured at fair value in the balance sheet by the bank are derivative instruments, and shares and participations in other companies.

Fair value assets and liabilities per category

Assets 30/06/2025	Financial assets measured at amortised cost	Derivatives in hedge accounting	Other assets	Fair value via the income statement (mandatory)	Total	Fair value
Treasury bills eligible as collateral etc.	1,908,478	-	-	-	1,908,478	1,908,815
Lending to credit institutions	3,801,859	-	-	-	3,801,859	3,801,859
Loans and advances to the public	18,837,780	-	-	-	18,837,780	19,344,964
Bonds & other interest-bearing securities	2,250,700	-	-	-	2,250,700	2,251,707
Shares and participations in other companies	-	-	-	9,919	9,919	9,919
Shares and participations in associated companies	-	-	5,140	-	5,140	-
Shares and participations in Group companies	-	-	6,742	-	6,742	-
Intangible non-current assets	-	-	29,703	-	29,703	-
Tangible assets: fixtures and fittings	-	-	2,546	-	2,546	-
Tangible assets: lease items	-	-	32,196,277	-	32,196,277	-
Tangible current assets	-	-	79,881	-	79,881	-
Other assets	875,057	41,774	351,487	801	1,269,119	1,269,119
Prepaid expenses and accrued income	131,337	-	-	-	131,337	131,337
Total assets	**27,805,211**	**41,774**	**32,671,776**	**10,721**	**60,529,482**	

Liabilities 30/06/2025	Non-financial liabilities	Derivatives in hedge accounting	Other financial liabilities	Fair value via the income statement (mandatory)	Total	Fair value
Liabilities to credit institutions	-	-	2,754,762	-	2,754,762	2,812,254
Deposits and borrowing from the public	-	-	24,989,882	-	24,989,882	24,989,888
Securities issued	-	-	20,586,619	-	20,586,619	20,693,630
Other liabilities	812,075	3,330	813,396	119,126	1,747,928	1,747,928
Accrued expenses and deferred income	1,707,134	-	348,976	-	2,056,110	2,056,110
Total liabilities	**2,519,209**	**3,330**	**49,493,636**	**119,126**	**52,135,301**	

Assets 30/06/2024	Financial assets measured at amortised cost	Derivatives in hedge accounting	Other assets	Fair value via the income statement (mandatory)	Total	Fair value
Treasury bills eligible as collateral etc.	1,845,380	-	-	-	1,845,380	1,845,320
Lending to credit institutions	2,179,917	-	-	-	2,179,917	2,179,917
Loans and advances to the public	17,154,365	-	-	-	17,154,365	17,570,157
Bonds & other interest-bearing securities	2,440,460	-	-	-	2,440,460	2,441,550
Shares and participations in other companies	-	-	-	7,002	7,002	7,002
Shares and participations in associated companies	-	-	5,140	-	5,140	-
Shares and participations in Group companies	-	-	6,742	-	6,742	-
Intangible non-current assets	-	-	52,999	-	52,999	-
Tangible assets: fixtures and fittings	-	-	2,716	-	2,716	-
Tangible assets: lease items	-	-	27,047,739	-	27,047,739	-
Tangible current assets	-	-	14,403	-	14,403	-
Other assets	1,020,768	20,717	242,263	13,895	1,297,643	1,297,643
Prepaid expenses and accrued income	121,179	-	-	-	121,179	121,179
Total assets	**24,762,068**	**20,717**	**27,372,002**	**20,897**	**52,175,684**	

Liabilities 30/06/2024	Non-financial liabilities	Derivatives in hedge accounting	Other financial liabilities	Fair value via the income statement (mandatory)	Total	Fair value
Liabilities to credit institutions	-	-	1,247,619	-	1,247,619	1,267,620
Deposits and borrowing from the public	-	-	24,295,574	-	24,295,574	24,295,574
Securities issued	-	-	15,245,574	-	15,245,574	15,368,896
Other liabilities	544,165	24,700	826,292	25,565	1,420,721	1,420,721
Accrued expenses and deferred income	1,577,257	-	525,470	-	2,102,727	2,102,727
Total liabilities	**2,121,421**	**24,700**	**42,140,529**	**25,565**	**44,312,215**	

NOTE 9. Related parties

The bank is owned 50% by Volvo Personvagnar AB and 50% by Swedish Volvo dealers, through their trust company AB Volverkinvest. Both companies are classified as other related companies.

The bank has participations in four companies classified as associates; Volvohandelns PV Försäljnings AB, Volvohandelns PV Försäljnings KB, VCC Tjänstebilar KB and VCC Försäljnings KB. The Group also includes wholly-owned and dormant subsidiaries: Volvofinans Leasing AB, Autofinans Nordic AB, CarPay Sverige AB and Volvofinans IT AB.

	Group companies		Associates		Other related companies	
Balance sheet	30/06/2025	30/06/2024	30/06/2025	30/06/2024	30/06/2025	30/06/2024
Assets	6,742	6,742	32,299	64,106	1,929,124	1,201,321
Liabilities	6,789	6,789	124,833	105,564	313,312	280,019
Income statement						
Interest income	-	-	1,700	2,577	144	145
Lease income	-	-	-	-	204,030	155,611
Interest expenses	-	-	-646	-863	-3,053	-5,635
Commission income	-	-	1,548	1,556	8,743	6,414
Other operating income	-	-	4,090	2,986	-	-
Total	**-**	**-**	**6,691**	**6,256**	**209,865**	**156,535**

NOTE 10. Events after the end of the period

An extraordinary shareholders meeting dated 11 July 2025 resolved to pay an additional dividend in the amount of SEK 191.5 million, which was paid out in July. The company observed the prudential rule (Chapter 17, Section 3, paragraphs 2 and 3 of the Swedish Companies Act). The additional dividend was deemed justifiable considering the demands that the nature, scope and risks of the business place on the amount of equity, liquidity and financial position in general.

Sweden's mobility bank

For more than 60 years we have financed vehicles in Sweden under the name Volvofinans, making it easier for millions of people to freely travel. We have now assumed the name Ziklo, and we aim to accelerate the transition toward tomorrow's mobility and help more people and companies make smarter choices. Because mobility must be easy, flexible and sustainable.

Ziklo The Mobility Bank

Ziklo Bank AB (publ), Gothenburg
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