

Malmö 22 August 2022

Ikano Bank AB (publ) Interim Report 30 June 2022

“The need for a simple, transparent bank with fair terms, contributing to a healthy economy for the many people and businesses is more relevant than ever. Our comprehensive transformation, under which we are making major investments in the best technology, delivers on exactly this and has been accelerated further with Ingka’s investment in the Bank last year and we are seeing early positive results from delivered products. At the same time, we are heading towards tougher financial times with, among other things, rising inflation, increased energy costs and higher interest rates, which affects both consumers and businesses.”

Henrik Eklund, CEO, Ikano Bank AB (publ)

Results for the first half-year 2022

(comparative figures in brackets are as of 30 June 2021 unless otherwise stated)

- Lending, including leasing, amounted to SEK 36,158 m (33,952)
- Deposits from the public amounted to SEK 27,631 m (26,671)
- Operating result before loan losses amounted to SEK 156 m (270)
- Operating result decreased to SEK -154 m (61)
- Net interest income amounted to SEK 897 m (855)
- The total capital ratio is the same as the Common Equity Tier 1 capital ratio, which amounted to 27.5 percent (30.9 and 16.8, respectively).
- The liquidity reserve decreased to SEK 3,319 m (3,950) and the total liquidity portfolio amounted to SEK 6,173 m (9,980)
- Loan losses amounted to SEK 298 m (209)

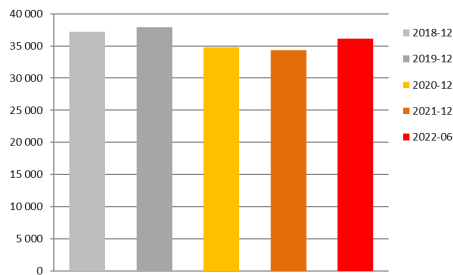
Outlook for the remainder of 2022

Ikano Bank continue to focus on becoming a fully digitalised, sustainable bank for the many people. The extensive and long-term investments being made to streamline and improve the Bank’s competitiveness, customer offering, and sales continues. The deepened collaboration with Ingka Group (the largest IKEA retailer) is being developed further. Several new digital products will be launched, and in more markets. The uncertainty in both the macro environment, with increasing inflation and interest rates, and in the geopolitical environment, will have an effect on society which will also impact the Bank’s business. The SFSA’s pillar 2 guidance, which is part of the changed capital adequacy rules in Sweden and the EU’s so-called banking package, will lead to increased capital requirements for the Bank. However, even after this increase, the Bank will still uphold its capital levels well above the regulatory requirements.

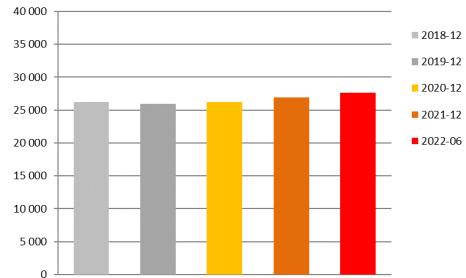
Key ratios

	30 Jun 2022	30 Jun 2021	31 Dec 2021
Total Capital ratio	27.5%	30.9%	29.5%
Common equity Tier 1 Capital ratio	27.5%	16.8%	29.5%
Investment margin	4.0%	3.8%	3.9%
Return on adjusted equity	-2.3%	1.2%	-2.1%
Leverage ratio	20.8%	11.3%	21.6%
C/I-ratio before loan losses	88.0%	78.2%	88.6%
Loan loss ratio	1.7%	1.2%	1.4%

Lending including leasing, SEK m



Deposits from the public, SEK m



Ikano Bank's Interim Report in its entirety is available on the Bank's website: www.ikanobank.se/om-banken/ekonomisk-information

This is information that Ikano Bank AB (publ) is required to disclose in accordance with the Securities Market Act. The information was submitted for publication on 22 August 2022 at 11:00 AM.

For more information

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About Ikano Bank AB (publ)

Ikano Bank creates possibilities for better living by offering simple, fair and affordable services, enabling a healthy economy for the many people. Our offer includes savings and loan products for consumers, sales support services for retailers, and leasing and factoring solutions for businesses. We conduct business in Sweden, Denmark, Finland, Norway, the UK, Poland, Germany and Austria. Ikano Bank is a part of the Ikano Group who owns 51 % of Ikano Bank. Ingka Group, the largest IKEA retailer representing about 90% of IKEA retail sales and operates IKEA sales channels under franchise agreements with Inter IKEA Systems B.V., owns the remaining 49 % of the Bank. Ikano Bank's head office is located in Malmö, Sweden and the company is registered in Älmhult, Sweden where the business was once founded.