VFS Denmark A/S

Højager 7, DK-2630 Taastrup

Annual Report for 2024

CVR No. 19 59 80 47

The Annual Report was presented and adopted at the Annual General Meeting of the company on 30/5 2025

Jacques Røssel
Chairman of the general meeting

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Management's statement

The Executive Board and Board of Directors have today considered and adopted the Annual Report of VFS Denmark A/S for the financial year 1 January - 31 December 2024.

The Annual Report is prepared in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the financial position at 31 December 2024 of the Company and of the results of the Company operations for 2024.

In our opinion, Management's Review includes a true and fair account of the matters addressed in the Review.

We recommend that the Annual Report be adopted at the Annual General Meeting.

Taastrup, 30 May 2025

Executive Board

Jacques Alexander Røssel
CEO

Board of Directors

Carl Johan Hoff Chairman	Jens Mac Larsen	Jacques Alexander Røssel

Independent Auditor's report

To the shareholder of VFS Denmark A/S

Opinion

We have audited the Financial Statements of VFS Denmark A/S for the financial year 1 January - 31 December 2024, which comprise income statement, balance sheet, statement of changes in equity and notes, including a summary of significant accounting policies. The Financial Statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the Financial Statements give a true and fair view of the financial position of the Company at 31 December 2024 and of the results of the Company´s operations for the financial year 1 January - 31 December 2024 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the Financial Statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' International Code of Ethics for Professional Accountants (IESBA Code) and the additional ethical requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company´s ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's responsibilities for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company´s internal control.

Independent Auditor's report

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company´s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, in our view, Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statements Act. We did not identify any material misstatement in Management's Review.

Copenhagen, 30 May 2025

Deloitte
Statsautoriseret Revisionspartnerselskab
CVR No 33 96 35 56

Jens Sejer Pedersen
State Authorised Public Accountant
mne14986

Henrik Wolff Mikkelsen
State Authorised Public Accountant
mne33747

Company information

The Company	VFS Denmark A/S Højager 7 DK-2630 Taastrup CVR No: 19 59 80 47 Financial period: 1 January - 31 December Municipality of reg. office: Høje Taastrup
Board of Directors	Carl Johan Hoff, chairman Jens Mac Larsen Jacques Alexander Røssel
Executive Board	Jacques Alexander Røssel
Auditors	Deloitte Statsautoriseret Revisionspartnerselskab Weidekampsgade 6 2300 København S

Management's review

Key activities

The Company is part of Volvo Financial Services, an independent business area within AB Volvo, uniting all of Volvo's activities within customer financing.

The object of Volvo Financial Services' is to service all business areas within the Volvo Group, both internally and externally, including Renault Trucks, in Denmark represented by Volvo Group Trucks Danmark A/S.

The Company's activities are marketed under the secondary name Volvo Finans A/S when financial services in respect of a Volvo product are involved, and the secondary name Renault Truck Finance A/S when the services relate to Renault product.

The Company's principal activity at present is lease and financing of Volvo trucks, Volvo buses, Volvo construction equipment, and Renault Trucks.

The Company's activities also comprise factoring and administration of a service contract.

Development in the year

The income statement of the Company for 2024 shows a profit of TDKK 12,095, and at 31 December 2024 the balance sheet of the Company shows a positive equity of TDKK 80,111.

The business conditions for VFS Danmark improved during 2024. The volume of new financing increased compared to 2023, driven by higher market penetration under stable market conditions. The company’s result decreased compared to last year due to higher allowance of credit provisions that is lowering gross profits for the year.

Shareholders

The Company's share capital, TDKK 15,000, is 100% owned by Volvo Danmark A/S.

Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Income statement 1 January - 31 December

	Note	2024	2023
		TDKK	TDKK
Revenue		82,561	61,886
Other operating income		11,966	12,862
Direct expenses	1	-61,915	-42,170
Other external expenses		-12,944	-10,498
Gross profit		**19,668**	**22,080**
Staff expenses	2	-10,087	-9,547
Amortisation, depreciation and impairment losses of intangible assets and property, plant and equipment		-131	-233
Profit/loss before financial income and expenses		**9,450**	**12,300**
Financial income		45	0
Financial expenses	3	-638	-163
Profit/loss before tax		**8,857**	**12,137**
Tax on profit/loss for the year	4	3,238	2,194
Net profit/loss for the year		**12,095**	**14,331**

Distribution of profit

	2024	2023
	TDKK	TDKK
Proposed distribution of profit		
Retained earnings	12,095	14,331
	12,095	**14,331**

Balance sheet 31 December

Assets

	Note	2024	2023
		TDKK	TDKK
Acquired patents		57	87
Intangible assets		**57**	**87**
Other fixtures and fittings, tools and equipment		240	239
Property, plant and equipment		**240**	**239**
Credit sale agreements	5	42,489	25,226
Finance leases	5	1,875,874	1,689,488
Fixed asset investments		**1,918,363**	**1,714,714**
Fixed assets		**1,918,660**	**1,715,040**
Finished goods and goods for resale		26,080	31,171
Inventories		**26,080**	**31,171**
Trade receivables		95,087	100,779
Receivables from group enterprises		4,483	3,479
Other receivables		95,991	113,562
Corporation tax		317	0
Corporation tax receivable from group enterprises		14,941	16,577
Prepayments		2,507	2,144
Receivables		**213,326**	**236,541**
Current assets		**239,406**	**267,712**
Assets		**2,158,066**	**1,982,752**

Balance sheet 31 December

Liabilities and equity

	Note	2024	2023
		TDKK	TDKK
Share capital	6	15,000	15,000
Retained earnings		65,111	53,016
Equity		**80,111**	**68,016**
Provision for deferred tax		91,956	80,435
Provisions		**91,956**	**80,435**
Lease obligations		76	83
Payables to group enterprises		1,254,262	1,091,295
Other payables		99	3,055
Long-term debt	7	**1,254,437**	**1,094,433**
Lease obligations	7	173	163
Trade payables		9,200	21,434
Payables to group enterprises	7	714,257	709,379
Other payables	7	6,292	5,153
Deferred income		1,640	3,739
Short-term debt		**731,562**	**739,868**
Debt		**1,985,999**	**1,834,301**
Liabilities and equity		**2,158,066**	**1,982,752**
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Statement of changes in equity

	Share capital	Retained earnings	Total
	TDKK	TDKK	TDKK
Equity at 1 January	15,000	53,016	68,016
Net profit/loss for the year	0	12,095	12,095
Equity at 31 December	**15,000**	**65,111**	**80,111**

Notes to the Financial Statements

1. Direct expenses

	2024 TDKK	2023 TDKK
Interest to affiliated companies	61,915	42,170
	61,915	**42,170**

2. Staff expenses

	2024 TDKK	2023 TDKK
Wages and salaries	9,216	8,789
Pensions	836	701
Other staff expenses	35	57
	10,087	**9,547**
Average number of employees	**11**	**9**

3. Financial expenses

	2024 TDKK	2023 TDKK
Interest paid to group enterprises	581	0
Other financial expenses	57	103
Exchange adjustments, expenses	0	60
	638	**163**

4. Income tax expense

	2024 TDKK	2023 TDKK
Current tax for the year	-13,057	-16,577
Deferred tax for the year	11,521	14,383
Adjustment of tax concerning previous years	-1,702	0
	-3,238	**-2,194**

Notes to the Financial Statements

5. Other fixed asset investments

	Credit sale agreements	Finance leases
	TDKK	TDKK
Cost at 1 January	30,670	1,702,973
Additions for the year	12,301	773,873
Disposals for the year	0	-585,142
Cost at 31 December	42,971	1,891,704
Impairment losses at 1 January	5,444	13,486
Impairment losses for the year	0	2,344
Reversal for the year of previous years impairment losses	-4,962	0
Impairment losses at 31 December	482	15,830
Carrying amount at 31 December	**42,489**	**1,875,874**

6. Share capital

The share capital consists of 15,000 shares of a nominal value of TDKK 1,000. No shares carry any special rights.

	2024	2023
	TDKK	TDKK

7. Long-term debt

Payments due within 1 year are recognised in short-term debt. Other debt is recognised in long-term debt.

The debt falls due for payment as specified below:

Lease obligations		
After 5 years	0	0
Between 1 and 5 years	76	83
Long-term part	76	83
Within 1 year	173	163
	249	**246**

Notes to the Financial Statements

	2024	2023
	TDKK	TDKK

7. Long-term debt

Payables to group enterprises		
After 5 years	65,234	31,593
Between 1 and 5 years	1,189,028	1,059,702
Long-term part	1,254,262	1,091,295
Other short-term debt to group enterprises	714,257	709,379
	1,968,519	**1,800,674**
Other payables		
After 5 years	0	0
Between 1 and 5 years	99	3,055
Long-term part	99	3,055
Other short-term payables	6,292	5,153
	6,391	**8,208**

8. Contingent assets, liabilities and other financial obligations

Other contingent liabilities

The AB Volvo group's Danish companies are jointly and severally liable for tax on the jointly taxed incomes etc of the Group. The total amount of corporation tax payable is disclosed in the Annual Report of Volvo Danmark A/S, which is the management company of the joint taxation purposes. Moreover, the group companies are jointly and severally liable for Danish withholding taxes by way of dividend tax, tax on royalty payments and tax on unearned income. Any subsequent adjustments of corporation taxes and withholding taxes may increase the Company's liability.

9. Related parties and disclosure of consolidated financial statements

Consolidated Financial Statements

The Company is included in the Group Annual Report of the Parent Company AB Volvo, Gothenburg. AB Volvo prepares consolidated financial statements which include VF Denmark A/S and the parent Company, Volvo Danmark A/S. The consolidated Annual Report of AB Volvo may be obtained by contacting the company.

Name	Place of registered office
AB Volvo	405 08 Göteborg, Sverige

Notes to the Financial Statements

10. Subsequent events

No events materially affecting the assessment of the Annual Report have occurred after the balance sheet date.

Notes to the Financial Statements

11. Accounting policies

The Annual Report of VFS Denmark A/S for 2023 has been prepared in accordance with the provisions of the Danish Financial Statements Act applying to enterprises of reporting class B as well as selected rules applying to reporting class C, IFRS 9, 15 and 16.

The accounting policies applied remain unchanged from last year.

The Financial Statements for 2024 are presented in TDKK.

Recognition and measurement

Revenues are recognised in the income statement as earned. Furthermore, value adjustments of financial assets and liabilities measured at fair value or amortised cost are recognised. Moreover, all expenses incurred to achieve the earnings for the year are recognised in the income statement, including depreciation, amortisation, impairment losses and provisions as well as reversals due to changed accounting estimates of amounts that have previously been recognised in the income statement.

Assets are recognised in the balance sheet when it is probable that future economic benefits attributable to the asset will flow to the Company, and the value of the asset can be measured reliably.

Liabilities are recognised in the balance sheet when it is probable that future economic benefits will flow out of the Company, and the value of the liability can be measured reliably.

Assets and liabilities are initially measured at cost. Subsequently, assets and liabilities are measured as described for each item below.

Leases

Leases in terms of which the Company assumes substantially all the risks and rewards of ownership (finance leases) are recognised in the balance sheet at the lower of the fair value of the leased asset and the net present value of the lease payments computed by applying the interest rate implicit in the lease or an alternative borrowing rate as the discount rate. Assets acquired under finance leases are depreciated and written down for impairment under the same policy as determined for the other fixed assets of the Company.

The remaining lease obligation is capitalised and recognised in the balance sheet under debt, and the interest element on the lease payments is charged over the lease term to the income statement.

All other leases are considered operating leases. Payments made under operating leases are recognised in the income statement on a straight-line basis over the lease term.

Translation policies

Transactions in foreign currencies are translated at the exchange rates at the dates of transaction. Exchange differences arising due to differences between the transaction date rates and the rates at the dates of payment are recognised in financial income and expenses in the income statement. Where foreign exchange transactions are considered hedging of future cash flows, the value adjustments are recognised directly in equity.

Receivables, payables and other monetary items in foreign currencies that have not been settled at the balance sheet date are
translated at the exchange rates at the balance sheet date. Any differences between the exchange rates at the balance sheet date and the rates at the time when the receivable or the debt arose are recognised in financial income and expenses in the income statement.

Segment information on revenue

Information on business segments and geographical segments is based on the Company´s risks and returns and its internal financial reporting system. Business segments are regarded as the primary segments.

Notes to the Financial Statements

Income statement

Revenue

Revenue from the sale of goods is recognised when the risks and rewards relating to the goods sold have been transferred to the purchaser, the revenue can be measured reliably and it is probable that the economic benefits relating to the sale will flow to
the Company.

Services are recognised at the rate of completion of the service to which the contract relates by using the percentage-of-completion method, which means that revenue equals the selling price of the service completed for the year. This method is applied when total revenues and expenses in respect of the service and the stage of completion at the balance sheet date can be measured reliably, and it is probable that the economic benefits, including payments, will flow to the Company. The stage
of completion is determined on the basis of the ratio between the expenses incurred and the total expected expenses of the service.

Revenue is measured at the consideration received and is recognised exclusive of VAT and net of discounts relating to sales.

Direct expenses

Direct expenses comprise the interest expenses to achieve revenue for the year.

Other external expenses

Other external expenses comprise indirect production costs and expenses for premises, sales and distribution as well as office expenses, etc.

Staff expenses

Staff expenses comprise wages and salaries as well as payroll expenses.

Amortisation, depreciation and impairment losses

Amortisation, depreciation and impairment losses comprise amortisation, depreciation and impairment of intangible assets and property, plant and equipment.

Other operating income and expenses

Other operating income and other operating expenses comprise items of a secondary nature to the main activities of the Company, including gains and losses on the sale of intangible assets and property, plant and equipment.

Financial income and expenses

Financial income and expenses are recognised in the income statement at the amounts relating to the financial year.

Tax on profit/loss for the year

Tax for the year consists of current tax for the year and deferred tax for the year. The tax attributable to the profit for year is
recognised in the income statement, whereas the tax attributable to equity transactions is recognised directly in equity.

Any changes in deferred tax due to changes to tax rates are recognised in the income statement.

The Company is jointly taxed with danish parent and sister enterprises. The tax effect of the joint taxation with the subsidiaries is allocated to Danish enterprises showing profits or losses in proportion to their taxable incomes (full allocation with credit
for tax losses).

The jointly taxed enterprises have adoptedet the on-account taxation scheme.

Balance sheet

Intangible fixed assets

Software licenses acquired is measured at cost less accumulated amortisation. Goodwill is amortised on a straight-line basis over its useful life, which is assessed at 5 years.

Property, plant and equipment

Property, plant and equipment are measured at cost less accumulated depreciation and less any accumulated impairment losses.

Cost comprises the cost of acquisition and expenses directly related to the acquisition up until the time when the asset is ready for use.

Depreciation based on cost reduced by any residual value is calculated on a straight-line basis over the expected useful lives of the assets, which are:

Furniture and fixtures/cars	5 years
IT-equipment	3-5 years

The fixed assets' residual values are determined at nil.

Impairment of fixed assets

The carrying amounts of intangible assets and property, plant and equipment and investments are reviewed on an annual basis to determine whether there is any indication of impairment other than that expressed by amortisation and depreciation.

If so, the asset is written down to its lower recoverable amount.

Fixed asset investments

Fixed asset investments, which consist of listed bonds and shares, are measured at their fair values at the balance sheet date. Fair value is determined on the basis of the latest quoted market price.

Investments which are not traded in an active market are measured at the lower of cost and recoverable amount.

Other fixed asset investments

Fixed asset investments are treated as loans and are included in financial fixed assets in the balance sheet. Lease agreements are stated at amortised cost less instalments received calculated according to the principle of annuities.

Inventories

Inventories are measured at the lower of cost under the FIFO method and net realisable value.

The net realisable value of inventories is calculated at the amount expected to be generated by sale of the inventories in the process of normal operations with deduction of selling expenses and costs of completion. The net realisable value is determined allowing for marketability, obsolescence and development in expected selling price.

The cost of goods for resale equals landed cost.

Receivables

Receivables are measured in the balance sheet at the lower of amortised cost and net realisable value, which corresponds to nominal value less provisions for bad debts.

IFRS 9 is applied as framework and interpretation aid for financial instruments in line with the group accounting policy.

Prepayments

Prepayments comprise prepaid expenses concerning rent, insurance premiums, subscriptions and interest.

Equity

Dividend

Dividend distribution proposed by Management for the year is disclosed as a separate equity item.

Deferred tax assets and liabilities

Deferred income tax is measured using the balance sheet liability method in respect of temporary differences arising between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes on the basis of the intended use of the asset and settlement of the liability, respectively.

Deferred tax assets are measured at the value at which the asset is expected to be realised, either by elimination in tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that will be effective under the legislation at the balance sheet date when the deferred tax is expected to crystallise as current tax. Any changes in deferred tax due to changes to tax
rates are recognised in the income statement or in equity if the deferred tax relates to items recognised in equity.

Current tax receivables and liabilities

Current tax liabilities and receivables are recognised in the balance sheet as the expected taxable income for the year adjusted for tax on taxable incomes for prior years and tax paid on account. Extra payments and repayment under the onaccount
taxation scheme are recognised in the income statement in financial income and expenses.

Financial liabilities

Loans, such as loans from credit institutions, are recognised initially at the proceeds received net of transaction expenses incurred. Subsequently, the loans are measured at amortised cost; the difference between the proceeds and the nominal
value is recognised as an interest expense in the income statement over the loan period.

Other debts are measured at amortised cost, substantially corresponding to nominal value.

Deferred income

Deferred income comprises payments received in respect of income in subsequent years.