



1st Quarter 2021

RESULT PRESENTATION

HIGHLIGHTS JANUARY – MARCH 2021



- Loan book growth 6%*, despite pandemic restrictions
- Operating profit 79 MSEK, positive trend since Q2-2020
- Payment solution launched for Boozt 6th of April
- German credit card portfolio has increased by 31% YTD
- New forward flow contracts in Norway, Finland and Sweden

* Development of the loan portfolio in local currencies

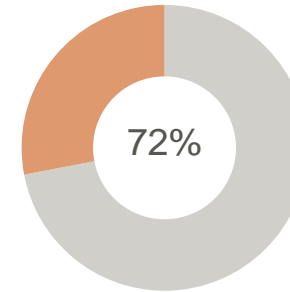
CONSUMER LENDING



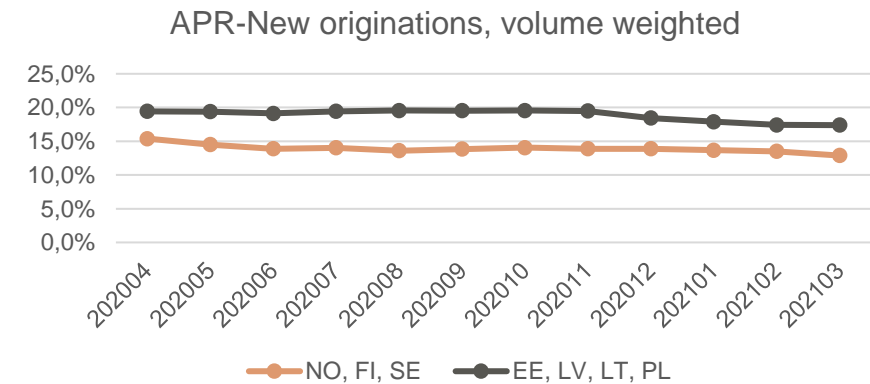
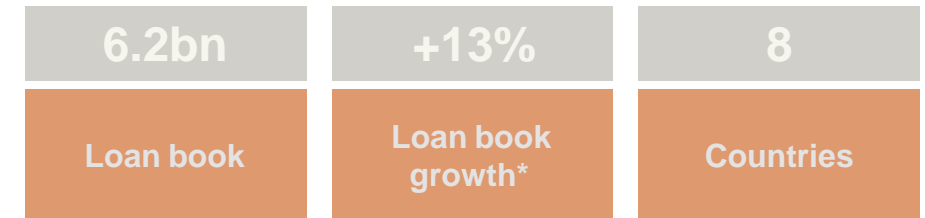
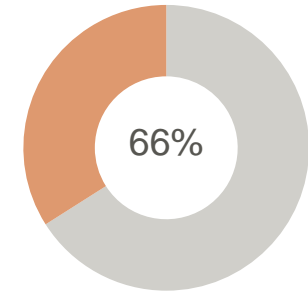
- Diversified portfolio with Nordic base
- Product offering tailored for each market
 - Average loan size on book of SEK – 58,000
 - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners
- Stable APR on new lending in the Nordics, mix effects in CEE resulting to a somewhat lower new volume APR
- Stable to improving credit quality during the pandemic and no visible deterioration

* year-on-year

Share of TF Bank's loan book



Share of TF Bank's operating income

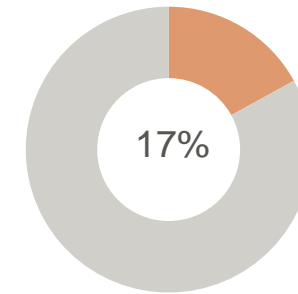


ECOMMERCE SOLUTIONS

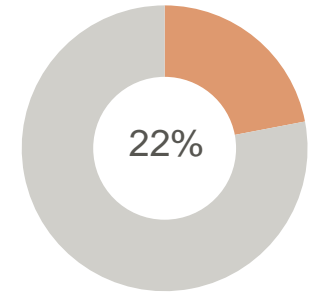


- Boozt.com, a fast growing Nordic e-commerce champion, decided to implement our ecommerce initiative Avarða's payment (BNPL) solution across all their web shops
- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ delivers higher transaction volumes, SEK 981 million (719) for Q1
- Strong deal flow and in total 216 active merchants

Share of TF Bank's loan book



Share of TF Bank's operating income



1.4bn

Loan book

+27%

Loan book
growth*

7

Countries

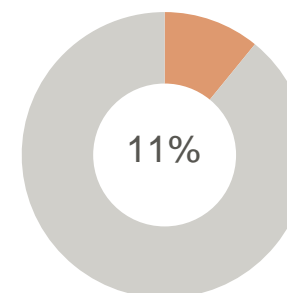
* year-on-year

CREDIT CARDS

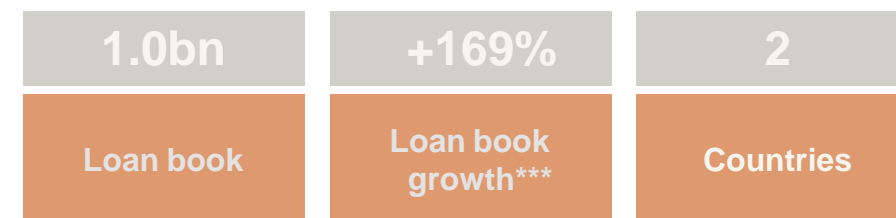
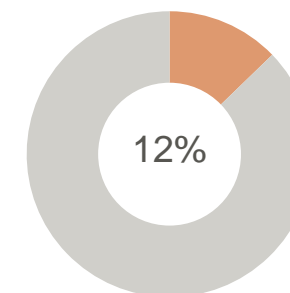


- Target group is German and Norwegian customers
- Simple and transparent offering – gold card with no fees
- Different income profile compared to consumer loans
 - Starts low – gradual build-up of income
- Addressable market in number of consumers
 - Germany 35 M* and Norway 3 M**
- Active customers and net assets grew to 54,000 (45,000) and 958 MSEK (766) respectively
- Risk level as expected
- Card spending still muted as Germany still is in lockdown

Share of TF Bank's loan book



Share of TF Bank's operating income

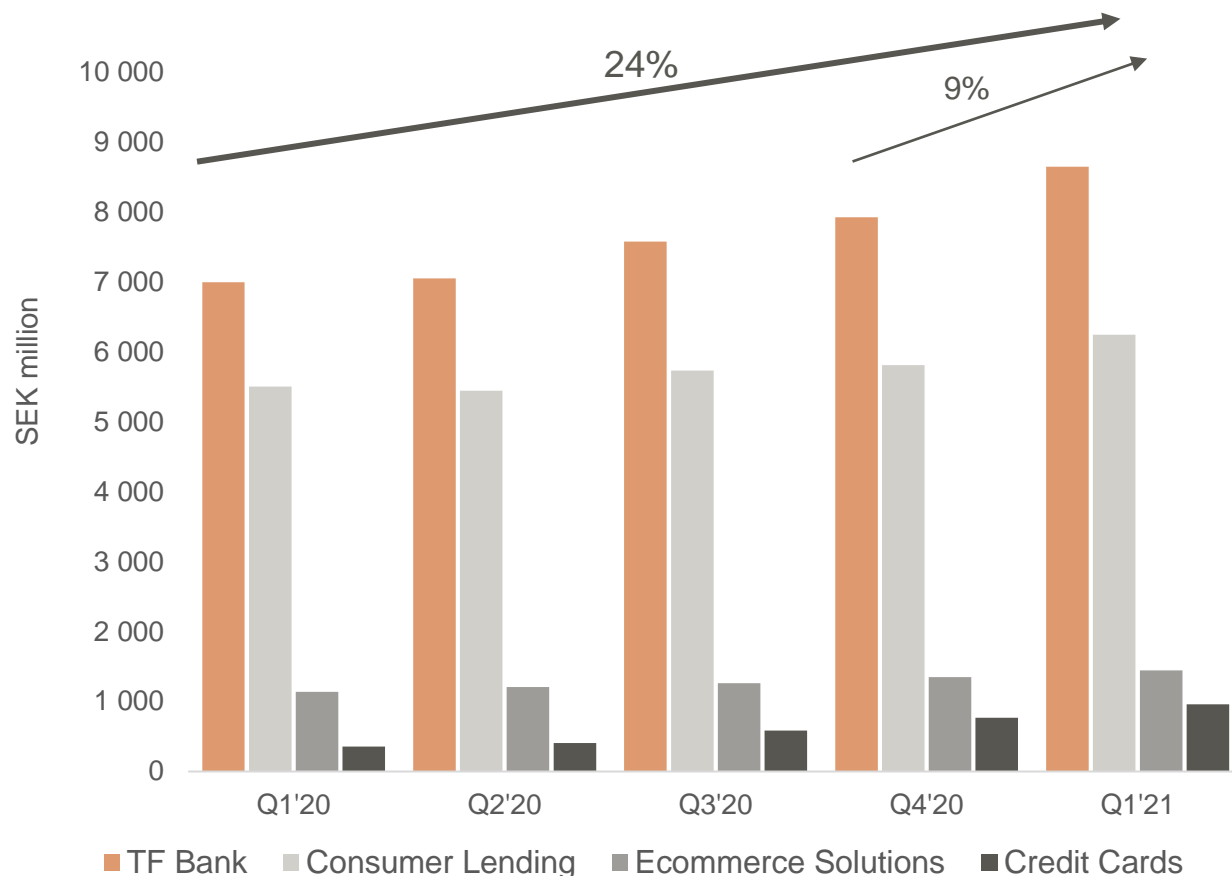


Mid-term unit economics

Mid-term unit economics	
Net banking income margin	18%
Marketing cost	5%
Net loan loss ratio	4%
Operating expenses ratio	3%
Net operating profit margin	6%

* Schufa and TF Bank estimate, ** Gjeldsregistret and TF Bank estimate, *** year-on-year

LOAN BOOK GROWTH



- TF Bank: Growth in Q1 = 9% (+3%*)
- Year-on-year 24% (-3%*)
- Consumer Lending: Q1 = 7% (+4%*)
- Year-on-year 13% (-2%*)
- Ecommerce Solutions: Q1 = 7% (+1%*)
- Year-on-year 27% (-9%*)
- Credit Cards: Q1 = 25% (+4%*)
- Year-on-year 169% (-14%*)

* whereof currency effects

GROWTH AND DIVERSIFICATION



Sweden

- Focus on profitability and e-commerce. Breakthrough deal with Boozt.com.



Norway

- Continued positive long term outlook on the Norwegian economy. Focus on growth and margins. Positive signs in e-commerce.



Finland

- New rate cap of 10% until Q3 2021 for consumer loans.



The Baltic states

- Portfolio management and profitability focus in consumer lending. Lithuania is now a positive net contributor.



Poland

- Focus on e-commerce and profit. Consumer lending is in run-off.



Germany

- Credit card product in high demand. Card spending lower since mid-December as a result of the German lockdown.

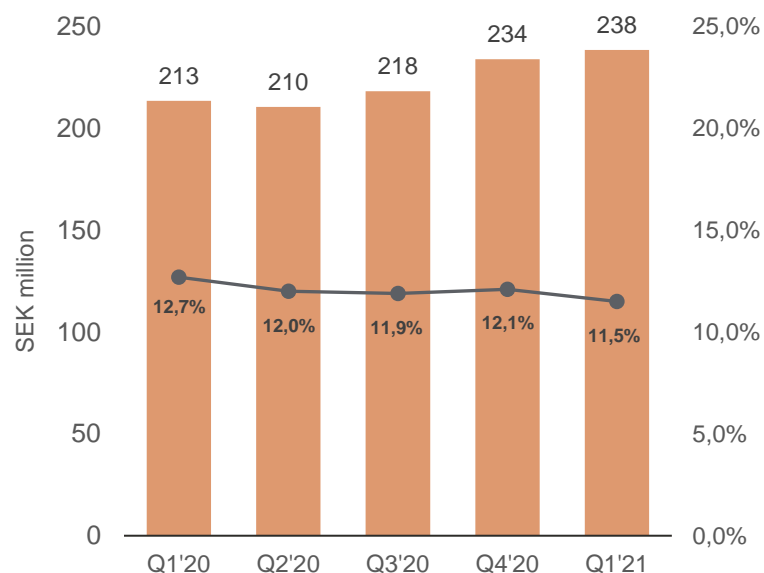


■ Sweden ■ Norway ■ Finland
■ Baltics ■ Poland ■ Germany

KPI – LOWER NET LOAN LOSS RATIO



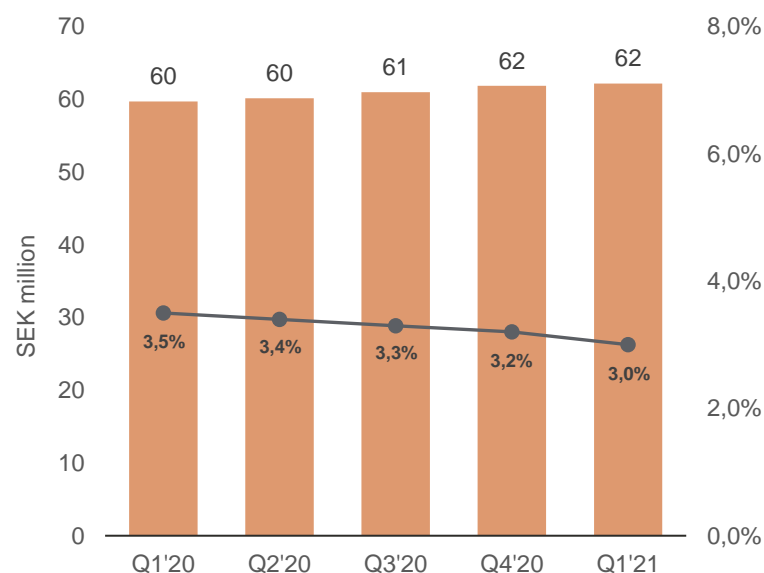
Operating income*



- **Income Q1-21 vs. Q1-20, +12%**

- Cards in Germany, Ecommerce and Norway
- Negative currency effects, appreciated SEK
- Consumer Lending lowers income margin

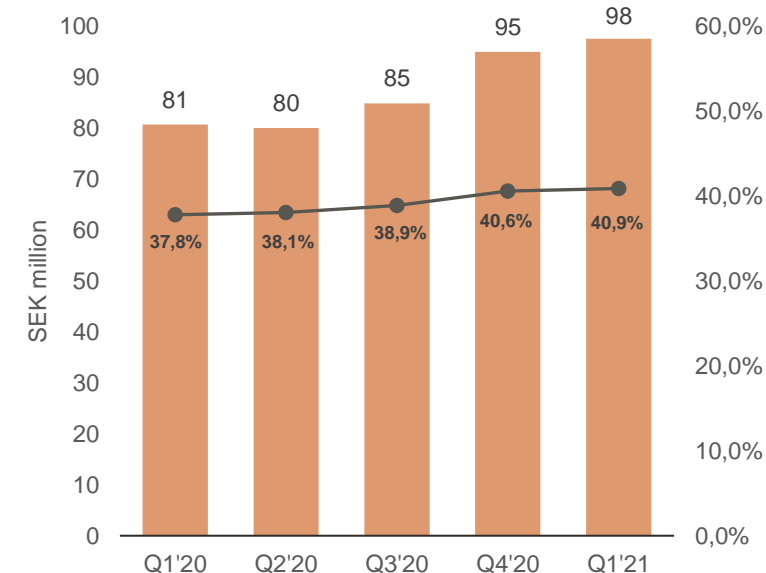
Net loan losses**



- **Losses Q1-21 vs. Q1-20, +4%**

- Stable development last 5 quarters
- Lower loan loss ratio in all segments
 - Improved credit quality

Operating expenses



- **Expenses Q1-21 vs Q1-20, +21%**

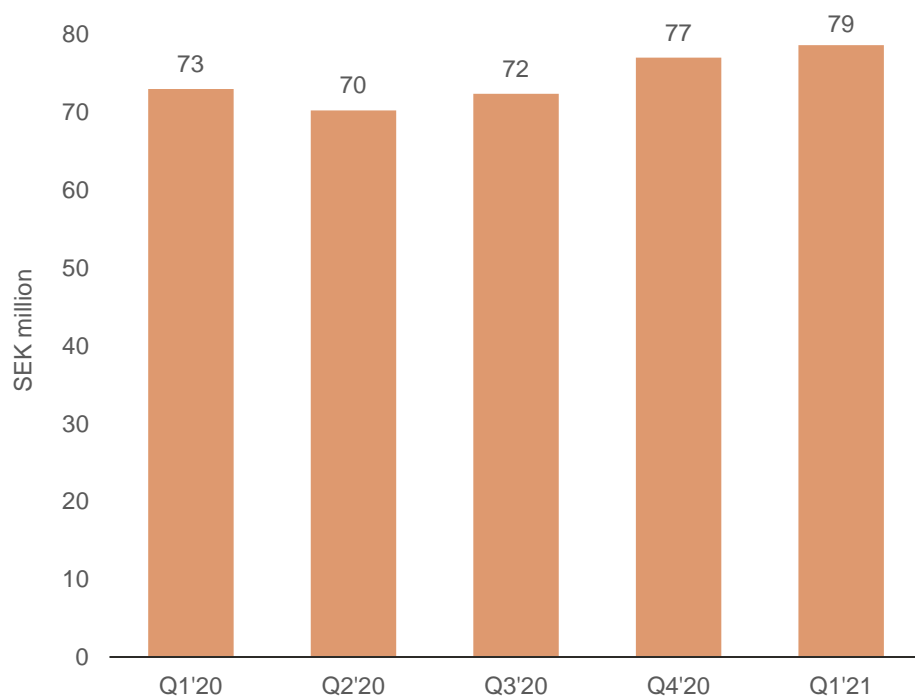
- Investments in Germany and Ecommerce
- More employees, higher sales costs
- Cost/income ratio 40,9% (37,8)

* ratio = current quarter annualized, ** excluding extra provision, 30 MSEK, in Q1-2020

POSITIVE TREND FOR OPERATING PROFIT



Operating profit*



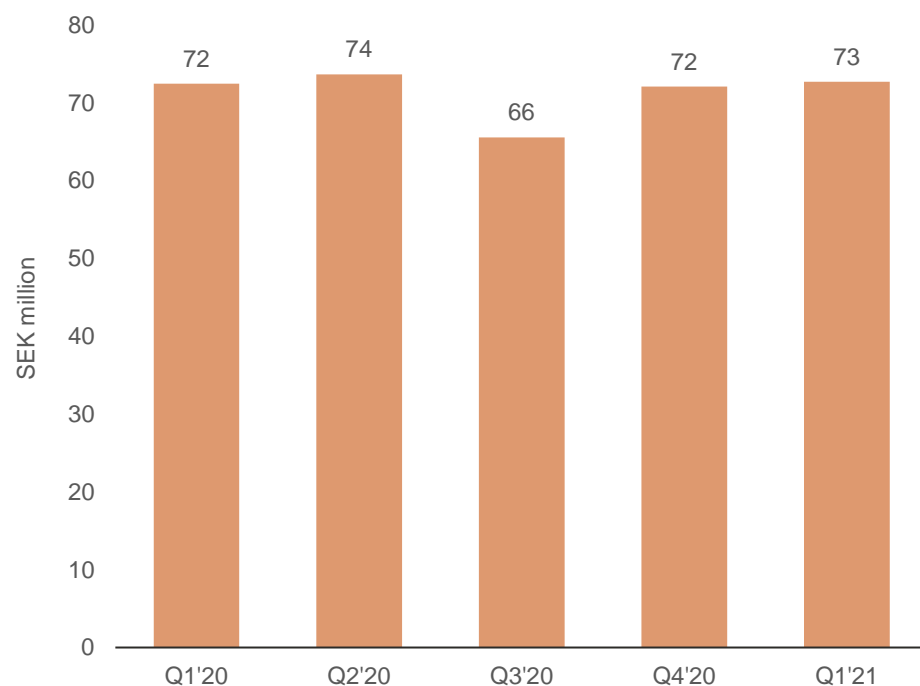
- **Operating profit Q1-21 vs. Q1-20, +8%***
 - Higher result from Q2-2020
 - Main driver: Segment Credit Cards
 - Return on assets, 3,0%
- **Earnings per share Q1-21, 2,84 SEK**
 - Lower income tax rate in Sweden
 - Return on equity, 24,1%

* excluding extra provision, 30 MSEK, in Q1-2020

CONSUMER LENDING: STABLE QUARTER



Operating profit*



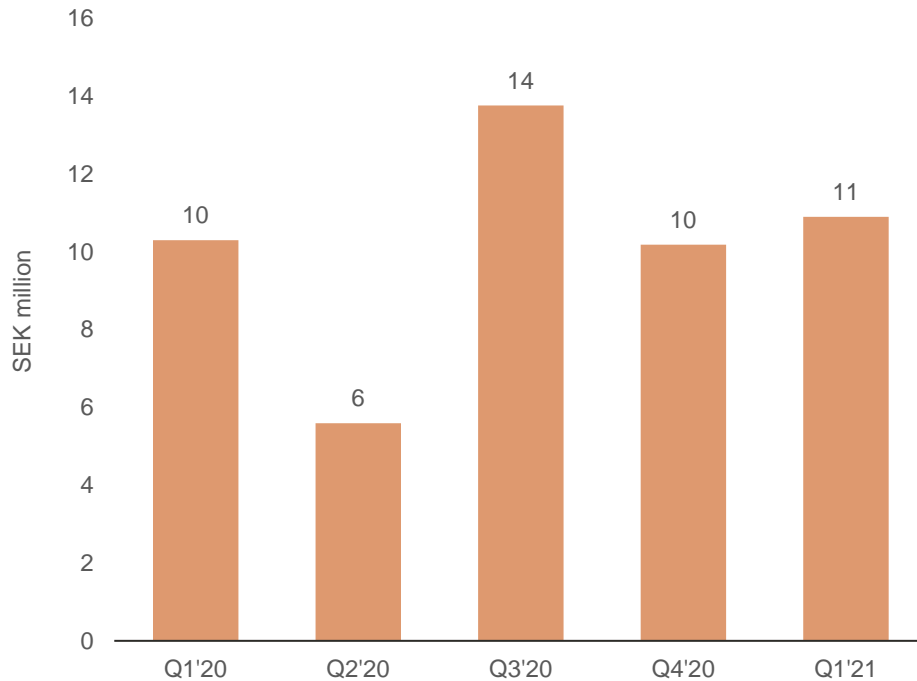
- **Operating profit Q1-21, +73 MSEK**
 - Lower income margin in Q1
 - High efficiency, C/I ratio 28%
 - Return on assets, 3,7%
- **Lower net loan loss ratio, 2,7%**
 - Gradually improved credit quality
 - New forward flow contracts in Q1

* excluding extra provision, 30 MSEK, in Q1-2020

ECOMMERCE SOLUTIONS: INVESTMENTS



Operating profit

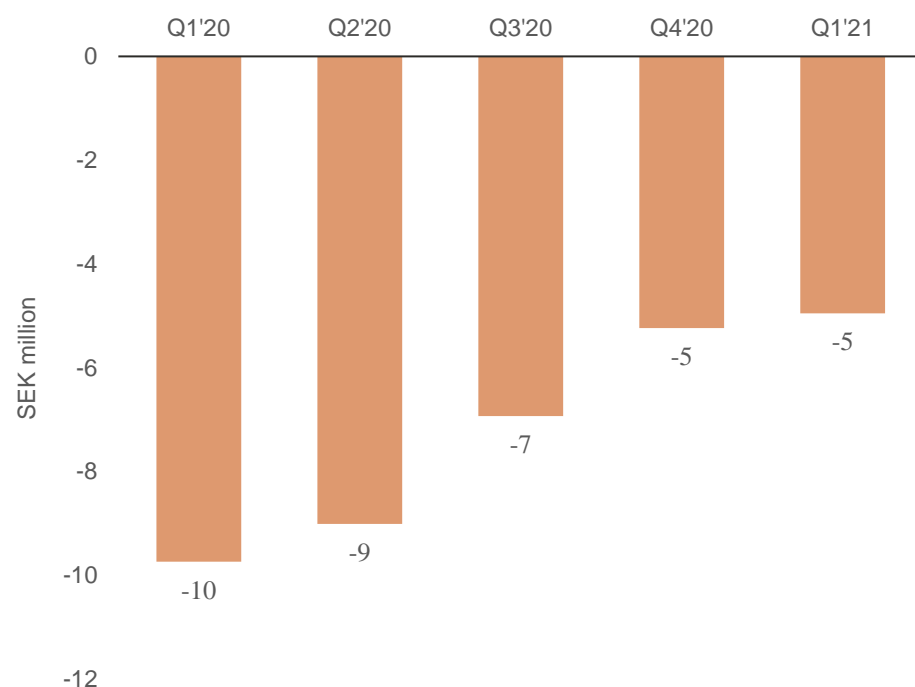


- **Operating profit Q1-21, +11 MSEK**
 - Higher OPEX ahead of new volumes
 - Improved credit quality
 - Return on assets, 2,4%
- **Payment solution delivered to Boozt**
 - Investments in Q1-21 (IT and OPEX)
 - Higher income from Q3 and onwards

CREDIT CARDS: POSITIVE TREND

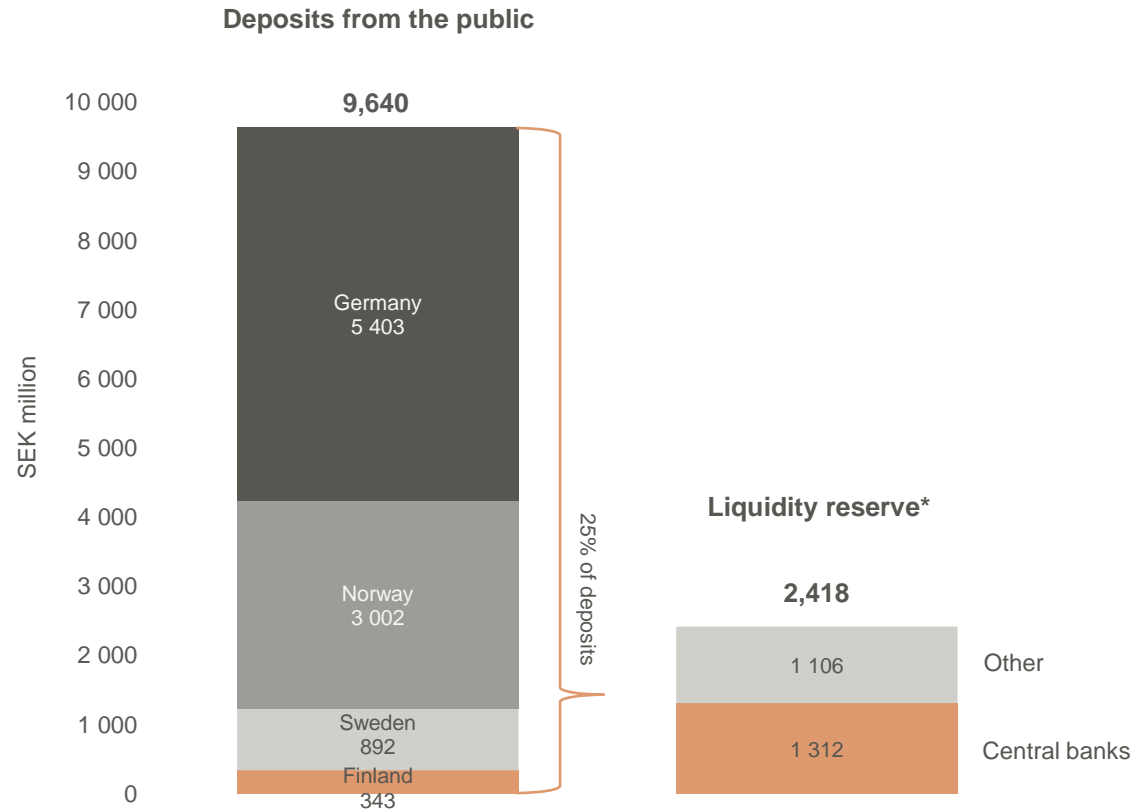


Operating profit



- **Operating profit Q1-21, -5 MSEK**
 - Portfolio growth – higher income
 - Higher marketing costs and more employees
 - Return on assets, neg
- **Improving credit quality in Germany**
 - Upfront provisions (IFRS 9)
 - Evaluating forward flow contracts

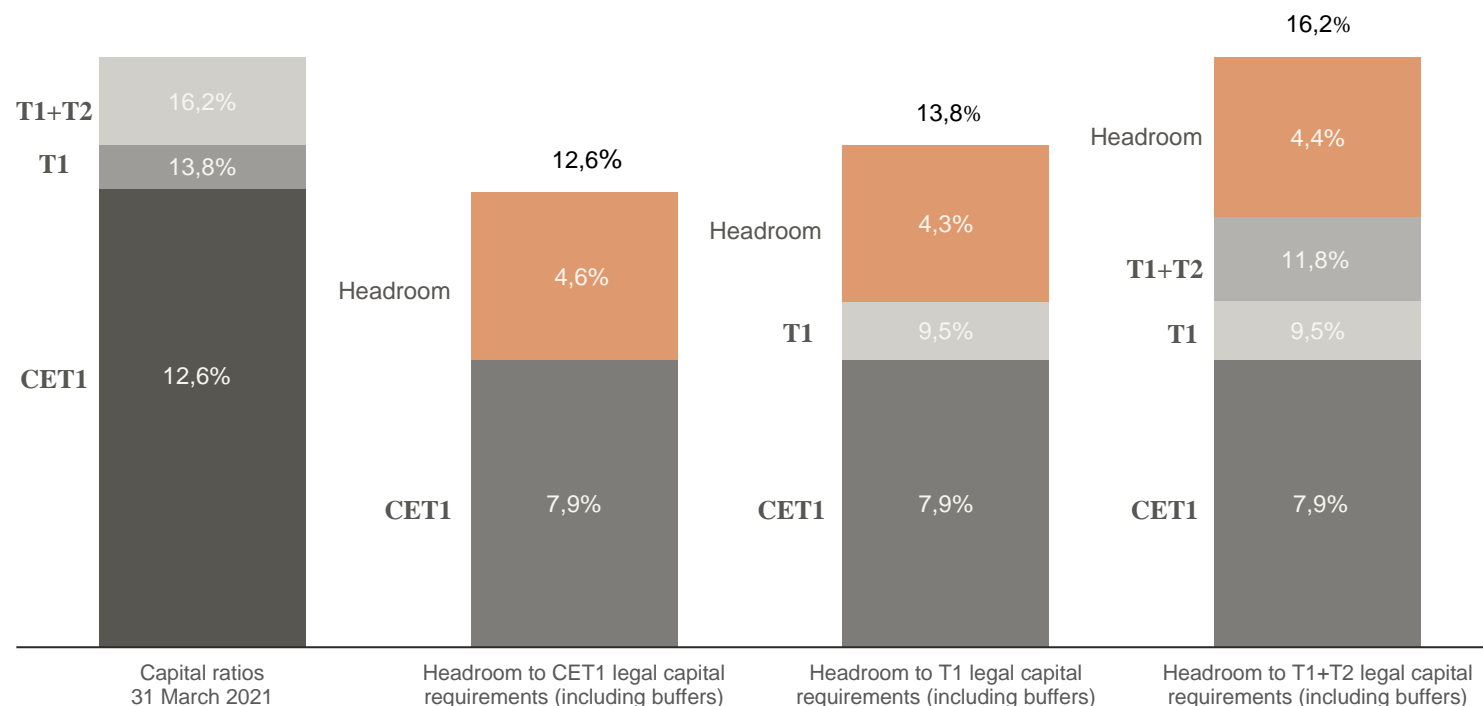
SOLID LIQUIDITY POSITION



- **Retail deposits in 4 markets**
 - Germany (SEK 5.4 billion)
 - Norway (SEK 3.0 billion)
 - Sweden (SEK 0.9 billion)
 - Finland (SEK 0.3 billion)
 - Fixed-term deposits: 31%
- **Liquidity reserve: 25% of deposits**
 - HQLA at central banks 1.3 billion
 - Other liquidity 1.1 billion
 - Low risk – stable return

* Liquidity reserve consists of Cash at Central Banks (1,252m), Treasury bills (60m) and Loans to credit institutions (1,106m)

CAPITAL POSITION IN Q1



- Lower total capital ratio partly due to temporary T2-effect
- Negative impact from phase-in of IFRS 9 provisions in Q1
- Positive impact from lower deduction of intangible assets
- Internal capital target: >2,5% legal requirement (incl. Pillar 2 and buffer requirements)

ECOMMERCE SOLUTIONS – RAPID GROWTH



- Unique position within white label – focus on value added services by understanding the merchants needs and close cooperation
- Three main offerings to merchants:
 - APO: Tailormade payment solutions for merchants – stand alone or Checkout optimized for conversion
 - AMO: Branded life cycle marketing – Merchant in control
 - ARO: Optimise return flow – reduce environmental footprints
- Clear runner up position – cooperation with seven major retailers.

Strong growth over past 12 months

Transaction volume +63%	Active merchants +51%
SEK 3,7bn	216
Checkout volume +147%	Active customers +100%
SEK 2,7bn	2 Million

CELLBES

VIANOR®

BUBBLEROOM

Booztpay.

HobbyHall.fi

BEIJER
BYGGMATERIAL

ASKO

Hansapost.se

Däck365.se

SIGNING OF A NEW MAJOR PARTNERSHIP – BOOZTPAY



- Stand alone Avarda “buy now – pay later” options.
- Avarda afterflow integrated in Boozt channels/app.
- Avarda Marketing tools – Boozt in control of marketing in all channels.
- Avarda Return flow – 30 days invoice to improve customer journey.

Boozt.com

Booztlet.com

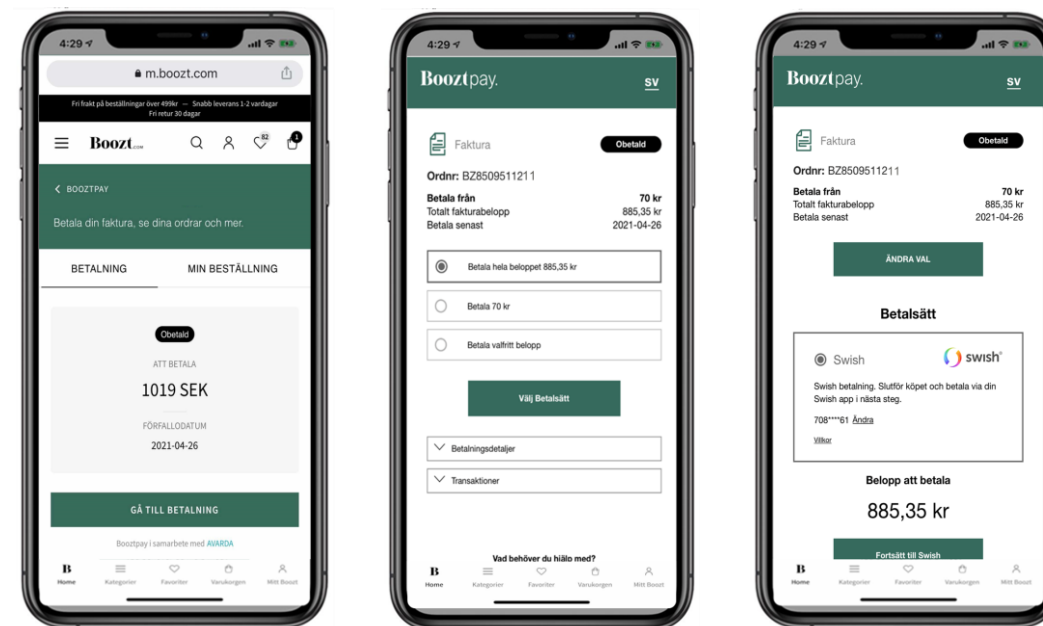
Booztpay.

Leading Nordic retailer within fashion, sports, beauty and home.

Net Revenue 2020: SEK 4,3bn (92% Nordics)

Active customers: 2 million.

Strong growth momentum (Revenues +27% 2020)



LOOKING AHEAD



- Intention to announce new financial targets – H2 2021
- No visible deterioration in credit quality – the positive underlying trend is likely to continue
- Covid-19
 - Lockdown in several markets leads to lower demand – especially visible for German credit cards
- Secured loans – pilot in Estonia
- Ecommerce Solution Boozted by higher transaction volumes
 - Further investments during Q2 2021





Q&A Session



Appendix

CORPORATE PROFILE



Our Products

Operating with modern and scalable infrastructure offering our retail customers online consumer loans, deposits and credit cards. For retailers we offer leading ecommerce and brick-and-mortar payment solutions

Our DNA

We aim to deliver effortless banking to our customers by being reliable, responsible and straightforward in our dealings with them

Our Geographical footprint

We serve customers in the Nordics and around the Baltic sea

The investment case

We operate in carefully selected niches where we can leverage on our platform and expertise to deliver attractive and sustainable risk adjusted growing returns

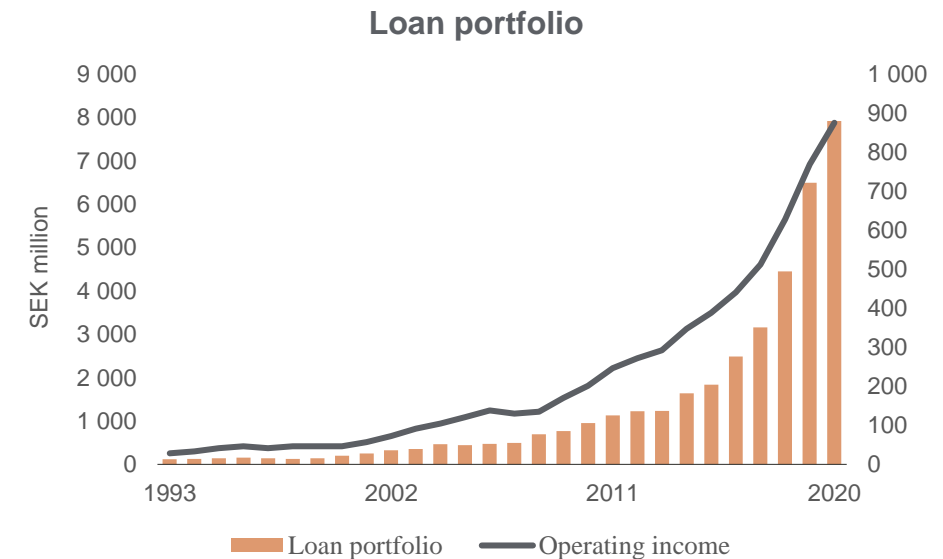
LONG TRACK RECORD OF PROFITABLE GROWTH



Long experience and proven business model

- 30 years+ experience from consumer finance industry
- Highly profitable core markets with proven model for geographical expansion into new high-growth markets
- Three complementary business segments

Strong track record on growth and profitability



FINANCIAL TARGETS AND DIVIDEND POLICY



If the macroeconomic situation continues to stabilise the Board of Directors intends to resolve on new financial targets during the second half of 2021. Currently TF Bank has the following target:

Capital structure	All capital ratios shall exceed the legal requirement (including pillar 2 and buffer requirements) by at least 2.5% points
Dividend policy	Distribute surplus capital relative to the capital target and the bank's capital planning

Board of Directors



John Brehmer

*Chairman of the Board
since 2020*

Board member since 2010

Current commitments:

Chairman: Mederion AB, Tiberon AB, Zebware AB

Board member: Consortio Fashion Holding AB, Halens Real Estate



Charlotta Björnberg-Paul

*Board member since
2017*

Current commitments:

Chairman: Saxo Oy

Board member: Paptic Ltd

Co-founder: Superskills

Entrepreneur: Anki Rugs



Tone Bjørnov

Board member since 2015

Current commitments:

Chairman: Filmparken AS, Storyline Studios AS, Hausmann AS, Dugnad AS

Board member: Aqua Bio Technology ASA, Varme og Bad AS, Omsorgsbygg Oslo KF Atlantic Sapphire ASA



Mari Thjømøe

Board member since 2017

Current commitments:

Chairman: Seilspport Maritimt Forlag AS, Billington Process Technology AS, ThjømøeKranen AS

Deputy chairman: Norconsult AS

Board member: Hafslund E-CO AS, FCG Fonder AB, Ice ASA, Tryg A/S



Bertil Larsson

*Board member since
2007*

Current commitments:

Chairman: Minso Solutions AB, Minso Holding AB, Aktiebolaget Borås Tidning

Board member: Conpera AB, Tore G Wärenstams stiftelse, Gota Media AB



Sara Mindus

*Board member since
2020*

Current commitments:

Board member: K-Fast Holding AB, Besqab AB, Dreams AB, Dreams Securities AB, Colibri Ventures AB, Faboss Invest AB, Sara Mindus AB

Executive management team



Mattias Carlsson
CEO

Education: MSc, Engineering Physics, Uppsala University.

At TF Bank since 2008 as CEO until 2015, Chairman of the board between 2015 and 2017 and CEO from 2017. Previous experience from Resurs Bank and SEB.

Current commitments: Qred AB (chairman), Tobisflöte Holding AB (chairman), Tronstad Consulting AB (board member).



Mikael Meomuttel
CFO, Deputy CEO and Head of Investor Relations

Education: MSc, Business/Economics and Finance, University of Borås/University of Gothenburg.

At TF Bank since 2009, 2014 Deputy CEO and from 2018 also the Group's Head of IR. Previously, among other things, been Financial Controller at Consortio Fashion Group AB (CFG).

Current commitments: Torhamnsskär Holding AB (chairman).



Espen Johannesen
Head of Consumer Lending

Education: Executive M.B.A Management control Norwegian School of Economics (NHH), Bachelor of economics, Business BI Norwegian School of Management

At the Group since 2015 as CEO of BB Bank 2015-2020 (now branch Norway). More than 10 year's of experience in consumer finance.



Mikael Johansson
Head of Ecommerce Solutions

Education: MSc Business Administration and Mathematics Stockholms universitet

At the Group since 2016 as CEO of Avarda. Previously, among other things, at GE Commercial Finance and as CEO of Santander Consumer Bank Sweden.

Current commitments: Svenska Bilhandlare AB (chairman).

Head of countries and functions ¹⁾



Vilma Sool
*Regional manager
Baltics
Head of Estonia*

10 years of experience in the consumer finance sector – established and led Bigbank Swedish branch. With TF Bank since 2014.



Juho Maanpää
Head of Finland

Extensive consumer finance experience in Finland within operations management, credit risk and digital marketing. With TF Bank since 2013.



Juris Pūce
Head of Latvia

Before joining TF Bank in 2016, worked for seven years in Bigbank, serving as country manager in Latvia and Spain and



Björn Skytt
CIO

Before joining TF Bank in 2010 worked as integration manager for ICA Banken and prior to that as project manager and system manager for SKF's



Wojciech Drozd
Head of Poland

Sales leader with 20+ years of extensive consumer finance and retail banking experience from GE Money Bank Poland and Bank BPH.



Krzysztof Blach
Credit Manager

Credit Risk Manager with 15 years of experience in retail banking sector. Worked for GE Money Bank and BPH Bank in Poland holding various



Greta Montviliene
Head of Lithuania

8 years experience in marketing and sales with high focus on customer experience and digital marketing. Part of TF Bank team



Torstein Jahnsen
Head of Norway

10 years' experience in consumer finance within operation, credit risk and marketing management. Before joining TF Bank, worked as COO in BB Bank which later became the Norwegian branch of TF Bank. With TF Bank

1) Excluding Espen Johannesen, acting Head of Sweden and acting Head of Germany, as he is also the Head of Consumer Lending and consequently a member of the Executive Management Team as shown on p. 24.

Contact

Investor relations

Mikael Meomuttel

+46 706 26 95 33

ir@tfbank.se

www.tfbankgroup.com