



2nd Quarter 2022

RESULT PRESENTATION

HIGHLIGHTS APRIL – JUNE 2022



- New lending 4,0 billion, record volume in all segments
 - Loan portfolio increased by 8%*
- Operating profit, +28% compared to Q2-2021
- Increased marketing spend supported growth in Germany
- Further expansion for Ecommerce Solutions Nordic

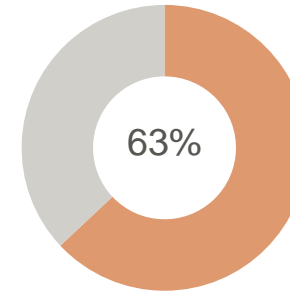
* in local currencies

CONSUMER LENDING

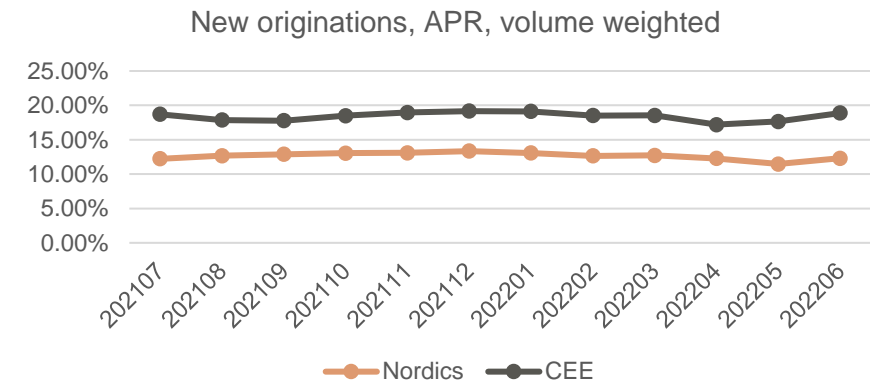
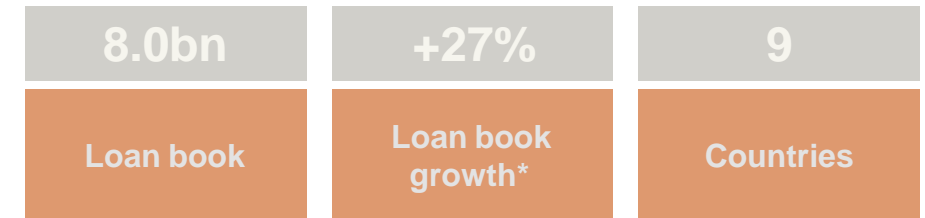
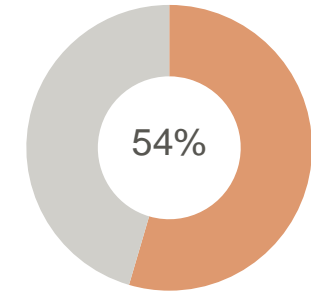


- Diversified portfolio with Nordic base
- Product offering tailored for each market
 - Average loan size on book of SEK – 67,000
 - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners
- Stable APR on new lending in the Nordics and CEE
- Stable to improving credit quality

Share of TF Bank's loan book



Share of TF Bank's operating income



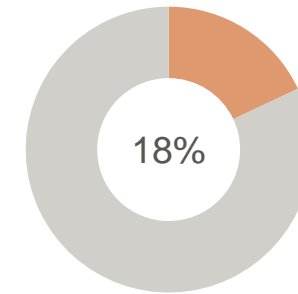
* year-on-year

ECOMMERCE SOLUTIONS

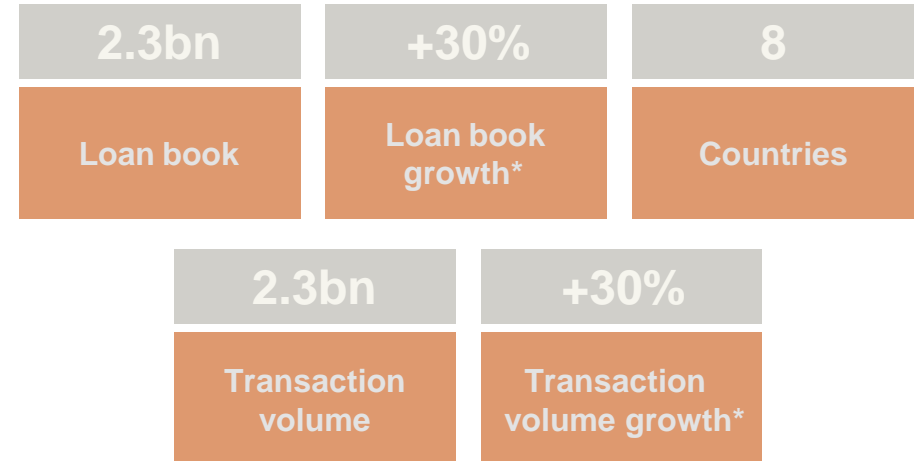
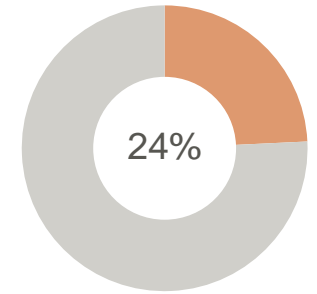


- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ maintain focus on our partners throughout the whole customer journey
- Although many sectors in retail see lower demand the bank is able to attract new merchant partners to fuel the growth
- Haypp Group is live across their Norwegian web shops with our check-out solution

Share of TF Bank's loan book



Share of TF Bank's operating income



* year-on-year

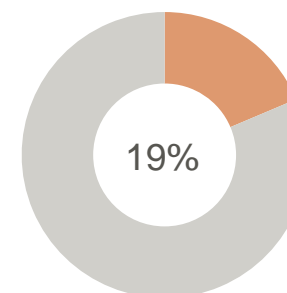
CREDIT CARDS



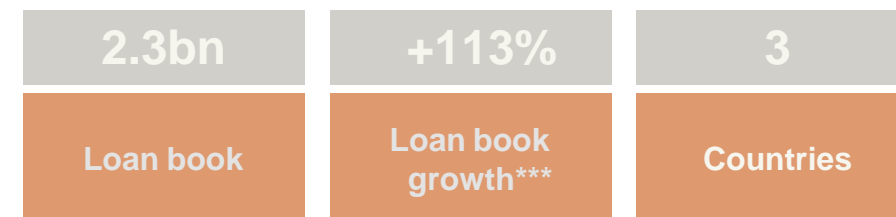
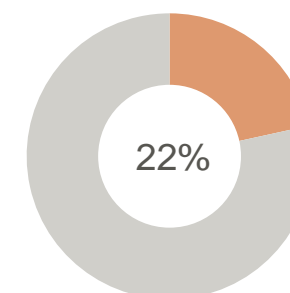
- Target group is German and Norwegian consumers
- Simple and transparent offering – gold card with no fees
- Different income profile compared to consumer loans
 - Starts low – gradual build-up of income
- Addressable market in number of consumers
 - Germany 35 M* and Norway 3 M**
- Active customers and net assets grew to 104,000 (89,000) and 2,336 MSEK (1,899) during the quarter
- Risk level as expected
- Lower CAC (Customer acquisition cost) in Q2 on the back of higher marketing spend
- Card spending – back on track

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

Share of TF Bank's loan book



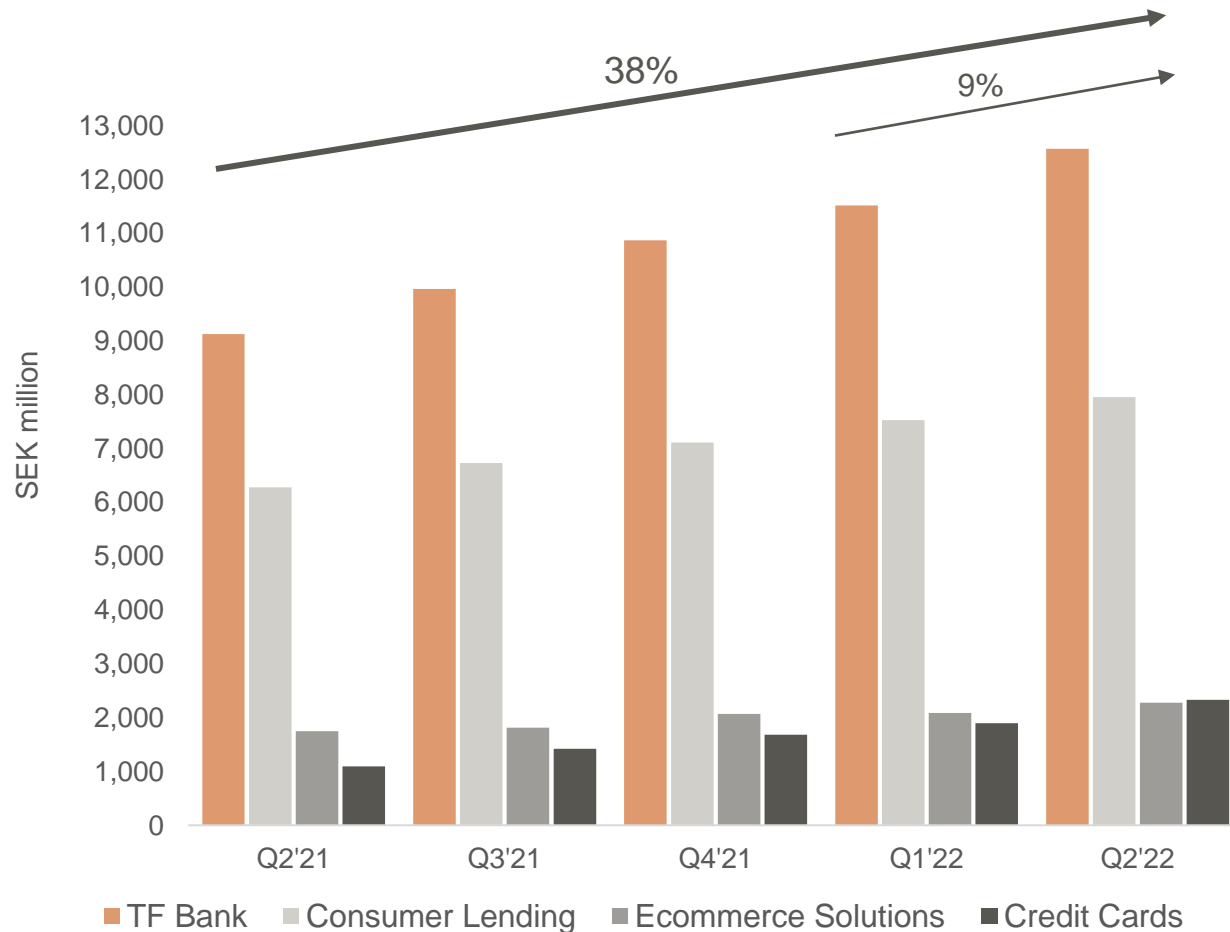
Share of TF Bank's operating income



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%

LOAN BOOK GROWTH



- TF Bank: Growth in Q2 = 9% (+1%*)
 - Year-on-year 38% (+6%*)
- Consumer Lending: Q2 = 6% (0%*)
 - Year-on-year 27% (+6%*)
- Ecommerce Solutions: Q2 = 9% (2%*)
 - Year-on-year 30% (+4%*)
- Credit Cards: Q2 = 23% (+2%*)
 - Year-on-year 113%

* whereof currency effects

GROWTH AND DIVERSIFICATION



Sweden

- Focus on profitability and e-commerce.



Norway

- Continued positive long term outlook on the Norwegian economy. Focus on growth and margins. Credit card issuing at an all time high.



Finland

- High competition in consumer lending. Low risk loan book.



The Baltic states

- Portfolio management and profitability focus in consumer lending.



Poland

- Focus on e-commerce and profitability. Consumer lending is in run-off. Higher interest rate put pressure.



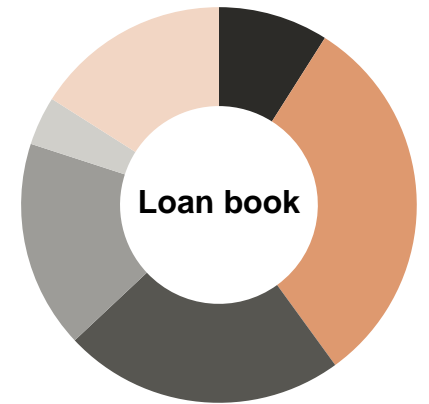
Germany

- Credit card product in high demand. CAC* improvement.



New markets

- Denmark and Spain launched within consumer lending during the quarter – building credit experience.



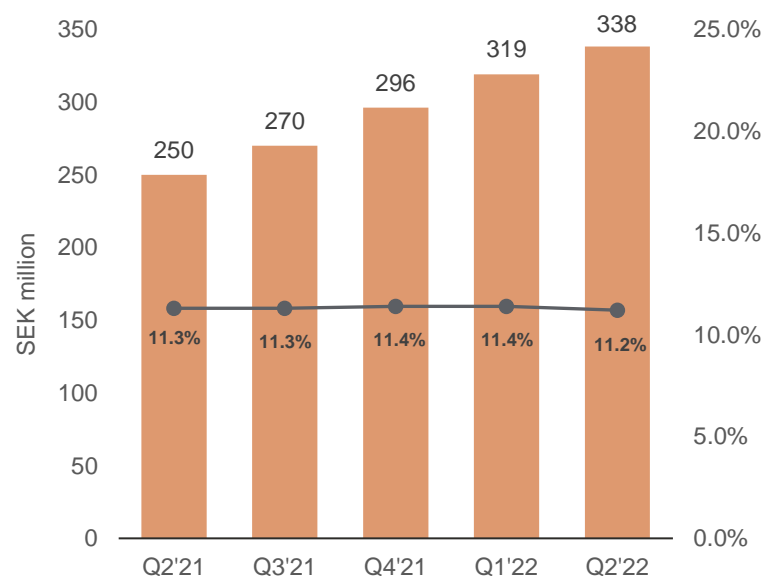
■ Sweden ■ Norway ■ Finland
■ Baltics ■ Poland ■ Germany

* Customer acquisition cost

STABLE MARGINS – HIGHER INCOME

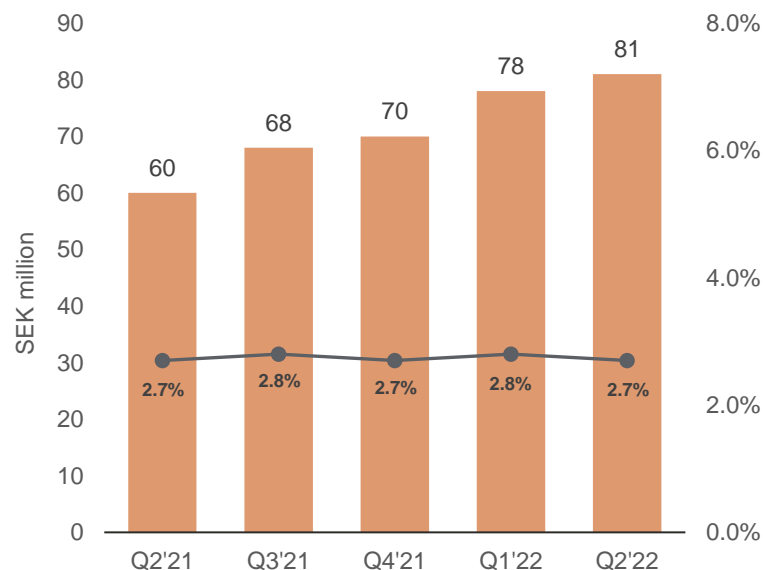


Operating income*



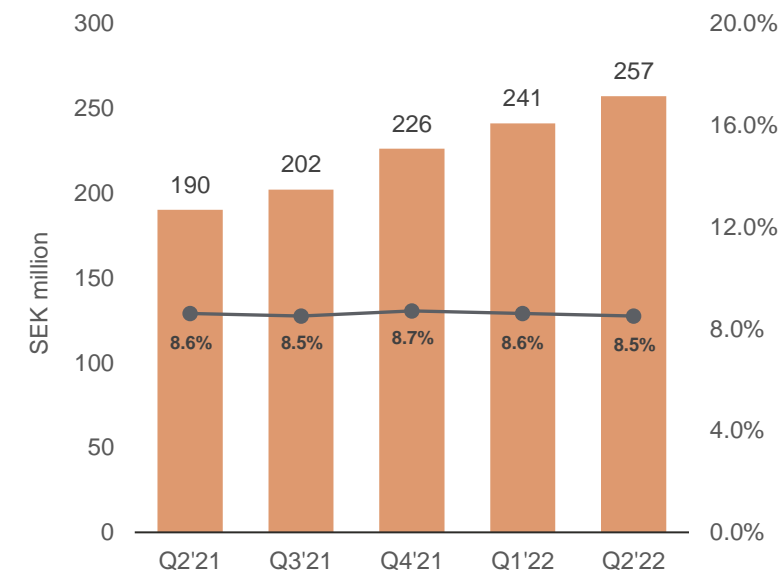
- **Income Q2-22 vs. Q2-21, +35%**
 - Higher operating income in all segments
 - Stable income margin

Net loan losses*



- **Losses Q2-22 vs. Q2-21, +35%**
 - Better credit quality for consumer loans
 - Stable loan loss ratio

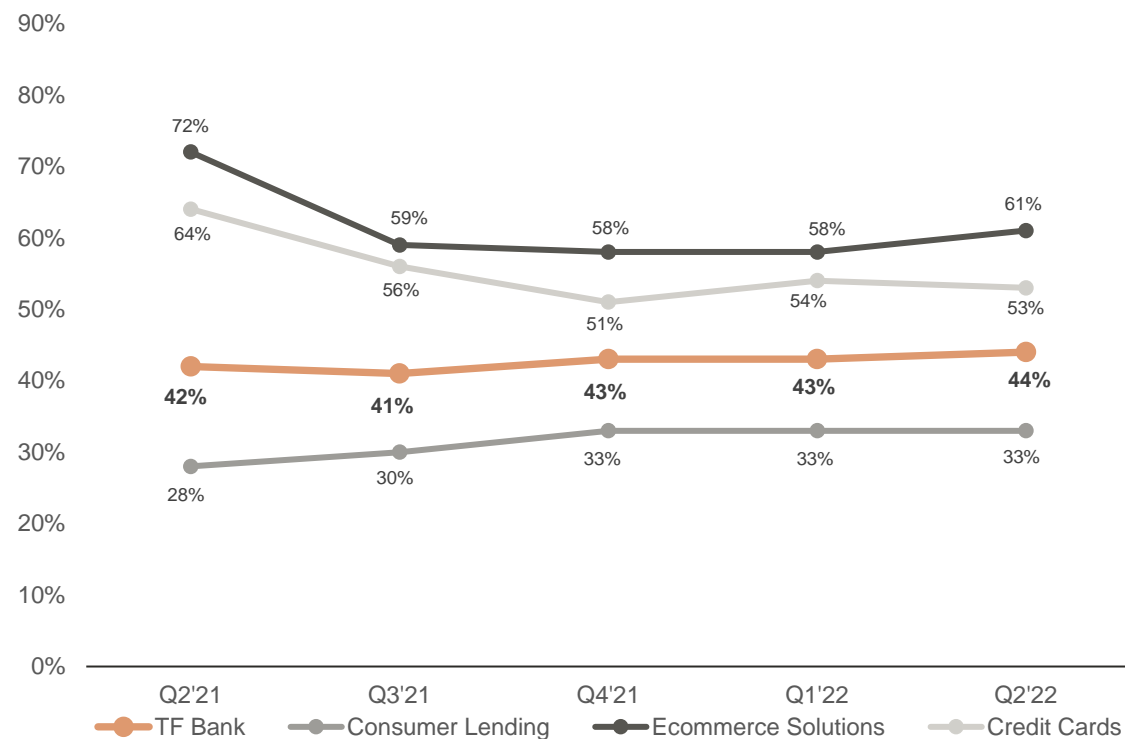
Risk-adjusted income**



- **Risk-adjusted income, +35%**
 - Increased +16 MSEK vs Q1-2022
 - Stable margin last quarters, 8.5%

* ratio = current quarter annualized, ** operating income minus net loan losses

OPEX – COST/INCOME RATIO BY SEGMENT

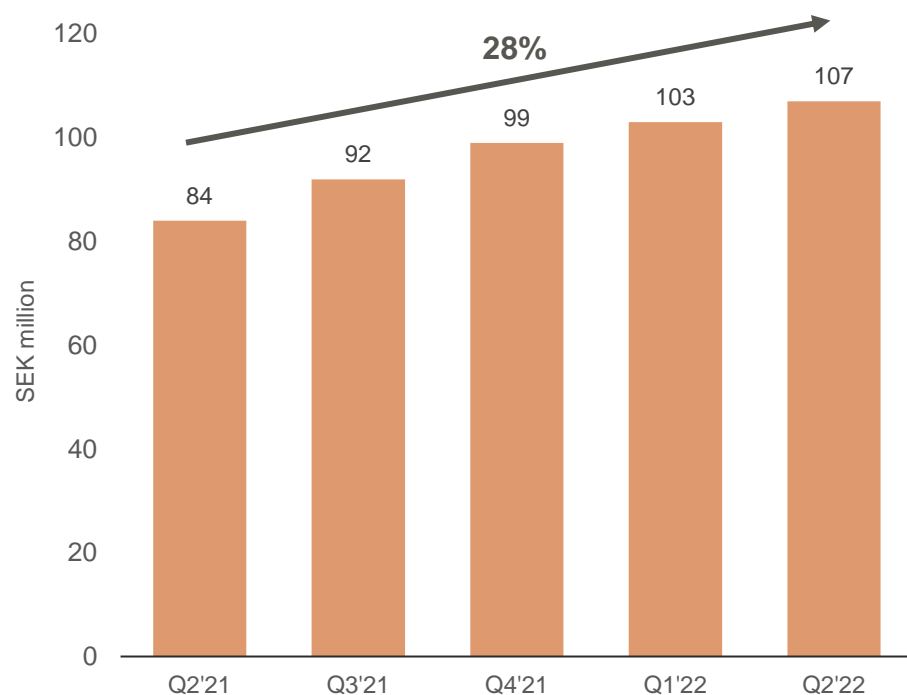


- **Expenses Q2-22 vs. Q2-21, +41%**
 - Increased marketing costs for credit cards
 - Record volume – sales related costs
 - Cost/income ratio 44%
- **Cost/income ratio per segment in Q2-22**
 - Consumer Lending 33%
 - Ecommerce Solutions 61%
 - Credit Cards 53%

GROWING OPERATING PROFIT



Operating profit

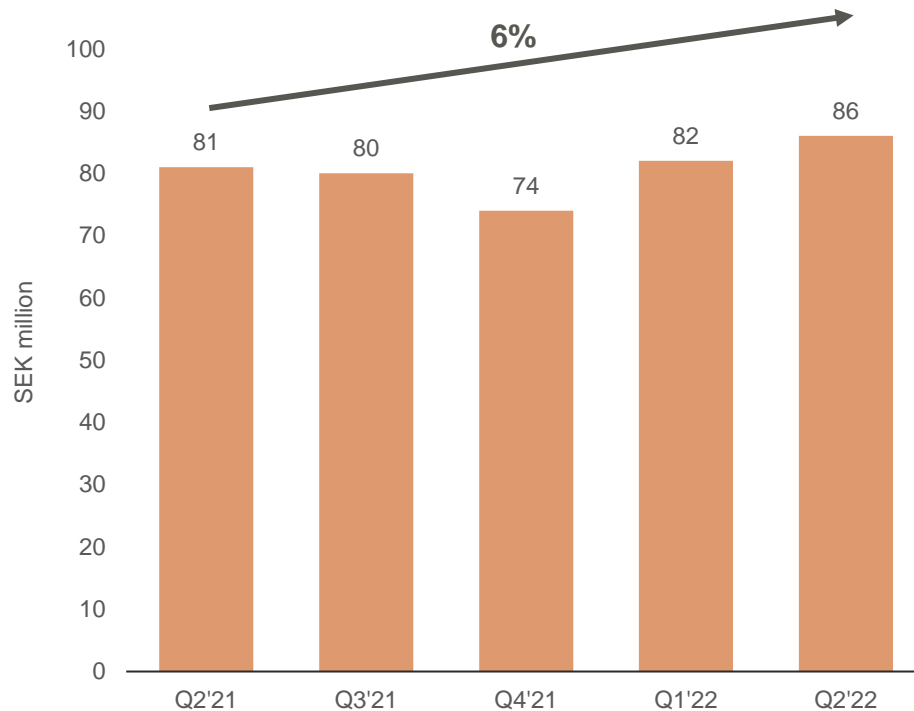


- **Operating profit Q2-22 vs. Q2-21, +28%**
 - Increased profit quarter-to-quarter
 - Return on assets, 2.7%
- **Growth combined with high profitability**
 - Return on equity, 24.1% in Q2-2022
 - Earnings per share, 3,75 SEK

CONSUMER LENDING: HIGH PROFITABILITY

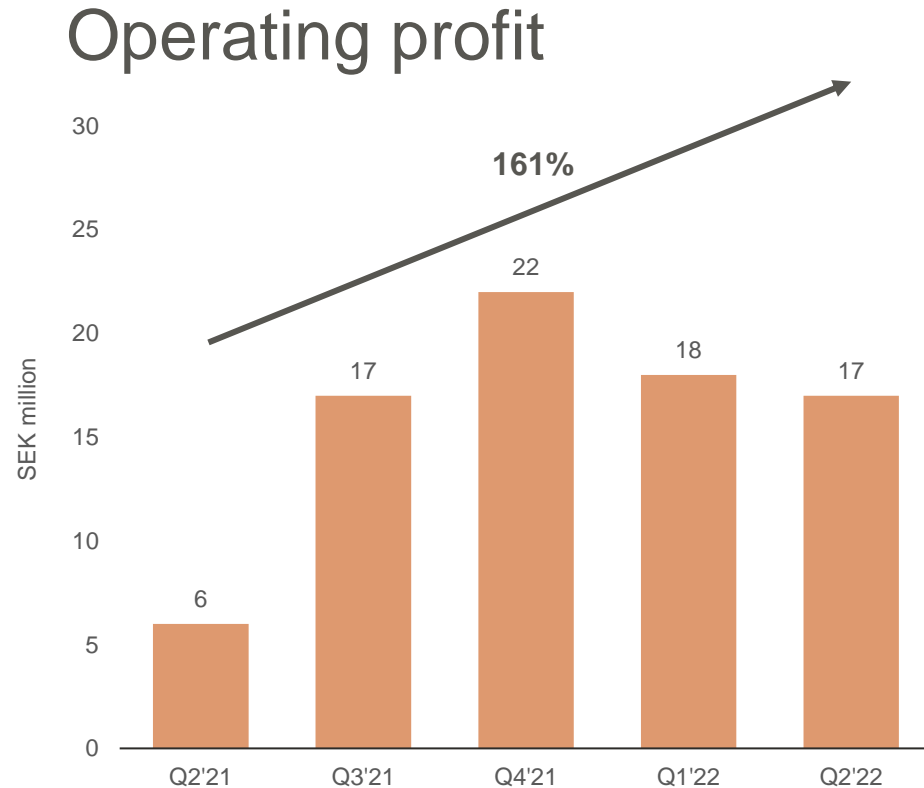


Operating profit



- **Operating profit Q2-22 vs. Q2-21, +6%**
 - Higher risk adjusted income
 - Somewhat elevated costs
 - Return on assets, 3.5%
- **Record low loan loss ratio in Q2-22**
 - Improved credit quality
 - New forward flow contracts
 - Seasonal effects

ECOMMERCE SOLUTIONS: NORDIC EXPANSION

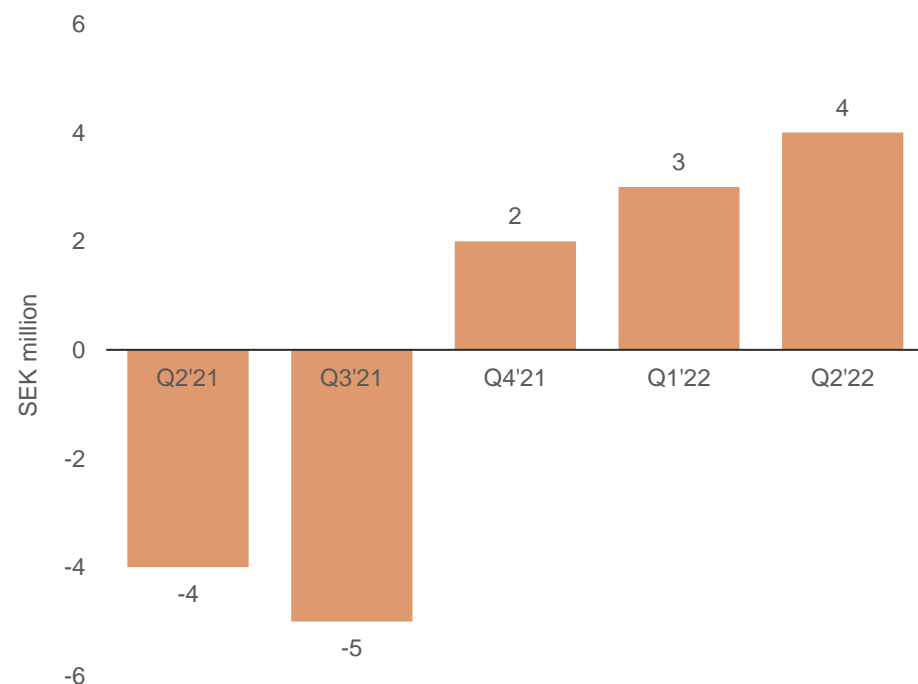


- **Operating profit Q2-22 vs. Q2-21, +161%**
 - Strong development in the Nordics
 - Comparative figures impacted by Boozt
 - Return on assets, 2.4%
- **Higher funding costs in Poland**
 - Partially mitigated by higher income
 - Negative impact for the Segment

CREDIT CARDS: HIGH GROWTH

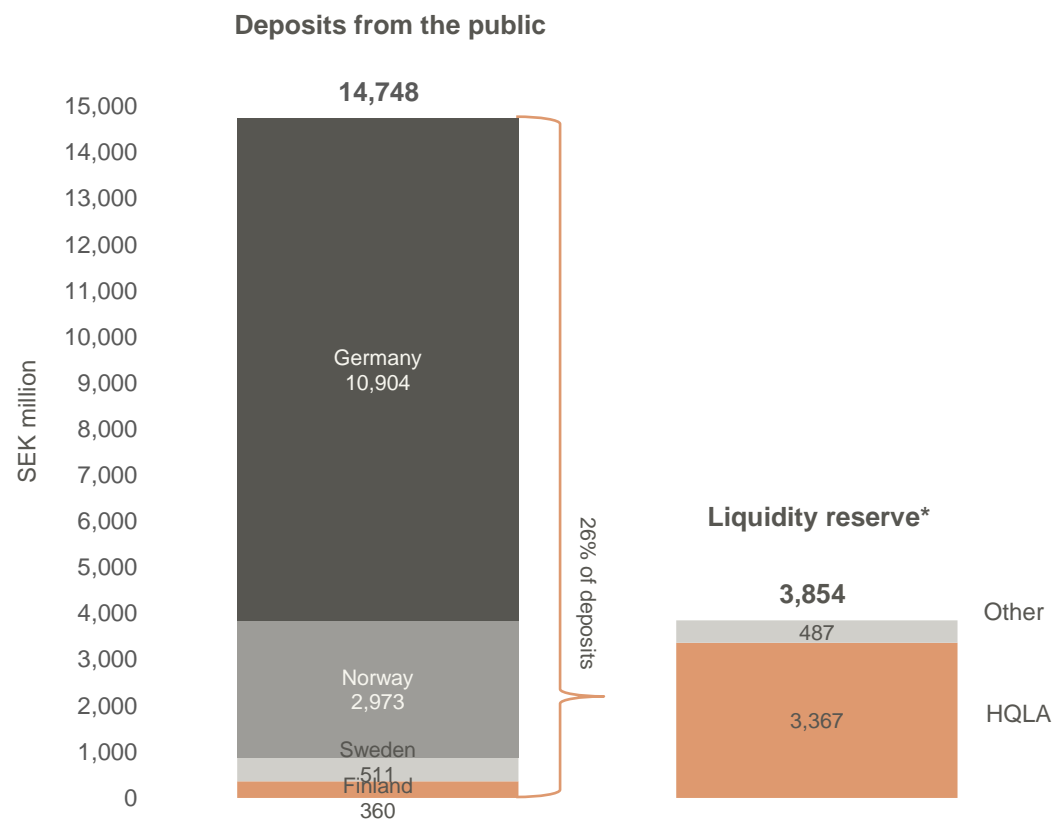


Operating profit



- **Operating profit Q2-22, 4 MSEK**
 - Higher operating income
 - Provisions for expected credit losses (IFRS 9)
 - Return on assets, 0.5%
- **Marketing costs in Q2-2022**
 - Digital channels, impacts OPEX upfront

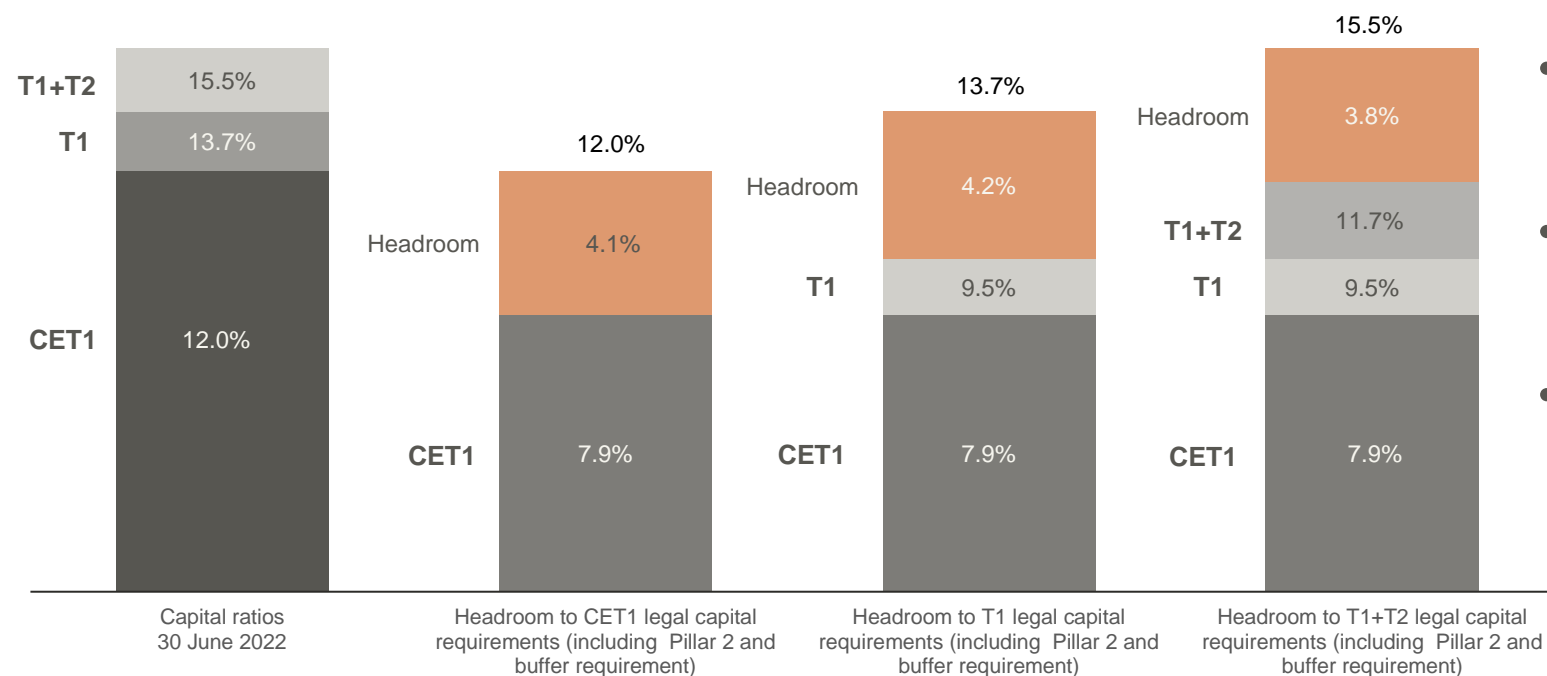
LOW RISK LIQUIDITY RESERVE



- **Retail deposits in 4 markets**
 - Germany (SEK 10.9 billion)
 - Norway (SEK 3.0 billion)
 - Sweden (SEK 0.5 billion)
 - Finland (SEK 0.4 billion)
 - Fixed-term deposits: 28%
- **Liquidity reserve: 26% of deposits**
 - HQLA central banks etc. 3.4 billion
 - Other liquidity 0.5 billion
 - Low risk – stable return
 - Expected outflow in Q3

* Liquidity reserve consists of Cash at central banks (2,690m), Treasury bills and Government bonds (677m) and Loans to credit institutions (487m) available next day

SOLID CAPITAL POSITION



- Capital ratios impacted by loan book growth in Q2
- Significant headroom to legal requirements
- Higher countercyclical buffer requirements ahead

LOOKING AHEAD



- Further growth opportunities during 2H 2022
- Entering new markets, initially small volumes
- Uncertainty due to the macroeconomic environment
- Ecommerce Solutions Nordic: New license from FSA
- Stable asset quality





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

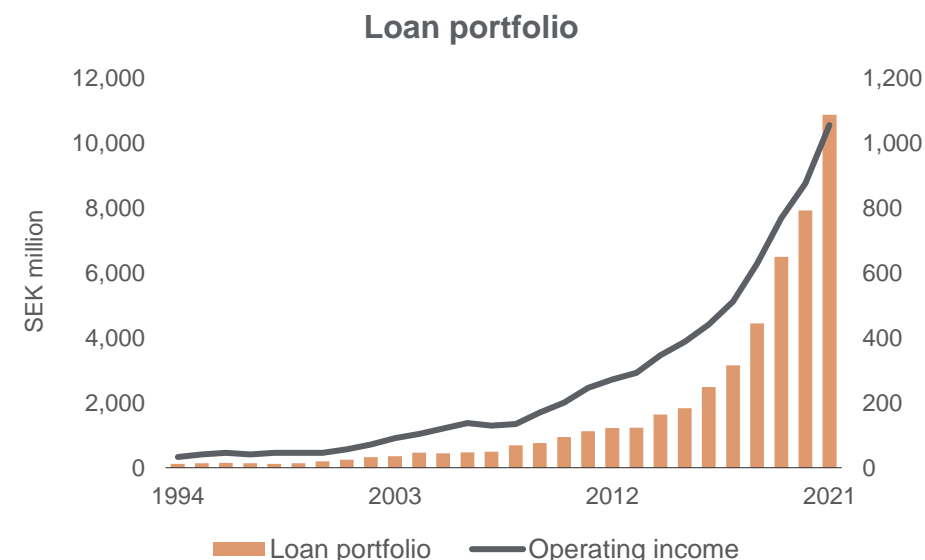
LONG TRACK RECORD OF PROFITABLE GROWTH



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



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 Invest AB, Consortio Business Center AB

Holdings in company: 3 361 852 shares



Mari Thjømøe

Board member since 2017

Current commitments:

Chairman: Seilspport Maritimt Forlag AS, ThjømøeKranen AS

Board member: Tryg A/S, Deezer S.A., Hafslund Eco AS, FCG Fonder AB, Norconsult AS, Sintef Eiendom Holding AS, Ainmt ASA

Holdings in company: 11 850 shares



Sara Mindus

Board member since 2020

Current commitments:

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

Holdings in company: 25 000 shares



Michael Lindengren

Board member since 2021

Current commitments:

Chairman: Acrap AB

Deputy chairman: Tidaholms Sparbank

Board member: Sparbanksstiftelsen Sjuhärad, Sparbanken Sjuhärad (publ) AB, Simplicity AB

Holdings in company: 2 000 shares



Niklas Johansson

Board member since 2022

Current commitments:

Chairman: Apoteket AB:s Pensionsstiftelse, AREIM AB

Board member: Livförsäkringsbolaget Skandia, Euroclear Sweden AB

Holdings in company: 0 shares



Fredrik Oweson

Board member since 2022

Current commitments:

Chairman: Scope Capital SA, Woffel SA

Board member: Swedish Bra Holding AB, Artificial Solutions International AB

Holdings in company: 0 shares

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: Tobisflöte Holding AB (chairman), Tronstad Consulting AB (board member) TFB Service AB (Board member)

Holdings in company: 261 651 shares



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)

Holdings in company: 28 000 shares



Espen Johannesen
COO

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.

Holdings in company: 45 198 shares

Contact

Investor relations

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