



4th Quarter 2021

RESULT PRESENTATION

HIGHLIGHTS OCTOBER – DECEMBER 2021



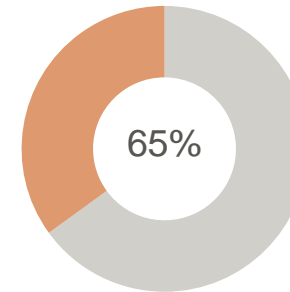
- Loan portfolio in local currencies increased by 8%
- Operating profit, +28% compared to Q4-2020
- Bottom-line profitability for Credit Cards
- Record volumes for Ecommerce Solutions
- Dividend proposal of SEK 1.00 per share

CONSUMER LENDING

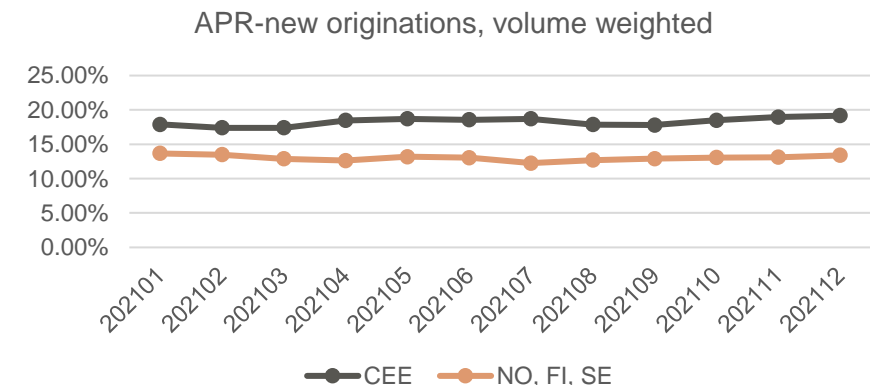
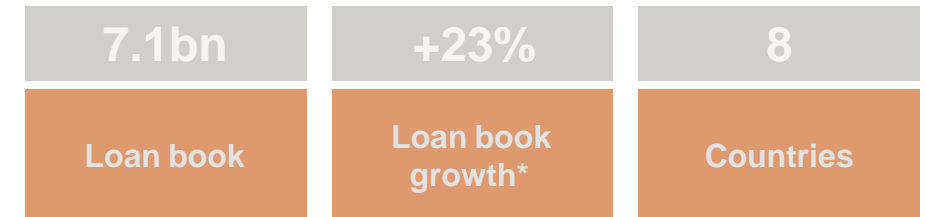
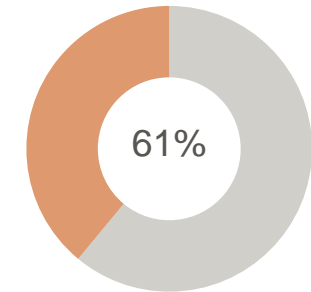


- Diversified portfolio with Nordic base
- Product offering tailored for each market
 - Average loan size on book of SEK – 62,000
 - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners
- Stable APR on new lending in the Nordics and CEE
- Stable to improving credit quality

Share of TF Bank's loan book



Share of TF Bank's operating income



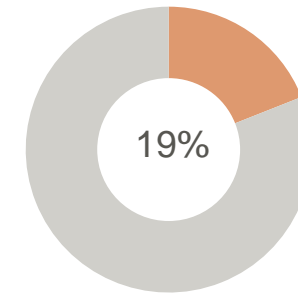
* year-on-year

ECOMMERCE SOLUTIONS

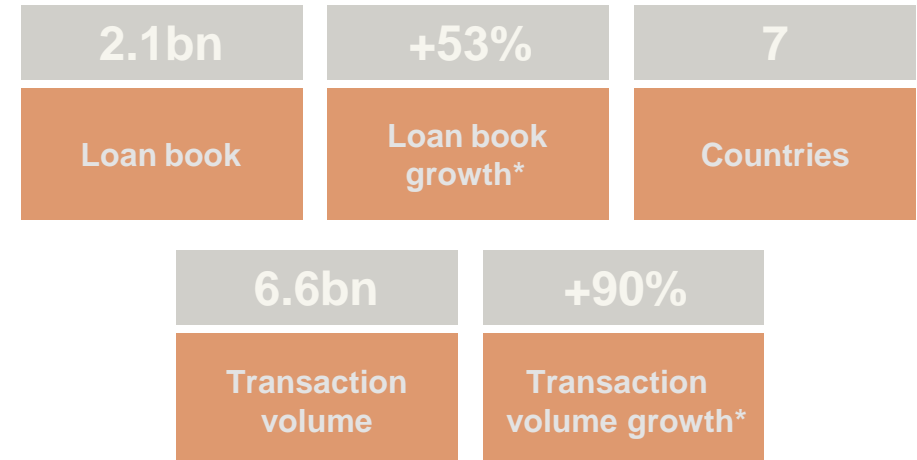
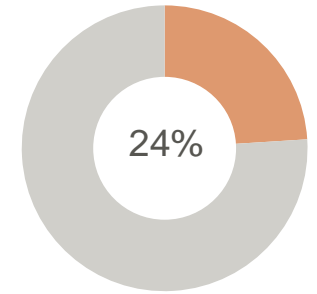


- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ maintain focus on our partners throughout the whole customer journey
- Roll-out of our Baltic BNPL checkout in LV and LT estimated in Q1 2022
- Strengthened position in the market

Share of TF Bank's loan book



Share of TF Bank's operating income



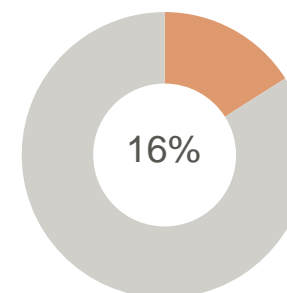
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CREDIT CARDS

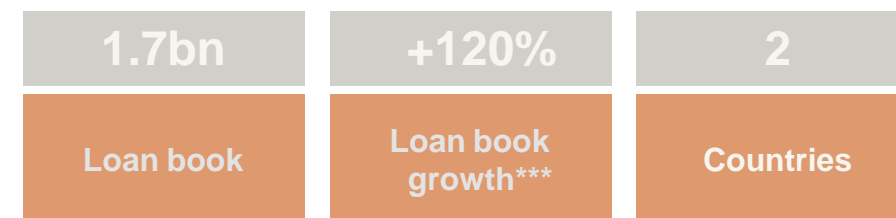
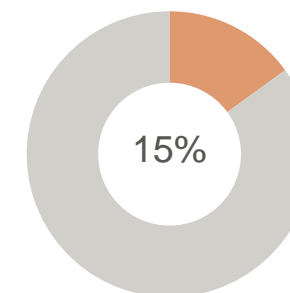


- Target group is German and Norwegian customers
- Simple and transparent offering – gold card with no fees
- Different income profile compared to consumer loans
 - Starts low – gradual build-up of income
- Addressable market in number of consumers
 - Germany 35 M* and Norway 3 M**
- Active customers and net assets grew to 80,000 (71,000) and 1,688 MSEK (1,423) during the quarter
- Risk level as expected
- Card issuing on a high level
- Card spending – Covid-19 restrictions having a negative short term impact

Share of TF Bank's loan book



Share of TF Bank's operating income

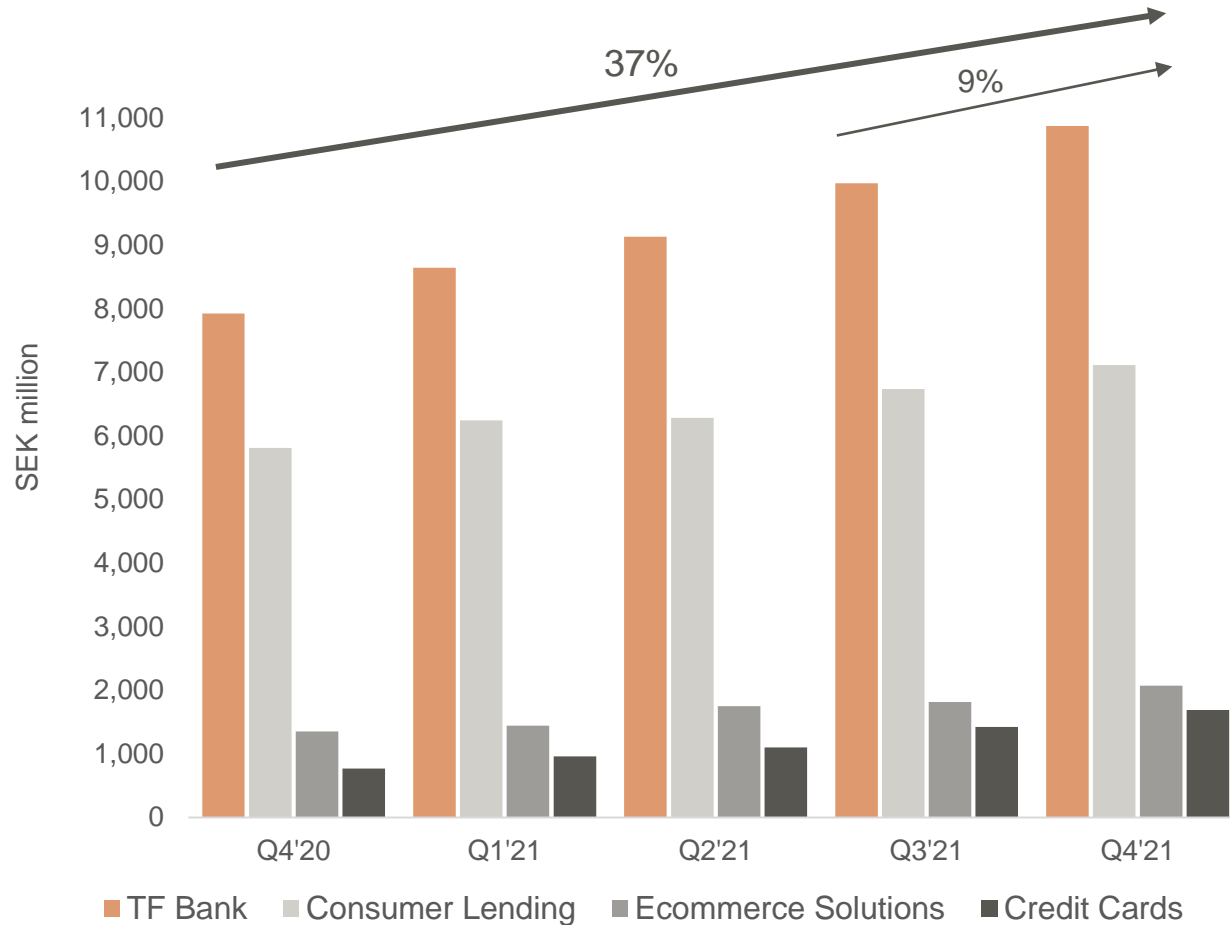


Mid-term unit economics

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 Q4 = 9% (+1%*)
 - Year-on-year 37% (+4%*)
- Consumer Lending: Q4 = 6% (+1%*)
 - Year-on-year 23% (+5%*)
- Ecommerce Solutions: Q4 = 14% (0%*)
 - Year-on-year 53% (+2%*)
- Credit Cards: Q4 = 19% (+1%*)
 - Year-on-year 120%

* whereof currency effects

GROWTH AND DIVERSIFICATION



Sweden

- Focus on profitability and e-commerce. Black week saw exceptional growth in transaction volumes.



Norway

- Continued positive long term outlook on the Norwegian economy. Focus on growth and margins. Important deals signed waiting for implementation.



Finland

- Rate cap removed, expecting higher volumes in consumer lending, ecommerce has great performance.



The Baltic states

- Portfolio management and profitability focus in consumer lending. Lithuania is now a positive net contributor and the main driver for growth in the region.



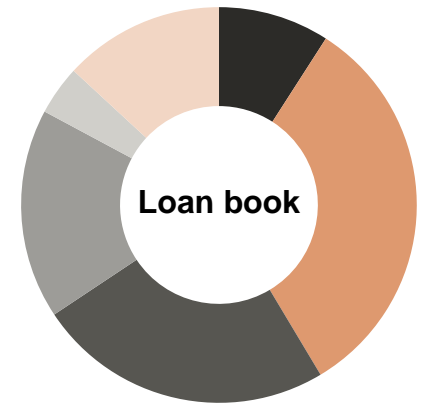
Poland

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



Germany

- Credit card product in high demand. Weak spending towards the end of the quarter.

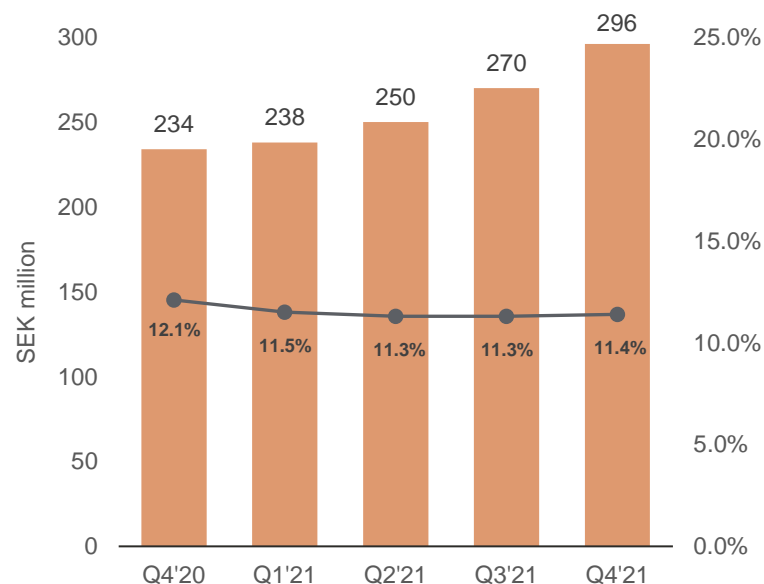


■ Sweden ■ Norway ■ Finland
■ Baltics ■ Poland ■ Germany

KPI – HIGHER OPERATING INCOME

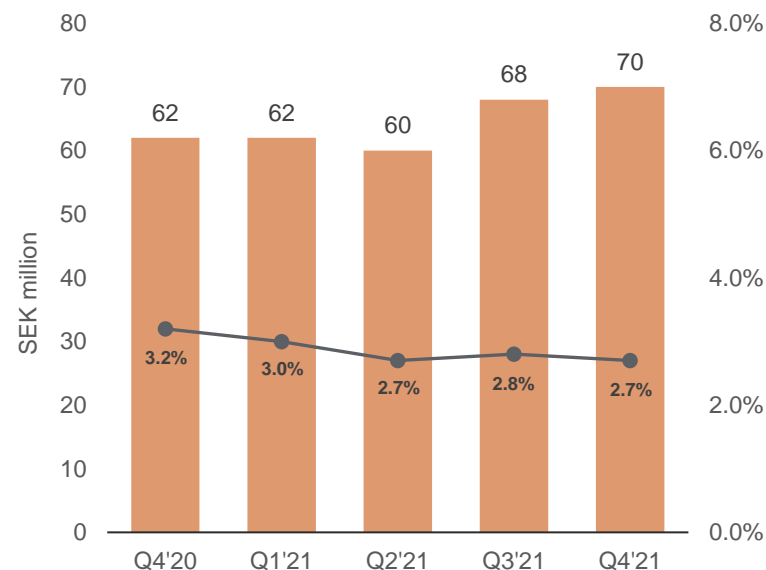


Operating income*



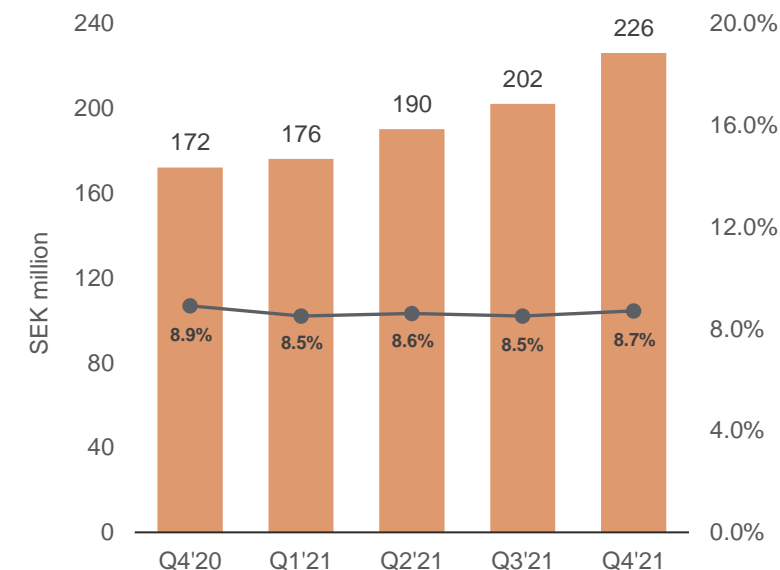
- **Income Q4-21 vs. Q4-20, +27%**
 - Cards in Germany and Nordic ecommerce
 - Positive and negative one-timer in Q4
 - Stabilized operating income margin

Net loan losses*



- **Losses Q4-21 vs. Q4-20, +13%**
 - Growing Credit Cards segment
 - Lower loan loss ratio vs previous year
 - Improved credit quality

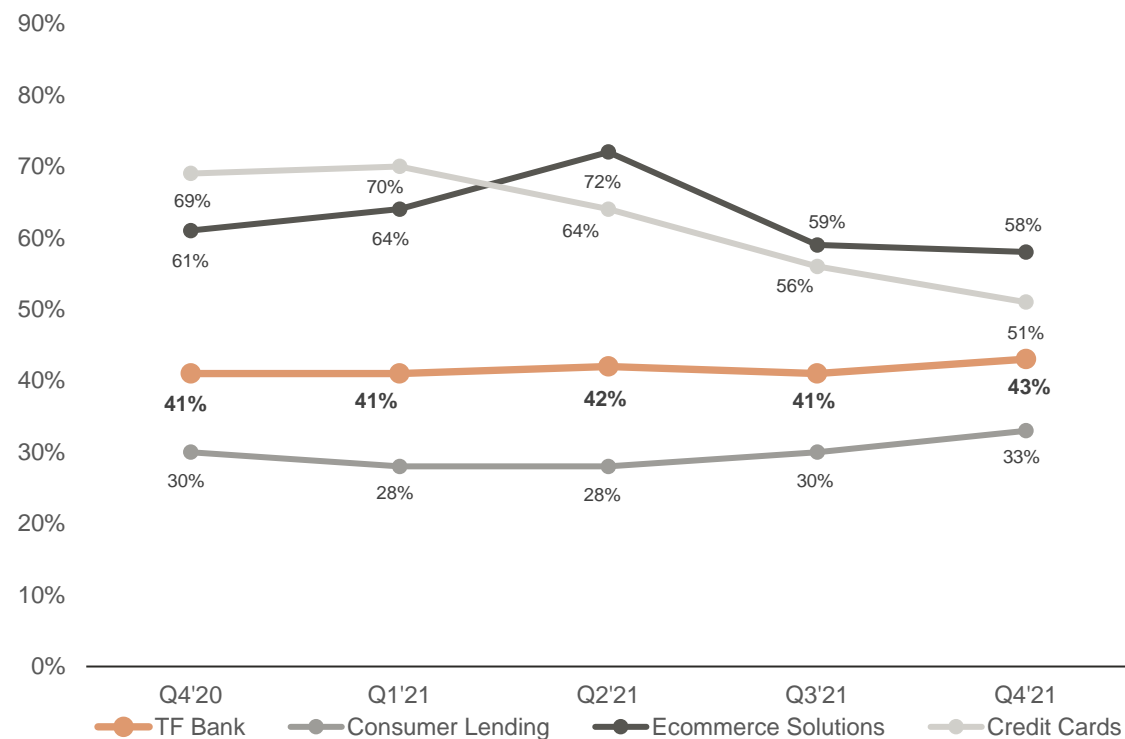
Risk-adjusted income**



- **Risk-adjusted income, +31%**
 - Increased +24 MSEK vs Q3-2021
 - Stable margin last quarters, 8.7%

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

OPEX – INCREASED COST/INCOME RATIO

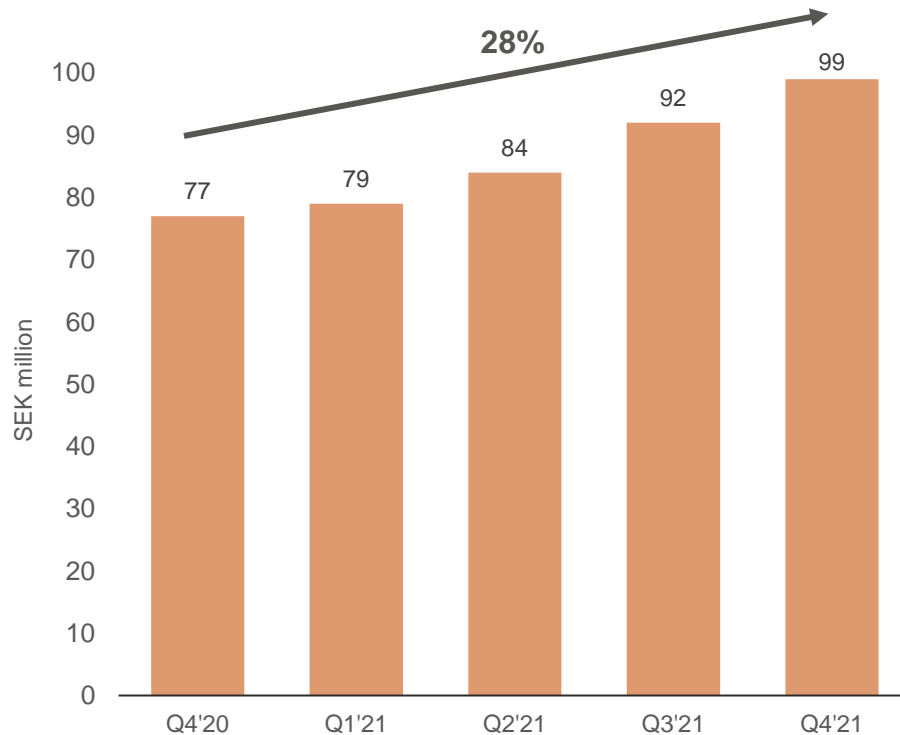


- **Expenses Q4-21 vs. Q4-20, +34%**
 - Ecommerce Solutions and Credit Cards
 - Staff costs and sales related costs
 - Cost/income ratio 43.0% (40,6)
- **Cost/income ratio per segment in Q4-21**
 - Consumer Lending 33%
 - Ecommerce Solutions 58%
 - Credit Cards 51%

POSITIVE TREND FOR OPERATING PROFIT



Operating profit

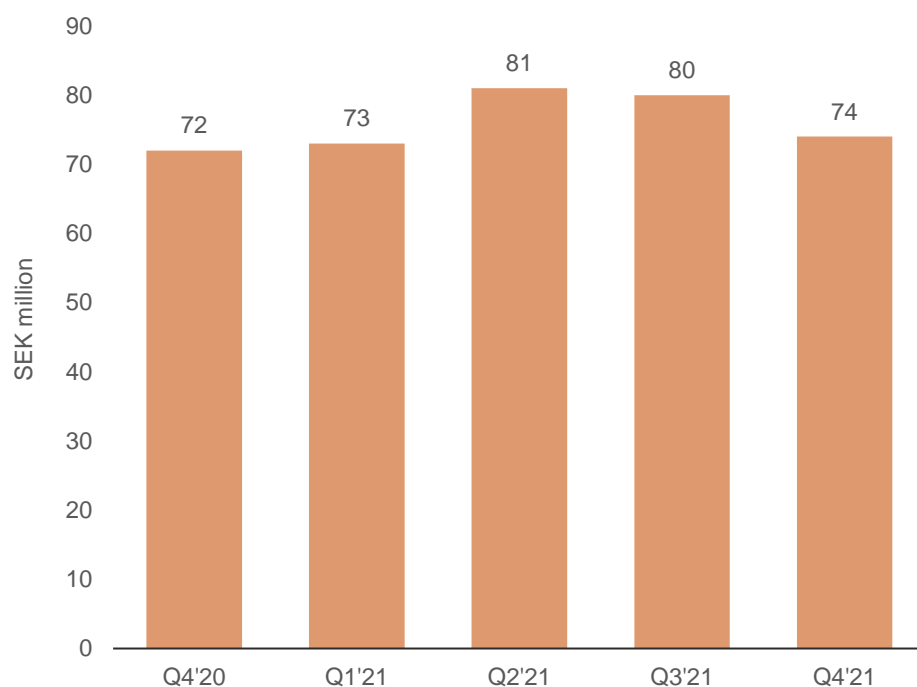


- **Operating profit Q4-21 vs. Q4-20, +28%**
 - Increased profit quarter-to-quarter
 - Higher risk-adjusted income
 - Return on assets, 2.9% (FY 2021)
- **Growth combined with high profitability**
 - Return on equity, 25.4% in Q4-2021
 - Earnings per share, 3.52 SEK
 - FY 2021: 12.55 SEK

CONSUMER LENDING: HIGH PROFITABILITY



Operating profit

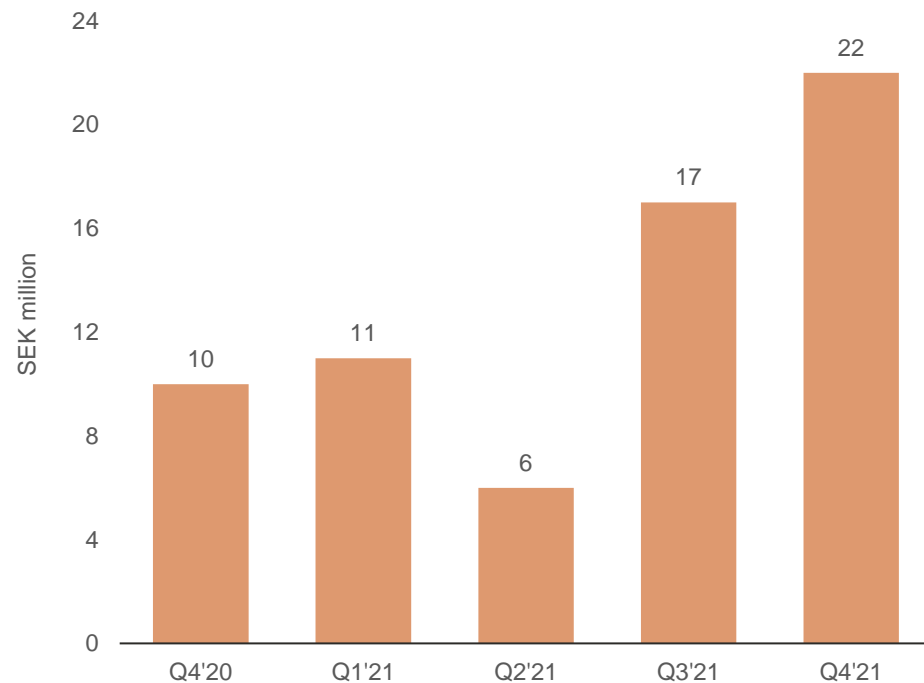


- **Operating profit Q4-21 vs. Q4-20, +3%**
 - Growth in Norway and Finland
 - Higher interest expenses in Q4-21
 - Return on assets, 3.6% (FY 2021)
- **Improved credit quality during 2021**
 - Loan loss ratio decreased to 2.0% in Q4-21
 - Nordic risk prioritized during the pandemic

ECOMMERCE SOLUTIONS: HIGHER INCOME



Operating profit

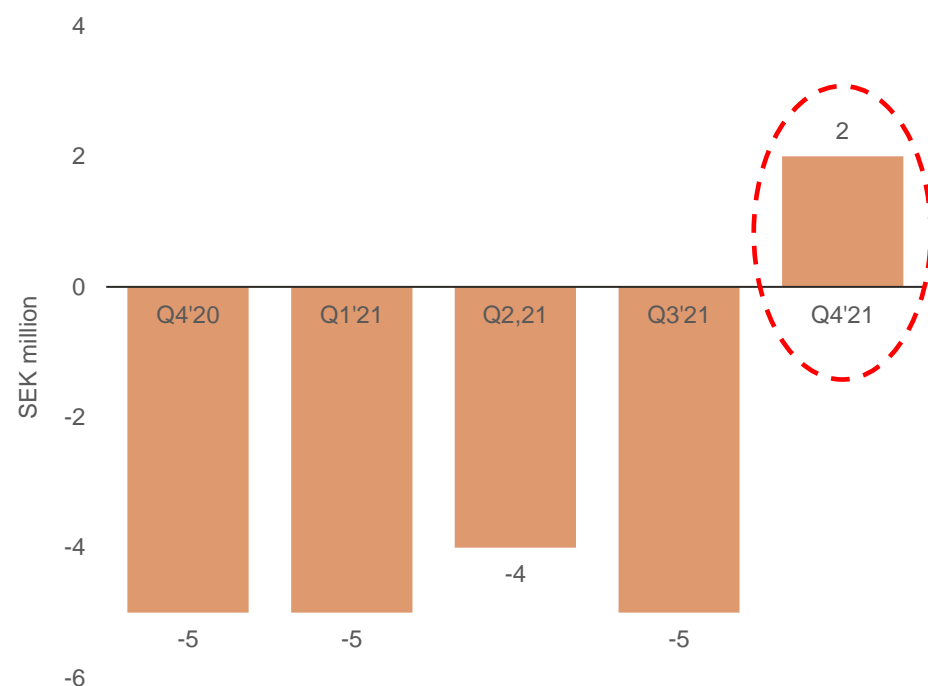


- **Operating profit Q4-21 vs. Q4-20, +116%**
 - Positive one-timer in Q4-21
 - Higher operating expenses
 - Return on assets, 2.5% (FY 2021)
- **Operating income increased by 55%**
 - Higher transaction volumes

CREDIT CARDS: BOTTOM-LINE PROFITABILITY

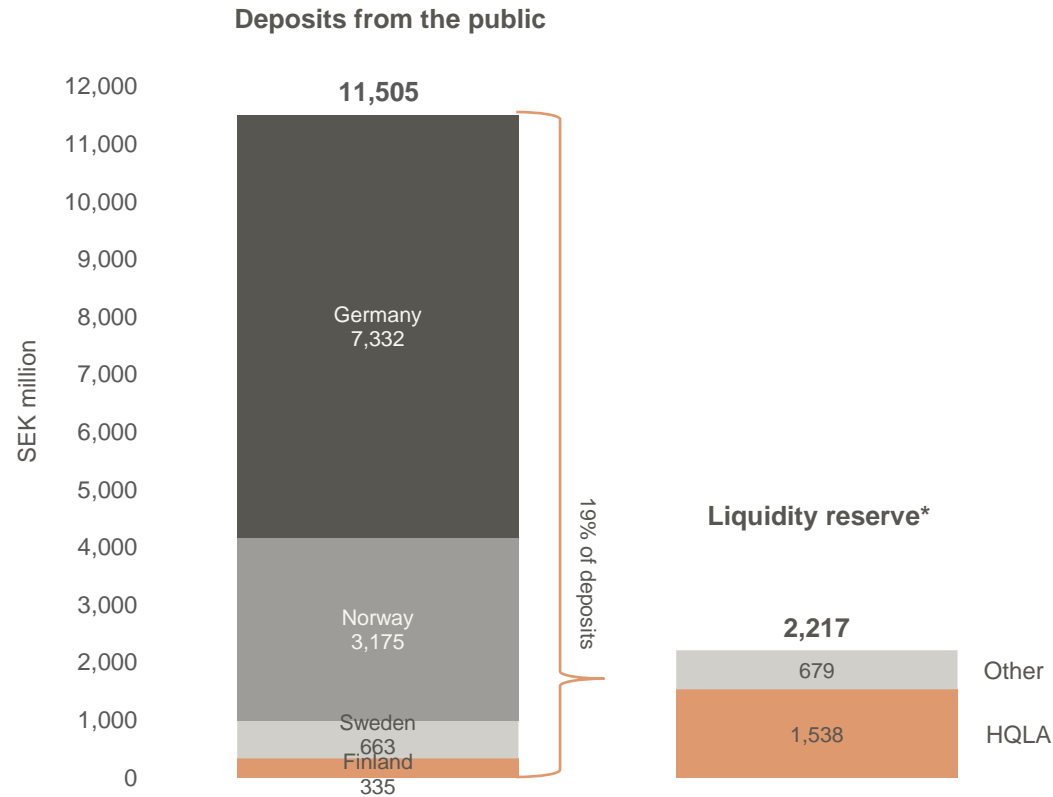


Operating profit



- **Operating profit Q4-21, 2 MSEK**
 - Higher operating income in Q4-21
 - Loan loss ratio decreased to 6.4%
 - Return on assets, 0.5% (Q4-21)
- **Business model with economies of scale**
 - Income grows faster than costs
 - Decreasing cost/income ratio

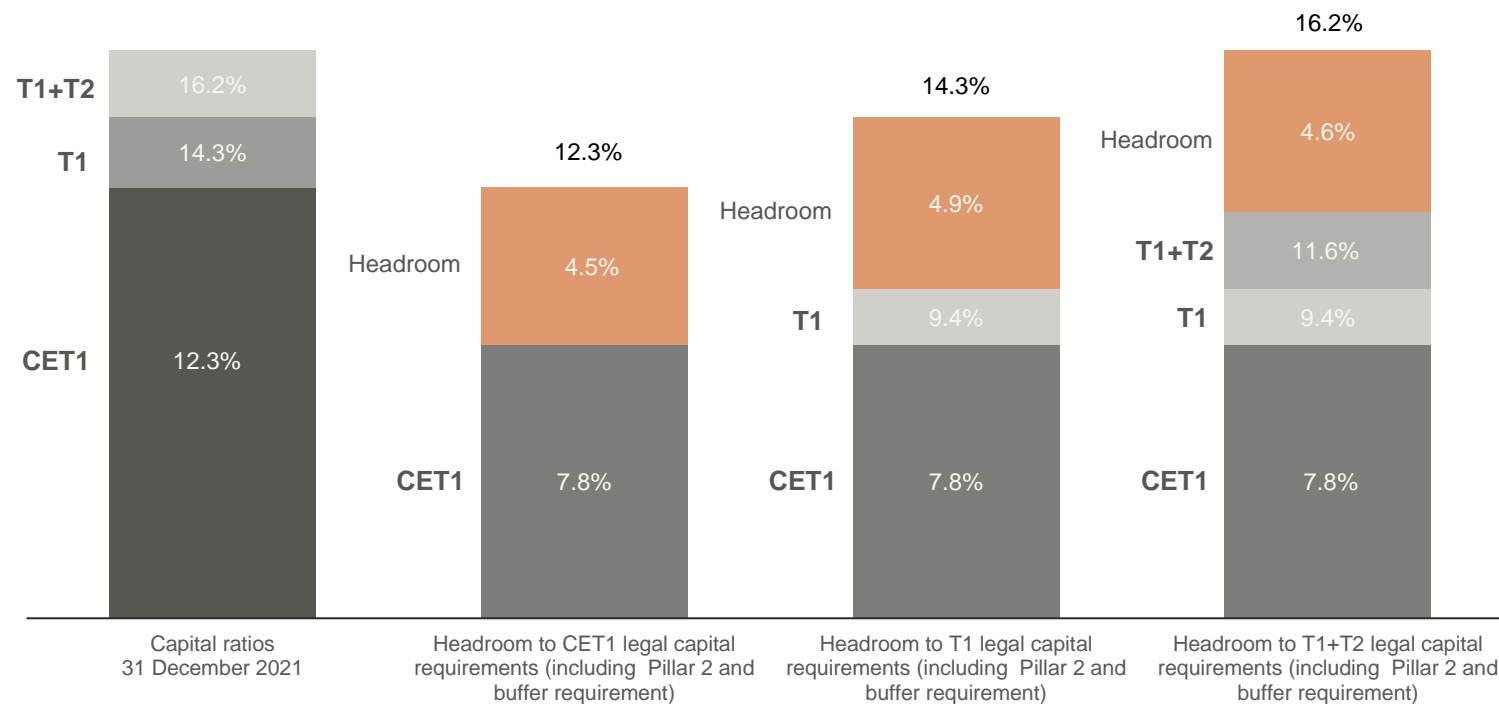
SOLID LIQUIDITY POSITION



- **Retail deposits in 4 markets**
 - Germany (SEK 7.3 billion)
 - Norway (SEK 3.2 billion)
 - Sweden (SEK 0.7 billion)
 - Finland (SEK 0.3 billion)
 - Fixed-term deposits: 36%
- **Liquidity reserve: 19% of deposits**
 - HQLA central banks etc. 1.5 billion
 - Government bonds 250 MNOK
 - Other liquidity 0.7 billion
 - Low risk – stable return

* Liquidity reserve consists of Cash at central banks (1,222m), Treasury bills and Government bonds (316m) and Loans to credit institutions (679m) available next day

SOLID CAPITAL POSITION



- Slightly lower capital ratios during the year
- Tier 1 capital (100 MSEK) issued in Q4-2021
- Capital ratios includes dividend proposal 1,00 SEK per share
- Higher legal capital requirements ahead

LOOKING AHEAD



- Further organic growth – business as usual
- Entering new markets, initially small volumes
 - Card issuing started in Austria
- Covid-19, effects on society and the economy?





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

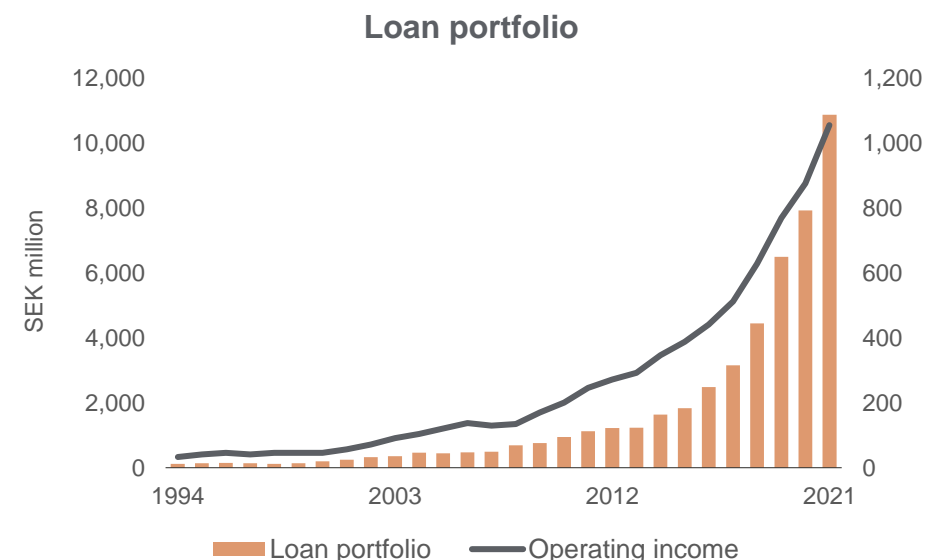
LONG TRACK RECORD OF PROFITABLE GROWTH



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



Charlotta Björnberg-Paul

Board member since 2017

Current commitments:

Chairman: Saxo Oy

Board member: Mekalasi Oy, Plastone Oy

Co-founder: Superskills

Entrepreneur: Anki Rugs

Holdings in company: 0 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



Mari Thjømøe

Board member since 2017

Current commitments:

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

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

Holdings in company: 9 850 shares



Bertil Larsson

Board member since 2007

Current commitments:

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

Board member: ConperaAB, Tore G Wärenstams stiftelse, Gota Media AB, BRF Aspelyckan, Kyrkesunds Båthamnsförening

Holdings in company: 5 000 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: 22 500 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: Hoist Finance AB (chairman), Tobisflöte Holding AB (chairman), Tronstad Consulting AB (board member) RG structure 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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