

PERIOD IN BRIEF

JANUARY - JUNE 2022

COMPARED TO JANUARY - JUNE 2021 (unless otherwise stated)

- Loans to the public amounted to SEK 12,570 million, compared to June 2021 the increase in local currencies was 32 %
- Operating profit increased by 29 % to SEK 209.5 million
- Earnings per share increased by 28 % to SEK 7.36
- Cost/income ratio increased to 43.8 % (41.7)
- Return on equity amounted to 24.4 % (23.9)
- Total capital ratio has decreased to 15.5 % (16.2) since year-end

APRIL - JUNE 2022

COMPARED TO APRIL - JUNE 2021 (unless otherwise stated)

- Loans to the public amounted to SEK 12,570 million, compared to March 2022 the increase in local currencies was 8 %
- Operating profit increased by 28 % to SEK 106.7 million
- Earnings per share increased by 29 % to SEK 3.75
- · Cost/income ratio increased to 44.3 % (42.4)
- Return on equity amounted to 24.1 % (23.5)

SIGNIFICANT EVENTS

JANUARY - JUNE 2022

- In June, TF Bank's brand Avarda began a collaboration with Haypp Group in the Norwegian market, which is expected to generate close to NOK 1 billion in yearly transaction volumes.
- Lending operations in Denmark and Spain have been established in the Consumer Lending segment and in Austria within the Credit Cards segment.
- New agreements for continuing sale of past due receivables have been signed in several markets within all segments.

The loan portfolio increased by more than SEK 1 billion in the second quarter. The credit card business in Germany is experiencing a strong momentum, and the ambition is to maintain high growth.

LOAN PORTFOLIO 1

30 JUNE 2022 COMPARED TO 30 JUNE 2021

SEK **12.6** BILLION **+32** %

TOTAL CAPITAL RATIO

RO JUNE 2022 COMPARED TO 31 DECEMBER 2021

15.5 % **-0.7** PERCENTAGE POINTS

OPERATING PROFIT

IAN-IUN 2022 COMPARED TO IAN-IUN 2021

SEK 209 MILLION +29 %

RETURN ON EQUITY

JAN-JUN 2022 COMPARED TO JAN-JUN 2021

24.4 % **+0.5** PERCENTAGE POINTS

See separate section with definitions and reconciliation tables, page 32-33.

 $^{^{1}\,\,}$ Development of the loan portfolio in local currencies

THIS IS TF BANK

BACKGROUND

TF Bank was founded 1987 and is an internet-based niche bank offering consumer banking services and e-commerce solutions through a proprietary IT platform with a high degree of automation. Deposit and lending activities are conducted in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria and Spain through branch or cross-border banking. The operations are divided into three segments: Consumer Lending, Ecommerce Solutions and Credit Cards. TF Bank is listed at Nasdaq Stockholm.

In the Consumer Lending segment, TF Bank offers unsecured consumer loans to creditworthy individuals. The product offering can differ between the various markets and is adjusted according to the specific conditions in each country. In the Ecommerce Solutions segment, TF Bank offers digital payment solutions primarily within e-commerce to creditworthy individuals. The customers are mainly end-consumers who use the Bank's payment solutions. In the Credit Cards segment TF Bank offers credit cards to creditworthy individuals in Germany, Norway and Austria.

KEY FIGURES

SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Δ	Jan-Jun 2022	Jan-Jun 2021	Δ	Jan-Dec 2021
Income statement							
Operating income	338,095	250,346	35%	656,922	488,770	34%	1,055,287
Operating expenses	-149,919	-106,222	41%	-287,978	-203,831	41%	-442,165
Net loan losses	-81,488	-60,491	35%	-159,445	-122,662	30%	-260,564
Operating profit	106,688	83,633	28%	209,499	162,277	29%	352,558
Profit for the period	83,881	64,220	31%	164,748	127,049	30%	277,206
Earnings per share, SEK	3.75	2.91	29%	7.36	5.75	28%	12.55
Balance sheet							
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Loans to the public	12,570,454	9,130,224	38%	12,570,454	9,130,224	38%	10,872,285
Deposits from the public	14,748,269	10,497,723	40%	14,748,269	10,497,723	40%	11,504,749
New lending	4,018,008	2,651,017	52%	7,192,747	4,748,339	51%	11,186,800
Key figures							
Operating income margin, %	11.2	11.3		11.2	11.5		11.2
Net loan loss ratio, %	2.7	2.7		2.7	2.9		2.8
Cost/Income ratio, %	44.3	42.4		43.8	41.7		41.9
Return on equity, %	24.1	23.5		24.4	23.9		24.4
Return on loans to the public, %	2.7	2.8		2.7	2.9		2.9
CET1 capital ratio, %	12.0	12.6		12.0	12.6		12.3
Tier 1 capital ratio, %	13.7	13.7		13.7	13.7		14.3
Total capital ratio, %	15.5	16.0		15.5	16.0		16.2
Employees (FTE)	281	229	23%	274	224	22%	236

EXCHANGE RATES

SEK	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
EUR Income statement (average)	10.47	10.14	10.48	10.13	10.14
EUR Balance sheet (end of reporting period)	10.68	10.12	10.68	10.12	10.23
NOK Income statement (average)	1.04	1.00	1.05	1.00	1.00
NOK Balance sheet (end of reporting period)	1.03	0.99	1.03	0.99	1.03
PLN Income statement (average)	2.25	2.24	2.26	2.23	2.22
PLN Balance sheet (end of reporting period)	2.29	2.24	2.29	2.24	2.23

See separate section with definitions and reconciliation tables, page 32-33.

CEO'S COMMENTS

All segments exhibited record volumes when TF Bank's new lending increased by 52 % to SEK 4.0 billion during the second quarter. The annual growth rate for the loan portfolio amounted to 32 % in local currencies, of which 8 % in the latest quarter. The operating profit increased by 28 % compared to the second quarter of 2021.

Increased marketing supports growth in Germany

In April, we implemented a modified credit strategy and increased the investment pace in the digital marketing spend of our German credit cards. The outcome of these activities was very positive and resulted in an increase of the German loan portfolio of 20 % during the guarter. The cost of this form of marketing has though a direct impact on operating expenses, which have affected the quarter's C/I ratio negatively. Within the Consumer Lending segment, the second quarter has also been characterised by record volumes for new lending. The Norwegian business has been the main contributor, but we have also seen high volumes for consumer loans in Finland and the Baltics. The record volumes in Norway and Finland have to some extent been generated by an attractive offering to new customers.

Ecommerce Solutions' Nordic operations expand

The Nordic loan portfolio within the Ecommerce Solutions segment has increased by 31 % in local currencies over the past year. In the second quarter, a payment solution was launched for the online retailer Haypp Group in Norway, which is a clear breakthrough for our Avarda brand in the Norwegian market. Haypp Group is expected to deliver close to NOK 1 billion in yearly transaction volumes through our checkout. As we have communicated in June, the intention is to transfer the Nordic operations within Ecommerce Solutions to a separate entity. By transferring the operations to a separate entity with a licence to operate as a deposit taking financial institution, we believe that the conditions for continued growth and value-creation will be further improved.

Savings in a world of negative real interest rates

So far, our operations have not been directly impacted by the war in Ukraine. However, the war has had indirect effects as, among other things, the Baltic annual rate of inflation has been close to 20 % during the second quarter. Several central banks around Europe have initiated a gradual monetary tightening, but the difference between the current inflation rate and the central banks' interest rates remain on historically high levels. TF Bank's primary funding source is deposits from private individuals in Germany, Norway, Sweden and Finland. So far, we have not seen any signs of an increasing pace of money withdrawals due to the negative real interest rates. However, we have noticed a gradually decreasing demand to deposit money in our savings accounts at current interest rate levels. If the inflation does not decrease, the nominal interest rate on savings will likely have to be raised to higher levels. Over time, we however expect we will be able to transfer an increased funding cost to our loan customers.

Continued growth during the second half of the year

The loan portfolio increased by more than SEK 1 billion in the second quarter. The credit card business in Germany is experiencing a strong momentum, and the ambition is to maintain high growth for the rest of the year. I also believe that the Haypp agreement in Norway will contribute to continued volume growth for the Ecommerce Solutions segment. The Nordic operations in Consumer Lending is however expected to expand at a slightly slower pace compared to the second quarter. We will also be a bit more restrictive in the Baltics, even though there is a strong demand for our loan products. We continuously assess how our available capital should be allocated between different geographical markets in order to generate the highest possible risk-adjusted return to our shareholders.

Mattias Carlsson CEO

RESULTS AND FINANCIAL POSITION

JANUARY - JUNE 2022

COMPARED TO JANUARY - JUNE 2021

Operating profit

Operating profit increased by 29 % to SEK 209.5 million (162.3). Higher operating income from the growing loan portfolio contributes to the increasing operating profit. Earnings per share increased by 28 % to SEK 7.36 (5.75). Return on equity amounted to 24.4 % (23.9).

Operating income

TF Bank's operating income has increased by 34 % to SEK 656.9 million (488.8). The period's operating income comprised 89 % net interest income and 11 % net fee and commission income. The operating income margin has decreased slightly compared to the first half of 2021 and amounted to 11.2 % (11.5).

Interest income

Interest income increased by 34 % to SEK 668.5 million (500.0). The increase is attributable to the growing loan portfolio and geographically it is primarily Germany, Norway and Finland that have exhibited higher income. The weakened SEK has also had a positive impact on interest income compared to the first half of 2021.

Interest expense

TF Bank's interest expenses increased by 50 % to SEK 83.2 million (55.6). Increasing deposit balances in Germany, increased expenses for the deposit insurance and higher interest rate levels in Poland are the main drivers for the increase. During the first half of the year, the liquidity reserve has been strengthened which also has contributed to slightly higher interest expense.

Net fee and commission income

Net fee and commission income increased by 55 % to SEK 70.1 million (45.2). The increase is mainly attributable to higher fee and commission income within the Ecommerce Solutions segment and increasing insurance income within the Consumer Lending segment. During the period, 47 % of TF Bank's fee and commission income derives from charges and 53 % from insurance premiums and other income.

Operating expenses

TF Bank's operating expenses have increased by 41 % to SEK 288.0 million (203.8). Most of the increase is related to more employees and higher sales-related costs as a consequence of the increased new lending. The C/I ratio increased to 43.8 % (41.7) and is among other things impacted by increased expenses for marketing within the Credit Cards segment.

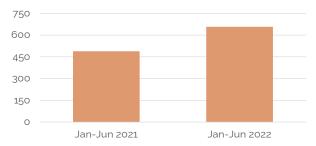
Loan losses

The loan losses increased by 30 % to SEK 159.4 million (122.7). The growing loan portfolios in the Credit Cards and Ecommerce Solutions segments contribute to an increase in loan losses in absolute numbers. However, TF Bank's loan loss ratio has decreased to 2.7 % (2.9) compared to the first half of 2021, mainly related to an improved credit quality within the Consumer Lending segment.

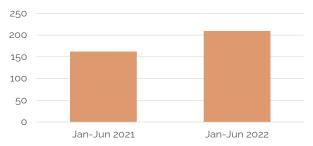
Tax expense

TF Bank's tax expense increased to SEK 44.8 million (35.2). The increased tax expense is primarily attributable to a higher operating profit.

OPERATING INCOME (SEK million)



OPERATING PROFIT (SEK million)



RESULTS AND FINANCIAL POSITION

JANUARY - JUNE 2022

COMPARED TO 31 DECEMBER 2021 (unless otherwise stated)

Loans to the public

The loan portfolio amounted to SEK 12,570 million (9,130), an increase in local currencies of 32 % compared to June 2021. Positive currency effects have affected the loan portfolio by another 6 %. New lending increased by 51 % to SEK 7,193 million (4,748) compared to the first half of 2021. The increase is affected by record volumes in all segments during the second quarter of the year.

TF Bank's loan portfolio is well-diversified with relatively small exposures in many different geographic markets. At the end of the second quarter, the exposure towards the three largest countries were Norway at 31 %, Finland at 23 % and Germany at 16 %. The growth of the loan portfolio in local currencies during the past year has primarily been generated by German credit cards, consumer loans in Norway and Finland as well as Nordic Ecommerce Solutions.

Deposits from the public

Deposits from the public amounted to SEK 14,748 million (10,498), an increase in local currencies of 34 % compared to June 2021. Positive currency effects have affected the deposit balance by another 6 %. At the end of the second quarter, deposits were geographically distributed over Germany at 74 %, Norway at 20 %, Sweden at 4 % and Finland at 2 %.

Over the past year, the increased deposit balance is attributable to Germany and mainly relates to the savings account with variable interest rate. Towards the end of the interim period, the interest rate on TF Bank's fixed term accounts in Norway and Germany has been increased. At the end of the second quarter, accounts with a fixed term comprise 28 % of TF Bank's total deposits.

Cash and cash equivalents

Cash and cash equivalents has increased to SEK 4,096 million (2,366) since year-end. Compared to the first half of 2021, cash flow from operating activities increased to SEK 1,678 million (774). TF Bank's investments amounted to SEK 25 million compared to SEK 18 million in the first half of 2021. The investments are mainly related to IT development within the Ecommerce Solutions and Credit Cards segments. Cash flow from financing activities amounted to SEK -29 million (-72). Positive currency effects have had an impact on cash and cash equivalents by SEK 104 million (17).

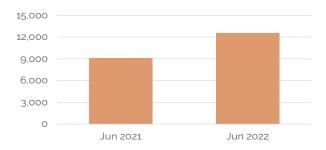
At the end of the second quarter, the available liquidity reserve amounted to 26 % $^1(19)$ of deposits from the public. 87 % (69) of the available liquidity reserve was placed at central banks and in treasury bills eligible for refinancing, while the remaining part was primarily placed on overnight accounts in various Nordic banks.

Capital adequacy

At the end of the second quarter, the CET1 capital ratio was 12.0 % (12.3), the tier 1 capital ratio was 13.7 % (14.3), and the total capital ratio was 15.5 % (16.2). All capital ratios have been negatively affected by an increased phase-in of loan loss provisions according to the transitional rules for IFRS 9.

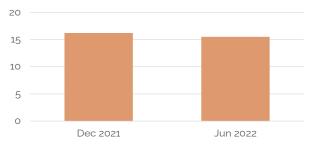
At the end of the second quarter, TF Bank's regulatory CET 1 capital requirement amounts to 7.9 %, the tier 1 capital requirement to 9.5 % and the total capital requirement to 11.7 %. Announced increases of countercyclical buffer requirements in several countries are expected to increase the regulatory capital requirement with approximately 0.8 percentage points over the coming 12 months.

LOANS TO THE PUBLIC (SEK million)



Excluding restricted cash and cash equivalents that are not available the next day

TOTAL CAPITAL RATIO (%)



RESULTS AND FINANCIAL POSITION

APRIL - JUNE 2022

COMPARED TO APRIL - JUNE 2021 (unless otherwise stated)

Operating profit

Operating profit increased by 28 % to SEK 106.7 million (83.6). Higher operating income from the growing loan portfolio has had a positive effect on the operating profit. Earnings per share increased by 29 % to SEK 3.75 (2.91). Return on equity amounted to 24.1 % (23.5).

Operating income

TF Bank's operating income has increased by 35 % to SEK 338.1 million (250.3). The increase is explained by a growing loan portfolio that generates higher income in all segments. The operating income margin has been stable compared to the second quarter of 2021 and amounted to 11.2 % (11.3).

Operating expenses

TF Bank's operating expenses have increased by 41 % to SEK 149.9 million (106.2). The expenses in the quarter are among other things affected by higher marketing costs in the Credit Cards segment. The record volumes in new lending during the quarter have also resulted in higher sales-related costs. The C/I ratio amounted to 44.3 % (42.4).

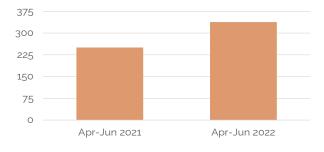
Loan losses

The loan losses increased by 35 % to SEK 81.5 million (60.5). The outcome in the quarter is among other things impacted by provisions for expected credit losses related to the record-high new lending. The loan loss ratio amounted to 2.7 % (2.7) in the second quarter, positively affected by lower loan losses in the Consumer Lending segment.

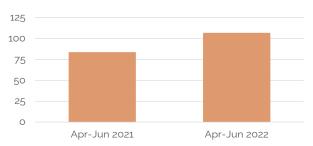
Loans to the public

The loan portfolio amounted to SEK 12,570 million (11,518), an increase in local currencies of 8 % compared to March 2022. Positive currency effects have affected the loan portfolio's growth by another 1 %. The main driver in the quarter has been the growth for the German credit card portfolio, but consumer loans in Norway and Nordic Ecommerce Solutions have also contributed with significant growth. New lending increased by 52 % to SEK 4,018 million (2,651). The increase is attributable to record volumes for all segments during the second quarter of the year.

OPERATING INCOME (SEK million)



OPERATING PROFIT (SEK million)



CONSUMER LENDING

JANUARY - JUNE 2022

COMPARED TO JANUARY - JUNE 2021 (unless otherwise stated)

In the Consumer Lending segment, TF Bank offers unsecured consumer loans to creditworthy individuals. The product offering may differ between the various markets and is adjusted according to the specific conditions in each country. As of 30 June 2022, the average loan amount per customer was approximately SEK 67 thousand.

The Nordic loan portfolio comprises 75 % of the segment. The Nordic markets for consumer loans are characterised by credit information that is easy to access, a high share of credit intermediaries, and a well-functioning system for collection of unpaid debts. The average loan amount for the segment is slightly higher in Norway and Finland.

The Baltic and Polish loan portfolio comprises 25 % of the segment. The Baltic countries have fast-growing credit markets with several established Nordic companies operating locally. In Poland, new lending has been discontinued. During the second quarter of the year, operations have been established in Denmark and Spain.

The loan portfolio

The loan portfolio amounted to SEK 7,957 million (6,282), an increase in local currencies of 21 % compared to June 2021. Positive currency effects have had an impact on the loan portfolio's growth of another 6 %. New lending has increased by 38 % to SEK 2,860 million (2,069) compared to the first half of 2021. The increase is mainly attributable to the Norwegian and Finnish markets.

The loan portfolio in Norway has increased by 25 % to NOK 3,269 million (2,617) over the past year. The growth in Norway is characterised by stable margins and favourable credit quality. The loan portfolio in Finland has increased by 22 % to EUR 194 million (159). The Finnish new lending has increased following the

withdrawal of the regulatory rate cap of 10 % on 1 October 2021. The Swedish loan portfolio amounted to SEK 515 million (478) at the end of the second quarter, while the portfolio in Denmark amounted to DKK 2 million (-).

The loan portfolio in the Baltics has increased by 25 % to EUR 177 million (142) over the past year. The growth has mainly been generated in Lithuania and Latvia. The Polish loan portfolio decreased to PLN 42.6 million (66.4).

Results

The operating profit for the segment increased by 9 % to SEK 168.5 million (153.9) during the first half of the year. The growing loan portfolio and improved credit quality have had a positive effect on the operating profit.

The operating income increased by 11 % to SEK 356.2 million (320.5). The operating income margin has however decreased to 9.5 % (10.6), which is due to the growing loan portfolios in Norway and Finland having slightly lower interest rate levels than the segment's average.

The operating expenses for the segment have increased by 31 % to SEK 118.5 million (90.3). The increase is among other things attributable to volume-related costs and expenses that have been allocated for the bank's central functions. The segment's C/I ratio increased to 33.3 % (28.2) during the first half of the year.

The loan losses decreased by 9 % to SEK 69.2 million (76.3) and the loan loss ratio decreased to 1.8 % (2.5). Improved credit quality in several markets has had a positive effect on the loan losses in the interim period. The loan losses in the second quarter have also had a marginal positive impact from new agreements for continuing sales of past due receivables as well as seasonal effects.

For further information about the loan portfolio and results of this segment, see Note 3 Operating segments.

SHARE OF THE BANK'S LOANS TO THE PUBLIC



SHARE OF THE BANK'S OPERATING INCOME



ECOMMERCE SOLUTIONS

JANUARY - JUNE 2022

COMPARED TO JANUARY - JUNE 2021 (unless otherwise stated)

In the Ecommerce Solutions segment, TF Bank offers digital payment solutions primarily within e-commerce to creditworthy individuals. The customers are mainly end-consumers who use the Bank's payment solutions when they make online purchases. The digital payment solutions are available in the Nordic region under the Avarda brand and in the Baltics as well as Poland under the TF Bank brand. The Nordic loan portfolio comprises 72 % of the segment. The Bank has had 307 active commercial partners during the second quarter 2022.

The Avarda brand continues to grow strongly in the Nordic markets. In 2022, the position has been strengthened considerably, primarily in the Norwegian market through the cooperation with Haypp Group with close to NOK 1 billion in expected yearly transaction volumes. Through an attractive white label solution, the customer offer has a focus on supporting the retailers in their growth and ambition to build their own brands.

The loan portfolio

The loan portfolio amounted to SEK 2,277 million (1,749) an increase in local currencies of 26 % compared to June 2021. Positive currency effects affected the loan portfolio growth by another 4 %. New lending has increased by 28 % to SEK 2,268 million (1,778). The increase is mainly related to an increased number of partners and expanded cooperation with existing retailers.

The loan portfolio in the Nordics has increased by 31 % in local currencies compared to June 2021 and amounts to SEK 1,631 million (1,203). In Finland, the portfolio has increased by 22 % to EUR 80.4 million (65.8) over the past year. The increase is explained by a continued growth for e-commerce and by implementing several new partners. The Swedish loan

portfolio has increased by 46 % to SEK 577 million (395) following strong sales development during the past year. In Norway the loan portfolio has increased by 60 % to NOK 170 million (106). In Denmark, the loan portfolio amounted to DKK 14.0 million (26.4).

The loan portfolio in the Baltics has increased by 11 % to EUR 26.3 million (23.8) over the past year. The increase is mainly explained by a continued strong inflow of new partners. In Poland, the loan portfolio has increased by 18 % to PLN 159 million (135).

Results

The operating profit for the segment has increased by 98 % to SEK 34.2 million (17.3). The increase is mostly related to increasing operating income and an improved C/I ratio compared to the corresponding period last year.

The operating income increased by 43 % to SEK 155.5 million (108.6). High growth for the loan portfolio and a significant increase in transaction volumes in several geographic markets have resulted in both higher interest income and increasing fee and commission income. The operating income margin amounted to 14.3 % (14.0).

The operating expenses for the segment have increased by 26 % to SEK 92.6 million (73.6). This is explained by increased sales-related costs, more employees and an increased investment pace in product development. The segment's C/I ratio decreased to 59.5 % (67.8) during the first half of the year.

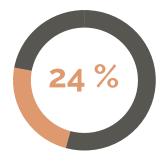
The loan losses have increased to SEK 28.7 million (17.7), mostly explained by the growth for the segment over the past year. The loan loss ratio increased to 2.6 % (2.3) among other things due to slightly higher loan loss provisions for expected credit losses.

For further information about the loan portfolio and results of this segment, see Note 3 Operating segments.

SHARE OF THE BANK'S LOANS TO THE PUBLIC



SHARE OF THE BANK'S OPERATING INCOME



CREDIT CARDS

JANUARY - JUNE 2022

COMPARED TO JANUARY - JUNE 2021 (unless otherwise stated)

In the Credit Cards segment, TF Bank offers credit cards to creditworthy individuals in Germany, Norway and Austria. The business in Germany started in the end of 2018. At the offices in Berlin and Szczecin, employees are working with marketing and customer service. Services like risk analysis, finance and IT are provided by central functions within the bank. In September 2020, a proprietary smartphone app was launched for German credit card customers and since the first quarter of 2022, the credit card is compatible with both Google and Apple Pay. At the end of the quarter, the number of active German credit cards amounted to approximately 86,000.

The offering in Norway has been part of the bank since 2015. At the end of the quarter, the number of active Norwegian credit cards amounted to approximately 16,000. During the first half of 2022, the Norwegian credit cards have been transferred from VISA to Mastercard, which have contributed to a streamlining of TF Bank's credit card business. During the first quarter of 2022 credit cards in Austria was launched with a similar offer as in Germany. At the end of the quarter, the number of active credit cards in Austria amounted to approximately 2,000.

The loan portfolio

The loan portfolio amounted to SEK 2,336 million (1,099), an increase in local currencies of 102 % compared to June 2021. Positive currency effects affected the loan portfolio growth by another 11 %. The new lending has increased by 129 % to SEK 2,065 million (901). The increase is mainly related to the operations in Germany.

The loan portfolio in Germany has increased by 108 % to EUR 184 million (88.6) over the past year. The growth is primarily attributable to an increased number of newly issued credit cards. Increased marketing in digital channels and a modified credit strategy have had a positive effect on growth during the last months.

The loan portfolio in Norway has increased by 67 % to NOK 340 million (204) over the past year. The volumes have increased significantly since the second half of 2021. The loan portfolio in Austria amounted to EUR 1.6 million (-) at the end of the second quarter.

Results

The operating profit for the segment amounted to SEK 6.8 million (-8.9). Higher income from the growing loan portfolio in Germany and a lower C/I ratio contributed to the improvement.

The operating income increased by 143 % to SEK 145.2 million (59.7). The increase is mostly related to the high growth in Germany. The operating income margin amounted to 14.4 % (12.8) and is affected by the fact that new credit card customers are mainly generated through loan intermediaries.

The operating expenses for the segment increased by 93 % to SEK 76.9 million (39.9). During the first half of the year, the expenses was affected by an increased marketing effort in digital channels. However, the C/I ratio has still decreased to 53.0 % (67.0) due to economies of scale in the business model.

The loan losses increased by 115 % to SEK 61.5 million (28.7). The increase is affected by the growing loan portfolio in Germany. The segment's loan loss ratio was unchanged at 6.1 % (6.1).

For further information about the loan portfolio and results of this segment, see Note 3 Operating segments.

SHARE OF THE BANK'S LOANS TO THE PUBLIC



SHARE OF THE BANK'S OPERATING INCOME



OTHER INFORMATION

The share

TF Bank was listed at Nasdaq Stockholm in the Mid Cap segment on 14 June 2016. The share trades under the ticker name TFBANK and the ISIN code is SE0007331608. At the end of June 2022, the share price closed at SEK 138.00, a decrease of 40 % since year-end. In total, 2.5 million TF Bank shares worth approximately SEK 459 million were traded on Nasdaq Stockholm during the first half of 2022.

Institutions following TF Bank

ABG Sundal Collier, Carnegie, Pareto Securities and Nordea are following the company. At the end of the second quarter 2022, all four institutions had issued a buy recommendation for the TF Bank share.

Financial targets

The 17 October 2021 the Board of TF Bank has adopted the following financial targets:

Growth

TF Bank's aim is to achieve a loan portfolio of SEK 20 billion by first half of 2025.

Profitability

TF Bank's aim is to achieve a return on equity well above 20 %.

Capital structure

TF Bank's aim is that all capital ratios should exceed the regulatory requirement (including pillar 2 and buffer requirements) by at least 2.5 percentage points.

Dividend policy

TF Bank's dividend policy is to distribute surplus capital in relation to capital targets and the bank's capital planning.

Significant events, January - June 2022

New agreements for continuing sale of past due receivables have been signed in several markets within all segments.

Lending operations in Austria have been established in the Credit Cards segment with a similar offer as the German market.

At the Annual General Meeting 3 May, it was resolved to pay a dividend of SEK 1.00 per share. John Brehmer was re-elected as Chairman of the Board while Fredrik Oweson and Niklas Johansson was new elected as members of the Board. Bertil Larsson and Charlotta Björnberg-Paul had declined re-election. The other members of the Board were re-elected at the Meeting.

In June, TF Bank's brand Avarda began a collaboration with Haypp Group in the Norwegian market, which is expected to generate close to NOK 1 billion in yearly transaction volumes.

Lending operations in Lithuania have been established in the Ecommerce Solutions segment, this after an agreement was reached with the country's largest e-retailer Pigu Group.

Lending operations in Denmark and Spain have been established in the Consumer Lending segment and a service subsidiary has been formed in Spain.

TF Bank's Swedish subsidiary TFB Service AB has been granted a licence to operate as a deposit taking financial institution by the Swedish Financial Supervisory Authority (FI). The intention of the licence is to transfer the Nordic operations of Ecommerce Solutions to a separate entity.

Events after the end of the reporting period

No significant events have occurred after the end of the reporting period.

The war in Ukraine

The Russian invasion of Ukraine has led to a sharp increase in geopolitical unrest and uncertainty in both the European and the global economy. The financial market has shown great volatility with higher interest rates, a weakened Swedish krona and increased inflation during the first half of 2022. TF Bank has no exposures to neither Ukraine, Russia nor Belarus. It can not be ruled out that TF Bank's operations, new lending or credit losses may be negatively affected by the consequences of the war in the future.

Presentation for investors, analysts and media

A live conference call will be held on Tuesday 12 July 2022 at 08.15 CET, where CEO Mattias Carlsson and CFO Mikael Meomuttel will present the report. It will be possible to ask questions after the presentation. The presentation material is written in English while the conference call will be held in Swedish.

To participate call +46 (0)8 5055 8366 or +44 (0)33 3300 9262. For international investors, there is a possibility to ask questions in English during the Q&A session. A recording of the conference call and the presentation material will be available on the Bank's website.

www.tfbankgroup.com/en/section/investor-relations.

OTHER INFORMATION

Risks and uncertainties

Different types of risks arise within the Bank's business operations. The risks can be materialised in different ways within the business. The following main risk categories have been identified:

- Credit risks (including those attributable to the credit portfolio, credit-related concentration risks and counterparty risks)
- Market risks (including interest rate, currency and other exchange risks)
- · Liquidity risks
- Operational risks (including process risks, personnel risks, IT and systemic risks and external risks)
- Other business risks (including business risks, cyclical risks and reputational risks)

The Bank assesses credit risks, liquidity risks and operational risks as the most significant risks. In order to limit and control risk-taking in the business, the Board, which is ultimately responsible for internal controls, has established policies and instructions for lending and other activities.

More information regarding the Bank's credit risks and capital adequacy can be found in Notes 2 and 9 and on page 34 in the interim report. For a more detailed description of financial risks and the use of financial instruments, as well as capital adequacy, see Notes 3 and 33 of the Annual report 2021.

Environment

Environmental resources are used responsibly and conservatively throughout the Bank's entire operations. The Bank strives to conduct its operations in an environmentally sustainable way by, for example, enhancing efficiency and investing in sustainable products and services.

Accounting policies

The interim report has been prepared in accordance with International Accounting Standards (IAS) 34 Interim Financial Reporting. The Bank's financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), RFR 2 Accounting for Legal Entities issued by the Swedish Financial Reporting Board, and the Swedish Financial Supervisory Authority's regulations (FFFS 2008:25).

During the second quarter of 2022, the Bank has implemented hedge accounting of net investments in foreign operations in accordance with IFRS 9, and therefore the following additions have been made to the Bank's accounting principles since the Annual report 2021.

Derivatives and hedge accounting

Derivatives are reported in the balance sheet on the contract date and are valued at fair value through profit and loss, both on initial recognition and at subsequent remeasurements. The method for reporting the gain or loss that arises on revaluation depends on whether the derivative has been identified as a hedging instrument, and, if so, the nature of the item hedged.

When the transaction is entered into, the Bank documents the relationship between the hedging instrument and the hedged item, as well as the Bank's objectives for risk management and the risk management strategy regarding the hedging. TF Bank also documents its assessment, both when the hedge is entered into and continuously, of whether the derivatives used in hedging transactions are effective in counteracting changes in fair value or cash flows attributable to the hedged items.

The entire fair value of a derivative that constitutes a hedging instrument is classified as a current asset or current liability when the remaining term of the hedged item is less than 12 months. Derivatives held for trading are always classified as current assets or current liabilities.

The effective portion of changes in the fair value of a derivative instrument that is identified as the hedge of the net investment in foreign operations and that meets the conditions for hedge accounting is reported in other comprehensive income. The share of profit or loss on a hedging instrument that is assessed as an effective hedge is reported in other comprehensive income. The gain or loss attributable to the ineffective portion is reported in the income statement. Accumulated gains and losses in equity are reported in the income statement when the foreign operations are divested in whole or in part. Gains and losses arising from changes in the fair value of derivatives that are not used for hedge accounting are reported in the income statement in net income from financial transactions.

Other accounting principles, calculation bases and presentation are essentially unchanged compared with the 2021 annual report.

The interim information on pages 3-34 is an integral part of this financial report.



FINANCIAL INFORMATION

INCOME STATEMENT

SEK thousand	Note	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
	3					
Operating income						
Interest income		347,101	255,017	668,472	500,030	1,074,113
Interest expense		-44,313	-27,350	-83,215	-55,565	-120,439
Net interest income		302,788	227,667	585,257	444,465	953,674
Fee and commission income		47,956	31,557	95,302	60,001	140,478
Fee and commission expense		-14,342	-7.947	-25,157	-14,826	-34,265
Net fee and commission income		33,614	23,610	70,145	45, 1 75	106,213
Net results from financial transactions		1,693	-931	1,520	-870	-4,600
Total operating income		338,095	250,346	656,922	488,770	1,055,287
Operating expenses						
General administrative expenses		-122,397	-91,841	-238,055	-176,511	-380,224
Depreciation and amortisation of tangible and						
intangible assets		-7,386	-7,488	-15,007	-13,826	-28,638
Other operating expenses		-20,136	-6,893	-34,916	-13,494	-33,303
Total operating expenses		-149,919	-106,222	-287,978	-203,831	-442,165
Profit before loan losses		188,176	144,124	368,944	284,939	613,122
Net loan losses	4	-81,488	-60,491	-159,445	-122,662	-260,564
Operating profit		106,688	83,633	209,499	162,277	352,558
Income tax for the period		-22,807	-19,413	-44,751	-35,228	-75,352
Profit for the period		83,881	64,220	164,748	127,049	277,206
Attributable to:						
Shareholders of the Parent Company		80,548	62,522	158,210	123,683	269,875
Additional tier 1 capital holders		3,333	1,698	6,538	3,366	7,331
Basic earnings per share (SEK)		<i>3.75</i>	2.91	<i>7.</i> 36	<i>5.75</i>	12.55
Diluted earnings per share (SEK)		<i>3.75</i>	2.91	<i>7.</i> 36	<i>5.75</i>	12.55

STATEMENT OF OTHER COMPREHENSIVE INCOME

SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Profit for the period	83,881	64,220	164,748	127,049	277,206
Other comprehensive income					
Items that may subsequently be reclassified to the income statement					
Gross exchange rate differences	272	-	272	-	-
Tax on exchange rate differences in the period	-58	-	-58	-	-
Other comprehensive income for the period	214	-	214	-	-
Total comprehensive income for the period	84,095	64,220	164,962	127,049	277,206
Attributable to:					
Shareholders of the Parent Company	80,762	62,522	158,424	123,683	269,875
Additional tier 1 capital holders	3,333	1,698	6,538	3,366	7,331

BALANCE SHEET

SEK thousand	Note	30 Jun 2022	31 Dec 2021
	2,5,6		
ASSETS			
Cash and balances with central banks		2,772,274	1,270,092
Treasury bills eligible for refinancing		677,240	316,411
Loans to credit institutions		646,100	779,636
Loans to the public	3.7	12,570,454	10,872,285
Shares		258	257
Shares in subsidiaries		371	341
Goodwill		9,564	10,202
Intangible assets		80,776	71,365
Tangible assets		3,140	2,699
Other assets		14,506	21,842
Deferred tax assets		4,907	4.781
Prepaid expenses and accrued income		33,070	40,905
TOTAL ASSETS		16,812,660	13,390,816
LIABILITIES AND EQUITY			
Liabilities			
Deposits and borrowings from the public	8	14,748,269	11,504,749
Other liabilities		115,158	94,020
Current tax liabilities		25,329	36,089
Deferred tax liabilities		61	5,641
Accrued expenses and prepaid income		158,371	121,584
Subordinated liabilities		198,351	198,042
Total liabilities		15,245,539	11,960,125
Equity			
Restricted equity			
Share capital		107,500	107,500
Statutory reserve		1,000	1,000
Development costs fund		80,776	71,365
Total restricted equity		189,276	179,865
Non-restricted equity			
Tier 1 capital instrument		200,000	200,000
Net investments hedges		-19,160	-
Foreign currency reserve		19,374	-
Retained earnings		1,012,883	773,620
Profit for the period		164,748	277,206
Total non-restricted equity		1,377,845	1,250,826
Total equity		1,567,121	1,430,691
TOTAL LIABILITIES AND EQUITY		16,812,660	13,390,816
TOTAL LIABILITIES AND EQUIT		10,612,000	13,390,010

STATEMENT OF CHANGES IN EQUITY

	Re	Restricted equity			Non-restricted equity				
SEK thousand	Share capital ¹	Statutory reserve	Develop- ment costs fund	Tier 1 capital in- strument ²	Net in- vestments hedges	Foreign currency reserve	Retained earnings	Profit for the period	Total equity
Equity as at 1 Jan 2021	107,500	1,000	61,762	100,000	-	-	610,724	202,719	1,083,705
Profit for the period	-	-	-	-	-	-	-	277,206	277,206
Other comprehensive income for the period	-	-	-	-	-	-	-	-	-
Transfer of previous year's profit	-	-	-	-	-	-	202,719	-202,719	-
Dividend to shareholders	-	-	-	-	-	-	-21,500	-	-21,500
Capitalisation of deve- lopment costs	-	-	36,194	-	-	-	-36,194	-	-
Amortisation of capital- ised development costs	-	-	-26,591	-	-	-	26,591	-	-
Interest Tier 1 capital	-	-	-	-	-	-	-7,331	-	-7,331
Issue of Tier 1 capital	-	-	-	100,000	-	-	-	-	100,000
Transaction costs, issue of Tier 1 capital	-	-	-	-	-	-	-1,750	-	-1,750
Tax effect, transaction costs issue of Tier 1 capital	_	_	_	_	_	_	361	_	361
Equity as at 31 Dec	107,500	1,000	71,365	200,000			773,620	277,206	1,430,691
2021		,	, ,,, ,	,				•••	,,,,,,,
Equity as at 1 Jan 2022	107,500	1,000	71,365	200,000	-	-	773,620	277,206	1,430,691
Profit for the period	-	-	-	-	-	-	-	164,748	164,748
Other comprehensive income for the period	-	-	-	-	-19,160	19,374	-	-	214
Transfer of previous year's profit	_	_	_	_	_	_	277,206	-277,206	_
Dividend to shareholders	-	_	_	_	_	_	-21,500	-	-21,500
Capitalisation of deve- lopment costs	-	-	23,564	-	_	-	-23,564	-	-
Amortisation of capital- ised development costs									
Interest Tier 1 capital	-	-	-14,153	-	-	-	14,153	-	6 500
Transaction costs, issue of Tier 1 capital	- -	-	-	-	-	-	-6,538 -622	-	-6,538 -622
Tax effect, transaction							OLL		022
costs issue of Tier 1 capital	-	-	-	-	-	-	128	-	128
Equity as at 30 Jun 2022	107,500	1,000	80,776	200,000	-19,160	19,374	1,012,883	164,748	1,567,121

 $^{^{1}\,\,}$ Share capital comprises of 21 500 000 shares of SEK 5 each.

Perpetual bonds, SEK 100 million with interest terms STIBOR 3 months +6.75% and first possible redemption 7 June 2023, and SEK 100 million with interest terms
 STIBOR +6.25 and first possible redemption 1 December 2026.

CASH FLOW STATEMENT

SEK thousand	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating activities			
Operating profit	209,499	162,277	352,558
Adjustment for items not included in cash flow			
Depreciation and amortisation of tangible and intangible assets	15,007	13,826	28,638
Accrued interest income and expense	-935	2,031	6,681
Other non-cash items	523	244	-12
Paid income tax	-55,511	-15,232	-41,095
	168,583	163,146	346,770
Increase/decrease in loans to the public	-1,698,169	-1,207,776	-2,949,837
Increase/decrease in other short-term receivables	-91,082	2,297	-29,573
Increase/decrease in deposits and borrowings from the public	3,243,520	1,783,691	2,790,717
Increase/decrease in other short-term liabilities	55,575	32,278	67,152
Cash flow from operating activities	1,678,427	773,636	225,229
Investing activities			
Investments in tangible assets	-1,153	-621	-1,452
Investments in intangible assets	-23,564	-17,132	-35,554
Investments in subsidiaries	-30	-25	-25
Cash flow from investing activities	-24,747	-17,778	-37,031
Financing activities			-0.044
Issue of Tier 1 capital	-494	-	98,611
Redemption of Tier 2 capital		-47,000	-47,000
Interest on Tier 1 capital	-6,538	-3,366	-7,331
Dividend to shareholders	-21,500	-21,500	-21,500
Cash flow from financing activities	-28,532	-71,866	22,780
Cash flow for the period	1,625,148	683,992	210,978
Cash and cash equivalents at the beginning of period	2,366,139	2,119,002	2,119,002
Exchange rate difference in cash and cash equivalents	104,327	17,295	36,159
Cash and cash equivalents at the end of period	4,095,614	2,820,289	2,366,139
Cash flow from operating activities includes interest expenses paid and interest payments received			
Interest expenses paid	83,215	63,496	125,170
Interest payments received	567,124	432,618	923,990
Components of cash and cash equivalents			
Cash and balances with central banks	2,772,274	1,385,418	1,270,092
Treasury bills eligible for refinancing	677,240	120,062	316,411
Loans to credit institutions	646,100	1,314,809	779,636
Total cash and cash equivalents	4,095,614	2,820,289	2,366,139

NOTES

NOTE 1 General information

TF Bank AB, org.nr. 556158-1041, is a bank limited company with its registered office in Borås, Sweden, which has a license to conduct banking operations. The Bank conducts deposit and/or lending activities to private individuals in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria and Spain through branch or cross-border banking license. The Bank does not present consolidated financial statements in light of the fact that the subsidiaries below, both individually and together, are without substantial significance.

OWNERSHIP OF TF BANK AB AS AT 30 JUNE 2022

Shareholder	%
TFB Holding AB	30.31
Tiberon AB	15.07
Erik Selin Fastigheter AB	12.51
Proventus Aktiebolag	5.16
Jack Weil	4.29
Nordnet Pensionsförsäkring AB	3.55
Merizole Holding LTD	2.45
Carnegie fonder	1.80
Skandia fonder	1.31
Avanza pension	1.29
Other shareholders	22.26
Total	100.00

COMPANY STRUCTURE

Company	Reg.nr
Parent Company	
TF Bank AB	556158-1041
Branches	
TF Bank AB, branch Finland	2594352-3
TF Bank AB, branch Poland	PL9571076774
TF Bank AB, branch Estonia	14304235
TF Bank AB, branch Norway	923 194 592
TF Bank AB, branch Latvia	50203334311
Subsidiaries	
TFB Service SIA	40203015782
TFB Service UAB	34785170
TFB Service GmbH	HRB 208869 B
TFB Service AB	559310-4697
TFBN Services S.L.	B10781789

The term "Company/Bank" refers to TF Bank AB together with its branches.

NOTE 2 Credit risk

Source: Euroclear

TF Bank's activities are exposed to a variety of financial risks; credit risk, market risk (including currency risk and interest rate risk) and liquidity risk. TF Bank has designed an operating structure to ensure good risk management. The overall risk policy constitutes the Board of Directors and the management's fundamental policy documents regarding risk management which aims to minimise any potential adverse effects for the Bank's financial results. The Board establishes written policies with regards both the overall risk management and for the specific areas.

Credit risk is the risk that a counterparty causes the Bank a financial loss by not fulfilling its contractual obligations. Credit risk arises primarily through lending to the public and is the most significant risk in the Bank. Credit risk is monitored closely by the relevant functions and by the Board of Directors, which has the ultimate responsibility for managing credit risk. The Board of Directors has issued a credit policy which establishes the framework for the Bank's lending activities. A credit committee monitors the development of the level of credit risk in the loan portfolios on a continuous basis. It makes decisions on, and implements, changes to the Bank's lending within the framework of the established credit policy and also proposes amendments to the policy to the Board of Directors. A report on performance is provided at every ordinary Board meeting.

The Bank's credit approval process maintains high standards regarding ethics, quality and control. Despite credit risk being the largest risk exposure for the Bank, the provisions for loan losses are small in proportion to the outstanding loan volume (see Note 7). This is due to that the Bank regularly sells past due receivables to debt collection agencies in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile. As a result, The Bank continuously realises expected loan losses on a monthly basis through the sale of past due receivables. In connection with sale of past due receivables all risks are transferred to the counterpart. The remaining portfolio has a limited number of non-performing loans in stage 3 and consequently a relatively low level of provisions.

The Bank's loans to the public consist primarily of unsecured consumer loans. As a result, the Bank does not list credit risk exposures in a separate table, as there are limited assets pledged as security.

Credit risk may even arise through placement of liquidity and derivative instruments with a positive value. By setting limits for the maximum exposure to each counterparty, the credit risk of liquidity placement becomes limited. According to The Bank's financial policy, the maximum amount of Tier 1 capital that may be placed with The Bank's permitted counterparties is 25 %, with the exception of institutions for which the permitted amount is 100 % of Tier 1 capital. Treasury bills, government bonds and balances with central banks, as well as exposure to subsidiaries, are exempted from both limits.

¹ According to Article 25 of Regulation (EU) No 575/2013. Tier 1 capital is the sum of the Common Equity Tier 1 capital and Additional Tier 1 capital for capital adequacy

NOTE 3 Operating segments

The CEO has ultimate responsibility for the decisions taken by the Bank. Management has defined the operating segments based on the information determined by the CEO and used as a basis for decisions on the allocation of resources and evaluation of results. Management evaluates the operating segments' performance based on operating profit.

CONSUMER LENDING

Income statement, SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net interest income	163,886	152,529	326,016	301,523	604,695
Net fee and commission income	14,806	10,199	29,166	19,575	43,471
Net results from financial transactions	1,083	-633	972	-592	-3,128
Total operating income	179,775	162,095	356,154	320,506	645,038
General administrative expenses	-53,235	-40,016	-104,984	-80,346	-170,908
Depreciation and amortisation of tangible and intangible assets	-1,242	-1,418	-2,574	-2,833	-5,639
Other operating expenses	-5,602	-4,050	-10,920	-7,117	-15,596
Total operating expenses	-60,079	-45,484	-118,478	-90,296	-192,143
Profit before loan losses	119,696	116,611	237,676	230,210	452,895
Net loan losses	-33,221	-35,364	-69,204	-76,272	-144,546
Operating profit	86,475	81,247	168,472	153,938	308,349

Balance sheet, SEK thousand	30 Jun 2022	30 Jun 2021	31 Dec 2021
Loans to the public			
Household sector	7,886,988	6,262,989	7,076,557
Corporate sector ¹	70,440	19,234	37,597
Total loans to the public	7,957,428	6,282,223	7,114,154
Household sector			
Stage 1, net	7,397,803	5,800,746	6,620,083
Stage 2, net	174,611	166,088	164,451
Stage 3, net ²	314,574	296,155	292,023
Total household sector	7,886,988	6,262,989	7,076,557

Key figures ³	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income margin, %	9.3	10.4	9.5	10.6	10.0
Net loan loss ratio, %	1.7	2.3	1.8	2.5	2.2
Cost/Income ratio, %	33.4	28.1	33.3	28.2	29.8
Return on loans to the public, %	3.5	4.0	3.4	3.9	3.6
New lending, SEK thousand	1,530,982	1,027,419	2,860,023	2,068,882	4,720,963

³ See separate section with definitions and reconciliation tables, page 32-33.

Lending to the corporate sector consists of loans in stage 1 to counterparties regarding sale of past due receivables.

The Bank regularly sells past due receivables in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile.

Note 3 cont.

ECOMMERCE SOLUTIONS

Income statement, SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net interest income	56,707	42,050	112,672	79,383	184,868
Net fee and commission income	20,004	15,462	42,594	29,382	69,649
Net results from financial transactions	305	-167	274	-156	-828
Total operating income	77,016	57,345	155,540	108,609	253,689
General administrative expenses	-42,203	-35,586	-82,584	-64,213	-139,247
Depreciation and amortisation of tangible and intangible assets	-4,661	-4,927	-9,404	-8,717	-18,190
Other operating expenses	-272	-477	-571	-666	-1,518
Total operating expenses	-47,136	-40,990	-92,559	-73,596	-158,955
Profit before loan losses	29,880	16,355	62,981	35,013	94,734
Net loan losses	-13,194	-9,974	-28,738	-17,731	-38,533
Operating profit	16,686	6,381	34,243	17,282	56,201

Balance sheet, SEK thousand	30 Jun 2022	30 Jun 2021	31 Dec 2021
Loans to the public			
Household sector	2,276,688	1,748,601	2,069,680
Corporate sector	-	-	-
Total loans to the public	2,276,688	1,748,601	2,069,680
Household sector			
Stage 1, net	2,140,968	1,672,178	1,972,671
Stage 2, net	105,760	63,700	83,557
Stage 3, net 1	29,960	12,723	13,452
Total household sector	2,276,688	1,748,601	2,069,680

Key figures ²	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income margin, %	14.1	14.4	14.3	14.0	14.8
Net loan loss ratio, %	2.4	2.5	2.6	2.3	2.3
Cost/Income ratio, %	61.2	71.5	59.5	67.8	62.7
Return on loans to the public, %	2.4	1.2	2.4	1.7	2.5
New lending, SEK thousand	1,259,018	1,143,810	2,267,724	1,778,224	4,018,465
Transaction volume, SEK thousand	2,274,410	1,755,719	4,071,241	2,736,175	6,612,133

The Bank regularly sells past due receivables in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile.
 See separate section with definitions and reconciliation tables, page 32-33.

Note 3 cont.

CREDIT CARDS

Income statement, SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Net interest income	82,195	33,088	146,569	63,559	164,111
Net fee and commission income	-1,196	-2,051	-1,615	-3,782	-6,907
Net results from financial transactions	305	-131	274	-122	-644
Total operating income	81,304	30,906	145,228	59,655	156,560
General administrative expenses	-26,959	-16,239	-50,487	-31,952	-70,069
Depreciation and amortisation of tangible and intangible assets	-1,483	-1,143	-3,029	-2,276	-4,809
Other operating expenses	-14,262	-2,366	-23,425	-5,711	-16,189
Total operating expenses	-42,704	-19,748	-76,941	-39,939	-91,067
Profit before loan losses	38,600	11,158	68,287	19,716	65,493
Net loan losses	-35,073	-15,153	-61,503	-28,659	-77,485
Operating profit	3,527	-3,995	6,784	-8,943	-11,992

Balance sheet, SEK thousand	30 Jun 2022	30 Jun 2021	31 Dec 2021
Loans to the public			
Household sector	2,264,298	1,099,400	1,652,293
Corporate sector ¹	72,040	-	36,158
Total loans to the public	2,336,338	1,099,400	1,688,451
Household sector			
Stage 1, net	2,174,039	1,039,614	1,584,192
Stage 2, net	60,608	26,651	40,222
Stage 3, net ²	29,651	33,135	27,879
Total household sector	2,264,298	1,099,400	1,652,293

Key figures ³	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income margin, %	15.4	12.0	14.4	12.8	12.8
Net loan loss ratio, %	6.6	5.9	6.1	6.1	6.3
Cost/Income ratio, %	52.5	63.9	53.0	67.0	58.2
Return on loans to the public, %	0.5	neg	0.5	neg	neg
New lending, SEK thousand	1,228,008	479,788	2,065,000	901,233	2,447,372
Number of active credit cards	104,272	61,438	104,272	61,438	79.952

 $^{^{1} \}quad \text{Lending to the corporate sector consists of loans in stage 1 to counterparties regarding sale of past due receivables.}$

The Bank regularly sells past due receivables in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile.

³ See separate section with definitions and reconciliation tables, page 32-33.

Note 3 cont.

RECONCILIATION AGAINST FINANCIAL INFORMATION

Income statement, SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Operating income					
Consumer Lending	179,775	162,095	356,154	320,506	645,038
Ecommerce Solutions	77,016	57,345	155,540	108,609	253,689
Credit Cards	81,304	30,906	145,228	59,655	156,560
Total operating income	338,095	250,346	656,922	488,770	1,055,287
Operating profit					
Consumer Lending	86,475	81,247	168,472	153,938	308,349
Ecommerce Solutions	16,686	6,381	34,243	17,282	56,201
Credit Cards	3.527	-3,995	6,784	-8,943	-11,992
Total operating profit	106,688	83,633	209,499	162,277	352,558

Balance sheet, SEK thousand	30 Jun 2022	30 Jun 2021	31 Dec 2021
Loans to the public			
Consumer Lending	7,957,428	6,282,223	7,114,154
Ecommerce Solutions	2,276,688	1,748,601	2,069,680
Credit Cards	2,336,338	1,099,400	1,688,451
Total loans to the public	12,570,454	9,130,224	10,872,285

NOTE 4 Net loan losses

SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Change in provision for sold past due loans	-53,654	-33,129	-111,031	-48,886	-146,696
Realised loan losses	-1,101	-9,212	-15,222	-18,536	-37,960
Recovered from previous realised loan losses	51	133	98	400	565
Change in provision for expected loan losses, stage 1-3	-26,784	-18,283	-33,290	-55,640	-76,473
Net loan losses	-81,488	-60,491	-159,445	-122,662	-260,564

Loan losses are attributable to Loans to the public and classified as amortised cost.

NOTE 5 Classification of financial assets and liabilities

30 Jun 2022 SEK thousand	Financial instru- ments at fair value through profit or loss Compulsory	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
Assets						
Cash and balances with central banks	-	-	2,772,274	-	-	2,772,274
Treasury bills eligible for refinancing	419,364	-	257,876	-	-	677,240
Loans to credit institutions	-	-	646,100	-	-	646,100
Loans to the public	-	-	12,570,454	-	-	12,570,454
Shares	258	-	-	-	-	258
Derivatives	2,362	-	-	-	-	2,362
Other assets	-	-	-	-	143,972	143,972
Total assets	421,984	-	16,246,704	-	143,972	16,812,660
Liabilities						
Deposits and borrowings from the public	-	-	14,748,269	-	-	14,748,269
Subordinated liabilities	-	-	198,351	-	-	198,351
Derivatives	23,097	-	-	3,083	-	26,180
Other liabilities	-	-	-	-	272,739	272,739
Total liabilities	23,097	-	14,946,620	3,083	272,739	15,245,539

31 Dec 2021 SEK thousand	Financial instru- ments at fair value through profit or loss Compulsory	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
Assets						
Cash and balances with central banks	-	-	1,270,092	-	-	1,270,092
Treasury bills eligible for refinancing	60,035	-	256,376	-	-	316,411
Loans to credit institutions	-	-	779,636	-	-	779,636
Loans to the public	-	-	10,872,285	-	-	10,872,285
Shares	257	-	-	-	-	257
Derivatives	241	-	-	-	-	241
Other assets	-	-	-	-	151,894	151,894
Total assets	60,533	-	13,178,389	-	151,894	13,390,816
Liabilities						
Deposits and borrowings from the public	-	-	11,504,749	-	-	11,504,749
Subordinated liabilities	-	-	198,042	-	-	198,042
Derivatives	23,452	-	-	-	-	23,452
Other liabilities	-	-	-	-	233,882	233,882
Total liabilities	23,452	_	11,702,791	-	233,882	11,960,125

NOTE 6 Financial assets and liabilities measured at fair value

Fair value

For financial instruments measured at fair value in the balance sheet, disclosures are required on fair value measurement by level according to the fair value hierarchy below:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Other observable inputs for assets or liabilities are quoted market prices included in Level 1, either directly, i.e. in the form of quoted prices, or indirectly, i.e. derived from quoted prices (Level 2).
- Data for assets or liabilities which are not based on observable market data (non-observable inputs) (Level 3).

The Bank also provides information regarding the fair value of certain assets for information purposes.

30 Jun 2022 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Treasury bills eligible for refinancing	419,364	-	-	419,364
Shares	-	258	-	258
Derivatives	-	2,362	-	2,362
Total assets	419,364	2,620	-	421,984
Liabilities				
Derivatives	-	26,180	-	26,180
Total liabilities	-	26,180	-	26,180

31 Dec 2021 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Treasury bills eligible for refinancing	60,035	-	-	60,035
Shares	-	257	-	257
Derivatives	-	241	-	241
Total assets	60,035	498	-	60,533
Liabilities				
Derivatives	=	23,452	-	23,452
Total liabilities	-	23,452	_	23,452

Financial instruments in Level 2

The fair value of financial instruments not traded in an active market (e.g. OTC derivatives) is determined using various valuation techniques. These valuation techniques use observable market data where available and rely as little as possible on entity specific estimates. An instrument is classified as Level 2 if all significant inputs required to value an instrument are observable..

 $Specific \ valuation \ techniques \ used \ to \ measure \ financial \ instruments \ include:$

- · Quoted market prices or dealer quotes for similar instruments.
- Fair value of currency swap contracts is determined using exchange rates at the balance sheet date.

For loans to the public the fair value is based on discounted cash flows using an interest rate based on the market rate at the balance sheet date, which was 12.46 % as at 30 June 2022 and 12.66 % as at 31 December 2021.

An instrument is classified as Level 3 in cases where one or more of the significant inputs are not based on observable market data.

Note 6 cont.

30 Jun 2022 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
Assets			
Cash and balances with central banks	2,772,274	2,772,274	-
Treasury bills eligible for refinancing	677,240	677,240	-
Loans to credit institutions	646,100	646,100	-
Loans to the public	12,570,454	12,570,454	-
Shares	258	258	-
Derivatives	2,362	2,362	-
Total assets	16,668,688	16,668,688	-
Liabilities			
Deposits from the public	14,748,269	14,748,269	-
Subordinated liabilities	198,351	198,351	-
Derivatives	26,180	26,180	-
Total liabilities	14,972,800	14,972,800	-

31 Dec 2021 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
Assets			
Cash and balances with central banks	1,270,092	1,270,092	-
Treasury bills eligible for refinancing	316,411	316,411	-
Loans to credit institutions	779,636	779,636	-
Loans to the public	10,872,285	10,872,285	-
Shares	257	257	-
Derivatives	241	241	
Total assets	13,238,922	13,238,922	-
Liabilities			
Deposits from the public	11,504,749	11,504,749	-
Subordinated liabilities	198,042	198,042	-
Derivatives	23,452	23,452	_
Total liabilities	11,726,243	11,726,243	-

NOTE 7 Loans to the public

SEK thousand	30 Jun 2022	31 Dec 2021
Loans to the household sector	12,427,974	10,798,530
Loans to the corporate sector ¹	142,480	73,755
Total loans to the public	12,570,454	10,872,285
Loans to the household sector, gross		
Stage 1, gross	11,888,279	10,330,411
Stage 2, gross	397,986	330,212
Stage 3, gross ²	682,553	623,294
Total loans to the household sector, gross	12,968,818	11,283,917
Provisions for expected loan losses, household sector		
Stage 1	-175,469	-153,465
Stage 2	-57,007	-41,982
Stage 3 ²	-308,368	-289,940
Total provisions for expected loan losses, household sector	-540,844	-485,387
Loans to the household sector, net		
Stage 1, net	11,712,810	10,176,946
Stage 2, net	340,979	288,230
Stage 3, net ²	374,185	333,354
Total loans to the household sector, net	12,427,974	10,798,530
Geographic distribution of net loans		
Norway	3,899,176	3,497,344
Finland	2,929,246	2,612,182
Germany	1,969,100	1,422,692
Sweden	1,092,522	1,027,610
Estonia	906,169	821,748
Latvia	772,062	675,810
Lithuania	494,821	331,482
Poland	461,534	449,519
Austria	23,622	7,658
Denmark	22,202	26,240
Total loans to the public	12,570,454	10,872,285

CHANGE IN PROVISION FOR NET LOAN LOSSES

SEK thousand	30 Jun 2022	31 Dec 2021
Opening balance	-485,387	-392,800
Change in provision for sold loans	-111,031	-146,696
Reversal of provision for sold loans	111,031	146,696
Change in provision for expected loan losses in stage 1	-16,742	-22,727
Change in provision for expected loan losses in stage 2	-13,197	-4,566
Change in provision for expected loan losses in stage 3	-10,626	-62,216
Exchange rate differences	-14,892	-3,078
Closing balance	-540,844	-485,387

 $^{^{1} \}quad \text{Lending to the corporate sector consists of loans in stage 1 to counterparties regarding sale of past due receivables.}$

The Bank regularly sells past due receivables in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile.

NOTE 8 Deposits and borrowings from the public

SEK thousand	30 Jun 2022	31 Dec 2021
Germany	10,904,236	7,332,430
Norway	2,972,679	3,174,844
Sweden	511,079	662,747
Finland	360,275	334,728
Total deposits and borrowings from the public	14,748,269	11,504,749

Deposits from the public only occur in the household sector. Deposits in Sweden, Norway and Germany are payable on demand and on maturity. Deposits in Finland are payable on demand. Deposits with maturity amounts to 28 % (36) of total deposits from the public.

CHANGES IN DEPOSITS AND BORROWINGS FROM THE PUBLIC

SEK thousand	30 Jun 2022	31 Dec 2021
Opening balance	11,504,749	8,714,032
Change	2,748,228	2,429,388
Exchange rate differences	495,292	361,329
Closing balance	14,748,269	11,504,749

NOTE 9 Capital adequacy analysis

Background

Information about the Bank's capital adequacy includes information in accordance with Chapter 6, Sections 3-4 of the Swedish FSA's regulations and general guidelines (FFFS 2008:25) on annual accounts of credit institutions and investment firms and related information contained in article 447 of Regulation (EU) No 575/2013 and Chapter 8, Section 1 of the Swedish FSA's regulations and general guidelines on regulatory requirements and capital buffers (FFFS 2014:12). Other information required pursuant to FFFS 2014:12 and Regulation (EU) No 575/2013 is provided on the Bank's website www.tfbankgroup.com.

TF Bank AB is the responsible institution and is under the supervision of the Swedish FSA. As a result, the Bank is subject to the rules governing credit institutions in Sweden. TF Bank AB is a listed company which means that the stock exchange rules are also applicable. TF Bank is classified as a small and non-complex institute in accordance to article 433 of supervisory regulation (EU) No 2019/876.

Information about own funds and capital requirements

The Bank's statutory capital requirements are governed by the Swedish Special Supervision of Credit Institutions and Investment Firms Act (2014:968), Regulation (EU) No 575/2013, the Act on Capital Buffers (2014:966) and the Swedish Financial Supervisory Authority's regulations and general recommendations on regulatory requirements and capital buffers (FFFS 2014:12) and the Swedish Financial Supervisory Authority's memorandum (FI dnr 20-20990) on the new capital requirements for Swedish banks.

The purpose of the regulations is to ensure that the Bank can manage risks and protect customers. The regulations state that own funds must cover the capital requirements including the minimum capital requirements according to Pillar 1, Pillar 2 and the applicable buffer requirements.

On 2 February 2022 the Swedish FSA approved TF Bank's application to include the interim profit in own funds for TF Bank AB subject to the auditor's review of the surplus, and that the surplus has been calculated in accordance with applicable accounting rules, that the foreseeable costs and dividends have been deducted in accordance with Regulation (EU) No 575/2013 and that the calculation has been made in accordance with Regulation (EU) No 241/2014. The CET1 capital complies with the requirements of Regulation (EU) No 575/2013.

IFRS 9 transitional arrangements

The Bank has notified the Swedish Financial Supervisory Authority that the Bank applies the transitional arrangements according to Article 473a of 2017/2395/EU pursuant to paragraphs 2 and 4. Table according to "Final Report on the guidelines on uniform disclosure of IFRS 9 transitional arrangements", EBA, 12/01/2018, is included in the information published under Part 8 of 575/2013/EU and can be found on the Bank's website www.tfbankgroup.com.

Leverage ratio

The leverage ratio is a non-risk sensitive capital requirement defined in Regulation (EU) no 575/2013 (CRR). The ratio states the amount of equity in relation to total assets including items that are not recognised in the balance sheet and is calculated by the Tier 1 capital as a percentage of the total exposure measure. TF Bank's leverage ratio was 8.9 % per 30 June 2022 and 10.5 % per 31 December 2021.

EBA's changed method for intangible assets deduction

In December 2020, a change took effect in the method for how intangible assets should be treated in own funds calculation according to Article 36 of (EU) 575/2013, which gives the possibility of deducting prudently valued software assets from the own funds. According to the previous method, the book value of intangible assets relating to software assets was deducted in its entirety from the own funds calculation, however, in the new method only the difference between the book amortisation of the software assets and the value based on prudent amortisation (three-years amortisation) is deducted from the own funds. The Bank choose to use the new calculation method starting from 1 January 2021.

Note 9 cont.

CAPITAL SITUATION ¹

SEK thousand	30 Jun 2022	31 Dec 2021
Common Equity Tier 1 capital (CET1)	1,353,122	1,237,589
Additional Tier 1 capital (AT1)	200,000	200,000
Tier 2 capital	198,351	198,042
Own funds ²	1,751,473	1,635,631
Risk exposure amount	11,317,402	10,079,383
- of which: credit risk	9,962,933	8,726,933
- of which: credit valuation adjustment risk	4,358	2,339
- of which: market risk	-	-
- of which: operational risk	1,350,111	1,350,111
Capital ratios		
CET1 capital ratio, %	12.0	12.3
Tier 1 capital ratio, %	13.7	14.3
Total capital ratio, %	15.5	16.2

REGULATORY CAPITAL REQUIREMENTS ¹

	30 Jun 2022		31 Dec 2	.021
SEK thousand	Amount	Percent ³	Amount	Percent ³
Capital requirement under pillar 1				
CET1 capital requirement	509,283	4.5	453,572	4.5
Tier 1 capital requirement	679,044	6.0	604,763	6.0
Total capital requirement	905,392	8.0	806,351	8.0
Capital requirement under pillar 2				
CET1 capital requirement	51,733	0.5	46,834	0.5
Tier 1 capital requirement	68,977	0.6	62,445	0.6
Total capital requirement	91,969	0.8	83,260	0.8
- of which, concentration risk	89,343	0.8	81,944	0.8
- of which, currency risk	2,626	0.0	1,316	0.0
Total capital requirement under pillar 1 and pillar 2				
CET1 capital requirement	561,016	5.0	500,406	5.0
Tier 1 capital requirement	748,021	6.6	667,208	6.6
Total capital requirement	997,361	8.8	889,611	8.8
Institution-specific buffer requirement				
Total buffer requirement	331,980	2.9	282,444	2.8
- of which, capital conservation buffer requirement	282,935	2.5	251,985	2.5
- of which, countercyclical buffer requirement	49,045	0.4	30,460	0.3
Total capital requirement including buffer requirement				
CET1 capital	892,996	7.9	782,850	7.8
Tier 1 capital	1,080,001	9.5	949,652	9.4
Total capital	1,329,341	11.7	1,172,055	11.6

¹ In accordance with (EU) 2021/637 TF Bank AB discloses the information about capital adequacy and other information as per the template "EU KM1" in page 34.

² After any regulatory adjustments.
3 Capital requirements expressed as a percentage of the risk exposure amount.

Note 9 cont.

OWN FUNDS

SEK thousand	30 Jun 2022	31 Dec 2021
CET1 capital		
Share capital	107,500	107,500
Other reserves	81,990	72,365
Retained earnings including net profit for the period reviewed by the auditor	1,177,631	1,050,826
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-10,405	-21,500
- IFRS 9 transitional arrangements	41,466	71,257
- Intangible assets ²	-35,496	-32,657
- Goodwill	-9,564	-10,202
Total CET1 capital	1,353,122	1,237,589
Additional Tier 1 capital		
Perpetual subordinated loan	200,000	200,000
Tier 2 capital		
Fixed term subordinated loan	198,351	198,042
Own funds	1,751,473	1,635,631

SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

	30 Jun	2022	31 Dec	: 2021
	Risk	Capital	Risk	Capital
SEK thousand	exposure amount	requirement 8 %	exposure amount	requirement 8 %
	aniount	5 /8	arriourit	0 %
Credit risk under the standardised approach				
Corporate exposures	89,819	7,186	38,346	3,068
Household exposures	9,240,448	739,236	8,012,089	640,967
Exposures secured by real estate collateral	19,902	1,592	14,945	1,196
Exposures in default	374,426	29,954	390,444	31,236
Exposures to institutions with a short-term credit assessment	151,466	12,117	176,588	14,127
Equity exposures	629	50	597	48
Other items	86,243	6,899	93,924	7,514
Total	9,962,933	797,034	8,726,933	698,156
Credit valuation adjustment				
Standardised method	4,358	349	2,339	187
Total	4,358	349	2,339	187
Market risk ³				
Foreign exchange rate risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Standardised approach	1,350,111	108,009	1,350,111	108,009
Total	1,350,111	108,009	1,350,111	108,009
Total risk exposure amount and total capital requirement	11,317,402	905,392	10,079,383	806,352

Deduction of dividends have been made in accordance with the Board of Directors' proposal to the Annual General Meeting and the dividend policy for interim results.

² Deduction of software assets in accordance with EBA's new calculation method for the deduction of intangible assets from 1 January 2021.

 $^{^3}$ The capital requirement for foreign exchange risk is calculated in accordance with Article 351 of Regulation (EU) 575/2013.

NOTE 10 Pledged assets, contingent liabilities and commitments

SEK thousand	30 Jun 2022	31 Dec 2021
Pledged assets		
Restricted bank deposits ¹	82,615	48,536
Total	82,615	48,536

SEK thousand	30 Jun 2022	31 Dec 2021
Commitments		
Unutilised credit limits	2,600,205	1,974,365
Future total minimum lease payments for non-cancellable operating leases	14,932	18,391
Total	2,615,137	1,992,756

According to the Board's assessment, TF Bank has no contingent liabilities.

NOTE 11 Transactions with related parties

Transactions between Group companies refer to invoicing of services provided by subsidiaries. Transactions with other related parties in the table below refer to transactions between TF Bank and companies that largely have the same owner as TF Bank's largest owner TFB Holding AB, corporate identity number 556705-2997. All transactions are priced according to the market.

SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
The following transactions have been made between companies within the Group:					
General administrative expenses	-4,948	-4,972	-8,856	-9,814	-18,341
Total	-4,948	-4,972	-8,856	-9,814	-18,341
The following transactions have been made with other related parties:					
Interest income (transaction costs)	-13,742	-11,874	-24,763	-20,925	-47,957
Fee and commission income	904	-	1,815	-	890
General administrative expenses	-582	-790	-1,137	-1,448	-3,109
Total	-13,420	-12,664	-24,085	-22,373	-50,176
Acquisition of assets and liabilities from other related parties:					
Ecommerce Solutions	172,686	176,181	317,854	320,269	596,687
Total	172,686	176,181	317,854	320,269	596,687

SEK thousand	30 Jun 2022	31 Dec 2021
Assets and liabilities at the end of the period as a result of transactions with other related parties:		
Other assets	753	1,461
Other liabilities	456	14

Restricted bank deposits refers to reserve requirements at central banks in Estonia, Finland, Latvia and Poland.

ASSURANCE BY THE BOARD OF DIRECTORS AND THE CEO

The interim report has not been reviewed by the company's auditor.

The Board of Directors and the CEO certify that the interim report gives a true and fair overview of the development of the operations, financial position and result of the Bank and describes the material risks and uncertainties that the Bank faces.

Borås, 11 July 2022

John Brehmer Chairman

Mari Thjømøe

Fredrik Oweson

Niklas Johansson

Michael Lindengren

Sara Mindus

Mattias Carlsson *CEO*

DEFINITIONS

TF Bank uses Alternative Performance Measures that are not defined in the applicable financial reporting framework (IFRS). The Alternative Performance Measures are used to increase understanding of the Bank's financial performance among readers of the financial statements. Alternative Performance Measures may be calculated in different ways and do not need to be comparable with similar key ratios used by other companies. TF Bank definitions of the Alternative Performance Measures are shown below.

CET1 CAPITAL RATIO

CET1 capital as a percentage of total risk exposure amount.

COST/INCOME (C/I) RATIO

Operating expenses divided by operating income.

EARNINGS PER SHARE

Net profit for the period attributable to the shareholders of the Parent company divided by the average number of outstanding shares.

EMPLOYEES (FTE)

Average number of full-time employees, including employees on parental leave.

LEVERAGE RATIO

Tier 1 capital as a percentage of total assets including off-balance sheet items.

NET LOAN LOSS RATIO

Net loan losses for the period divided by average loans to the public.

NEW LENDING

New loans (the cash flow) in the period. For Ecommerce Solutions the amount is reduced by product returns.

NUMBER OF ACTIVE CREDIT CARDS

All issued cards at the last day of the period with balance above 0 or transaction in last twelve months prior to reporting date.

FINANCIAL CALENDAR

17 October 2022 Interim report January-September 202220 January 2023 Year-end report 2022

This is information which TF Bank is required to disclose under the EU Market Abuse Regulation and the Securities Market Act. The information was provided for publication 12 July 2022 at 07:00 CET.

OPERATING INCOME MARGIN

Total operating income for the period divided by average loans to the public.

RETURN ON EQUITY

Net profit for the period attributable to the shareholders of the Parent company as a percentage of equity attributable to the shareholders of the Parent company.

RETURN ON LOANS TO THE PUBLIC

Net profit for the period attributable to the shareholders of the Parent company divided by average loans to the public. For the segments, net profit is calculated using a standard deduction for interest on Tier 1 capital instruments and a standard tax rate.

TIER 1 CAPITAL RATIO

Tier 1 capital, i.e. CET1 capital and Additional Tier 1 capital, as a percentage of total risk exposure amount.

TOTAL CAPITAL RATIO

Own funds as a percentage of the total risk exposure amount.

TRANSACTION VOLUME

The sum of all purchases that go through TF Bank's payment solutions.

CONTACTS

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www.tfbankgroup.com

RECONCILIATION TABLES

KEY FIGURES ¹

SEK thousand	Apr-Jun 2022	Apr-Jun 2021	Jan-Jun 2022	Jan-Jun 2021	Jan-Dec 2021
Income statement					
Earnings per share, SEK	<i>3.75</i>	2.91	<i>7.</i> 36	<i>5.75</i>	12.55
Net profit for the period attributable to the shareholder's					
of the Parent Company	80,548	62,522	158,210	123,683	269,875
Average number of outstanding shares, thousands	21,500	21,500	21,500	21,500	21,500
Key figures ²					
Operating income margin, %	11.2	11.3	11.2	11.5	11.2
Total operating income, annualised	1,352,380	1,001,384	1,313,844	977,540	1,055,287
Average loans to the public	12,044,176	8,886,449	11,721,370	8,526,336	9,397,367
N. I					- 0
Net loan loss ratio, %	2.7	2.7	2.7	2.9	2.8
Net loan losses, annualised	325,952	241,964	318,890	245,324	260,564
Average loans to the public	12,044,176	8,886,449	11,721,370	8,526,336	9,397,367
Cost/Income ratio, %	44.3	42.4	43.8	41.7	41.9
Total operating expenses	149,919	106,222	287,978	203,831	442,165
Total operating income	338,095	250,346	656,922	488,770	1,055,287
Return on equity, %	24.1	23.5	24.4	23.9	24.4
Net profit for the period attributable to the shareholder's	,	00	, ,	0.0	, ,
of the Parent Company, annualised	322,192	250,088	316,420	247,366	269,875
Average equity attributable to the shareholder's of the					
Parent Company	1,337,490	1,065,377	1,298,906	1,034,797	1,107,198
Return on loans to the public, %	2.7	2.8	2.7	2.9	2.9
Net profit for the period attributable to the shareholder's					
of the Parent Company, annualised	322,192	250,088	316,420	247,366	269,875
Average loans to the public	12,044,176	8,886,449	11,721,370	8,526,336	9.397.367

¹ The annualised figure has been calculated by multiplying the quarterly figure by four and the figure for the interim period by two. The average has been calculated as opening balans plus closing balance, divided by two.

Calculation of capital ratios is shown in Note 9.

REGULATORY KEY METRICS

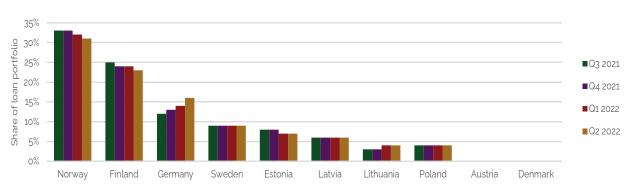
TEMPLATE "EU KM1 – KEY METRICS TEMPLATE" IS DISCLOSED BELOW AS PER THE TECHNICAL STANDARDS IN THE COMMISSION IMPLEMENTING REGULATION 2021/637.

SEK th	ousand	30 Jun 2022	31 Dec 2021
	Available own funds		
1	Common Equity Tier 1 capital (CET1)	1,353,122	1,237,589
2	Tier 1 capital	200,000	200,000
3	Total capital	198,351	198,042
	Risk-weighted exposure amount		
4	Total risk exposure amount	11,317,402	10,079,383
	Capital ratios (% of risk-weighted exposure amount)		
5	Common Equity Tier 1 ratio, %	12.0	12.3
6	Tier 1 ratio, %	13.7	14.3
7	Total capital ratio, %	15.5	16.2
	Additional own funds requirements to address risks other than the risk of excessive leverage (% of risk-weighted exposure amount)		
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage, $\%$	0.8	0.8
EU 7b	- of which, to be made up of CET1 capital, %	0.5	0.5
EU 7c	- of which, to be made up of Tier 1 capital, %	0.6	0.6
EU 7d	Total SREP own funds requirements, %	8.8	8.8
	Combined buffer and overall capital requirement (% of risk-weighted exposure amount)		
8	Capital conservation buffer, %	2.5	2.5
EU 8a	Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State, $\%$	N/A	N/A
9	Institution specific countercyclical capital buffer, %	0.4	0.3
EU ga	Systemic risk buffer, %	N/A	N/A
10	Global Systemically Important Institution buffer, %	N/A	N/A
EU 10a	Other Systemically Important Institution buffer, %	N/A	N/A
11	Combined buffer requirement, %	2.9	2.8
EU 11a	Overall capital requirements, %	11.7	11.6
12	CET1 available after meeting the total SREP own funds requirements, %	7.0	7.3
	Leverage ratio		
13	Total exposure measure	17,386,289	13,751,040
14	Leverage ratio, %	8.9	10.5
	Additional own funds requirements to address risks of excessive leverage ($\%$ of leverage ratio total exposure amount)		
EU 14a	Additional own funds requirements to address the risk of excessive leverage, $\%$	N/A	N/A
EU 14b	- of which, to be made up of CET1 capital, %	N/A	N/A
EU 14c	Total SREP leverage ratio requirements, %	3.0	3.0
	Leverage ratio buffer and overall leverage ratio requirement (% of total exposure measure)		
EU 14d	Total SREP leverage ratio requirements, %	N/A	N/A
EU 14e	Overall leverage ratio requirements, %	3.0	3.0
	Liquidity Coverage Ratio		
15	Total high-quality liquid assets (Weighted value – average)	3,367,144	1,537,966
	Cash outflows – Total weighted value	1,189,792	812,403
	Cash inflows – Total weighted value	362,841	376,288
16	Total net cash outflows (adjusted value)	826,951	436,115
17	Liquidity coverage ratio, %	407	353
	Net Stable Funding Ratio		
18	Total available stable funding	15,140,380	12,111,551
19	Total required stable funding	10,976,623	9,460,775
20	NSFR ratio, %	138	128

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