



3rd Quarter 2022

RESULT PRESENTATION

HIGHLIGHTS JULY – SEPTEMBER 2022



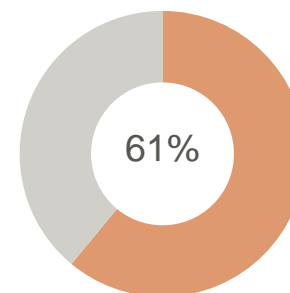
- Loan portfolio increased by 8% in the quarter
 - Whereof currency effects +2%
- Operating profit +21% compared to Q3-2021
- Credit Cards: Take-off for operating profit
- Ecommerce Solutions: Major Nordic retailer signed in October

CONSUMER LENDING

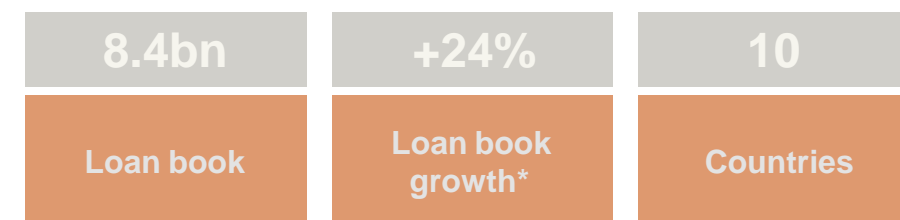
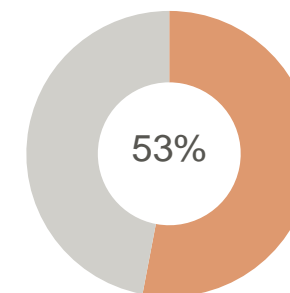


- Diversified portfolio with Nordic base
- Product offering tailored for each market
 - Average loan size on book of SEK – 68,000
 - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners
- Increase in front book APR, in line or above increase in funding cost
- Back book lending rates are up and so far outpace funding cost increases, but with a time lag contingent on consumer contract regulation
- Stable credit quality

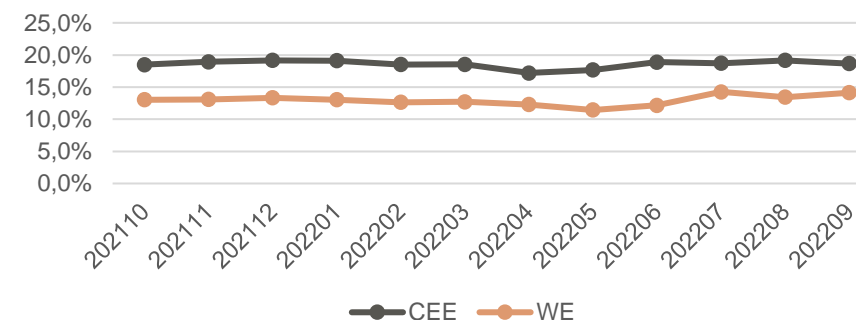
Share of TF Bank's loan book



Share of TF Bank's operating income



New originations, APR, volume weighted



* year-on-year

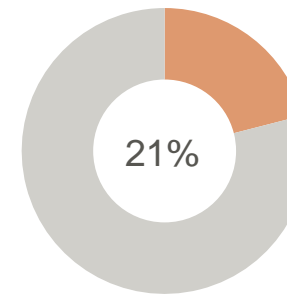
CREDIT CARDS



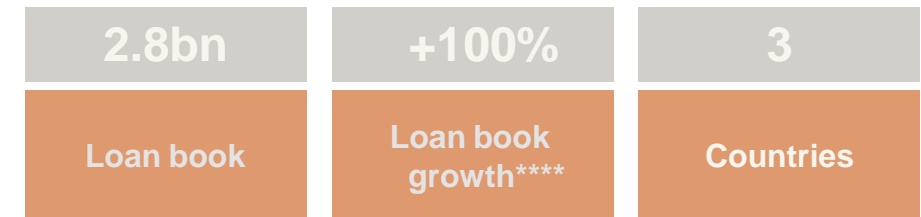
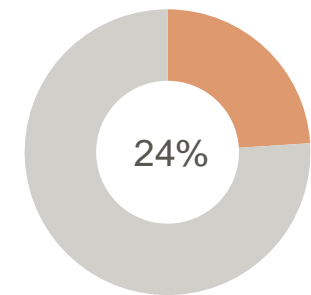
- Record volumes during the third quarter
- Target group is German, Austrian and Norwegian consumers
- Simple and transparent offering – gold card with no fees
- Different income profile compared to consumer loans
 - Starts low – gradual build-up of income
- Addressable market in number of consumers
 - Germany 35 M*, Norway 3 M** and Austria 3 M***
- Active customers and net assets grew to 124,000 (104,000) and 2,841 MSEK (2,336) during the quarter

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

Share of TF Bank's loan book



Share of TF Bank's operating income



Mid-term unit economics

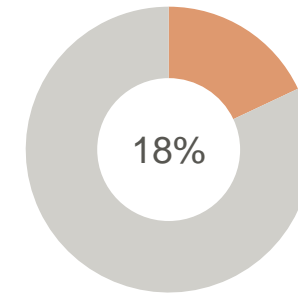
Mid-term unit economics	
Net banking income margin	18%
Marketing cost	5%
Net loan loss ratio	4%
Operating expenses ratio	3%
Net operating profit margin	6%

ECOMMERCE SOLUTIONS

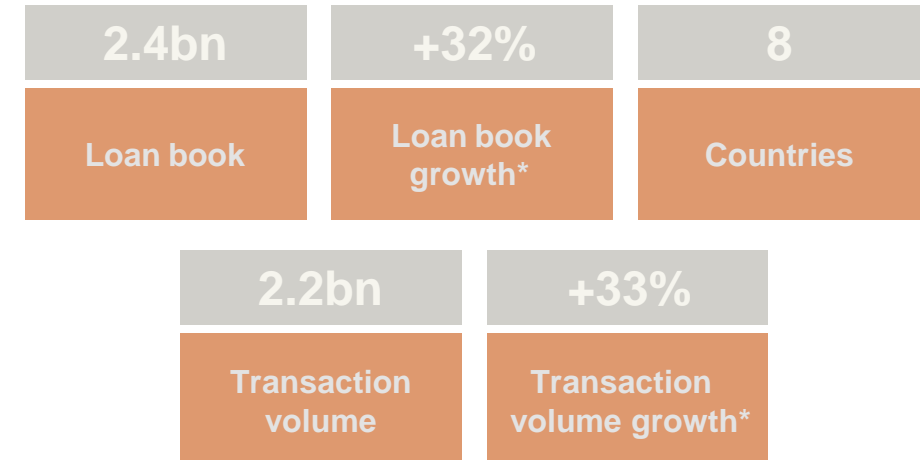
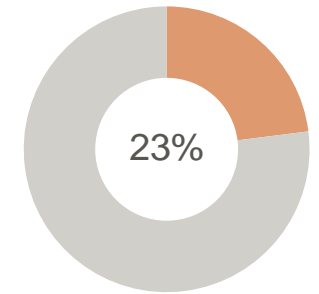


- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ maintain focus on our partners throughout the whole customer journey
- Although many sectors in retail see lower demand the bank is able to attract new merchant partners to fuel the growth
- Cooperation agreement signed with major Nordic retailer with an expected transaction volume of more than SEK 2 billion

Share of TF Bank's loan book

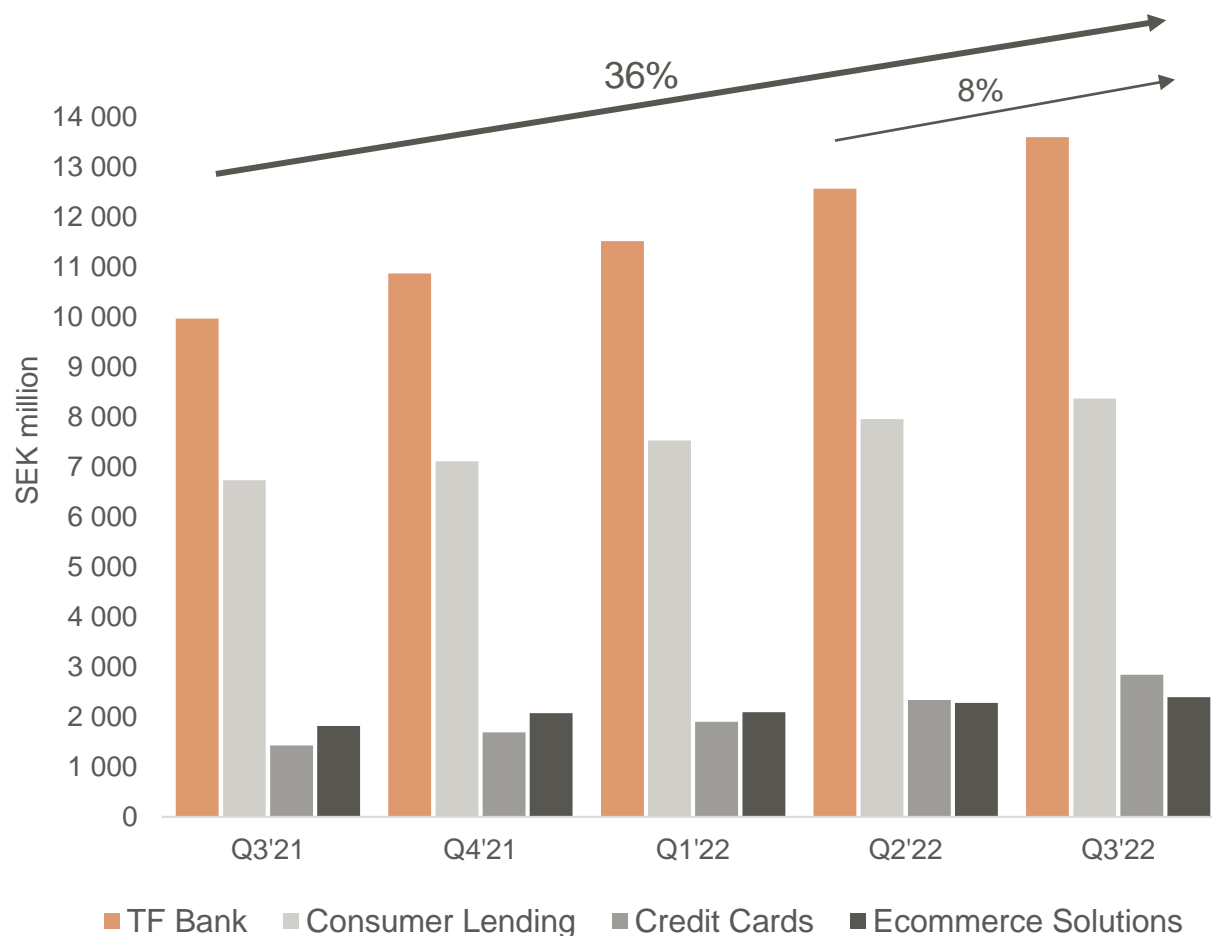


Share of TF Bank's operating income



* year-on-year

LOAN BOOK GROWTH



- TF Bank: Growth in Q3 = 8% (+2%*)
 - Year-on-year 36% (+7%*)
- Consumer Lending: Q3 = 5% (2%*)
 - Year-on-year 24% (+6%*)
- Credit Cards: Q3 = 22% (2%*)
 - Year-on-year 100%
- Ecommerce Solutions: Q3 = 5% (1%*)
 - Year-on-year 32% (+5%*)

* whereof currency effects

GROWTH AND DIVERSIFICATION



Sweden

- Focus on profitability and e-commerce.



Norway

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



Finland

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



The Baltic states

- Portfolio management and profitability focus in consumer lending.



Poland

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



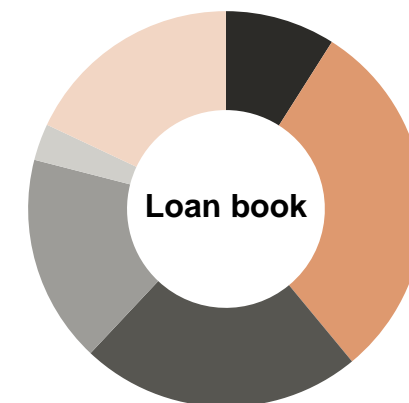
Germany

- Credit card product in high demand. Competitive CAC*



New markets

- Denmark and Spain underwriting kept low (1 MEUR/market/month) – building credit experience.



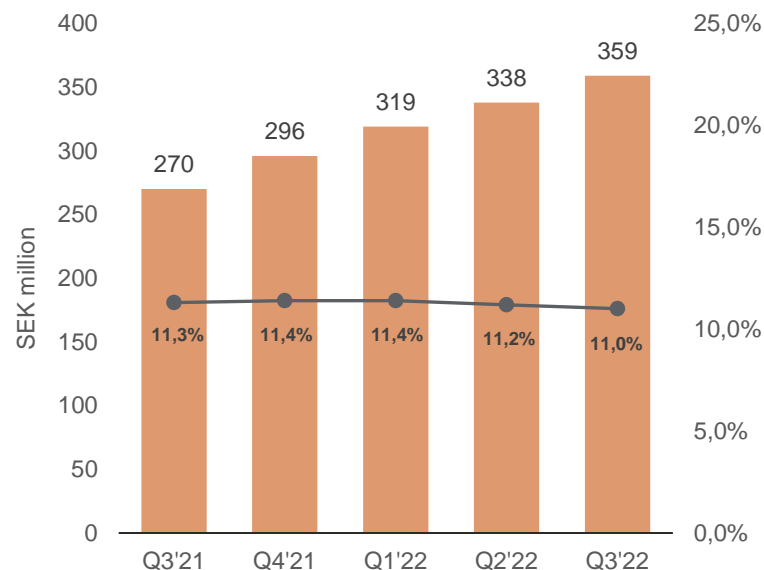
■ Sweden ■ Norway ■ Finland
■ Baltics ■ Poland ■ Germany

* Customer acquisition cost

HIGHER OPERATING INCOME

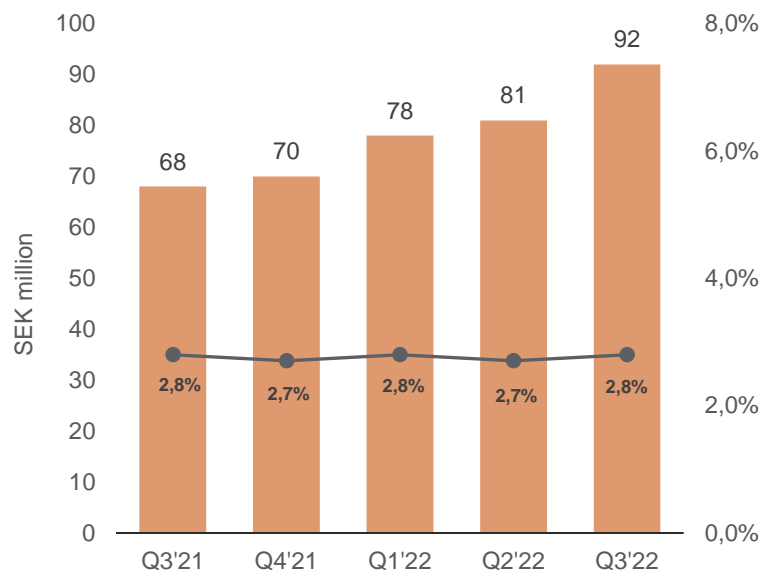


Operating income*



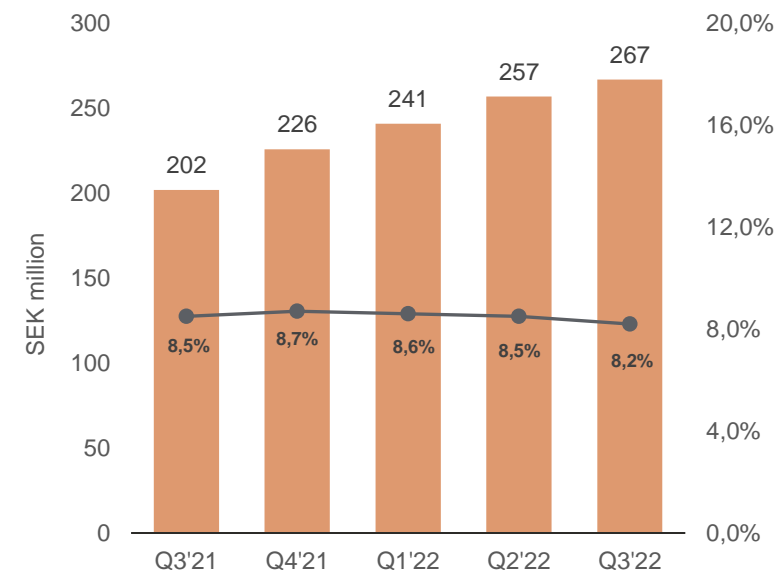
- **Income Q3-22 vs. Q3-21, +33%**
 - Higher operating income in all segments
 - Growing loan portfolio

Net loan losses*



- **Losses Q3-22 vs. Q3-21, +36%**
 - Record volume – higher provisions (IFRS 9)
 - Stable loan loss ratio

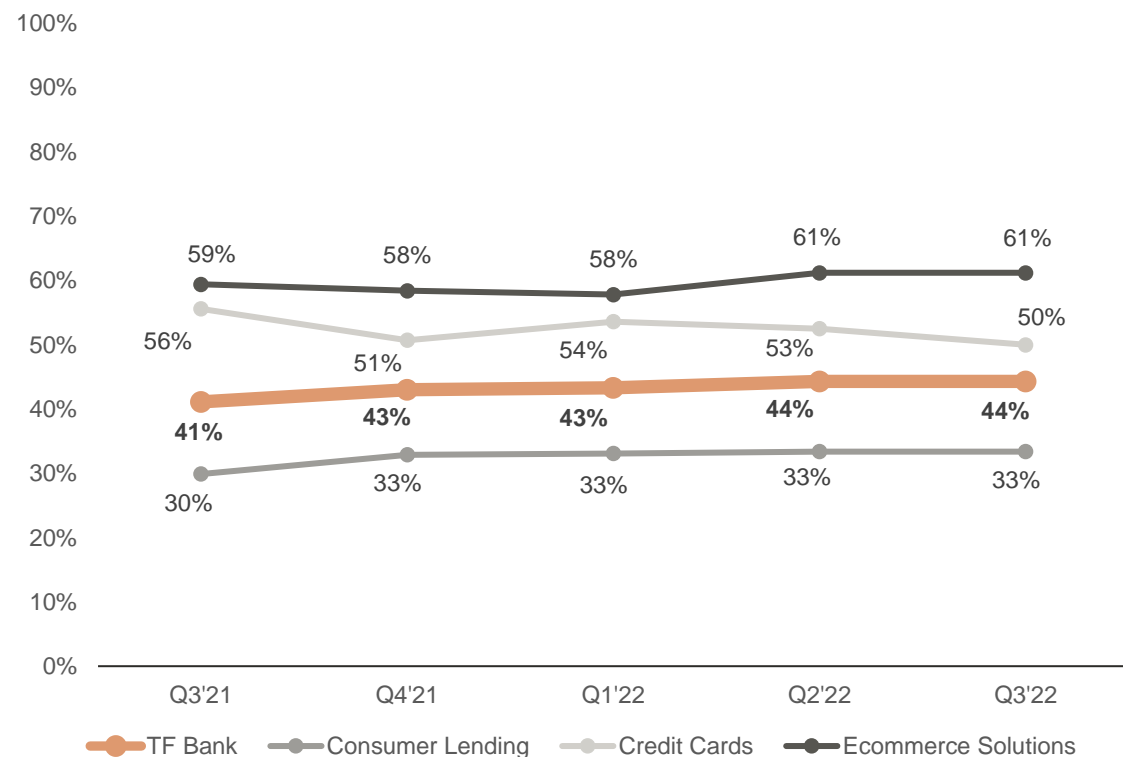
Risk-adjusted income**



- **Risk-adjusted income, +32%**
 - Increased +10 MSEK vs Q2-2022
 - Higher interest expenses in Q3-2022
 - Lagging interest income

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

OPEX – COST/INCOME RATIO BY SEGMENT

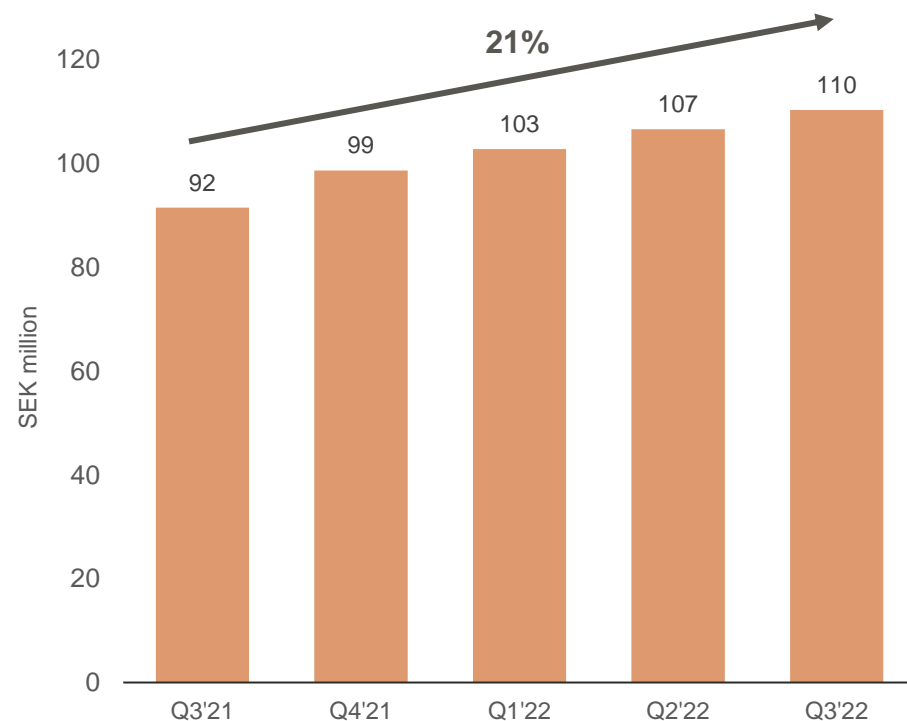


- **Expenses Q3-22 vs. Q3-21, +41%**
 - Increased marketing costs for credit cards
 - Record volume – sales related costs
 - Cost/income ratio 44%
 - Direct marketing = 38%
- **Cost/income ratio per segment in Q3-22**
 - Consumer Lending, stable level
 - Credit Cards, economies of scale
 - Ecommerce Solutions, stable level

GROWING OPERATING PROFIT



Operating profit

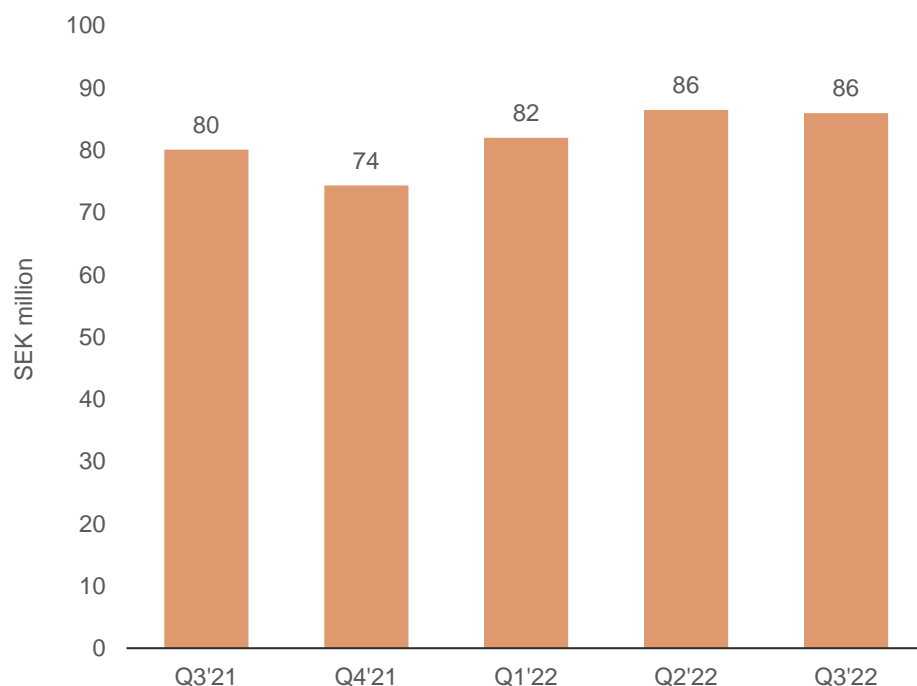


- **Operating profit Q3-22 vs. Q3-21, +21%**
 - Increased profit quarter-to-quarter
 - Return on assets, 2.5%
- **Growth combined with high profitability**
 - Return on equity, 24% in Q3-2022
 - Earnings per share, 3.86 SEK

CONSUMER LENDING: STABLE DEVELOPMENT



Operating profit

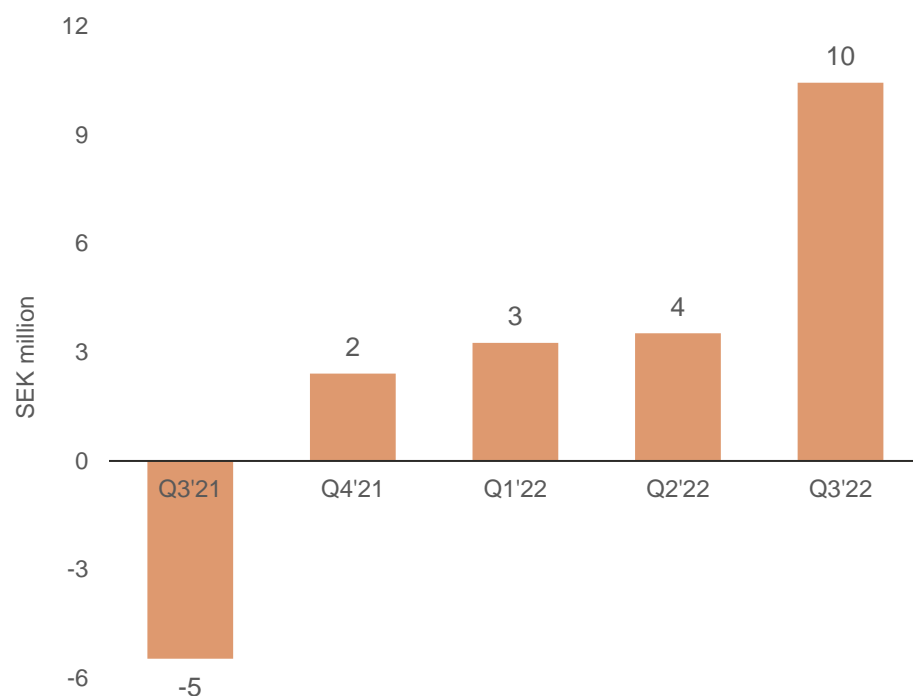


- **Operating profit Q3-22 vs. Q3-21, +7%**
 - Loan portfolio growth
 - Lower loan loss ratio
 - Return on assets, 3.3%
- **Higher funding costs in Q3-22**
 - Increased interest expenses in NOK and EUR
 - Lagging interest income

CREDIT CARDS: HIGHER OPERATING PROFIT



Operating profit

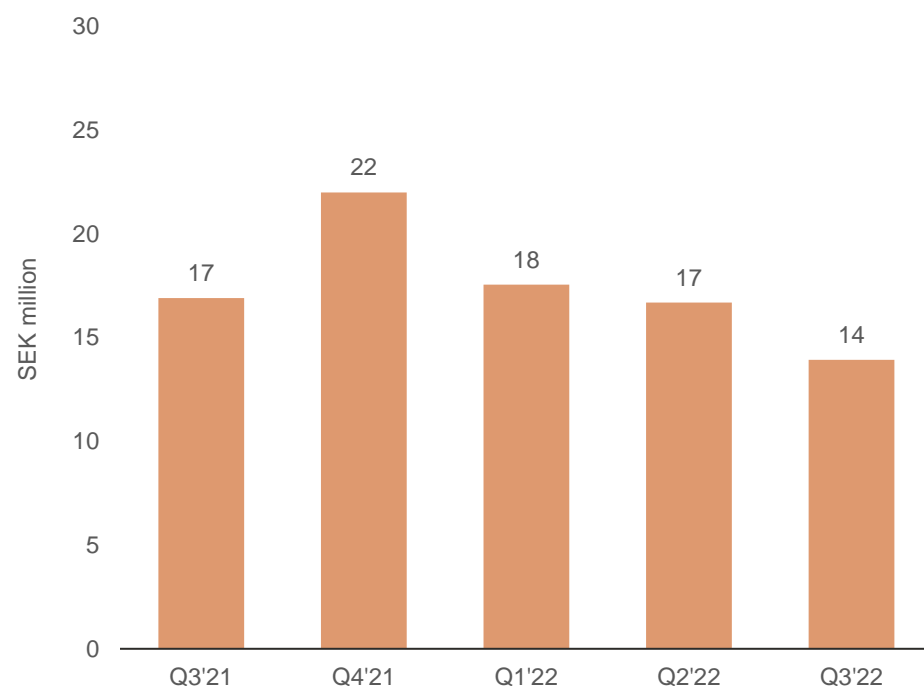


- **Operating profit Q3-22, 10 MSEK**
 - Higher operating income
 - Return on assets, 1.2%
- **Higher marketing costs from Q2-2022**
 - Digital channels, impacts OPEX upfront

ECOMMERCE SOLUTIONS: NORDIC EXPANSION

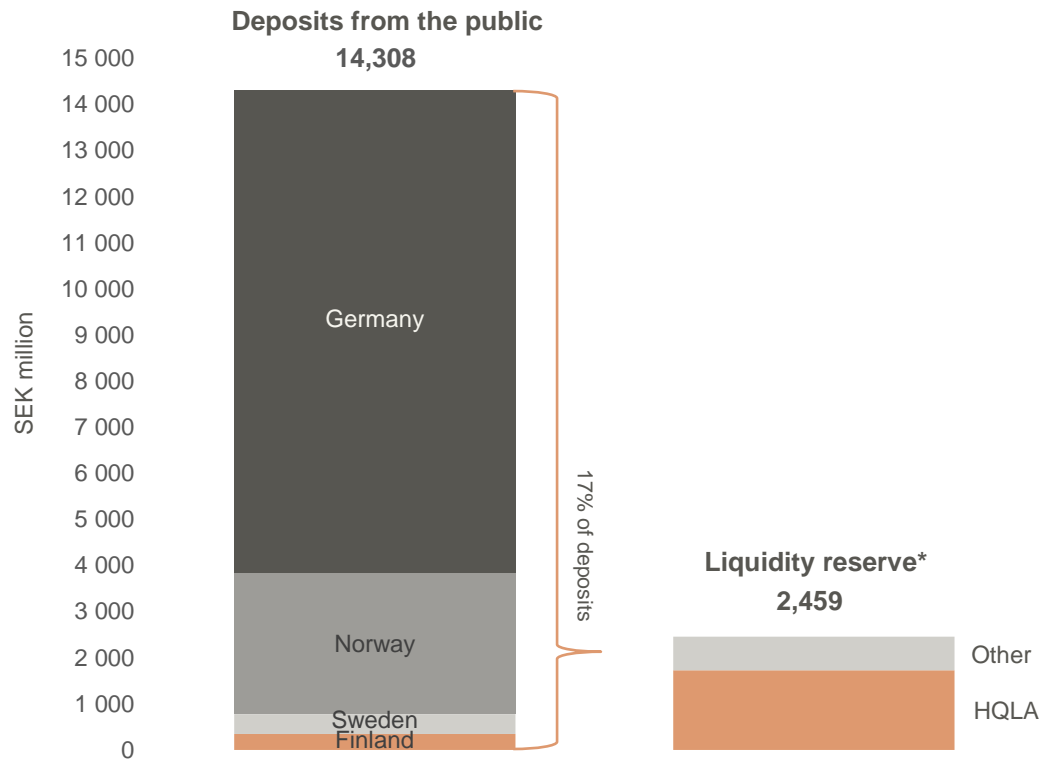


Operating profit



- **Operating profit Q3-22 vs. Q3-21, -18%**
 - Higher funding costs in Poland (+5 MSEK)
 - Return on assets, 1.8%
- **Positive development in the Nordic markets**
 - Growing loan portfolio
 - New deals / strong pipeline

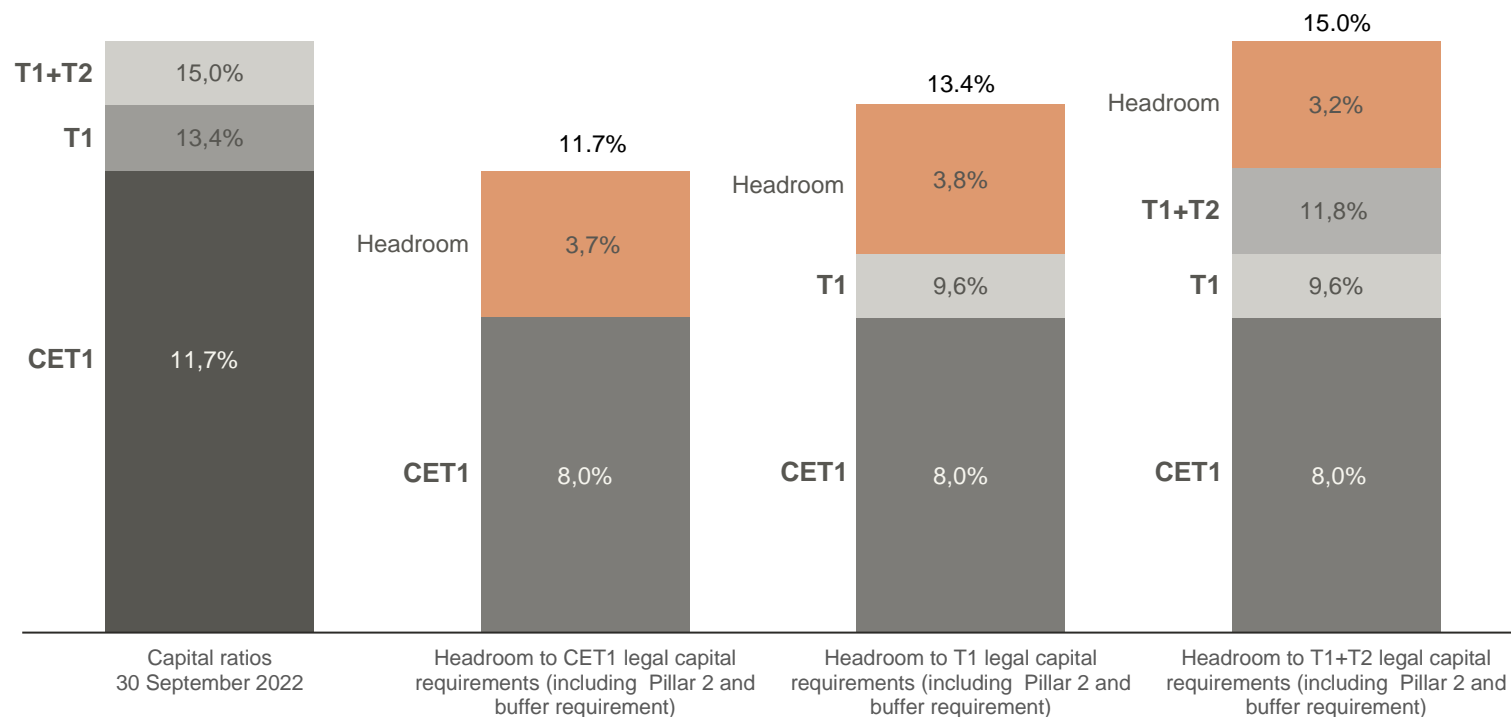
FUNDING AND LIQUIDITY



- **Retail deposits in 4 markets**
 - Germany (SEK 10.5 billion)
 - Norway (SEK 3.1 billion)
 - Sweden (SEK 0.4 billion)
 - Finland (SEK 0.3 billion)
 - Fixed-term deposits: 26%
- **Liquidity reserve: 17% of deposits**
 - HQLA 1.7 billion
 - Other liquidity 0.7 billion
 - Low risk – stable return
 - Increased treasury bills in Q3

* Liquidity reserve consists of Cash at central banks (202m), Treasury bills and Government bonds (1,523m) and Loans to credit institutions (734m) available next day

CAPITAL SITUATION



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

LOOKING AHEAD



- Continued positive development in Germany
- Positive first underwriting indicators means a slightly higher pace in Denmark and Spain
- Interesting pipeline for Ecommerce Solutions
- Uncertainty is high. The impact of inflation and energy costs on demand, competition, and consumers ability to repay remains to be seen





Q&A Session



Appendix

CORPORATE PROFILE



Our Products

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

Our DNA

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

Our Geographical footprint

We serve customers in the Nordics and around the Baltic sea

The investment case

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

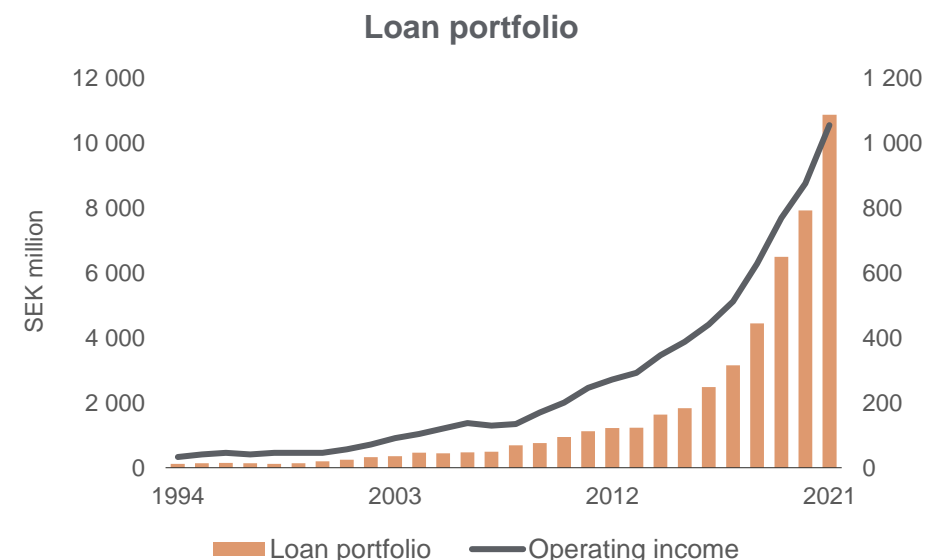
LONG TRACK RECORD OF PROFITABLE GROWTH



Long experience and proven business model

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

Strong track record on growth and profitability



Board of Directors



John Brehmer

Chairman of the Board since 2020

Board member since 2010

Current commitments:

Chairman: Mederion AB, Tiberon AB, Zebware AB

Board member: Consortio Invest AB, Consortio Business Center AB

Holdings in company: 3 361 852 shares



Mari Thjømøe

Board member since 2017

Current commitments:

Chairman: Seilspport Maritimt Forlag AS, ThjømøeKranen AS

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

Holdings in company: 11 850 shares



Sara Mindus

Board member since 2020

Current commitments:

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

Holdings in company: 25 000 shares



Michael Lindengren

Board member since 2021

Current commitments:

Chairman: Acrap AB

Deputy chairman: Tidaholms Sparbank

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

Holdings in company: 5 000 shares



Niklas Johansson

Board member since 2022

Current commitments:

Chairman: Apoteket AB:s

Pensionsstiftelse, AREIM AB

Board member: Livförsäkringsbolaget Skandia, Euroclear Sweden AB

Holdings in company: 300 shares



Fredrik Oweson

Board member since 2022

Current commitments:

Chairman: Scope Capital SA, Woffel SA

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

Holdings in company: 0 shares

Executive management team



Mattias Carlsson
CEO

Education: MSc, Engineering Physics, Uppsala University.

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

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

Holdings in company: 261 651 shares



Mikael Meomuttel
CFO, Deputy CEO and Head of Investor Relations

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

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

Current commitments: Torhamnsskär Holding AB (chairman)

Holdings in company: 28 000 shares



Espen Johannesen
COO

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

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

Holdings in company: 45 198 shares

Contact

Investor relations

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