



INTERIM REPORT
January-March 2023

T TFBank

PERIOD IN BRIEF

JANUARY – MARCH 2023

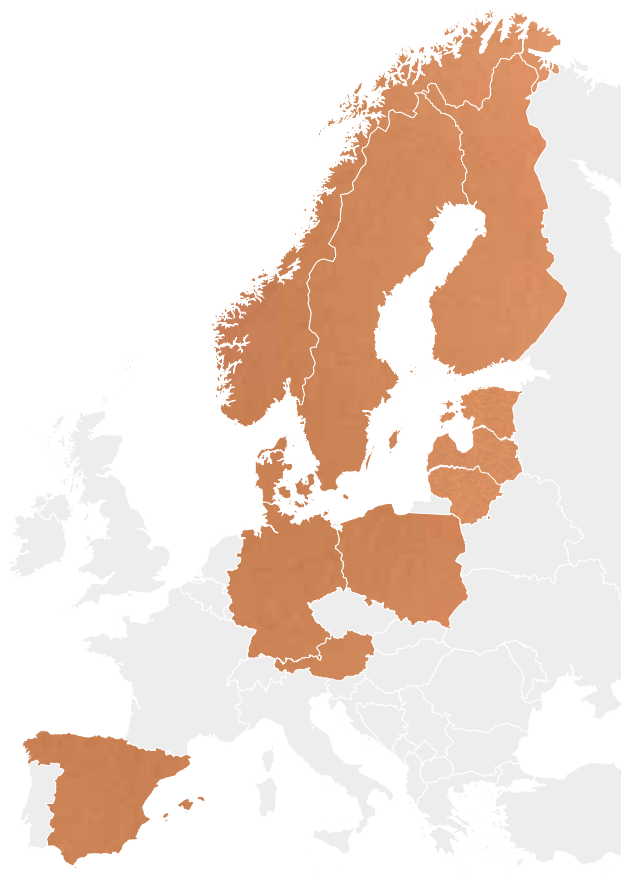
COMPARED TO JANUARY – MARCH 2022 (unless otherwise stated)

- The loan portfolio amounted to SEK 15,286 million, compared to March 2022 the increase in local currencies was 28 %
- Operating profit increased by 14 % to SEK 117.6 million
- Earnings per share increased by 13 % to SEK 4.07
- Cost/income ratio amounted to 42.0 % (43.3)
- Return on equity amounted to 22.2 % (24.5)
- Total capital ratio has increased to 16.7 % (15.6) since year-end

SIGNIFICANT EVENTS

JANUARY – MARCH 2023

- The credit card business had a substantial loan book growth of 16 % during the quarter and economies of scale in the business model contributed to the operating profit increasing significantly.
- TF Bank has issued Tier 2 bonds in the amount of SEK 150 million.
- The Board has appointed Joakim Jansson as new CEO, starting no later than August 2023. The current CEO Mattias Carlsson will remain with the company as a Senior Business Advisor.



During the first quarter, we continued to pass on increased financing costs to our lending customers.

LOAN PORTFOLIO ¹

31 MARCH 2023 COMPARED TO 31 MARCH 2022

SEK **15.3** BILLION **+28 %**

OPERATING PROFIT

JAN-MAR 2023 COMPARED TO JAN-MAR 2022

SEK **118** MILLION **+14 %**

TOTAL CAPITAL RATIO

31 MARCH 2023 COMPARED TO 31 DECEMBER 2022

16.7 % **+1.1** PERCENTAGE POINTS

RETURN ON EQUITY

JAN-MAR 2023 COMPARED TO JAN-MAR 2022

22.2 % **-2.3** PERCENTAGE POINTS

¹ Development of the loan portfolio in local currencies

See separate section with definitions and reconciliation tables, page 33-34.

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 with the support of the Swedish banking license. The operations are divided into three segments: Consumer Lending, Credit Cards and Ecommerce Solutions. 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 Credit Cards segment TF Bank offers credit cards to creditworthy individuals in Germany, Norway and Austria. 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.

KEY FIGURES

SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Δ	Jan-Dec 2022
Income statement				
Operating income	444,472	318,827	39%	1,412,801
Operating expenses	-186,464	-138,059	35%	-611,229
Net loan losses	-140,426	-77,957	80%	-367,569
Operating profit	117,582	102,811	14%	434,003
Profit for the period	92,060	80,867	14%	340,805
Earnings per share, SEK	4.07	3.61	13%	15.18
Balance sheet				
Loans to the public	15,286,271	11,517,897	33%	14,654,373
Deposits from the public	16,061,220	13,943,312	15%	16,108,130
New lending	4,930,997	3,174,739	55%	16,318,310
Key figures				
Operating income margin, %	11.9	11.4		11.1
Net loan loss ratio, %	3.8	2.8		2.9
Cost/Income ratio, %	42.0	43.3		43.3
Return on equity, %	22.2	24.5		23.6
Return on loans to the public, %	2.3	2.8		2.6
CET1 capital ratio, %	12.3	12.2		12.3
Tier 1 capital ratio, %	13.9	14.1		13.9
Total capital ratio, %	16.7	16.0		15.6
Employees (FTE)	319	268	19%	290

EXCHANGE RATES

SEK	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
EUR Income statement (average)	11.20	10.48	10.63
EUR Balance sheet (end of reporting period)	11.28	10.34	11.13
NOK Income statement (average)	1.02	1.06	1.05
NOK Balance sheet (end of reporting period)	1.00	1.07	1.06
PLN Income statement (average)	2.38	2.27	2.27
PLN Balance sheet (end of reporting period)	2.41	2.23	2.37

See separate section with definitions and reconciliation tables, page 33-34.

CEO'S COMMENTS

TF Bank's loan portfolio continues to grow strongly and the past year's growth amounted to 28 % in local currencies. German credit cards continue to be the main driver of growth in the first quarter. Operating profit increased by 14 % to SEK 118 million compared to the first quarter of 2022 and the return on equity amounted to 22 %.

Continued strong organic growth in Germany

During the first quarter of the year, TF Bank's loan portfolio increased by 5 % in local currencies, mainly driven by the Credit Cards segment's organic growth of 16 %. The strong growth is primarily due to an increased number of active German credit cards. For the Consumer Lending segment, the loan portfolio increased by 4 % in local currencies. The growth for consumer loans was mainly generated at the end of the quarter. The loan portfolio for the Ecommerce Solutions segment decreased by 3 % in local currencies during the first quarter. The segment's volumes have been affected by seasonal effects and the retailer's challenges in the weakened economy.

Government securities with a short maturity in the liquidity reserve

The recent turbulence in the banking industry has shaken the financial system. The volatility on the interest rate market has been sensational at times, but government interventions in the US and Europe seem to have stabilised the situation for the moment. In times of financial turbulence, it is comforting to know that TF Bank's strategy always has been to minimise credit risk and interest rate risk in our liquidity management to avoid negative surprises in connection with financial crises. Our available liquidity reserve amounted to 17 % of the deposit balance at the end of the quarter and our treasury bills had an average remaining maturity of approximately 3 months. At the same time, we are humbled by the fact that the competition for savers' money may increase in the future, which could lead to financing costs increasing further.

Increasing income margin during the quarter

During the first quarter, we continued to pass on increased financing costs to our lending customers. This has contributed to the Bank's operating income margin improving by 0.7 % points compared to the fourth quarter of 2022. Our expectation is that the margin may increase slightly further in the short term. At the same time, the loan loss levels have also increased during the first quarter, which we previously communicated in connection with the Q4 report. The new macroeconomic environment has primarily affected our credit losses in the Baltics, but we also see slightly higher levels in the Nordics during the first quarter. Overall, our risk-adjusted margin has been stable over the past three quarters as a higher level of credit losses has been offset by an increasing operating income margin.

Future prospects in 2023

Our ambition for 2023 is to continue to grow and allocate capital to the markets that have the best conditions for delivering attractive risk-adjusted returns. The German credit card market is a high priority and we believe that there is considerable room for continued high growth and improved profitability. Within the Consumer Lending segment, we see opportunities in, for example, Spain, but as always in a new market, we are taking cautious steps before we are ready for a higher growth rate. During the first quarter, our capital base was strengthened through an issue of Tier 2 bonds in the amount of SEK 150 million, which gives us the opportunity to continue growing as planned. In June, we intend to redeem Tier 1 bonds in the amount of SEK 100 million and in order to maintain an optimised capital structure, our main track is to issue new Tier 1 bonds during the year.



Mattias Carlsson
CEO

RESULTS AND FINANCIAL POSITION

JANUARY - MARCH 2023

COMPARED TO JANUARY - MARCH 2022

Operating profit

Operating profit increased by 14 % to SEK 117,6 million (102,8). Higher operating income from the growing loan portfolio contributes to the increasing operating profit. Earnings per share increased by 13 % to SEK 4,07 (3,61). Return on equity amounted to 22,2 % (24,5).

Operating income

TF Bank's operating income has increased by 39 % to SEK 444,5 million (318,8). The increase is explained by increasing financing costs that have been transferred to the Bank's lending customers. The operating income comprises 90 % of net interest income and 10 % of net fee and commission income in the interim period. The operating income margin has increased compared to the first quarter 2022 and amounted to 11,9 % (11,4).

Interest income

Interest income increased by 53 % to SEK 491,7 million (321,4). The increase is attributable to the growing loan portfolio and geographically it was primarily Germany that had higher interest income. The weakened SEK has also had a positive impact on the interest income.

Interest expense

TF Bank's interest expenses increased by 131 % to SEK 89,8 million (38,9). Increasing financing costs from the third quarter 2022 have contributed to the higher interest expenses. Growing deposit balances in Germany also explain a part of the increase.

Net fee and commission income

Net fee and commission income increased by 15 % to SEK 42,0 million (36,5). The increase is mainly attributable to higher fee and commission income within the Ecommerce Solutions segment as well as increasing insurance income within the Consumer Lending segment. During the year, 44 % of TF Bank's fee and commission income derived from charges and 56 % from insurance premiums and other income.

Operating expenses

TF Bank's operating expenses increased by 35 % to SEK 186,5 million (138,1). The increase is mainly explained by increasing direct marketing costs in the Credit Cards segment as well as more employees and higher sales-related expenses as a result of an increase in new lending. TF Bank's C/I ratio amounted to 42,0 % (43,3).

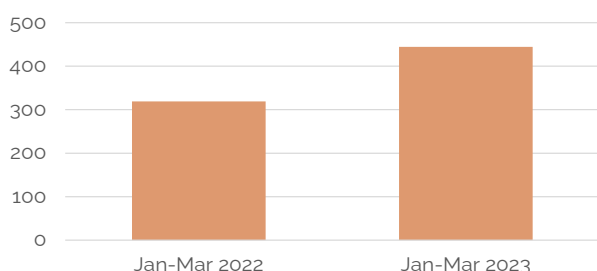
Loan losses

The loan losses increased by 80 % to SEK 140,4 million (78,0). The growing loan portfolio in the Credit Cards segment and higher loan losses in the Consumer Lending segment contribute to an increase in the net loan losses in absolute terms and the loan loss ratio amounted to 3,8 % (2,8).

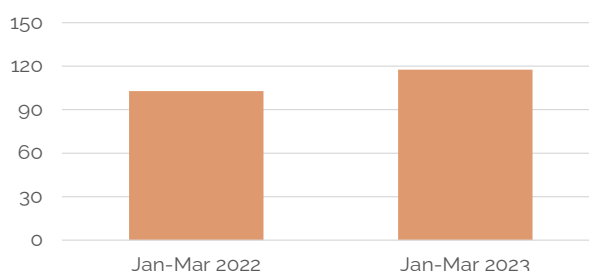
Tax expense

TF Bank's tax expenses increased to SEK 25,5 million (21,9). The increase in the tax expenses is related to a higher operating profit.

OPERATING INCOME (SEK million)



OPERATING PROFIT (SEK million)



RESULTS AND FINANCIAL POSITION

JANUARY - MARCH 2023

COMPARED TO 31 DECEMBER 2022 (unless otherwise stated)

Loans to the public

The loan portfolio amounted to SEK 15,286 million (11,518), an increase in local currencies of 28 % compared to March 2022. Positive currency effects impacted the loan portfolio growth by another 5 %. New lending increased by 55 % to SEK 4,931 million (3,175) compared to the first quarter 2022. The increase is affected by record volumes in both the Consumer Lending and Credit Cards segments.

TF Bank's loan portfolio is well-diversified with relatively small exposures in several different geographic markets. At the end of the quarter, the exposure towards the three largest countries was Norway at 27 %, Finland at 21 % and Germany at 21 %. The main driver of the past quarter's loan book growth has been the German credit card business.

Deposits from the public

Deposits from the public amounted to SEK 16,061 million (13,943), an increase in local currencies of 8 % compared to March 2022. Positive currency effects have affected the deposit balance by another 7 %. At the end of the quarter, deposits were geographically distributed between Germany at 85 %, Norway at 12 %, as well as Sweden and Finland at 3 % combined.

The increased deposit balance over the past year is attributable to Germany and relates to savings accounts with both fixed and variable interest rate. At the end of the quarter, accounts with a fixed term comprises of 39 % of TF Bank's total deposits.

Cash and cash equivalents

Cash and cash equivalents decreased to SEK 3,055 million (3,526) during the first quarter. The decrease is primarily attributable to the cash flow from operating activities, which amounted to SEK -602 million.

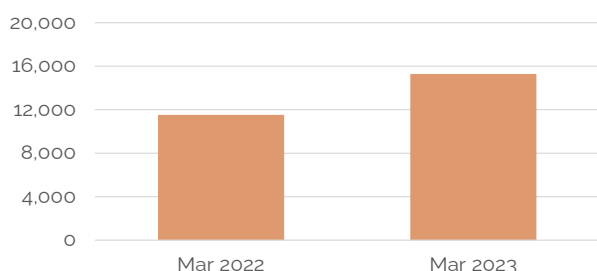
At the end of the quarter, the available liquidity reserve amounted to 17 % (20) ¹ of deposits from the public.

Capital adequacy

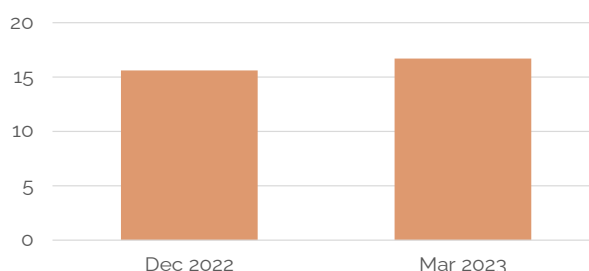
At the end of the quarter, the CET1 capital ratio amounted to 12.3 % (12.3), the Tier 1 capital ratio was 13.9 % (13.9), and the total capital ratio was 16.7 % (15.6). The total capital ratio has been positively affected by the subordinated Tier 2 bonds that was issued during the first quarter in the amount of SEK 150 million.

TF Bank's regulatory CET 1 capital requirement amounted to 8.5 % by the end of the quarter, the Tier 1 capital requirement to 10.2 % and the total capital requirement to 12.5 %. Announced increases of countercyclical buffer requirements in several countries are expected to increase the regulatory capital requirement with approximately 0.2 percentage points over the year.

LOANS TO THE PUBLIC (SEK million)



TOTAL CAPITAL RATIO (%)



¹ Excluding restricted cash and cash equivalents that are not available the next day.

CONSUMER LENDING

JANUARY - MARCH 2023

COMPARED TO JANUARY - MARCH 2022 (unless otherwise stated)

In the Consumer Lending segment, TF Bank offers unsecured consumer loans to creditworthy individuals. The product offering differs between the various markets and is adjusted according to the specific conditions in each country. As of 31 March 2023, the average loan amount per customer was approximately SEK 69 thousand.

The Nordic loan portfolio comprises 71 % 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 loan portfolio outside of the Nordics comprises 29 % of the segment, the majority of which is in the Baltics. The Baltic countries have fast-growing credit markets with several established Nordic companies operating locally.

The loan portfolio

The loan portfolio amounted to SEK 8,867 million (7,529), an increase in local currencies of 16 % compared to March 2022. Positive currency effects have had an impact on the loan portfolio's growth of another 2 %. New lending has increased by 22 % to SEK 1,616 million (1,329) compared to the first quarter 2022.

The Nordic loan portfolio amounted to SEK 6,259 million (5,738), compared to March 2022 this is an increase in local currencies of 10 %. The loan portfolio in Norway has increased by 8 % to NOK 3,315 million (3,065) 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 8 % to EUR 202 million (188). The loan portfolio in Sweden has increased by 21 % to SEK 610 million (506) at the end of the first quarter and the new loan portfolio in Denmark amounted to DKK 50 million (-).

The loan portfolio in the Baltics has increased by 34 % to EUR 217 million (162) over the past year. The growth has mainly been generated in Lithuania. In Poland, new lending was discontinued during the fourth quarter of 2020 and the Polish loan portfolio decreased to PLN 34 million (49). At the end of the first quarter, the new loan portfolio in Spain amounted to EUR 7 million (-).

Results

The operating profit increased by 1 % to SEK 82,6 million (82,0). The loan portfolio has continued to grow and operating costs remain at a stable level. However, net loan losses have increased during the first quarter of the year.

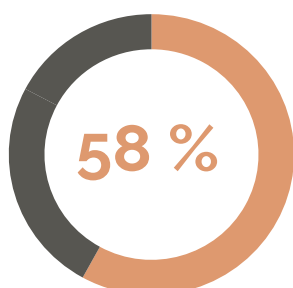
The operating income increased by 24 % to SEK 218,3 million (176,4) which is mainly related to a higher net interest income. The operating income margin has increased to 10,0 % (9,6). The rising financing costs have been passed on to the customers, which has had a positive effect on the operating income margin.

The operating expenses increased by 16 % to SEK 67,8 million (58,4). The increase is, among other things, attributable to volume-related costs. The C/I ratio decreased to 31 % (33,1) during the first quarter.

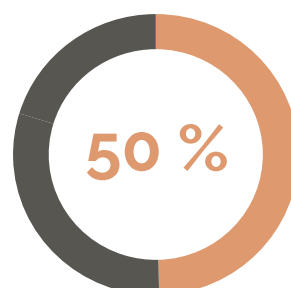
The loan losses increased by 89 % to SEK 68,0 million (36,0) and the loan loss ratio has increased to 3,1 % (2,0). The loan losses have primarily increased in the Baltics, but the levels are also slightly higher in the Nordics.

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 - MARCH 2023

COMPARED TO JANUARY - MARCH 2022 (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. By the end of the quarter, the number of active German credit cards amounted to approximately 134,000.

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 19,000. In the beginning of 2022 credit cards in Austria were 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 7,000.

The loan portfolio

The loan portfolio amounted to SEK 3,781 million (1,899), an increase in local currencies of 87 % compared to March 2022. Positive currency effects impacted the loan portfolio growth by another 12 %. The new lending has increased by 134 % to SEK 1,961 million (837). The increase is mainly related to the operations in Germany.

The loan portfolio in Germany has increased by 81 % to EUR 279 million (154) over the past year. The growth is primarily attributable to an increased number of issued credit cards. Increased direct marketing in digital channels and a modified credit strategy have had a positive effect on growth during the quarter.

The loan portfolio in Norway has increased by 70 % to NOK 483 million (284) over the past year. The volumes have increased significantly due to a changed credit strategy which has resulted in a significant increase in the utilisation rate on the credit cards. The loan portfolio in Austria amounted to EUR 14 million (1) by the end of the quarter.

Results

The operating profit increased to SEK 24.2 million (3.3). Higher income from the growing loan portfolio and economies of scale in the business model contributed to the considerable improvement in the profit.

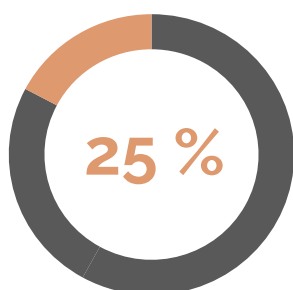
The operating income increased by 111 % to SEK 135.2 million (63.9). The increase is mainly related to the high growth in Germany. The operating income margin increased to 15.3 % (14.3) since a lower proportion of new credit card customers were generated via loan intermediaries.

The operating expenses increased by 72 % to SEK 59.0 million (34.2). During the quarter, the expenses were affected by an increased direct marketing effort. However, the C/I ratio still decreased to 43.7 % (53.6) due to economies of scale in the business model.

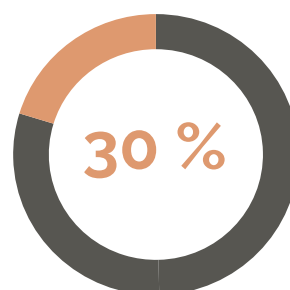
The loan losses increased by 96 % to SEK 51.9 million (26.4). The increase was affected by the growing loan portfolio in Germany. The loan loss ratio has, however, remained unchanged and amounted to 5.9 % (5.9).

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 - MARCH 2023

COMPARED TO JANUARY - MARCH 2022 (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 Avarða brand and in the Baltics as well as Poland under the TF Bank brand. The Nordic loan portfolio comprises 74 % of the segment. The Bank had 376 active commercial partners during the first quarter 2023.

The Avarða brand continues to grow in the Nordic markets. During the past year, the position has been strengthened considerably. New cooperations with Haypp Group and Jollyroom have been launched, which are collectively expected to generate an increase of around SEK 3 billion in 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 2,638 million (2,090) an increase in local currencies of 21 % compared to March 2022. Positive currency effects impacted the loan portfolio growth by another 6 %. New lending increased by 34 % to SEK 1,354 million (1,009). The increase is mainly related to an increased number of partners and expanded cooperation with existing retailers.

The loan portfolio in the Nordics increased by 26 % in local currencies compared to March 2022 and amounts to SEK 1,953 million (1,496). In Finland, the portfolio increased by 18 % to EUR 89 million (76) over the past year. The increase is explained by a continued growth for e-commerce and an inflow of several new partners. The Swedish loan portfolio increased by 29 % to

SEK 687 million (533) following strong sales development during the past year. In Norway the loan portfolio increased by 70 % to NOK 253 million (149). In Denmark, the loan portfolio decreased to DKK 9 million (16).

The loan portfolio in the Baltics increased by 33 % to EUR 32 million (24) over the past year. The increase is mainly explained by operations being established in Latvia and Lithuania, but also from a continued strong inflow of new partners in Estonia. In Poland, the loan portfolio has decreased by 13 % to PLN 135 million (155).

Results

The operating profit decreased by 39 % to SEK 10.8 million (17.6). The decrease is mainly related to increasing financing costs and investments in new cooperations.

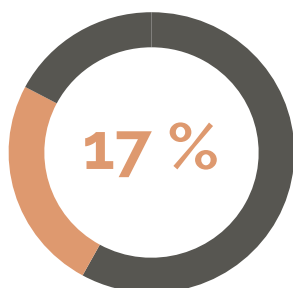
The operating income increased by 16 % to SEK 91.0 million (78.6). High growth of the loan portfolio and a significant increase in transaction volumes in several geographic markets have resulted in both higher interest income and increasing fee and commission income. The operating income margin decreased to 13.6 % (15.1), mainly as a result of increased financing costs that have not yet been fully passed on to the customers.

The operating expenses increased by 31 % to SEK 59.7 million (45.4). This is explained by increased sales-related costs, more employees and an increased investment pace in product development. The C/I ratio increased to 65.6 % (57.8) during the quarter.

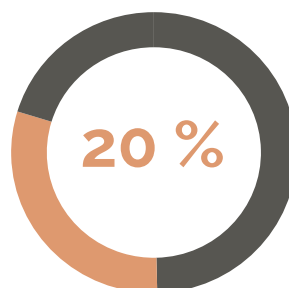
The loan losses increased by 33 % to SEK 20.6 million (15.5), mainly explained by the growth over the past year. The loan loss ratio increased to 3.1 % (3.0).

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

Annual General Meeting 2023

The Annual General Meeting 2023 will be held on Wednesday 3 May 2023.

Proposed dividend

The Board proposes the Annual General Meeting that no dividend will be paid for 2022.

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 March 2023, the share price closed at SEK 133.60, a decrease of 24 % during the quarter. In total, 0.5 million TF Bank shares worth approximately SEK 79 million were traded on Nasdaq Stockholm during the first quarter 2023.

Institutions following TF Bank

ABG Sundal Collier, Carnegie and Nordea are following the company. By the end of the first quarter, two institutions had issued a buy recommendation for the TF Bank share and one institution had issued a hold recommendation.

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 - March 2023

The Board has appointed Joakim Jansson as new CEO, starting no later than August 2023. The current CEO Mattias Carlsson will remain with the company as a Senior Business Advisor.

The Swedish Financial Supervisory Authority has given TF Bank permission to use the Alternative Standardised Approach to calculate the capital requirement for operational risk. The change results in the capital requirement for operational risk being significantly closer to the business' own perception of its operational risks.

TF Bank has issued Tier 2 bonds in the amount of SEK 150 million.

The credit card business had a substantial loan book growth of 16 % during the quarter and economies of scale in the business model contributed to the operating profit increasing significantly.

Events after the end of the reporting period

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

Geopolitical and macroeconomic uncertainty

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 past year. TF Bank has no exposures to neither Ukraine, Russia nor Belarus. It cannot be ruled out that TF Bank's operations, new lending or credit losses may be negatively affected by the geopolitical and macroeconomic uncertainty in the future.

Presentation for investors, analysts and media

A live conference call will be held on Monday 17 April 2023 at 08.15 CET, where CEO Mattias Carlsson and CFO Mikael Meomuttel will present the interim 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 and ask questions call +46 (0)8 4468 2488 and enter the meeting code 830 6195 3376. 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.

OTHER INFORMATION

Risks and uncertainties

Different types of risks arise in the Bank's business operations. The risks can be actualised 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 (interest rate, currency and other exchange risks)
- Liquidity risks
- Operational risks (including process risks, IT and systemic risks and external risks)
- Other business risks (including business risks, cyclical risks and reputational risks)

The Bank estimates 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.

The banking operations are subject to extensive regulations concerning capital adequacy and liquidity requirements, which are primarily governed by the regulatory package that comprises Capital Requirements Directive (CRD) and Capital Requirements Regulation (CRR), which jointly implement the Basel agreement within the European Union (collectively known as the "Basel regulatory framework"). The Basel regulatory framework includes certain capital requirements that are intended to be adjustable over time and that are dependent on such factors as the presence of cyclical and structural systemic risks. The Bank must fulfil the specified capital and liquidity requirements and have capital and access to liquidity at all times. TF Bank monitors changes related to capital and liquidity requirements and takes these into consideration regarding the financial targets.

More information regarding the Bank's credit risks and capital adequacy can be found in Notes 3 and 9 and on page 35 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 31 of the Annual report 2022.

Environment

TF Bank works actively to conduct a responsible business where the intention is to have as limited negative impact on the environment and people as possible. Environmental resources are used responsibly and carefully throughout the Bank's operations. TF Bank conducts operations in an environmentally sustainable manner by, for example, improving efficiency and investing in sustainable products and services. The business model is as digital and automated as possible, making us accessible while limiting our environmental impact.

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).

The Bank's accounting principles, calculation bases and presentation are essentially unchanged compared with the Annual report 2022. The interim information on pages 3-35 is an integral part of this financial report.

LOAN PORTFOLIO PERFORMANCE IN 2021-2023 (SEK MILLION)



FINANCIAL INFORMATION

INCOME STATEMENT

SEK thousand	Note	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
	3			
Operating income				
Interest income		491,700	321,371	1,472,979
Interest expense		-89,775	-38,902	-210,318
Net interest income		401,925	282,469	1,262,661
Fee and commission income		60,924	47,346	204,316
Fee and commission expense		-18,929	-10,815	-54,859
Net fee and commission income		41,995	36,531	149,457
Net results from financial transactions		552	-173	683
Total operating income		444,472	318,827	1,412,801
Operating expenses				
General administrative expenses		-154,059	-115,658	-513,377
Depreciation and amortisation of tangible and intangible assets		-9,577	-7,621	-30,256
Other operating expenses		-22,828	-14,780	-67,596
Total operating expenses		-186,464	-138,059	-611,229
Profit before loan losses		258,008	180,768	801,572
Net loan losses	4	-140,426	-77,957	-367,569
Operating profit		117,582	102,811	434,003
Income tax for the period		-25,522	-21,944	-93,198
Profit for the period		92,060	80,867	340,805
<i>Attributable to:</i>				
<i>Shareholders of the Parent Company</i>		87,439	77,662	326,445
<i>Additional tier 1 capital holders</i>		4,621	3,205	14,360
<i>Basic earnings per share (SEK)</i>		4.07	3.61	15.18
<i>Diluted earnings per share (SEK)</i>		4.07	3.61	15.18

STATEMENT OF OTHER COMPREHENSIVE INCOME

SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Profit for the period	92,060	80,867	340,805
Other comprehensive income			
Items that may subsequently be reclassified to the income statement			
Gross exchange rate differences	-65	-	-464
Tax on exchange rate differences in the period	14	-	100
Other comprehensive income for the period	-51	-	-364
Total comprehensive income for the period	92,009	80,867	340,441
<i>Attributable to:</i>			
<i>Shareholders of the Parent Company</i>	87,388	77,662	326,081
<i>Additional tier 1 capital holders</i>	4,621	3,205	14,360

BALANCE SHEET

SEK thousand	Note	31 Mar 2023	31 Dec 2022
	2,5,6		
ASSETS			
Cash and balances with central banks		61,370	57,686
Treasury bills eligible for refinancing		1,789,398	1,837,025
Loans to credit institutions		1,203,914	1,631,653
Loans to the public	3,7	15,286,271	14,654,373
Shares		145	154
Shares in subsidiaries		371	371
Goodwill		8,608	8,927
Intangible assets		88,679	86,780
Tangible assets		4,776	3,955
Other assets		114,334	27,707
Deferred tax assets		-	2,943
Prepaid expenses and accrued income		39,889	35,716
TOTAL ASSETS		18,597,755	18,347,290
LIABILITIES AND EQUITY			
Liabilities			
Deposits and borrowings from the public	8	16,061,220	16,108,130
Other liabilities		144,151	125,131
Current tax liabilities		5,306	35,955
Deferred tax liabilities		15,641	15
Accrued expenses and prepaid income		200,457	144,621
Subordinated liabilities	11	348,814	198,660
Total liabilities		16,775,589	16,612,512
Equity			
Restricted equity			
Share capital		107,500	107,500
Statutory reserve		1,000	1,000
Development costs fund		88,679	86,780
Total restricted equity		197,179	195,280
Non-restricted equity			
Tier 1 capital instrument		200,000	200,000
Fair value fund		-415	-364
Retained earnings		1,333,342	999,057
Profit for the period		92,060	340,805
Total non-restricted equity		1,624,987	1,539,498
Total equity		1,822,166	1,734,778
TOTAL LIABILITIES AND EQUITY		18,597,755	18,347,290

STATEMENT OF CHANGES IN EQUITY

SEK thousand	Restricted equity			Non-restricted equity				Total equity
	Share capital ¹	Statutory reserve	Development costs fund	Tier 1 capital instrument ²	Fair value fund	Retained earnings	Profit for the period	
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	-	-	-	-	-	-	340,805	340,805
Other comprehensive income for the period	-	-	-	-	-364	-	-	-364
Transfer of previous year's profit	-	-	-	-	-	277,206	-277,206	-
Dividend to shareholders	-	-	-	-	-	-21,500	-	-21,500
Capitalisation of development costs	-	-	45,004	-	-	-45,004	-	-
Amortisation of capitalised development costs	-	-	-29,589	-	-	29,589	-	-
Interest Tier 1 capital	-	-	-	-	-	-14,360	-	-14,360
Transaction costs, issue of Tier 1 capital	-	-	-	-	-	-622	-	-622
Tax effect, transaction costs issue of Tier 1 capital	-	-	-	-	-	128	-	128
Equity as at 31 Dec 2022	107,500	1,000	86,780	200,000	-364	999,057	340,805	1,734,778
Equity as at 1 Jan 2023	107,500	1,000	86,780	200,000	-364	999,057	340,805	1,734,778
Profit for the period	-	-	-	-	-	-	92,060	92,060
Other comprehensive income for the period	-	-	-	-	-51	-	-	-51
Transfer of previous year's profit	-	-	-	-	-	340,805	-340,805	-
Capitalisation of development costs	-	-	11,092	-	-	-11,092	-	-
Amortisation of capitalised development costs	-	-	-9,193	-	-	9,193	-	-
Interest Tier 1 capital	-	-	-	-	-	-4,621	-	-4,621
Equity as at 31 Mar 2023	107,500	1,000	88,679	200,000	-415	1,333,342	92,060	1,822,166

¹ Share capital comprises of 21 500 000 shares of SEK 5 each.

² 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-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating activities			
Operating profit	117,582	102,811	434,003
<i>Adjustment for items not included in cash flow</i>			
Depreciation and amortisation of tangible and intangible assets	9,577	7,621	30,256
Accrued interest income and expense	17,454	-41	5,083
Other non-cash items	103	154	254
Paid income tax	-56,171	-30,306	-93,332
	88,545	80,239	376,264
Increase/decrease in loans to the public	-631,898	-645,612	-3,782,088
Increase/decrease in other short-term receivables	-85,890	-28,313	-196,757
Increase/decrease in deposits and borrowings from the public	-46,910	2,438,563	4,603,381
Increase/decrease in other short-term liabilities	73,734	48,979	46,871
Cash flow from operating activities	-602,419	1,893,856	1,047,671
Investing activities			
Investments in tangible assets	-1,345	-213	-2,818
Investments in intangible assets	-11,092	-9,308	-45,004
Investments in subsidiaries	-	-	-30
Cash flow from investing activities	-12,437	-9,521	-47,852
Financing activities			
Issue of Tier 1 capital	-	-494	-494
Issue of Tier 2 capital	150,000	-	-
Interest on Tier 1 capital	-4,621	-3,205	-14,360
Dividend to shareholders	-	-	-21,500
Cash flow from financing activities	145,379	-3,699	-36,354
Cash flow for the period	-469,477	1,880,636	963,465
Cash and cash equivalents at the beginning of period	3,526,364	2,366,139	2,366,139
Exchange rate difference in cash and cash equivalents	-2,205	35,373	196,760
Cash and cash equivalents at the end of period	3,054,682	4,282,148	3,526,364
<i>Cash flow from operating activities includes interest expenses paid and interest payments received</i>			
Interest expenses paid	73,027	39,772	208,667
Interest payments received	453,018	277,851	1,281,280
Components of cash and cash equivalents			
Cash and balances with central banks	61,370	3,151,232	57,686
Treasury bills eligible for refinancing	1,789,398	298,750	1,837,025
Loans to credit institutions	1,203,914	832,166	1,631,653
Total cash and cash equivalents	3,054,682	4,282,148	3,526,364

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 via a branch or cross-border banking with the support of the Swedish 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 31 MARCH 2023

Shareholder	%
TFB Holding AB	30.31
Tiberon AB	15.07
Erik Selin Fastigheter AB	12.55
Proventus Aktiebolag	5.16
Nordnet Pensionsförsäkring AB	4.58
Jack Weil	4.32
Merizole Holding LTD	2.47
Carnegie fonder	1.80
Skandia fonder	1.31
Avanza Pension	1.22
Other shareholders	21.21
Total	100.00

Source: Euroclear

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

Financial risks

TF Bank's activities are exposed to a variety of financial risks: credit risk, market risk (extensive currency risk and interest rate risk) and liquidity risk, but also operational risk and other operating risks such as business risks, economic risks, and reputational risks. 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 on the Bank's financial results. The Board establishes written policies with regards to 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. The area includes credit risks attributable to the loan portfolio, credit-related concentration risks and counterparty risks. Credit risk arises primarily through lending to the public and is the most significant risk in the Bank. Credit risks may even arise through placement of liquidity and derivative instruments. 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 decides 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 provision for loan losses is 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. Sales of overdue receivables take place monthly to various counterparties in the respective geographic markets where the Bank is operational. As a result, TF Bank continuously realises expected loan losses through the sale of past due receivables. The current 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, TF 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 85 % of Tier 1 capital. Treasury bills, government bonds and balances with central banks, as well as exposure to subsidiaries, are exempted from both limits.

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	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net interest income	201,926	162,130	682,329
Net fee and commission income	16,081	14,360	63,684
Net results from financial transactions	309	-111	437
Total operating income	218,316	176,379	746,450
General administrative expenses	-62,861	-51,749	-221,623
Depreciation and amortisation of tangible and intangible assets	-1,211	-1,332	-5,040
Other operating expenses	-3,705	-5,318	-18,649
Total operating expenses	-67,777	-58,399	-245,312
Profit before loan losses	150,539	117,980	501,138
Net loan losses	-67,955	-35,983	-158,211
Operating profit	82,584	81,997	342,927

Balance sheet, SEK thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
Loans to the public			
Household sector	8,776,663	7,476,931	8,600,475
Corporate sector ¹	90,567	52,226	80,073
Total loans to the public	8,867,230	7,529,157	8,680,548
Household sector			
Stage 1, net	8,178,379	6,987,276	8,042,970
Stage 2, net	253,649	179,605	225,175
Stage 3, net ²	344,635	310,050	332,330
Total household sector	8,776,663	7,476,931	8,600,475

Key figures ³	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating income margin, %	10.0	9.6	9.5
Net loan loss ratio, %	3.1	2.0	2.0
Cost/Income ratio, %	31.0	33.1	32.9
Return on loans to the public, %	2.9	3.5	3.3
New lending, SEK thousand	1,616,139	1,329,040	5,913,007

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

² 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 33-34.

Note 3 cont.

CREDIT CARDS

Income statement, SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net interest income	135,610	64,374	354,617
Net fee and commission income	-602	-419	358
Net results from financial transactions	149	-31	123
Total operating income	135,157	63,924	355,098
General administrative expenses	-39,586	-23,528	-120,031
Depreciation and amortisation of tangible and intangible assets	-1,479	-1,546	-5,942
Other operating expenses	-17,970	-9,163	-47,270
Total operating expenses	-59,035	-34,237	-173,243
Profit before loan losses	76,122	29,687	181,855
Net loan losses	-51,874	-26,430	-142,910
Operating profit	24,248	3,257	38,945

Balance sheet, SEK thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
Loans to the public			
Household sector	3,780,567	1,841,072	3,236,360
Corporate sector ¹	-	57,535	27,643
Total loans to the public	3,780,567	1,898,607	3,264,003
Household sector			
Stage 1, net	3,643,572	1,759,915	3,114,211
Stage 2, net	99,737	51,424	87,819
Stage 3, net ²	37,258	29,733	34,330
Total household sector	3,780,567	1,841,072	3,236,360

Key figures ³	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating income margin, %	15.3	14.3	14.3
Net loan loss ratio, %	5.9	5.9	5.8
Cost/Income ratio, %	43.7	53.6	48.8
Return on loans to the public, %	2.1	0.5	1.1
New lending, SEK thousand	1,961,253	836,993	5,306,304
Number of active credit cards	161,067	89,043	140,687

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

² 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 33-34.

Note 3 cont.

ECOMMERCE SOLUTIONS

Income statement, SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Net interest income	64,389	55,965	225,715
Net fee and commission income	26,516	22,590	85,415
Net results from financial transactions	94	-31	123
Total operating income	90,999	78,524	311,253
General administrative expenses	-51,612	-40,381	-171,723
Depreciation and amortisation of tangible and intangible assets	-6,887	-4,743	-19,274
Other operating expenses	-1,153	-299	-1,677
Total operating expenses	-59,652	-45,423	-192,674
Profit before loan losses	31,347	33,101	118,579
Net loan losses	-20,597	-15,544	-66,448
Operating profit	10,750	17,557	52,131

Balance sheet, SEK thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
Loans to the public			
Household sector	2,606,573	2,090,133	2,676,437
Corporate sector ¹	31,901	-	33,385
Total loans to the public	2,638,474	2,090,133	2,709,822
Household sector			
Stage 1, net	2,411,933	1,965,328	2,510,298
Stage 2, net	115,139	103,351	104,789
Stage 3, net ²	79,501	21,454	61,350
Total household sector	2,606,573	2,090,133	2,676,437

Key figures ³	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating income margin, %	13.6	15.1	13.0
Net loan loss ratio, %	3.1	3.0	2.8
Cost/Income ratio, %	65.6	57.8	61.9
Return on loans to the public, %	1.2	2.6	1.6
New lending, SEK thousand	1,353,605	1,008,706	5,098,999
Transaction volume, SEK thousand	2,861,062	1,796,831	9,279,475

¹ Lending to the corporate sector consists of loans in stage 1 to a foreign partner within the segment.

² 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 33-34.

Note 3 cont.

RECONCILIATION AGAINST FINANCIAL INFORMATION

Income statement, SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Operating income			
Consumer Lending	218,316	176,379	746,450
Credit Cards	135,157	63,924	355,098
Ecommerce Solutions	90,999	78,524	311,253
Total operating income	444,472	318,827	1,412,801
Operating profit			
Consumer Lending	82,584	81,997	342,927
Credit Cards	24,248	3,257	38,945
Ecommerce Solutions	10,750	17,557	52,131
Total operating profit	117,582	102,811	434,003

Balance sheet, SEK thousand	31 Mar 2023	31 Mar 2022	31 Dec 2022
Loans to the public			
Consumer Lending	8,867,230	7,529,157	8,680,548
Credit Cards	3,780,567	1,898,607	3,264,003
Ecommerce Solutions	2,638,474	2,090,133	2,709,822
Total loans to the public	15,286,271	11,517,897	14,654,373

NOTE 4 Net loan losses

SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Change in provision for sold past due receivables	-73,223	-57,377	-250,930
Realised loan losses	-12,767	-14,121	-37,477
Recovered from previous realised loan losses	197	46	239
Change in provision for expected loan losses, stage 1-3	-54,633	-6,505	-79,401
Net loan losses	-140,426	-77,957	-367,569

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

NOTE 5 Classification of financial assets and liabilities

31 Mar 2023 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	Compulsory					
Assets						
Cash and balances with central banks	-	-	61,370	-	-	61,370
Treasury bills eligible for refinancing	-	-	1,789,398	-	-	1,789,398
Loans to credit institutions	-	-	1,203,914	-	-	1,203,914
Loans to the public	-	-	15,286,271	-	-	15,286,271
Shares	145	-	-	-	-	145
Derivatives	98,084	-	-	-	-	98,084
Other assets	-	-	-	-	158,573	158,573
Total assets	98,229	-	18,340,953	-	158,573	18,597,755
Liabilities						
Deposits and borrowings from the public	-	-	16,061,220	-	-	16,061,220
Subordinated liabilities	-	-	348,814	-	-	348,814
Derivatives	17,517	-	-	4,708	-	22,225
Other liabilities	-	-	-	-	343,330	343,330
Total liabilities	17,517	-	16,410,034	-	343,330	16,775,589

31 Dec 2022 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	Compulsory					
Assets						
Cash and balances with central banks	-	-	57,686	-	-	57,686
Treasury bills eligible for refinancing	-	-	1,837,025	-	-	1,837,025
Loans to credit institutions	-	-	1,631,653	-	-	1,631,653
Loans to the public	-	-	14,654,373	-	-	14,654,373
Shares	154	-	-	-	-	154
Derivatives	11,387	-	-	-	-	11,387
Other assets	-	-	-	-	155,012	155,012
Total assets	11,541	-	18,180,737	-	155,012	18,347,290
Liabilities						
Deposits and borrowings from the public	-	-	16,108,130	-	-	16,108,130
Subordinated liabilities	-	-	198,660	-	-	198,660
Derivatives	21,991	-	-	3,684	-	25,675
Other liabilities	-	-	-	-	280,047	280,047
Total liabilities	21,991	-	16,306,790	3,684	280,047	16,612,512

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.

31 Mar 2023 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks	-	-	61,370	61,370
Treasury bills eligible for refinancing	1,781,048	-	-	1,781,048
Loans to credit institutions	-	-	1,203,914	1,203,914
Loans to the public	-	-	15,286,271	15,286,271
Shares	-	145	-	145
Derivatives	-	98,084	-	98,084
Total assets	1,781,048	98,229	16,551,555	18,332,748
Liabilities				
Deposits and borrowings from the public	-	-	16,061,220	16,061,220
Subordinated liabilities	-	-	348,814	348,814
Derivatives	-	22,225	-	22,225
Total liabilities	-	22,225	16,410,034	16,432,259

31 Dec 2022 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks	-	-	57,686	57,686
Treasury bills eligible for refinancing	1,826,973	-	-	1,826,973
Loans to credit institutions	-	-	1,631,653	1,631,653
Loans to the public	-	-	14,654,373	14,654,373
Shares	-	154	-	154
Derivatives	-	11,387	-	11,387
Total assets	1,826,973	11,541	16,286,026	18,182,226
Liabilities				
Deposits and borrowings from the public	-	-	16,108,130	16,108,130
Subordinated liabilities	-	-	198,660	198,660
Derivatives	-	25,675	-	25,675
Total liabilities	-	25,675	16,306,790	16,332,465

Note 6 cont.

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 14.03 % as at 31 March 2023 and 13.41 % as at 31 December 2022.

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

The maturities for lending to the public are relatively short, and therefore the book value is considered a reasonable estimate of the fair value. The differences are marginal for the Credit Cards segment where the maturities are slightly longer.

31 Mar 2023 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
Assets			
Cash and balances with central banks	61,370	61,370	-
Treasury bills eligible for refinancing	1,789,398	1,781,048	-8,350
Loans to credit institutions	1,203,914	1,203,914	-
Loans to the public	15,286,271	15,286,271	-
Shares	145	145	-
Derivatives	98,084	98,084	-
Total assets	18,439,182	18,430,832	-8,350
Liabilities			
Deposits from the public	16,061,220	16,061,220	-
Subordinated liabilities	348,814	348,814	-
Derivatives	22,225	22,225	-
Total liabilities	16,432,259	16,432,259	-

31 Dec 2022 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
Assets			
Cash and balances with central banks	57,686	57,686	-
Treasury bills eligible for refinancing	1,837,025	1,826,973	-10,052
Loans to credit institutions	1,631,653	1,631,653	-
Loans to the public	14,654,373	14,654,373	-
Shares	154	154	-
Derivatives	11,387	11,387	-
Total assets	18,192,278	18,182,226	-10,052
Liabilities			
Deposits from the public	16,108,130	16,108,130	-
Subordinated liabilities	198,660	198,660	-
Derivatives	25,675	25,675	-
Total liabilities	16,332,465	16,332,465	-

NOTE 7 Loans to the public

SEK thousand	31 Mar 2023	31 Dec 2022
Loans to the household sector	15,163,803	14,513,272
Loans to the corporate sector ¹	122,468	141,101
Total loans to the public	15,286,271	14,654,373
Loans to the household sector, gross		
Stage 1, gross	14,444,554	13,861,985
Stage 2, gross	559,004	495,257
Stage 3, gross ²	827,478	763,649
Total loans to the household sector, gross	15,831,036	15,120,891
Provisions for expected loan losses, household sector		
Stage 1	-210,670	-194,506
Stage 2	-90,479	-77,474
Stage 3 ²	-366,084	-335,639
Total provisions for expected loan losses, household sector	-667,233	-607,619
Loans to the household sector, net		
Stage 1, net	14,233,884	13,667,479
Stage 2, net	468,525	417,783
Stage 3, net ²	461,394	428,010
Total loans to the household sector, net	15,163,803	14,513,272
<i>Geographic distribution of net loans</i>		
Norway	4,031,208	4,182,683
Finland	3,275,184	3,246,939
Germany	3,142,817	2,665,839
Sweden	1,297,218	1,291,765
Estonia	1,081,059	1,035,596
Latvia	932,011	894,692
Lithuania	793,863	688,702
Poland	407,992	432,097
Austria	161,195	106,752
Denmark	88,153	69,090
Spain	75,571	40,218
Total loans to the public	15,286,271	14,654,373

CHANGE IN PROVISION FOR NET LOAN LOSSES

SEK thousand	31 Mar 2023	31 Dec 2022
Opening balance	-607,619	-485,387
Change in provision for sold loans	-73,223	-250,930
Reversal of provision for sold loans	73,223	250,930
Change in provision for expected loan losses in stage 1	-15,654	-29,265
Change in provision for expected loan losses in stage 2	-12,247	-31,058
Change in provision for expected loan losses in stage 3	-29,226	-28,284
Exchange rate differences	-2,487	-33,625
Closing balance	-667,233	-607,619

¹ Lending to the corporate sector consists of loans in stage 1 to counterparties regarding sale of past due receivables and a loan in stage 1 to a foreign partner within the segment Ecommerce Solutions.

² 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	31 Mar 2023	31 Dec 2022
Germany	13,593,897	12,742,158
Norway	2,004,929	2,736,078
Sweden	269,697	344,698
Finland	192,697	285,196
Total deposits and borrowings from the public	16,061,220	16,108,130

Deposits from the public only occur in the household sector and 98 % (98) is covered by a deposit guarantee scheme. 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 39 % (32) of total deposits from the public.

CHANGES IN DEPOSITS AND BORROWINGS FROM THE PUBLIC

SEK thousand	31 Mar 2023	31 Dec 2022
Opening balance	16,108,130	11,504,749
Change	-103,082	3,465,856
Exchange rate differences	56,172	1,137,525
Closing balance	16,061,220	16,108,130

NOTE 9 Capital adequacy**Background**

Information about the Bank's capital adequacy in this document includes information in accordance with Chapter 6, Sections 3-4 of the Swedish Financial Supervisory Authority's (Swedish FSA) regulations and general guidelines (FFFS 2008:25) on annual accounts of credit institutions and investment firms and related information contained in article 433b 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). 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 and as such the stock exchange rules are also applicable. TF Bank is classified as a small and non-complex institute in accordance to article 4.1.145 of Regulation (EU) No 575/2013. 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 FSA's regulations and general recommendations on regulatory requirements and capital buffers (FFFS 2014:12) and the Swedish FSA's memorandum (FI dnr 20-20990) on the new capital requirements for Swedish banks.

Own funds

TF Bank's own funds consists of equity attributable to the shareholders and issued bonds. Shareholders' equity after regulatory adjustments constitutes common equity Tier 1 capital. Issued bonds constitute additional Tier 1 capital or Tier 2 capital. The bonds are subordinated to the Bank's other creditors and bonds that constitute additional Tier 1 capital can under certain conditions be converted into share capital. On 1 February 2023 the Swedish FSA approved TF Bank's application to include the interim profit in own funds. During the first quarter of 2023, the transition arrangement for phasing in loan loss provisions according to IFRS 9 has been completed.

Risk exposure amount

TF Bank's risk exposure amount mainly consists of credit risk and operational risk. The risk exposure amount for credit risk is calculated according to the standardised method and the Bank's exposures are weighted based on various percentages specified in Regulation (EU) No. 575/2013. The risk exposure amount for operational risk is calculated using the alternative standardised method according to Regulation (EU) No. 575/2013

Capital requirements

The regulatory capital requirement in pillar 1 means that total own funds must amount to at least 8 % of the risk-weighted exposure amount for credit risk, credit valuation adjustment risk, market risk and operational risk. After that, additional capital requirements are added for the risks that are not covered via pillar 1, which is, for example, concentration risk, currency risk and interest rate risk. The capital requirements for these risks are covered via pillar 2. In addition to this, additional capital is allocated for a capital conservation buffer of 2.5 % of the risk-weighted exposure amount as well as an institution-specific countercyclical capital buffer that is weighted based on geographical exposures. As of 31 March 2023, TF Bank's countercyclical buffer requirement of 1.0 % is related to 2.5 % for exposures in Norway and Denmark, 1.0 % for exposures in Sweden and Estonia and 0.75 % for exposures in Germany.

Internally assessed capital requirement

At least annually, TF Bank carries out a process to assess whether the Bank's capital and liquidity forecast during the coming three-year period is sufficient to manage the risks to which the Bank is, or may become, exposed. The process is carried out in accordance with Article 73 of the EU directive EU/2013/36 and is called internal capital and liquidity assessment process (ICAAP).

Note 9 cont.

CAPITAL SITUATION ¹

SEK thousand	31 Mar 2023	31 Dec 2022
Common Equity Tier 1 capital (CET1)	1,548,124	1,522,686
Additional Tier 1 capital (AT1)	200,000	200,000
Tier 2 capital	348,814	198,660
Own funds	2,096,938	1,921,346
Risk exposure amount	12,593,975	12,349,623
- of which: credit risk	11,907,358	11,692,361
- of which: credit valuation adjustment risk	25,862	7,166
- of which: market risk	-	-
- of which: operational risk	660,755	650,096
Capital ratios		
CET1 capital ratio, %	12.3	12.3
Tier 1 capital ratio, %	13.9	13.9
Total capital ratio, %	16.7	15.6

REGULATORY CAPITAL REQUIREMENTS

SEK thousand	31 Mar 2023		31 Dec 2022	
	Amount	Percent ²	Amount	Percent ²
Capital requirement under pillar 1				
CET1 capital	566,729	4.5	555,733	4.5
Tier 1 capital	755,639	6.0	740,977	6.0
Total capital	1,007,518	8.0	987,970	8.0
Capital requirement under pillar 2				
CET1 capital	71,236	0.6	90,516	0.7
Tier 1 capital	94,982	0.8	120,689	1.0
Total capital	126,642	1.0	160,918	1.3
- of which, concentration risk	104,978	0.8	126,072	1.0
- of which, currency risk	432	0.0	1,016	0.0
- of which, interest rate risk	21,232	0.2	33,830	0.3
Total capital requirement under pillar 1 and pillar 2				
CET1 capital	637,965	5.1	646,249	5.2
Tier 1 capital	850,620	6.8	861,666	7.0
Total capital	1,134,160	9.0	1,148,888	9.3
Institution-specific buffer requirement				
Total buffer requirement	437,011	3.5	401,364	3.3
- of which, capital conservation buffer	314,849	2.5	308,741	2.5
- of which, countercyclical buffer	122,162	1.0	92,623	0.8
Total capital requirement including buffer requirement				
CET1 capital	1,074,976	8.5	1,047,613	8.5
Tier 1 capital	1,287,631	10.2	1,263,029	10.2
Total capital	1,571,171	12.5	1,550,251	12.6

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" on page 35.

² Capital requirements expressed as a percentage of the risk exposure amount.

Note 9 cont.

OWN FUNDS

SEK thousand	31 Mar 2023	31 Dec 2022
CET1 capital		
Share capital	107,500	107,500
Other reserves	89,264	87,416
Retained earnings including net profit for the period reviewed by the auditor	1,425,401	1,339,862
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-5,814	-
- IFRS 9 transitional arrangements	-	47,391
- Intangible assets	-59,619	-50,556
- Goodwill	-8,608	-8,927
Total CET1 capital	1,548,124	1,522,686
Additional Tier 1 capital		
Perpetual subordinated loan	200,000	200,000
Tier 2 capital		
Fixed term subordinated loan	348,814	198,660
Own funds	2,096,938	1,921,346

SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

SEK thousand	31 Mar 2023		31 Dec 2022	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
Credit risk under the standardised approach				
Corporate exposures	70,854	5,668	89,182	7,135
Household exposures	10,987,128	878,970	10,727,797	858,224
Exposures secured by real estate collateral	19,080	1,526	19,817	1,585
Exposures in default	461,716	36,937	428,269	34,262
Exposures to institutions with a short-term credit assessment	287,121	22,970	349,714	27,977
Equity exposures	517	41	525	42
Other items	80,942	6,475	77,057	6,165
Total	11,907,358	952,589	11,692,361	935,390
Credit valuation adjustment				
Standardised method	25,862	2,069	7,166	573
Total	25,862	2,069	7,166	573
Market risk				
Foreign exchange rate risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Alternative Standardised Approach	660,755	52,860	650,096	52,008
Total	660,755	52,860	650,096	52,008
Total risk exposure amount and total capital requirement	12,593,975	1,007,518	12,349,623	987,971

¹ 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.

Background

Information about the Bank's liquidity coverage in this document includes information in accordance with Chapter 5, Section 9 of the Swedish FSA's regulations and general guidelines (FFFS 2010:7) on publication of information on liquidity risk. Information on regulatory liquidity requirements in this document refers to information set out in Part Six of Regulation (EU) No 575/2013. During the first quarter of 2023, TF Bank has changed the calculation method for deposits via deposit intermediaries, which has resulted in a lower liquidity coverage ratio and a lower net stable funding ratio.

Liquidity reserve

In accordance with FFFS 2010:7, a responsible institution is required to keep a separate reserve of high-quality liquid assets that can be used to secure short-term solvency in the event of the loss or deterioration of access to normally available funding sources. TF Bank's available liquidity reserve consists of treasury bills, government bonds, cash at central banks and loans to credit institutions. Only amounts that are available the following day are counted in the available liquidity reserve.

Sources of financing

TF Bank's main source of financing is deposits from the public. Deposits are only from the household sector and 98 % (98) is covered by a government deposit guarantee scheme. The other sources of financing are subordinated debt, additional Tier 1 capital instruments and equity attributable to the shareholders.

LIQUIDITY POSITION

TSEK	31 Mar 2023	31 Dec 2022
Liquidity reserve ¹		
Treasury bills eligible for refinancing (EU-commission) ²	1,010,462	551,188
Treasury bills eligible for refinancing (Netherlands) ²	-	499,306
Treasury bills eligible for refinancing (Finland) ²	505,231	497,297
Treasury bills eligible for refinancing (Sweden) ²	24,823	24,908
Government securities eligible for refinancing (Norway) ³	248,882	264,326
Total liquidity reserve ¹	1,789,398	1,837,025
Other available liquidity reserve		
Cash and balances with central banks ⁴	6,442	2,900
Loans to credit institutions ⁴	962,385	1,370,161
Total other available liquidity reserve	968,827	1,373,061
Total available liquidity reserve	2,758,225	3,210,086
Sources of financing		
Deposits from the public	16,061,220	16,108,130
Subordinated liabilities	348,814	198,660
Tier 1 capital instrument	200,000	200,000
Equity attributable to shareholders	1,622,166	1,534,778
Total sources of financing	18,232,200	18,041,568
Key figures		
Available liquidity reserve / Deposits from the public	17	20
Liquidity coverage ratio, %	273	290
Net Stable Funding ratio, %	121	138

REGULATORY LIQUIDITY REQUIREMENTS

	31 Mar 2023	31 Dec 2022
Key figures		
Liquidity coverage ratio, %	100	100
Net Stable Funding ratio, %	100	100

¹ According to definition in FFFS 2010:7.

² Remaining term to maturity of up to 6 months.

³ Maturity date 2026-02-19.

⁴ Excluding restricted cash and cash equivalents that are not available the next day.

NOTE 11 Subordinated liabilities

SEK thousand	31 Mar 2023	31 Dec 2022
Fixed-term subordinated liabilities	348,814	198,660
Total	348,814	198,660

Subordinated loans are subordinated to other liabilities. During the quarter, TF Bank issued SEK 150 million. The table below shows the terms for each bond and the prospectus are available on the Bank's website, www.tfbankgroup.com.

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	Maturity date
2019-09-27	100,000	STIBOR 3 månader +4,65%	2029-09-27
2020-12-14	100,000	STIBOR 3 månader +5,50%	2030-12-14
2023-02-28	150,000	STIBOR 3 månader +6,50%	2033-02-28

NOTE 12 Pledged assets, contingent liabilities and commitments

SEK thousand	31 Mar 2023	31 Dec 2022
Pledged assets		
Restricted bank deposits ¹	54,928	54,786
Total	54,928	54,786

SEK thousand	31 Mar 2023	31 Dec 2022
Commitments		
Unutilised credit limits	4,076,273	3,265,256
Future total minimum lease payments for non-cancellable operating leases	20,096	22,299
Total	4,096,369	3,287,555

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

¹ Restricted bank deposits refers to minimum reserve requirements at central banks in Estonia, Finland, Latvia and Poland.

NOTE 13 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	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
<i>The following transactions have been made between companies within the Group:</i>			
General administrative expenses	-9,214	-3,908	-23,973
Total	-9,214	-3,908	-23,973
<i>The following transactions have been made with other related parties:</i>			
Interest income (transaction costs)	-10,242	-11,021	-46,869
Fee and commission income	733	911	3,294
General administrative expenses	-370	-555	-2,049
Total	-9,879	-10,665	-45,624
<i>Acquisition of assets and liabilities from other related parties:</i>			
Ecommerce Solutions	115,708	145,168	550,025
Total	115,708	145,168	550,025

SEK thousand	31 Mar 2023	31 Dec 2022
<i>Assets and liabilities at the end of the period as a result of transactions with other related parties:</i>		
Other assets	7	917
Other liabilities	2,837	282

ASSURANCE BY THE BOARD OF DIRECTORS AND THE CEO

The interim report has not been reviewed by the Bank'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, 16 April 2023

John Brehmer
Chairman

Niklas Johansson

Michael Lindengren

Sara Mindus

Fredrik Oweson

Mari Thjømøe

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.

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, the amounts have been reduced by 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.

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.

FINANCIAL CALENDAR

3 May 2023	Annual General Meeting 2023
13 July 2023	Interim report January - June 2023
18 October 2023	Interim report January - September 2023

This is information which TF Bank is required to disclose under the EU Market Abuse Regulation. The information was provided for publication 17 April 2023 at 07:00 CET.

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RECONCILIATION TABLES

KEY FIGURES ¹

SEK thousand	Jan-Mar 2023	Jan-Mar 2022	Jan-Dec 2022
Income statement			
Earnings per share, SEK	4.07	3.61	15.18
Net profit for the period attributable to the shareholder's of the Parent Company	87,439	77,662	326,445
Average number of outstanding shares, thousands	21,500	21,500	21,500
Key figures ²			
Operating income margin, %	11.9	11.4	11.1
Total operating income, annualised	1,777,888	1,275,308	1,412,801
Average loans to the public	14,970,322	11,195,091	12,763,329
Net loan loss ratio, %	3.8	2.8	2.9
Net loan losses, annualised	561,704	311,828	367,569
Average loans to the public	14,970,322	11,195,091	12,763,329
Cost/Income ratio, %	42.0	43.3	43.3
Total operating expenses	186,464	138,059	611,229
Total operating income	444,472	318,827	1,412,801
Return on equity, %	22.2	24.5	23.6
Net profit for the period attributable to the shareholder's of the Parent Company, annualised	349,756	310,648	326,445
Average equity attributable to the shareholder's of the Parent Company	1,578,472	1,269,275	1,382,735
Return on loans to the public, %	2.3	2.8	2.6
Net profit for the period attributable to the shareholder's of the Parent Company, annualised	349,756	310,648	326,445
Average loans to the public	14,970,322	11,195,091	12,763,329

¹ The annualised figure has been calculated by multiplying the quarterly figure by 4. The average has been calculated as opening balans plus closing balance, divided by two.

² 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 thousand		31 Mar 2023	31 Dec 2022
Available own funds			
1	Common Equity Tier 1 capital (CET1)	1,548,124	1,522,686
2	Tier 1 capital	1,748,124	1,722,686
3	Total capital	2,096,938	1,921,346
Risk-weighted exposure amount			
4	Total risk exposure amount	12,593,975	12,349,623
Capital ratios (% of risk-weighted exposure amount)			
5	Common Equity Tier 1 ratio, %	12.3	12.3
6	Tier 1 ratio, %	13.9	13.9
7	Total capital ratio, %	16.7	15.6
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, %	1.0	1.3
EU 7b	- of which, to be made up of CET1 capital, %	0.6	0.7
EU 7c	- of which, to be made up of Tier 1 capital, %	0.8	1.0
EU 7d	Total SREP own funds requirements, %	9.0	9.3
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, %	1.0	0.8
EU 9a	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, %	3.5	3.3
EU 11a	Overall capital requirements, %	12.5	12.6
12	CET1 available after meeting the total SREP own funds requirements, %	7.2	7.1
Leverage ratio			
13	Total exposure measure	19,427,981	19,013,626
14	Leverage ratio, %	9.0	9.1
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)	1,795,840	1,842,575
EU 16a	Cash outflows – Total weighted value	1,168,069	1,272,157
EU 16b	Cash inflows – Total weighted value	510,615	637,160
16	Total net cash outflows (adjusted value)	657,454	634,997
17	Liquidity coverage ratio, %	273	290
Net Stable Funding Ratio			
18	Total available stable funding	15,045,711	16,567,159
19	Total required stable funding	12,480,041	11,984,167
20	Net Stable Funding ratio, %	121	138

TF BANK'S GEOGRAPHICAL PRESENCE



SHARE OF LOAN PORTFOLIO BY QUARTER

