



**INTERIM REPORT**  
January-September 2024



# PERIOD IN BRIEF

## JANUARY – SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023 (unless otherwise stated)

- The loan portfolio amounted to SEK 20,279 million, compared to September 2023 the increase in local currencies was 20 %
- Operating profit increased by 34 % to SEK 496.9 million, including a provision for restructuring costs of SEK 15.9 million in the comparative figure
- Earnings per share increased by 32 % to SEK 17.00
- Cost/income ratio improved to 38.7 % (42.1)
- Return on equity amounted to 23.3 % (22.0)
- Total capital ratio has decreased to 15.7 % (15.9) since year-end

## SIGNIFICANT EVENTS

JANUARY - SEPTEMBER 2024

- The credit card business had an organic loan book growth of 58 % over the past year and economies of scale in the business model have contributed to a significantly improved operating profit of 82 % compared to the previous year.
- Lending operations in Spain and Italy have been established in the Credit Cards segment with a similar offering as in other credit card markets.
- During September, TF Bank issued Tier 2 bonds in the amount of SEK 100 million and carried out an early redemption of Tier 2 bonds of SEK 100 million.

AFTER THE END OF THE REPORTING PERIOD

- The Bank has entered into a share purchase agreement regarding the transfer of a majority stake in the subsidiary Rediem Capital AB.

## JULY – SEPTEMBER 2024

COMPARED TO JULY - SEPTEMBER 2023 (unless otherwise stated)

- The loan portfolio amounted to SEK 20,279 million, compared to September 2023 the increase in local currencies was 20 %
- Operating profit increased by 47 % to SEK 191.3 million, including a provision for restructuring costs of SEK 15.9 million in the comparative figure
- Earnings per share increased by 44 % to SEK 6.53
- Cost/income ratio improved to 36.7 % (42.8)
- Return on equity amounted to 25.5 % (22.2)

Through the internal restructuring in September and the communicated transactions regarding Rediem Capital, the Bank is taking an important step towards further streamlining the use of capital.

### LOAN PORTFOLIO <sup>1</sup>

30 SEPTEMBER 2024 COMPARED TO 30 SEPTEMBER 2023

SEK 20.3 BILLION +20 %

### OPERATING PROFIT

JAN-SEP 2024 COMPARED TO JAN-SEP 2023

SEK 497 MILLION +34 %

### TOTAL CAPITAL RATIO

30 SEPTEMBER 2024 COMPARED TO 31 DECEMBER 2023

15.7 % -0.2 PERCENTAGE POINTS

### RETURN ON EQUITY

JAN-SEP 2024 COMPARED TO JAN-SEP 2023

23.3 % +1.3 PERCENTAGE POINTS

<sup>1</sup> Development of the loan portfolio in local currencies

See separate section with definitions and reconciliation tables, page 42-43.

# THIS IS TF BANK

## BACKGROUND

TF Bank was founded 1987 and is a digital bank offering consumer banking services and e-commerce solutions through a proprietary IT platform with a high degree of automation. Lending and/or deposit activities are conducted in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. TF Bank is listed at Nasdaq Stockholm.

The business is divided into three segments: Credit Cards with focus on offering credit cards, Ecommerce Solutions offering digital payment solutions primarily to online retailers and Consumer Lending with focus on offering unsecured consumer loans. The target group for all services is creditworthy individuals and the loan amounts are relatively small with short repayment terms. The product offer differs between different markets and is adapted to the specific conditions in each country. TF Bank also offers deposit products in several markets.

## THE GROUP'S KEY FIGURES

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Δ	Jan-Sep 2024	Jan-Sep 2023	Δ	Jan-Dec 2023
<b>Income statement</b>							
Operating income	625,207	529,329	18%	1,781,548	1,452,692	23%	1,998,121
Operating expenses	-229,303	-226,584	1%	-689,262	-611,084	13%	-831,671
Net loan losses	-204,604	-172,409	19%	-595,343	-470,658	26%	-656,851
Operating profit	191,300	130,336	47%	496,943	370,950	34%	509,599
Profit for the period	147,666	101,169	46%	387,795	289,033	34%	396,700
Earnings per share, SEK	6.53	4.55	44%	17.00	12.87	32%	17.53
<b>Balance sheet</b>							
Loans to the public	20,279,451	17,404,478	17%	20,279,451	17,404,478	17%	17,870,633
Deposits from the public	21,641,149	18,989,051	14%	21,641,149	18,989,051	14%	20,652,997
New lending	7,207,665	5,540,998	30%	19,270,496	16,182,182	19%	22,046,078
<b>Key figures</b>							
Operating income margin, %	12.6	12.3		12.5	12.1		12.3
Net loan loss ratio, %	4.1	4.0		4.2	3.9		4.0
Cost/Income ratio, %	36.7	42.8		38.7	42.1		41.6
Return on equity, %	25.5	22.2		23.3	22.0		21.9
Return on loans to the public, %	2.8	2.3		2.6	2.3		2.3
CET1 capital ratio, % <sup>1</sup>	12.2	12.0		12.2	12.0		12.0
Tier 1 capital ratio, % <sup>1</sup>	13.7	13.7		13.7	13.7		13.6
Total capital ratio, % <sup>1</sup>	15.7	16.1		15.7	16.1		15.9
Employees (FTE)	418	391	7%	413	372	11%	380

## EXCHANGE RATES

SEK	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
EUR Income statement (average)	11.45	11.76	11.41	11.48	11.48
EUR Balance sheet (end of reporting period)	11.30	11.49	11.30	11.49	11.10
NOK Income statement (average)	0.97	1.03	0.99	1.01	1.01
NOK Balance sheet (end of reporting period)	0.96	1.02	0.96	1.02	0.99
PLN Income statement (average)	2.67	2.62	2.65	2.51	2.53
PLN Balance sheet (end of reporting period)	2.64	2.48	2.64	2.48	2.56

<sup>1</sup> Comparative figures for the first nine months 2023 refers to the parent company TF Bank AB since the consolidated situation occurred in the fourth quarter of 2023. See separate section with definitions and reconciliation tables, page 42-43.

# CEO'S COMMENTS

**TF Bank's loan portfolio increased by 20 % in local currencies over the past year and surpassed SEK 20 billion in the third quarter. It is primarily the German credit card business that continues to drive organic growth. The Group's operating profit increased by 47 % compared to the corresponding quarter in 2023.**

TF Bank is now a European card and payment platform present in 14 European countries, with a business concept offering loans to private individuals in times when they need it. The Bank is managed with a clear focus on profitability and delivered a return on equity of 25.5 % in the third quarter. Additionally, the Bank's loan portfolio surpassed SEK 20 billion, which was to be achieved next year according to current financial targets. In the light of this, we will initiate a process to set new financial targets for 2025 and onward.

Growth in the Credit Cards segment persists and in local currencies the loan portfolio has increased by 58 % over the past year. Credit Cards has driven the Company's profitable growth in recent years and its share of the Bank's total loan portfolio was 41 % at the end of the third quarter. The business is scaling well with income growing faster than costs. TF Bank now holds an attractive position as a European credit card issuer with a clear focus on growing the pan-European card business, especially in Germany. The number of cards has increased significantly in recent years, which has laid a solid foundation for continued growth. The credit card market in Europe has great potential and in recent quarters we have launched the product in both the Spanish and Italian market.

In Ecommerce Solutions, the loan portfolio has decreased by 5 % in local currencies since September 2023. The segment has proven its profitability over the past year. The business, which is represented by the brand Avarda in the Nordic region, is planning to launch its offering in Germany during the fourth quarter.

The loan portfolio for our third segment, Consumer Lending, has grown by 4 % in local currencies over the past year. The focus in this segment has been to strengthen margins and ensure sound and sustainable lending to the right customers. We are noticing a stabilisation in credit quality, with signs of improvement in most markets across the segment.

TF Bank's capital ratios increased slightly during the quarter and the margin to the regulatory requirements is comfortable. Through the internal restructuring in September and the communicated transactions regarding Rediem Capital, the Bank is taking an important step towards further streamlining the use of capital.

On September 30, the Swedish Financial Supervisory Authority (SFSA) presented a legal position regarding the handling of deposits through digital deposit platforms when calculating the liquidity coverage ratio and net stable funding ratio. The legal position is in line with our implementation of the regulations which means that our key figures are not affected by the announcement from the SFSA.

Despite macroeconomic challenges in several countries, TF Bank's loan loss ratio has been stable in recent quarters, which proves the strength of the Bank's balance sheet. We do not see any signs of weakened credit quality today, and with lower expected interest rates for households, we have an optimistic view of the future.



*Joakim Jansson  
President and CEO*



# RESULTS AND FINANCIAL POSITION

## GROUP

### JANUARY - SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023

#### Operating profit

Operating profit increased by 34 % to SEK 496.9 million (371.0), including a provision for restructuring costs of SEK 15.9 million in the comparative figure. Higher operating income from the growing loan portfolio has contributed to the increasing operating profit. Earnings per share increased by 32 % to SEK 17.00 (12.87). Return on equity amounted to 23.3 % (22.0).

#### Operating income

The operating income has increased by 23 % to SEK 1,782 million (1,453). The increase is related to the growing loan portfolio and geographically it was primarily Germany that had higher operating income. The operating income comprises 93 % of net interest income and 7 % of net fee and commission income in the interim period. The operating income margin has improved to 12.5 % (12.1).

#### Interest income

Interest income increased by 35 % to SEK 2,264 million (1,679), which is partly due to a growing loan portfolio and partly to rising financing costs being passed on to the Bank's lending customers.

#### Interest expense

The interest expenses increased by 71 % to SEK 614.2 million (358.3). Rising financing costs are explained by a higher deposit rate on newly received deposits than the interest rate on the existing deposit portfolio. Growing deposit balances during the past year have also contributed to an increase in interest expenses.

#### Net fee and commission income

Net fee and commission income decreased by 1 % to SEK 130.9 million (132.2). The marginal increase is mainly attributable to higher transaction-related costs in the Credit Cards segment associated with significantly increased transaction volumes. During the interim period, 37 % of TF Bank's fee and commission income consisted of collection fees and 63 % from insurance premiums and other commission income.

#### Operating expenses

The operating expenses increased by 13 % to SEK 689.3 million (611.1), including a provision for restructuring costs of SEK 15.9 million in the comparative figure. The increase is mainly explained by higher sales-related expenses and more employees due to the increase in new lending. The C/I ratio improved to 38.7 % (42.1), mainly due to economies of scale in the Credit Cards segment.

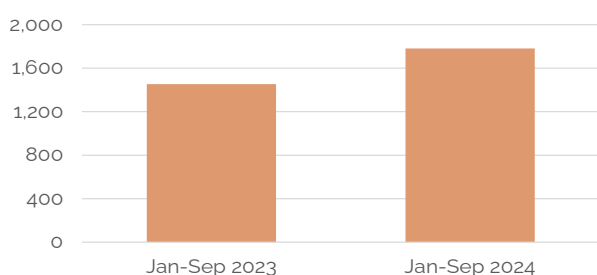
#### Loan losses

The net loan losses increased by 26 % to SEK 595.3 million (470.7). The growing loan portfolio in the Credit Cards segment and higher net loan losses in the Ecommerce Solutions segment contributed to an increase in the net loan losses. The net loan loss ratio amounted to 4.2 % (3.9).

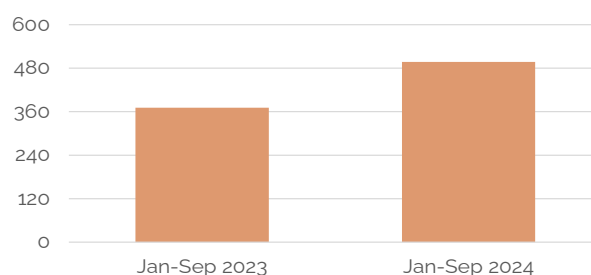
#### Tax expense

The tax expenses increased to SEK 109.1 million (81.9). 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

## GROUP

### JANUARY - SEPTEMBER 2024

COMPARED TO 31 DECEMBER 2023 (unless otherwise stated)

#### Loans to the public

The loan portfolio amounted to SEK 20,279 million (17,405), an increase in local currencies of 20 % compared to September 2023. Negative currency effects impacted the loan portfolio growth by 3 %. New lending increased by 19 % to SEK 19,270 million (16,182) compared to the first nine months of 2023. The increase is mainly attributable by record volumes in the 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 interim period, the exposure towards the three largest countries was Germany at 34 %, Norway 23 % and Finland 16 %. The main driver of the past year's loan book growth has been the German credit card business.

#### Deposits from the public

Deposits from the public amounted to SEK 21,641 million (18,989), an increase in local currencies of 16 % compared to September 2023. Negative currency effects have affected the deposit balance by another 2 %. At the end of the interim period, deposits were geographically distributed between Germany 84 %, the Netherlands 9 % and other countries 7 %. During the end of 2023, the Bank launched deposit products in Spain, Ireland and the Netherlands.

The increased deposit balance over the past year is mainly attributable to the Netherlands and Germany and relates to savings accounts with fixed interest rate. At the end of the interim period, accounts with a fixed term comprised of 63 % (40) of TF Bank's total deposits.

#### Cash and cash equivalents

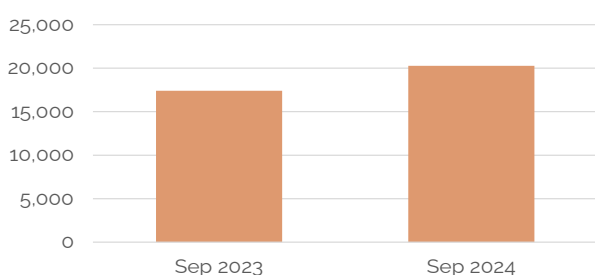
Cash and cash equivalents decreased to SEK 4,699 million (5,744) since year-end. The decrease is mainly attributable to increased lending to the public. At the end of the interim period, the available liquidity reserve amounted to 21 % (25)<sup>1</sup> of deposits from the public.

#### Capital adequacy

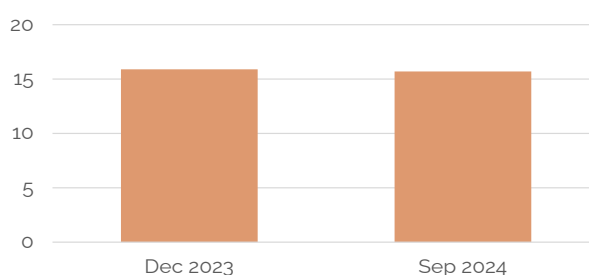
The capital ratios have been relatively stable since year-end and at the end of the interim period the CET1 capital ratio was 12.2 % (12.0), the Tier 1 capital ratio was 13.7 % (13.6) and the total capital ratio was 15.7 % (15.9). The deduction from own funds for provisions on non-performing loans has increased from SEK 40 million at year-end to SEK 109 million by the end of the third quarter of 2024.

TF Bank's regulatory CET1 capital requirement amounted to 8.7 % by the end of the third quarter of 2024, the Tier 1 capital requirement to 10.4 % and the total capital requirement to 12.7 %.

LOANS TO THE PUBLIC (SEK million)



TOTAL CAPITAL RATIO (%)



<sup>1</sup> Excluding restricted cash and cash equivalents that are not available the next day.

# RESULTS AND FINANCIAL POSITION

## GROUP

### JULY - SEPTEMBER 2024

COMPARED TO JULY - SEPTEMBER 2023

#### Operating profit

Operating profit increased by 47 % to SEK 191.3 million (130.3), including a provision for restructuring costs of SEK 15.9 million in the comparative figure. Higher operating income from the growing loan portfolio had a positive effect on the operating profit. Earnings per share increased by 44 % to SEK 6.53 (4.55). Return on equity amounted to 25.5 % (22.2).

#### Operating income

The operating income has increased by 18 % to SEK 625.2 million (529.3). The increase is mainly explained by the growing loan portfolio in the Credit Cards segment. The operating income margin has increased compared to the third quarter of 2023 and amounted to 12.6% (12.3). The strengthened operating profit margin is attributable to the Credit Cards and Ecommerce Solutions segments.

#### Operating expenses

The operating expenses have increased by 1 % to SEK 229.3 million (226.6) including a provision for restructuring costs of SEK 15.9 million in the comparative figure. The expenses for the quarter were impacted by high volumes for new lending resulting in higher sales-related costs but has also been positively affected by the vacation period. The C/I ratio improved to 36.7 % (42.8).

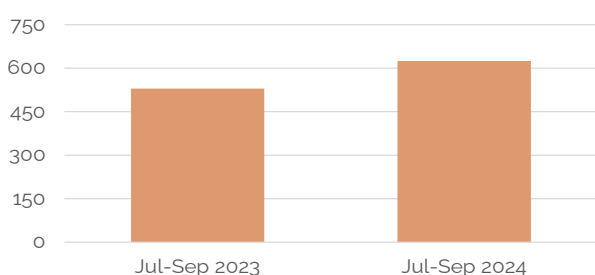
#### Loan losses

The net loan losses increased by 19 % to SEK 204.6 million (172.4) and the net loan loss ratio amounted to 4.1 % (4.0). The outcome in the quarter is among other things impacted by provisions for expected loan losses related to new lending in the Credit Cards segment and a higher level of net loan loss ratio in the Ecommerce Solutions segment.

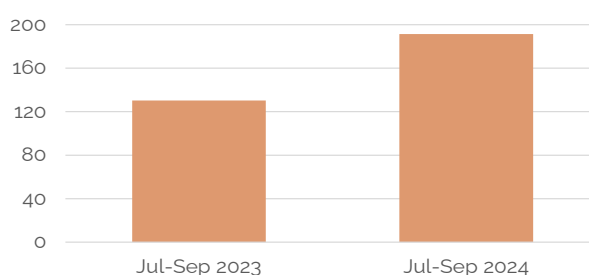
#### Loans to the public

The loan portfolio amounted to SEK 20,279 million (17,405), an increase in local currencies of 20 % compared to September 2023. Negative currency effects have affected the loan portfolio's growth by 3 %. The main driver in the quarter has been the growth for the German credit card portfolio. New lending increased by 30 % to SEK 7,208 million (5,541).

OPERATING INCOME (SEK million)



OPERATING PROFIT (SEK million)



# CREDIT CARDS

## JANUARY - SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023 (unless otherwise stated)

In the Credit Cards segment, TF Bank offers credit cards to creditworthy individuals in Germany, Norway, Austria, Spain and Italy. The credit card offering has been available in the Bank since 2015 in the Norwegian market, with Germany being launched in 2018 and Austria in 2022. Lending operations in Spain and Italy have been established in the second and third quarter of 2024, respectively. The credit card is compatible with both Google Pay and Apple Pay in all markets, with the launch in Norway and Austria in the first quarter of 2024.

At the end of the third quarter, the number of active German credit cards amounted to approximately 284,000, which is the fastest growing market in the segment. The number of active credit cards at the end of the third quarter was approximately 31,000 in Norway, approximately 17,000 in Austria and approximately 1,000 combined in the newly established markets of Spain and Italy.

### The loan portfolio

The loan portfolio amounted to SEK 8,220 million (5,302), an increase in local currencies of 58 % compared to September 2023. Negative currency effects impacted the loan portfolio growth by 3 %. The new lending has increased by 60 % to SEK 11,750 million (7,353). The increase is mainly related to the operations in Germany.

The loan portfolio in Germany has increased by 58 % to EUR 610 million (386) over the past year. The growth is mainly generated by an increased number of issued credit cards.

The loan portfolio in Norway has increased by 61 % to NOK 952 million (592) over the past year. The volumes have increased due to a changed credit strategy which has resulted in a significant increase in the utilisation rate on the credit cards but also due to an increased number of issued credit cards. The loan portfolio in Austria has increased by 60 % to EUR 36 million (23) over the past year.

### Results

The operating profit has increased by 82 % to SEK 167.7 million (92.0). Higher income from the growing loan portfolio and economies of scale in the business model contributed to the considerable improvement in the profit.

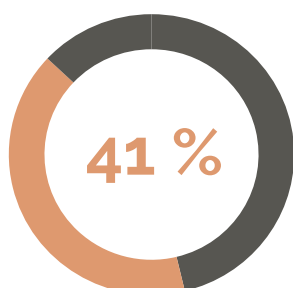
The operating income increased by 55 % to SEK 760.2 million (490.7). The increase is mainly related to the high growth in Germany. The operating income margin decreased to 14.5 % (15.3), mainly due to higher financing costs. Furthermore, a larger proportion of issued cards have been made through intermediaries, which has also had a negative impact on margins.

The operating expenses increased by 37 % to SEK 270.8 million (198.2) and the expenses have been affected by factors such as a higher frequency in the number of newly issued cards. However, the C/I ratio improved to 35.6 % (40.4) due to economies of scale in the business model and reduced direct marketing costs.

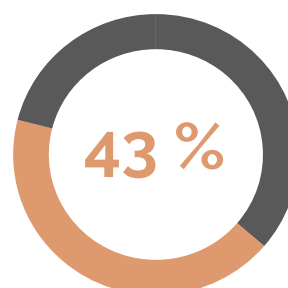
The net loan losses increased by 60 % to SEK 321.7 million (200.5). The increase was primarily affected by provisions for expected credit losses related to the growing loan portfolio in Germany. The net loan loss ratio increased to 6.1 % (6.2).

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 - SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023 (unless otherwise stated)

In the Ecommerce Solutions segment, TF Bank offers digital payment solutions primarily within e-commerce to creditworthy individuals. The digital payment solutions are offered in the Nordic region under the brand Avarda and were previously offered in the Baltics and Poland via TF Bank. New lending in the Baltics was terminated at the end of January 2024, and new lending in Poland ceased in autumn 2023. At the end of the third quarter, the Nordic loan portfolio comprises 88 % of the segment and the remaining markets comprises 12 % combined.

Avarda as a brand has been around since 2015, focusing on digital payment solutions in Sweden, Norway, Finland and Denmark. The goal is to create a payment solution for e-retailers who wish to build and strengthen their own brand throughout the entire purchasing journey, from checkout to payment. The payment solutions are offered for e-commerce and retail in the Nordic region. The Bank sees continued development opportunities in its operations in the Nordic region and plans for an establishment in Germany in the fourth quarter of 2024.

### The loan portfolio

The loan portfolio amounted to SEK 2,623 million (2,787) a decrease in local currencies of 5 % compared to September 2023. Negative currency effects impacted the loan portfolio growth by another 1 %. New lending decreased by 10 % to SEK 4,011 million (4,444). The decrease is attributable to new lending in the Baltics having ceased at the end of January 2024.

The loan portfolio in the Nordics increased by 9 % in local currencies and amounted to SEK 2,319 million

(2,173). In Finland, the loan portfolio has remained steady at EUR 98 million (98) over the past year. The Swedish loan portfolio increased by 17 % to SEK 887 million (758) following strong sales development during the past year. In Norway the loan portfolio increased by 23 % to NOK 332 million (271). In Denmark, the loan portfolio decreased to DKK 3 million (6).

The loan portfolio in the Baltics has decreased by 57 % to EUR 12 million (29) over the past year. The decrease is explained by new lending having ceased. In Poland, the loan portfolio has decreased by 45 % to PLN 62 million (112).

### Results

The operating profit increased by 76 % to SEK 74.3 million (42.2). The increase is mainly related to rising operating income in the Nordic region due to increased financing costs being passed on to customers to a greater extent.

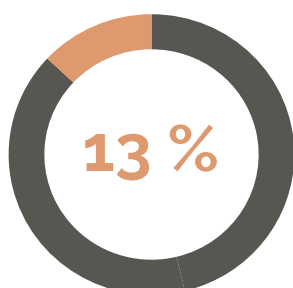
The operating income increased by 26 % to SEK 374.6 million (296.9) as a result of increased financing costs being passed on to customers. Increased transaction volumes in the Nordic region have also resulted in higher operating income. The operating income margin improved to 17.7 % (14.4).

The operating expenses increased by 15 % to SEK 215.7 million (187.4). This is explained by increased sales-related costs and more employees. However, the C/I ratio improved to 57.6 % (63.1).

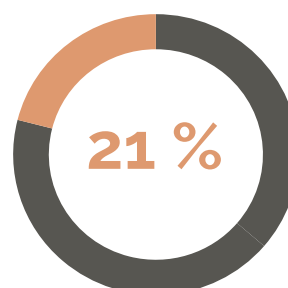
The net loan losses increased by 26 % to SEK 84.5 million (67.3) which mainly is related to Finland and Sweden. The net loan loss ratio increased to 4.0 % (3.3).

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



# CONSUMER LENDING

## JANUARY - SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023 (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. At the end of the third quarter, the average loan amount per customer was approximately SEK 72 thousand.

The Nordic loan portfolio comprises 66 % 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 accounts for 34 % of the segment, the majority is in the Baltics. The Baltic countries have fast-growing credit markets with several established Nordic companies operating locally. The Bank has chosen to pause new lending in Spain and Sweden since the second half of 2023.

### The loan portfolio

The loan portfolio amounted to SEK 9,436 million (9,316), an increase in local currencies of 4 % compared to September 2023. Negative currency effects have impacted the loan portfolio's growth of 3 %. New lending has decreased by 20 % to SEK 3,509 million (4,385), which is an effect of a deliberate strategy to allocate more capital to other segments.

The Nordic loan portfolio has increased by 2 % in local currencies to SEK 6,218 million (6,321), The loan portfolio in Norway has increased by 13 % to NOK 3,528 million (3,121) over the past year. The loan

portfolio in Finland has decreased by 7 % to EUR 193 million (209). The Swedish loan portfolio has decreased by 27 % to SEK 431 million (589) and the loan portfolio in Denmark has increased by 51 % to DKK 146 million (96) over the past year.

The loan portfolio in the Baltics has increased by 13 % to EUR 270 million (239) over the past year. The growth is stable in all Baltic countries but is slightly higher in Lithuania than in Estonia and Latvia. The Polish loan portfolio decreased to PLN 20 million (29). The loan portfolio in Spain amounted to EUR 10 million (15).

### Results

The operating profit increased by 1 % and amounted to SEK 254.9 million (252.6). Financing costs have increased, which has resulted in a slightly lower net interest income. At the same time, net loan losses have decreased in corresponding degree.

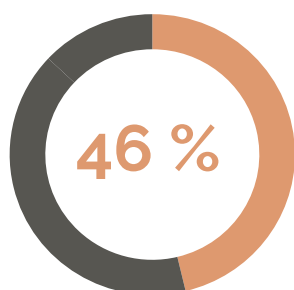
The operating income decreased by 3 % to SEK 646.8 million (665.0) which is mainly related to a slightly lower net interest income in the Nordics. The operating income margin has decreased to 9.3 % (9.9).

The operating expenses decreased by 3 % mainly as a result of lower volume-related costs and amounted to SEK 202.7 million (209.5). However, the C/I ratio decreased to 31.3 % (31.5).

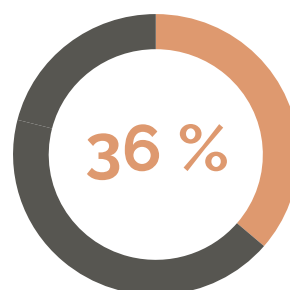
The net loan losses have decreased by 7 % to SEK 189.1 million (202.9) and the net loan loss ratio has improved to 2.7 % (3.0), which is mainly explained by lower provisions for future loan losses during the past quarter.

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

SHARE OF THE BANK'S LOANS TO THE PUBLIC



SHARE OF THE BANK'S OPERATING INCOME



# OTHER INFORMATION

## The share

TF Bank was listed at Nasdaq Stockholm in the Mid Cap segment on 14 June 2016. The share trades under the ticker name TFBANK and the ISIN code is SE0007331608. As of the last trading day of the third quarter of 2024, the share price closed at SEK 264, an increase of 55 % during the first nine months of the year. During the interim period, roughly 1.5 million shares in TF Bank were traded on Nasdaq Stockholm, totalling approximately SEK 321 million in value.

## Institutions following TF Bank

ABG Sundal Collier, Carnegie, Nordea and DNB are following the company. All institutions had issued a buy recommendation for the TF Bank share at the end of the third quarter of 2024.

## 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 - September 2024

New lending in the Baltics in the Ecommerce Solutions segment has ended at the end of January.

The Annual General Meeting on 2 May resolved that the Meeting's available standing funds be carried forward. John Brehmer was re-elected as Chairman of the Board. The other members of the Board of Directors were re-elected at the Annual General Meeting.

Lending operations in Spain have been established in the Credit Cards segment with a similar offering as in other credit card markets.

The credit card business had an organic loan book growth of 58 % over the past year and economies of scale in the business model have contributed to a significantly improved operating profit of 82 %.

Strong performance in the Ecommerce Solutions segment has resulted in an increase in operating profit of 76 %, mainly related to rising operating income in the Nordic region.

On 1 September, the Bank completed a restructuring and established the wholly owned subsidiary Rediem Capital AB as a credit market company focused on the acquisition of non-performing loan portfolios.

During September, TF Bank issued Tier 2 bonds in the amount of SEK 100 million and carried out an early redemption of Tier 2 bonds of SEK 100 million.

## After the end of the reporting period

The Bank has entered into a share purchase agreement regarding the transfer of a majority stake in the subsidiary Rediem Capital AB. The share purchase agreement is conditional upon the fulfilment of certain legal and financial terms.

## Presentation for investors, analysts, and media

A live conference call will be held on Tuesday 15 October 2024 at 08.15 CET, where CEO Joakim Jansson 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 5050 0829 and enter the meeting code 812 5551 2583. 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](http://www.tfbankgroup.com).

# OTHER INFORMATION

## Risks and uncertainties

Different types of risks arise in the Group'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, and currency 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 2 and 9 and on page 44 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 2023.

## Geopolitical and macroeconomic uncertainty

TF Bank is affected by changes in the world around us that are linked to geopolitics and macroeconomics. The geopolitical situation remains uncertain in parts of Europe, while the macroeconomic situation continues to be affected by the high inflation and higher interest rates of recent years. It cannot be ruled out that TF Bank's operations, new lending or credit losses may be adversely affected by geopolitical and macroeconomic events in the future.

## 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 the Bank accessible while limiting the environmental impact. More detailed information about the Group's sustainability work can be found in TF Bank's Sustainability Report for 2023, which is published on the Group's website, [www.tfbankgroup.com](http://www.tfbankgroup.com).

From the financial year 2025, TF Bank will be covered by the new EU Sustainability Reporting Directive, CSRD, with the first reporting in 2026. This means that the Bank will report in accordance with the European Sustainability Reporting Standards (ESRS). The directive will entail increased requirements for more comprehensive disclosure and information linked to sustainability than is currently required, which the Group is working on continuously.

## Accounting policies

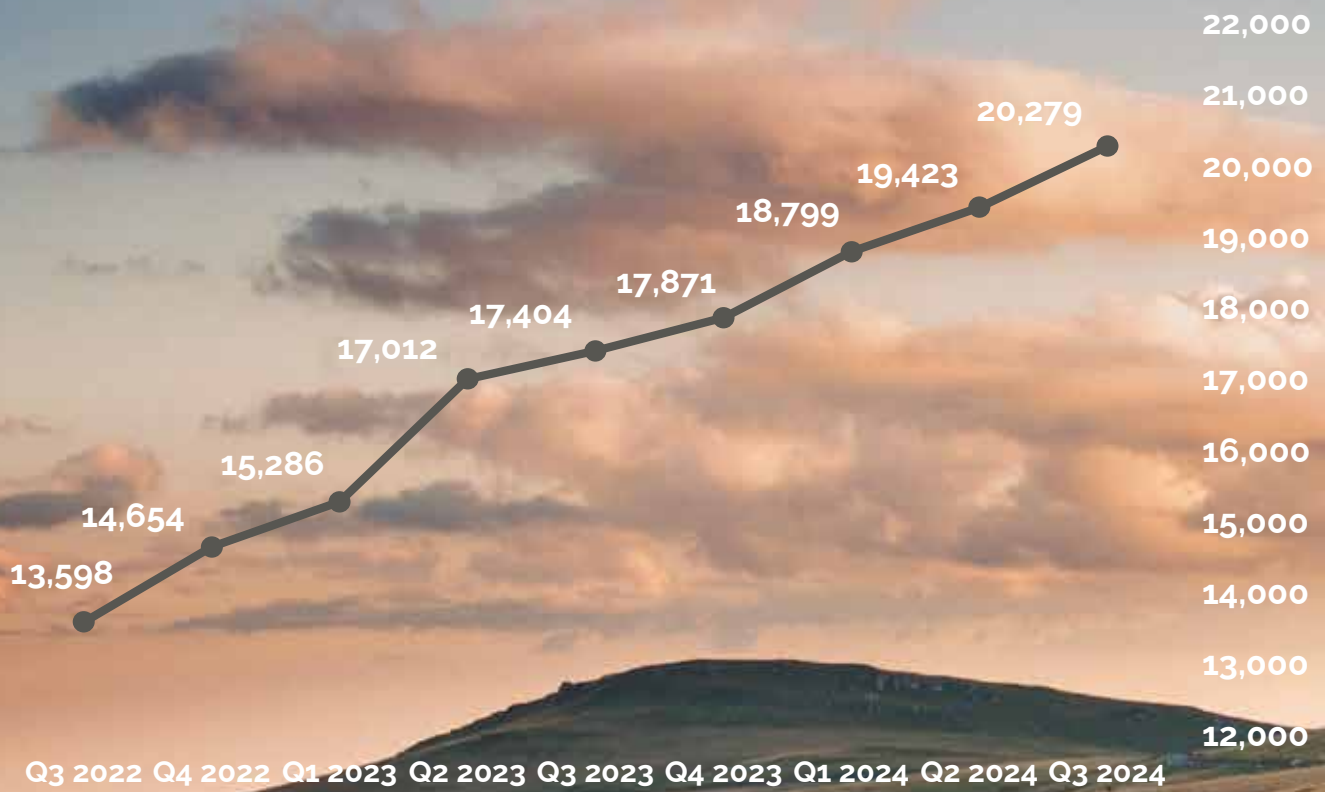
The interim report has been prepared in accordance with International Accounting Standards (IAS) 34 Interim Financial Reporting. The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union (EU). In addition, amendments to the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), RFR 1 Supplementary Accounting Rules for Groups issued by the Swedish Financial Reporting Board, and the Swedish Financial Supervisory Authority's regulations (FFFS 2008:25) have also been applied.

The Parent company'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, valuation methods, and presentation remain substantially unchanged compared to the annual report 2023. The interim information on pages 3-44 is an integral part of this financial report.



## LOAN PORTFOLIO PERFORMANCE IN 2022-2024 (SEK MILLION)





# FINANCIAL INFORMATION



## INCOME STATEMENT - CONSOLIDATED

SEK thousand	Note	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
	3					
<b>Operating income</b>						
Interest income		791,878	638,671	2,264,396	1,679,298	2,368,918
Interest expense		-212,158	-155,455	-614,222	-358,298	-547,605
<b>Net interest income</b>		<b>579,720</b>	<b>483,216</b>	<b>1,650,174</b>	<b>1,321,000</b>	<b>1,821,313</b>
Fee and commission income		92,746	73,292	260,422	201,750	280,246
Fee and commission expense		-48,366	-27,503	-129,474	-69,563	-103,335
<b>Net fee and commission income</b>		<b>44,380</b>	<b>45,789</b>	<b>130,948</b>	<b>132,187</b>	<b>176,911</b>
Net results from financial transactions		1,107	324	426	-495	-103
<b>Total operating income</b>		<b>625,207</b>	<b>529,329</b>	<b>1,781,548</b>	<b>1,452,692</b>	<b>1,998,121</b>
<b>Operating expenses</b>						
General administrative expenses		-200,869	-196,252	-603,753	-511,641	-706,846
Depreciation and amortisation of tangible and intangible assets		-16,797	-14,788	-50,238	-43,949	-60,466
Other operating expenses		-11,637	-15,544	-35,271	-55,494	-64,359
<b>Total operating expenses</b>		<b>-229,303</b>	<b>-226,584</b>	<b>-689,262</b>	<b>-611,084</b>	<b>-831,671</b>
<b>Profit before loan losses</b>		<b>395,904</b>	<b>302,745</b>	<b>1,092,286</b>	<b>841,608</b>	<b>1,166,450</b>
Net loan losses	4	-204,604	-172,409	-595,343	-470,658	-656,851
<b>Operating profit</b>		<b>191,300</b>	<b>130,336</b>	<b>496,943</b>	<b>370,950</b>	<b>509,599</b>
Income tax for the period		-43,634	-29,167	-109,148	-81,917	-112,899
<b>Profit for the period</b>		<b>147,666</b>	<b>101,169</b>	<b>387,795</b>	<b>289,033</b>	<b>396,700</b>
<i>Attributable to:</i>						
<i>Shareholders of the Parent Company</i>		140,463	97,751	365,596	276,689	376,853
<i>Additional Tier 1 capital holders</i>		7,203	3,418	22,199	12,344	19,847
<i>Basic earnings per share (SEK)</i>		6.53	4.55	17.00	12.87	17.53
<i>Diluted earnings per share (SEK)</i>		6.53	4.55	17.00	12.87	17.53

## STATEMENT OF OTHER COMPREHENSIVE INCOME - CONSOLIDATED

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Profit for the period</b>	<b>147,666</b>	<b>101,169</b>	<b>387,795</b>	<b>289,033</b>	<b>396,700</b>
<b>Other comprehensive income</b>					
<b>Items that may subsequently be reclassified to the income statement</b>					
Gross exchange rate differences	-2,851	-459	-3,151	-591	-1,358
Tax on exchange rate differences in the period	-	83	-	72	260
<b>Other comprehensive income for the period</b>	<b>-2,851</b>	<b>-376</b>	<b>-3,151</b>	<b>-519</b>	<b>-1,098</b>
<b>Total comprehensive income for the period</b>	<b>144,815</b>	<b>100,793</b>	<b>384,644</b>	<b>288,514</b>	<b>395,602</b>
<i>Attributable to:</i>					
<i>Shareholders of the Parent Company</i>	137,612	97,375	362,445	276,170	375,755
<i>Additional Tier 1 capital holders</i>	7,203	3,418	22,199	12,344	19,847

## BALANCE SHEET - CONSOLIDATED

SEK thousand	Note	30 Sep 2024	31 Dec 2023
	2,5,6		
<b>ASSETS</b>			
Cash and balances with central banks		18,238	18,916
Treasury bills eligible for refinancing		2,719,640	3,635,697
Loans to credit institutions		1,960,812	2,089,504
Loans to the public	3.7	20,279,451	17,870,633
Shares		140	144
Goodwill		12,735	12,753
Intangible assets		98,320	93,088
Tangible assets		61,308	60,015
Other assets		92,586	52,105
Current tax assets		-	1,818
Deferred tax assets		12,020	54,277
Prepaid expenses and accrued income		76,199	57,808
<b>TOTAL ASSETS</b>		<b>25,331,449</b>	<b>23,946,758</b>
<b>LIABILITIES AND EQUITY</b>			
<b>Liabilities</b>			
Deposits and borrowings from the public	8	21,641,149	20,652,997
Other liabilities		249,976	421,487
Current tax liabilities		61,122	97,325
Accrued expenses and prepaid income		501,228	255,968
Deferred tax liabilities		3,592	-
Provisions		3,262	11,158
Subordinated liabilities	11	347,761	346,909
<b>Total liabilities</b>		<b>22,808,090</b>	<b>21,785,844</b>
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital		107,500	107,500
<b>Total restricted equity</b>		<b>107,500</b>	<b>107,500</b>
<b>Non-restricted equity</b>			
Foreign currency reserve		-1,179	1,972
Retained earnings including the profit for the period		2,167,038	1,801,442
<b>Total non-restricted equity</b>		<b>2,165,859</b>	<b>1,803,414</b>
<b>Total equity attributable to the shareholders of the Parent Company</b>		<b>2,273,359</b>	<b>1,910,914</b>
Tier 1 capital instrument		250,000	250,000
<b>Total equity attributable to the owners of the Parent Company</b>		<b>2,523,359</b>	<b>2,160,914</b>
<b>TOTAL LIABILITIES AND EQUITY</b>		<b>25,331,449</b>	<b>23,946,758</b>

## STATEMENT OF CHANGES IN EQUITY - CONSOLIDATED

SEK thousand	Restricted equity	Non-restricted equity			Total equity
	Share capital <sup>1</sup>	Foreign currency reserve	Retained earnings including the year's results	Tier 1 capital instrument <sup>2</sup>	
<b>Equity as at 1 Jan 2023</b>	<b>107,500</b>	<b>3,070</b>	<b>1,428,030</b>	<b>200,000</b>	<b>1,738,600</b>
<i>Adjustments due previous year</i>	-	-	-921	-	-921
Profit for the year	-	-	396,700	-	396,700
Other comprehensive income for the year	-	-1,098	-	-	-1,098
<i>Total comprehensive income for the year</i>	-	-1,098	396,700	-	395,602
<i>Transactions with owners of the Parent company</i>					
<i>Contributions from and value transfers to owners of the Parent company</i>					
Redemption of Tier 1 capital instrument	-	-	-	-100,000	-100,000
Issue of Tier 1 capital instrument	-	-	-	150,000	150,000
Transaction costs, issue of Tier 1 capital instrument	-	-	-3,138	-	-3,138
Tax effect, transaction costs issue of Tier 1 capital instrument	-	-	618	-	618
Interest Tier 1 capital instrument	-	-	-19,847	-	-19,847
<i>Total contributions from and value transfers to owners of the Parent company</i>	-	-	-22,367	50,000	27,633
<b>Equity as at 31 Dec 2023</b>	<b>107,500</b>	<b>1,972</b>	<b>1,801,442</b>	<b>250,000</b>	<b>2,160,914</b>
<b>Equity as at 1 Jan 2024</b>	<b>107,500</b>	<b>1,972</b>	<b>1,801,442</b>	<b>250,000</b>	<b>2,160,914</b>
Profit for the period	-	-	387,795	-	387,795
Other comprehensive income for the period	-	-3,151	-	-	-3,151
<i>Total comprehensive income for the period</i>	-	-3,151	387,795	-	384,644
<i>Transactions with owners of the Parent company</i>					
<i>Contributions from and value transfers to owners of the Parent company</i>					
Interest Tier 1 capital instrument	-	-	-22,199	-	-22,199
<i>Total contributions from and value transfers to owners of the Parent company</i>	-	-	-22,199	-	-22,199
<b>Equity as at 30 Sep 2024</b>	<b>107,500</b>	<b>-1,179</b>	<b>2,167,038</b>	<b>250,000</b>	<b>2,523,359</b>

<sup>1</sup> Share capital comprises of 21 500 000 shares of SEK 5 each.

<sup>2</sup> Perpetual bonds, SEK 100 million with interest terms STIBOR +6.25% and first possible redemption 1 December 2026 and 150 SEK million with interest terms STIBOR +8.75% and first possible redemption 6 September 2028.

## CASH FLOW STATEMENT - CONSOLIDATED

SEK thousand	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Operating activities</b>			
Operating profit	496,943	370,950	509,599
<i>Adjustment for items not included in cash flow</i>			
Depreciation and amortisation of tangible and intangible assets	50,238	43,949	60,466
Accrued interest income and expense	140,937	86,436	90,153
Other non-cash items	-1,321	-1,623	315
Paid income tax	-143,533	-76,504	-53,933
	<b>543,264</b>	<b>423,208</b>	<b>606,600</b>
Increase/decrease in loans to the public	-2,408,818	-2,750,122	-3,216,260
Increase/decrease in other short-term receivables	-45,893	-120,719	-45,036
Increase/decrease in deposits and borrowings from the public	988,152	2,880,923	4,544,867
Increase/decrease in other short-term liabilities	-74,111	246,127	311,144
<b>Cash flow from operating activities</b>	<b>-997,406</b>	<b>679,417</b>	<b>2,201,315</b>
<b>Investing activities</b>			
Investments in tangible assets	-15,712	-53,233	-54,113
Investments in intangible assets	-41,292	-30,485	-37,399
Paid interest on lease debt	-978	-1,002	-1,347
Amortisation of lease debt	-11,190	-11,100	-14,938
<b>Cash flow from investing activities</b>	<b>-69,172</b>	<b>-95,820</b>	<b>-107,797</b>
<b>Financing activities</b>			
Redemption of Tier 2 capital instrument	-100,000	-	-
Issue of Tier 2 capital instrument	100,000	150,000	150,000
Redemption of Tier 1 capital instrument	-	-100,000	-100,000
Issue of Tier 1 capital instrument	-	150,000	150,000
Interest on Tier 1 capital instrument	-22,199	-12,344	-19,847
Transaction costs, issue of Tier 1 capital instrument	-	-3,000	-3,138
Tax effect, transaction costs issue of Tier 1 capital instrument	-	618	618
<b>Cash flow from financing activities</b>	<b>-22,199</b>	<b>185,274</b>	<b>177,633</b>
<b>Cash flow for the period</b>	<b>-1,088,777</b>	<b>768,871</b>	<b>2,271,151</b>
Cash and cash equivalents at the beginning of period	5,744,117	3,528,368	3,528,368
Exchange rate difference in cash and cash equivalents	43,350	62,086	-55,402
<b>Cash and cash equivalents at the end of period</b>	<b>4,698,690</b>	<b>4,359,325</b>	<b>5,744,117</b>
<i>Cash flow from operating activities includes interest expenses paid and interest payments received</i>			
Interest expenses paid	474,842	274,360	460,225
Interest payments received	2,138,367	1,556,941	2,214,814
<b>Components of cash and cash equivalents</b>			
Cash and balances with central banks	18,238	58,886	18,916
Treasury bills eligible for refinancing	2,719,640	2,315,817	3,635,697
Loans to credit institutions	1,960,812	1,984,622	2,089,504
<b>Total cash and cash equivalents</b>	<b>4,698,690</b>	<b>4,359,325</b>	<b>5,744,117</b>



# 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, Spain, Ireland, the Netherlands and Italy by subsidiary, branch or cross-border banking with the support of the Swedish banking license.

### COMPANY STRUCTURE

Company	Reg.nr
<b>Parent Company</b>	
TF Bank AB	556158-1041
<b>Branches</b>	
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
<b>Subsidiaries</b>	
Redim Capital AB	559310-4697
Avarda AB, branch Finland	3362665-9
Avarda AS	931 481 169
TFB Service UAB	304785170
TFB Service GmbH	HRB 208869 B
TFBN Services S.L.	B10781789
TFBN Services Ltd	15924773
TF Nordic AB	559476-6379
U2B NPL AB	559476-6361

All subsidiaries are 100% owned.

The term "Bank/Group" refers to TF Bank AB together with its branches and subsidiaries.

### OWNERSHIP OF TF BANK AB AS AT 30 SEPTEMBER 2024

Shareholder	%
TFB Holding AB	30.31
Tiberon AB	15.07
Erik Selin Fastigheter AB	12.74
Proventus Aktiefbolag	5.42
Nordnet Pensionsförsäkring AB	4.88
Carnegie Fonder AB	4.58
Jack Weil	3.90
Goldman Sachs International	2.49
Bank Julius Baer & CO Ltd	1.46
Försäkringsbolaget Avanza Pension	1.18
Other shareholders	17.97
<b>Total</b>	<b>100.00</b>

Source: Euroclear

## NOTE 2 Credit risk

### Financial risks

TF Bank's activities are exposed to a variety of financial risks: credit risk, market risk (including currency risk and interest rate risk) and liquidity risk, 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. The Bank 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 to the Board on a regular basis.

The Bank's credit approval process maintains high standards regarding ethics, quality and control. The proportion of past due receivables in stage 3 is affected by the fact that past due receivables are continuously sold on the markets where the price level is such that the Board deems it favorable for the Bank's development and risk profile. From year 2023, the price level has not been deemed favorable in some of the larger markets and the proportion of past due receivables in stage 3 has increased. 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 15 %, with the exception of some larger 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.

#### CREDIT CARDS

Income statement, SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net interest income	286,240	198,335	769,022	495,932	713,302
Net fee and commission income	-425	-2,100	-8,938	-5,082	-10,928
Net results from financial transactions	354	87	136	-133	-27
<b>Total operating income</b>	<b>286,169</b>	<b>196,322</b>	<b>760,220</b>	<b>490,717</b>	<b>702,347</b>
General administrative expenses	-83,227	-55,951	-230,300	-141,619	-209,366
Depreciation and amortisation of tangible and intangible assets	-4,594	-3,497	-13,981	-9,799	-13,842
Other operating expenses	-9,499	-13,931	-26,558	-46,826	-54,329
<b>Total operating expenses</b>	<b>-97,320</b>	<b>-73,379</b>	<b>-270,839</b>	<b>-198,244</b>	<b>-277,537</b>
<b>Profit before loan losses</b>	<b>188,849</b>	<b>122,943</b>	<b>489,381</b>	<b>292,473</b>	<b>424,810</b>
Net loan losses	-118,670	-80,727	-321,715	-200,455	-287,447
<b>Operating profit</b>	<b>70,179</b>	<b>42,216</b>	<b>167,666</b>	<b>92,018</b>	<b>137,363</b>

Balance sheet, SEK thousand	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Loans to the public</b>			
Household sector	8,219,904	5,302,327	5,807,810
<b>Total loans to the public</b>	<b>8,219,904</b>	<b>5,302,327</b>	<b>5,807,810</b>
<b>Household sector</b>			
Stage 1, net	7,490,713	5,036,992	5,386,226
Stage 2, net	185,015	112,136	150,985
Stage 3, net <sup>1</sup>	544,176	153,199	270,599
<b>Total household sector</b>	<b>8,219,904</b>	<b>5,302,327</b>	<b>5,807,810</b>

Key figures <sup>2</sup>	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Operating income margin, %	14.7	15.8	14.5	15.3	15.5
Net loan loss ratio, %	6.1	6.5	6.1	6.2	6.3
Cost/Income ratio, %	34.0	37.4	35.6	40.4	39.5
Return on loans to the public, %	2.8	2.6	2.4	2.1	2.2
New lending, SEK thousand	4,588,810	2,908,340	11,750,247	7,352,840	10,303,935
Number of active credit cards	332,350	209,391	332,350	209,391	240,241

<sup>1</sup> 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.

<sup>2</sup> See separate section with definitions and reconciliation tables, page 42-43.

Note 3 cont.

## ECOMMERCE SOLUTIONS

Income statement, SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net interest income	93,194	73,902	282,835	208,885	293,105
Net fee and commission income	29,154	31,213	91,668	88,135	122,721
Net results from financial transactions	188	55	73	-85	-18
<b>Total operating income</b>	<b>122,536</b>	<b>105,170</b>	<b>374,576</b>	<b>296,935</b>	<b>415,808</b>
General administrative expenses	-58,457	-57,429	-186,800	-163,377	-226,342
Depreciation and amortisation of tangible and intangible assets	-8,922	-7,698	-26,306	-23,036	-32,645
Other operating expenses	-423	-156	-2,594	-967	-1,207
<b>Total operating expenses</b>	<b>-67,802</b>	<b>-65,283</b>	<b>-215,700</b>	<b>-187,380</b>	<b>-260,194</b>
<b>Profit before loan losses</b>	<b>54,734</b>	<b>39,887</b>	<b>158,876</b>	<b>109,555</b>	<b>155,614</b>
Net loan losses	-25,884	-25,381	-84,533	-67,317	-96,093
<b>Operating profit</b>	<b>28,850</b>	<b>14,506</b>	<b>74,343</b>	<b>42,238</b>	<b>59,521</b>

Balance sheet, SEK thousand	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Loans to the public</b>			
Household sector	2,613,609	2,760,282	2,988,895
Corporate sector <sup>1</sup>	9,632	26,282	22,163
<b>Total loans to the public</b>	<b>2,623,241</b>	<b>2,786,564</b>	<b>3,011,058</b>
<b>Household sector</b>			
Stage 1, net	2,272,989	2,535,292	2,735,381
Stage 2, net	150,174	119,282	134,101
Stage 3, net <sup>2</sup>	190,446	105,708	119,413
<b>Total household sector</b>	<b>2,613,609</b>	<b>2,760,282</b>	<b>2,988,895</b>

Key figures <sup>3</sup>	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Operating income margin, %	18.3	14.9	17.7	14.4	14.5
Net loan loss ratio, %	3.9	3.6	4.0	3.3	3.4
Cost/Income ratio, %	55.3	62.1	57.6	63.1	62.6
Return on loans to the public, %	3.3	1.6	2.6	1.5	1.5
New lending, SEK thousand	1,349,332	1,437,651	4,010,908	4,444,072	6,401,897
Transaction volume, SEK thousand	3,021,743	3,139,923	9,206,400	9,415,539	13,559,511

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

<sup>2</sup> 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.

<sup>3</sup> See separate section with definitions and reconciliation tables, page 42-43.

Note 3 cont.

## CONSUMER LENDING

Income statement, SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Net interest income	200,286	210,979	598,317	616,183	814,906
Net fee and commission income	15,651	16,676	48,218	49,134	65,118
Net results from financial transactions	565	182	217	-277	-58
<b>Total operating income</b>	<b>216,502</b>	<b>227,837</b>	<b>646,752</b>	<b>665,040</b>	<b>879,966</b>
General administrative expenses	-59,185	-66,934	-186,653	-190,707	-255,200
Depreciation and amortisation of tangible and intangible assets	-3,281	-3,593	-9,951	-11,114	-13,979
Other operating expenses	-1,715	-1,457	-6,119	-7,701	-8,823
<b>Total operating expenses</b>	<b>-64,181</b>	<b>-71,984</b>	<b>-202,723</b>	<b>-209,522</b>	<b>-278,002</b>
<b>Profit before loan losses</b>	<b>152,321</b>	<b>155,853</b>	<b>444,029</b>	<b>455,518</b>	<b>601,964</b>
Net loan losses	-60,050	-66,301	-189,095	-202,886	-273,311
<b>Operating profit</b>	<b>92,271</b>	<b>89,552</b>	<b>254,934</b>	<b>252,632</b>	<b>328,653</b>

Balance sheet, SEK thousand	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Loans to the public</b>			
Household sector	9,322,446	9,223,123	8,969,464
Corporate sector <sup>1</sup>	113,860	92,464	82,301
<b>Total loans to the public</b>	<b>9,436,306</b>	<b>9,315,587</b>	<b>9,051,765</b>
<b>Household sector</b>			
Stage 1, net	8,279,378	8,588,810	8,121,574
Stage 2, net	334,253	249,469	310,998
Stage 3, net <sup>2</sup>	708,815	384,844	536,892
<b>Total household sector</b>	<b>9,322,446</b>	<b>9,223,123</b>	<b>8,969,464</b>

Key figures <sup>3</sup>	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Operating income margin, %	9.2	9.7	9.3	9.9	9.9
Net loan loss ratio, %	2.6	2.8	2.7	3.0	3.1
Cost/Income ratio, %	29.6	31.6	31.3	31.5	31.6
Return on loans to the public, %	3.0	2.9	2.7	2.8	2.8
New lending, SEK thousand	1,269,523	1,195,007	3,509,341	4,385,270	5,340,246

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

<sup>2</sup> 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.

<sup>3</sup> See separate section with definitions and reconciliation tables, page 42-43.

Note 3 cont.

#### RECONCILIATION AGAINST FINANCIAL INFORMATION

Income statement, SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Operating income</b>					
Credit Cards	286,169	196,322	760,220	490,717	702,347
Ecommerce Solutions	122,536	105,170	374,576	296,935	415,808
Consumer Lending	216,502	227,837	646,752	665,040	879,966
<b>Total operating income</b>	<b>625,207</b>	<b>529,329</b>	<b>1,781,548</b>	<b>1,452,692</b>	<b>1,998,121</b>
<b>Operating profit</b>					
Credit Cards	70,179	42,216	167,666	92,018	137,363
Ecommerce Solutions	28,850	14,506	74,343	42,238	59,521
Consumer Lending	92,271	89,552	254,934	252,632	328,653
Other <sup>1</sup>	-	-15,938	-	-15,938	-15,938
<b>Total operating profit</b>	<b>191,300</b>	<b>130,336</b>	<b>496,943</b>	<b>370,950</b>	<b>509,599</b>

Balance sheet, SEK thousand	30 Sep 2024	30 Sep 2023	31 Dec 2023
<b>Loans to the public</b>			
Credit Cards	8,219,904	5,302,327	5,807,810
Ecommerce Solutions	2,623,241	2,786,564	3,011,058
Consumer Lending	9,436,306	9,315,587	9,051,765
<b>Total loans to the public</b>	<b>20,279,451</b>	<b>17,404,478</b>	<b>17,870,633</b>

#### NOTE 4 Net loan losses

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
Change in provision for sold past due receivables	-31,305	-44,449	-98,036	-156,477	-148,960
Realised loan losses	-16,982	-15,028	-44,728	-42,702	-56,031
Recovered from previous realised loan losses	171	8	369	267	337
Change in provision for expected loan losses, stage 1-3	-156,488	-112,940	-452,948	-271,746	-452,197
<b>Net loan losses</b>	<b>-204,604</b>	<b>-172,409</b>	<b>-595,343</b>	<b>-470,658</b>	<b>-656,851</b>

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

<sup>1</sup> Restructuring costs for adaptations of the current organisation.



**NOTE 5 Classification of financial assets and liabilities**

30 Sep 2024 SEK thousand	Financial instruments at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Derivatives used for hedge accounting	Non-financial assets and liabilities	Total
	Compulsory					
<b>Assets</b>						
Cash and balances with central banks	-	-	18,238	-	-	18,238
Treasury bills eligible for refinancing	-	-	2,719,640	-	-	2,719,640
Loans to credit institutions	-	-	1,960,812	-	-	1,960,812
Loans to the public	-	-	20,279,451	-	-	20,279,451
Shares	140	-	-	-	-	140
Derivatives	45,643	-	-	-	-	45,643
Other assets	-	-	-	-	307,525	307,525
<b>Total assets</b>	<b>45,783</b>	<b>-</b>	<b>24,978,141</b>	<b>-</b>	<b>307,525</b>	<b>25,331,449</b>
<b>Liabilities</b>						
Deposits and borrowings from the public	-	-	21,641,149	-	-	21,641,149
Subordinated liabilities	-	-	347,761	-	-	347,761
Derivatives	28,154	-	-	53	-	28,207
Other liabilities	-	-	-	-	790,973	790,973
<b>Total liabilities</b>	<b>28,154</b>	<b>-</b>	<b>21,988,910</b>	<b>53</b>	<b>790,973</b>	<b>22,808,090</b>

31 Dec 2023 SEK thousand	Financial instruments at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Derivatives used for hedge accounting	Non-financial assets and liabilities	Total
	Compulsory					
<b>Assets</b>						
Cash and balances with central banks	-	-	18,916	-	-	18,916
Treasury bills eligible for refinancing	-	-	3,635,697	-	-	3,635,697
Loans to credit institutions	-	-	2,089,504	-	-	2,089,504
Loans to the public	-	-	17,870,633	-	-	17,870,633
Shares	144	-	-	-	-	144
Derivatives	1,197	-	-	1,258	-	2,455
Other assets	-	-	-	-	329,409	329,409
<b>Total assets</b>	<b>1,341</b>	<b>-</b>	<b>23,614,750</b>	<b>1,258</b>	<b>329,409</b>	<b>23,946,758</b>
<b>Liabilities</b>						
Deposits and borrowings from the public	-	-	20,652,997	-	-	20,652,997
Subordinated liabilities	-	-	346,909	-	-	346,909
Derivatives	227,708	-	-	-	-	227,708
Other liabilities	-	-	-	-	558,230	558,230
<b>Total liabilities</b>	<b>227,708</b>	<b>-</b>	<b>20,999,906</b>	<b>-</b>	<b>558,230</b>	<b>21,785,844</b>

**NOTE 6 Financial assets and liabilities measured at fair value**
**Fair value**

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

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

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

30 Sep 2024 SEK thousand	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Cash and balances with central banks	-	-	18,238	18,238
Treasury bills eligible for refinancing	2,711,802	-	-	2,711,802
Loans to credit institutions	-	-	1,960,812	1,960,812
Loans to the public	-	-	23,689,930	23,689,930
Shares	-	140	-	140
Derivatives	-	45,643	-	45,643
<b>Total assets</b>	<b>2,711,802</b>	<b>45,783</b>	<b>25,668,980</b>	<b>28,426,565</b>
<b>Liabilities</b>				
Deposits and borrowings from the public	-	-	21,641,149	21,641,149
Subordinated liabilities	-	347,761	-	347,761
Derivatives	-	28,207	-	28,207
<b>Total liabilities</b>	<b>-</b>	<b>375,968</b>	<b>21,641,149</b>	<b>22,017,117</b>

31 Dec 2023 SEK thousand	Level 1	Level 2	Level 3	Total
<b>Assets</b>				
Cash and balances with central banks	-	-	18,916	18,916
Treasury bills eligible for refinancing	3,629,343	-	-	3,629,343
Loans to credit institutions	-	-	2,089,504	2,089,504
Loans to the public	-	-	19,630,373	19,630,373
Shares	-	144	-	144
Derivatives	-	2,455	-	2,455
<b>Total assets</b>	<b>3,629,343</b>	<b>2,599</b>	<b>21,738,793</b>	<b>25,370,735</b>
<b>Liabilities</b>				
Deposits and borrowings from the public	-	-	20,652,997	20,652,997
Subordinated liabilities	-	346,909	-	346,909
Derivatives	-	227,708	-	227,708
<b>Total liabilities</b>	<b>-</b>	<b>574,617</b>	<b>20,652,997</b>	<b>21,227,614</b>

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 16.23 % as at 30 September 2024 and 16.20 % as at 31 December 2023.

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

For lending to the public, the market value has been calculated as the difference between the market capitalisation of TF Bank shares on the balance sheet date and the shareholders' equity adjusted for other surplus and deficit values of assets and liabilities in the balance sheet.

30 Sep 2024 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
<b>Assets</b>			
Cash and balances with central banks	18,238	18,238	-
Treasury bills eligible for refinancing	2,719,640	2,711,802	-7,838
Loans to credit institutions	1,960,812	1,960,812	-
Loans to the public	20,279,451	23,689,930	3,410,479
Shares	140	140	-
Derivatives	45,643	45,643	-
<b>Total assets</b>	<b>25,023,924</b>	<b>28,426,565</b>	<b>3,402,641</b>
<b>Liabilities</b>			
Deposits from the public	21,641,149	21,641,149	-
Subordinated liabilities	347,761	347,761	-
Derivatives	28,207	28,207	-
<b>Total liabilities</b>	<b>22,017,117</b>	<b>22,017,117</b>	<b>-</b>

31 Dec 2023 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/Fair value loss (-)
<b>Assets</b>			
Cash and balances with central banks	18,916	18,916	-
Treasury bills eligible for refinancing	3,635,697	3,629,343	-6,354
Loans to credit institutions	2,089,504	2,089,504	-
Loans to the public	17,870,633	19,630,373	1,759,740
Shares	144	144	-
Derivatives	2,455	2,455	-
<b>Total assets</b>	<b>23,617,349</b>	<b>25,370,735</b>	<b>1,753,386</b>
<b>Liabilities</b>			
Deposits from the public	20,652,997	20,652,997	-
Subordinated liabilities	346,909	346,909	-
Derivatives	227,708	227,708	-
<b>Total liabilities</b>	<b>21,227,614</b>	<b>21,227,614</b>	<b>-</b>

**NOTE 7 Loans to the public**

SEK thousand	30 Sep 2024	31 Dec 2023
Loans to the household sector	20,155,959	17,766,169
Loans to the corporate sector <sup>1</sup>	123,492	104,464
<b>Total loans to the public</b>	<b>20,279,451</b>	<b>17,870,633</b>
<b>Loans to the household sector, gross</b>		
Stage 1, gross	18,355,308	16,505,116
Stage 2, gross	831,478	711,193
Stage 3, gross <sup>2</sup>	2,495,598	1,604,567
<b>Total loans to the household sector, gross</b>	<b>21,682,384</b>	<b>18,820,876</b>
<b>Provisions for expected loan losses, household sector</b>		
Stage 1	-312,228	-261,935
Stage 2	-162,036	-115,109
Stage 3 <sup>2</sup>	-1,052,161	-677,663
<b>Total provisions for expected loan losses, household sector</b>	<b>-1,526,425</b>	<b>-1,054,707</b>
<b>Loans to the household sector, net</b>		
Stage 1, net	18,043,080	16,243,181
Stage 2, net	669,442	596,084
Stage 3, net <sup>2</sup>	1,443,437	926,904
<b>Total loans to the household sector, net</b>	<b>20,155,959</b>	<b>17,766,169</b>
<i>Geographic distribution of net loans</i>		
Germany	6,895,656	4,784,548
Norway	4,622,816	4,245,890
Finland	3,286,528	3,478,514
Sweden	1,311,429	1,485,643
Latvia	1,121,450	988,664
Estonia	1,036,416	1,066,304
Lithuania	1,031,222	885,922
Austria	415,104	291,619
Denmark	225,433	176,249
Poland	216,875	314,539
Spain	116,522	152,741
<b>Total loans to the public</b>	<b>20,279,451</b>	<b>17,870,633</b>

**CHANGE IN PROVISION FOR NET LOAN LOSSES**

SEK thousand	30 Sep 2024	31 Dec 2023
<b>Opening balance</b>	<b>-1,054,707</b>	<b>-607,619</b>
Change in provision for sold loans	-98,035	-148,960
Reversal of provision for sold loans	98,035	148,960
Change in provision for expected loan losses in stage 1	-47,655	-71,555
Change in provision for expected loan losses in stage 2	-45,924	-39,201
Change in provision for expected loan losses in stage 3	-368,503	-351,825
Exchange rate differences	-9,636	15,493
<b>Closing balance</b>	<b>-1,526,425</b>	<b>-1,054,707</b>

<sup>1</sup> 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.

<sup>2</sup> The Bank regularly sells past due receivables in markets where the Board of Directors considers the price level to be favourable for the Bank's performance and risk profile.

**NOTE 8 Deposits and borrowings from the public**

SEK thousand	30 Sep 2024	31 Dec 2023
Germany	18,138,997	19,275,721
Netherlands	1,956,903	162,800
Ireland	631,886	103,291
Finland	313,942	326,736
Spain	226,032	29,888
Norway	220,987	559,370
Sweden	152,402	195,191
<b>Total deposits and borrowings from the public</b>	<b>21,641,149</b>	<b>20,652,997</b>

Deposits from the public only occur in the household sector and 98 % (98) is covered by a deposit guarantee scheme. Deposits in Finland are payable on demand. Other countries' deposits are payable on demand and on maturity. Deposits with maturity amounts to 63 % (40) of total deposits from the public.

**CHANGES IN DEPOSITS AND BORROWINGS FROM THE PUBLIC**

SEK thousand	30 Sep 2024	31 Dec 2023
Opening balance	20,652,997	16,108,130
Change	610,319	4,642,515
Exchange rate differences	377,833	-97,648
<b>Closing balance</b>	<b>21,641,149</b>	<b>20,652,997</b>

**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 March 7, 2024, the Swedish FSA approved TF Bank AB's application to include the interim profit in own funds.

**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 30 September 2024, TF Bank's countercyclical buffer requirement of 1.1 % is related to 2.5 % for exposures in Norway and Denmark, 2.0 % for exposures in Sweden, 1.5 % for exposures in Estonia, 1.0 % for exposures in Lithuania 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.

#### THE GROUP'S CAPITAL SITUATION <sup>1</sup>

SEK thousand	30 Sep 2024	31 Dec 2023
Common Equity Tier 1 capital (CET1)	2,116,888	1,817,029
Tier 1 capital instruments	250,000	250,000
Tier 2 capital instruments	347,761	346,909
<b>Own funds</b>	<b>2,714,649</b>	<b>2,413,938</b>
<b>Risk exposure amount</b>	<b>17,294,348</b>	<b>15,143,851</b>
- of which: credit risk	16,294,170	14,207,588
- of which: credit valuation adjustment risk	76,021	12,106
- of which: market risk	-	-
- of which: operational risk	924,157	924,157
<b>Capital ratios</b>		
CET1 capital ratio, %	12.2	12.0
Tier 1 capital ratio, %	13.7	13.6
Total capital ratio, %	15.7	15.9

#### THE GROUP'S REGULATORY CAPITAL REQUIREMENTS

SEK thousand	30 Sep 2024		31 Dec 2023	
	Amount	Percent <sup>3</sup>	Amount	Percent <sup>3</sup>
<b>Capital requirement under pillar 1</b>				
CET1 capital	778,246	4.5	681,473	4.5
Tier 1 capital	1,037,661	6.0	908,631	6.0
Total capital	1,383,548	8.0	1,211,508	8.0
<b>Capital requirement under pillar 2</b>				
CET1 capital	102,875	0.6	91,531	0.6
Tier 1 capital	137,167	0.8	122,042	0.8
Total capital	182,889	1.1	162,722	1.1
- of which, concentration risk	167,106	1.0	135,850	0.9
- of which, currency risk	3,596	0.0	1,664	0.0
- of which, interest rate risk	12,187	0.1	25,208	0.2
<b>Total capital requirement under pillar 1 and pillar 2</b>				
CET1 capital	881,121	5.1	773,004	5.1
Tier 1 capital	1,174,828	6.8	1,030,673	6.8
Total capital	1,566,437	9.1	1,374,230	9.1
<b>Institution-specific buffer requirement</b>				
Total buffer requirement	624,326	3.6	555,779	3.7
- of which, capital conservation buffer	432,359	2.5	378,596	2.5
- of which, countercyclical buffer	191,967	1.1	177,183	1.2
<b>Total capital requirement including buffer requirement</b>				
CET1 capital	1,505,446	8.7	1,328,784	8.8
Tier 1 capital	1,799,153	10.4	1,586,452	10.5
Total capital	2,190,763	12.7	1,930,009	12.7

<sup>1</sup> 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 44.

<sup>2</sup> Capital requirements expressed as a percentage of the risk exposure amount.



Note 9 cont.

## GROUP'S OWN FUNDS

SEK thousand	30 Sep 2024	31 Dec 2023
<b>CET1 capital</b>		
Share capital	107,500	107,500
Other reserves	-1,179	1,972
Retained earnings including net profit for the period reviewed by the auditor	2,167,038	1,801,442
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends <sup>1</sup>	-10,218	-
- Intangible assets <sup>2</sup>	-24,491	-35,882
- Goodwill	-12,735	-12,753
- Deferred tax assets that rely on future profitability	-	-4,969
- Insufficient coverage for non-performing exposures <sup>3</sup>	-109,027	-40,281
<b>Total CET1 capital</b>	<b>2,116,888</b>	<b>1,817,029</b>
<b>Tier 1 capital instruments</b>		
Perpetual subordinated loan	250,000	250,000
<b>Tier 2 capital instruments</b>		
Fixed term subordinated loans	347,761	346,909
<b>Own funds</b>	<b>2,714,649</b>	<b>2,413,938</b>

## THE GROUP'S SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

SEK thousand	30 Sep 2024		31 Dec 2023	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
<b>Credit risk under the standardised approach</b>				
Corporate exposures	80,499	6,440	79,920	6,394
Household exposures	13,984,068	1,118,725	12,597,979	1,007,838
Exposures secured by real estate collateral	14,236	1,139	15,891	1,271
Exposures in default	1,469,861	117,589	926,385	74,111
Exposures to institutions	487,087	38,967	415,622	33,250
Equity exposures	140	11	144	12
Other items	258,279	20,662	171,647	13,732
<b>Total</b>	<b>16,294,170</b>	<b>1,303,534</b>	<b>14,207,588</b>	<b>1,136,607</b>
<b>Credit valuation adjustment</b>				
Standardised method	76,021	6,082	12,106	968
<b>Total</b>	<b>76,021</b>	<b>6,082</b>	<b>12,106</b>	<b>968</b>
<b>Market risk</b>				
Foreign exchange rate risk	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational risk</b>				
Alternative Standardised Approach	924,157	73,933	924,157	73,933
<b>Total</b>	<b>924,157</b>	<b>73,933</b>	<b>924,157</b>	<b>73,933</b>
<b>Total risk exposure amount and total capital requirement</b>	<b>17,294,348</b>	<b>1,383,548</b>	<b>15,143,851</b>	<b>1,211,508</b>

<sup>1</sup> 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.

<sup>2</sup> Deduction according to Commission Delegated Regulation (EU) 2020/2176.

<sup>3</sup> Deduction according to Regulation (EU) No 2019/630.

**NOTE 10 Liquidity coverage**
**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. On September 30, the Swedish Financial Supervisory Authority presented a legal position regarding the handling of deposits through digital deposit platforms when calculating the liquidity coverage ratio and net stable funding ratio. TF Bank has applied this interpretation of the regulations since the first quarter of 2023 and the stance does not affect the Bank's key figures.

**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.

**THE GROUP'S LIQUIDITY POSITION**

SEK thousand	30 Sep 2024	31 Dec 2023
<b>Liquidity reserve<sup>1</sup></b>		
Treasury bills eligible for refinancing - EU-commission <sup>2</sup>	1,122,600	1,322,471
Treasury bills and municipalities eligible for refinancing - Sweden <sup>2</sup>	701,312	1,129,677
Treasury bills and government securities eligible for refinancing - Norway <sup>2</sup>	615,078	246,800
Treasury bills eligible for refinancing - European Stability Mechanism <sup>2</sup>	280,650	-
Treasury bills eligible for refinancing - Netherlands <sup>2</sup>	-	440,823
Treasury bills eligible for refinancing - Finland <sup>2</sup>	-	495,926
<b>Total liquidity reserve</b>	<b>2,719,640</b>	<b>3,635,697</b>
<b>Other available liquidity reserve</b>		
Cash and balances with central banks <sup>3</sup>	6,293	5,968
Loans to credit institutions <sup>3</sup>	1,788,126	1,562,740
<b>Total other available liquidity reserve</b>	<b>1,794,419</b>	<b>1,568,708</b>
<b>Total available liquidity reserve</b>	<b>4,514,059</b>	<b>5,204,405</b>
<b>Sources of financing</b>		
Deposits from the public	21,641,149	20,652,997
Subordinated liabilities	347,761	346,909
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	2,273,359	1,910,914
<b>Total sources of financing</b>	<b>24,512,269</b>	<b>23,160,820</b>
<b>Key figures</b>		
Available liquidity reserve / Deposits from the public	21	25
Liquidity coverage ratio, %	456	354
Net Stable Funding ratio, %	115	128

**REGULATORY LIQUIDITY REQUIREMENTS**

	30 Sep 2024	31 Dec 2023
<b>Key figures</b>		
Liquidity coverage ratio, %	100	100
Net Stable Funding ratio, %	100	100

<sup>1</sup> According to definition in FFFS 2010:7.

<sup>2</sup> Remaining term to maturity for treasury bills and municipalities are up to 12 month. Maturity date for Norwegian government bonds of NOK 250 million is 19 Februari 2026.

<sup>3</sup> Excluding restricted cash and cash equivalents that are not available the next day.

**NOTE 11 Subordinated liabilities**

SEK thousand	30 Sep 2024	31 Dec 2023
Fixed-term subordinated liabilities	347,761	346,909
<b>Total</b>	<b>347,761</b>	<b>346,909</b>

Subordinated loans are subordinated to other liabilities. The table below shows the terms for each bond. The prospectus are available on the Bank's website, [www.tfbankgroup.com](http://www.tfbankgroup.com).

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	Maturity date
27 September 2019 (redeemed 27 September 2024)	100,000	STIBOR 3 months +4.65%	27 September 2029
14 December 2020	100,000	STIBOR 3 months +5.50%	14 December 2030
28 February 2023	150,000	STIBOR 3 months +6.50%	28 February 2033
18 September 2024	100,000	STIBOR 3 months +4.00%	18 September 2034

**NOTE 12 Pledged assets, contingent liabilities and commitments**

SEK thousand	30 Sep 2024	31 Dec 2023
<b>Pledged assets</b>		
Restricted bank deposits <sup>1</sup>	11,945	12,948
<b>Total</b>	<b>11,945</b>	<b>12,948</b>

SEK thousand	30 Sep 2024	31 Dec 2023
<b>Commitments</b>		
Unutilised credit limits	8,872,366	5,983,885
<b>Total</b>	<b>8,872,366</b>	<b>5,983,885</b>

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

<sup>1</sup> 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	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<i>The following transactions have been made between companies within the Group:</i>					
General administrative expenses	-4,806	-1,892	-14,238	-5,522	-7,671
<b>Total</b>	<b>-4,806</b>	<b>-1,892</b>	<b>-14,238</b>	<b>-5,522</b>	<b>-7,671</b>
<i>The following transactions have been made with other related parties:</i>					
Interest income (transaction costs)	-8,518	-10,211	-28,466	-32,104	-41,739
Fee and commission income	608	751	1,857	2,266	2,907
General administrative expenses	-423	-466	-1,360	-1,258	-1,688
<b>Total</b>	<b>-8,333</b>	<b>-9,926</b>	<b>-27,969</b>	<b>-31,096</b>	<b>-40,520</b>
<i>Acquisition of assets and liabilities from other related parties:</i>					
Ecommerce Solutions	102,444	99,340	349,340	372,742	496,554
<b>Total</b>	<b>102,444</b>	<b>99,340</b>	<b>349,340</b>	<b>372,742</b>	<b>496,554</b>

SEK thousand	30 Sep 2024	31 Dec 2023
<i>Assets and liabilities at the end of the period as a result of transactions with other related parties:</i>		
Other assets	135	412
Other liabilities	5,166	178

# PARENT COMPANY

## Generally

TF Bank AB, org.nr: 556158-1041, is a banking company registered in Borås, Sweden. The company is licensed to conduct banking operations. Deposit and/or lending activities are conducted in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through branch or cross-border banking with the support of the Swedish banking license.

## JANUARY - SEPTEMBER 2024

COMPARED TO JANUARY - SEPTEMBER 2023 (unless otherwise stated)

### Operating profit

Operating profit increased by 20 % to SEK 446.1 million (371.4). The result has been affected by operations in Ecommerce Solutions in the Nordic region being conducted primarily through subsidiaries for most of the year.

### Operating income

The operating income has increased by 74 % to SEK 2,534 million (1,453). The increase is primarily attributable to dividends from subsidiaries. Excluding dividends, operating income increased by 2 % partly as a result of the growing loan portfolio in Germany. Operating income has, however, been negatively impacted by Ecommerce Solutions in the Nordic region being conducted primarily through subsidiaries for most of the year.

### Operating expenses

The operating expenses decreased by 16 % to SEK 512.2 million (610.9). The decrease is mainly explained by operations in Ecommerce Solutions in the Nordic region being conducted through subsidiaries for most of the year.

### Loan losses

The net loan losses increased by 12 % to SEK 528.0 million (470.7). The growing loan portfolio in the Credit Cards segment contributed to an increase in the net loan losses.

### Tax expense

The tax expenses increased to SEK 98.3 million (81.9). The increase in the tax expenses is related to a higher operating profit.

## JANUARY - SEPTEMBER 2024

COMPARED TO 31 DECEMBER 2023 (unless otherwise stated)

### Loans to the public

Loans to the public increased by 23 % to SEK 18,906 million (15,424) in the first nine months of the year of 2024. The increase is impacted by record volumes in the Credit Cards segment.

### Deposits from the public

Deposits from the public has remained steady at SEK 20,651 million (20,653) during the first nine months of the 2024. During the end of 2023, the Bank launched deposit products in Spain, Ireland and the Netherlands.

### Loans to credit institutions

Loans to credit institutions amounted to SEK 2,553 million (2,994) at the end of the third quarter 2024. The lending consists partly of lending to the subsidiary Rediem Capital AB of SEK 731.8 million (1,324) and partly to non-fixed-term accounts with several different Nordic banks.

### Shares in subsidiaries

Shares in subsidiaries amounted to SEK 567 million (1,615) at the end of the interim period and have been affected by a larger dividend from the subsidiary Rediem Capital AB which has resulted in an impairment of shares in subsidiaries.

### Capital adequacy

The capital ratios have increased since year-end and at the end of the third quarter the Parent Company's total capital ratio was 16.7 % (16.2), the Tier 1 capital ratio was 14.6 % (13.9) and the Common Equity Tier 1 capital ratio was 13.1 % (12.2). The increase in capital ratios is related to changes in exposures to the subsidiary Rediem Capital AB.

## INCOME STATEMENT - PARENT COMPANY

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Operating income</b>					
Interest income	734,023	638,567	2,049,434	1,679,146	2,293,271
Interest expense	-210,584	-155,447	-614,464	-357,601	-547,971
<b>Net interest income</b>	<b>523,439</b>	<b>483,120</b>	<b>1,434,970</b>	<b>1,321,545</b>	<b>1,745,300</b>
Fee and commission income	73,176	73,292	179,174	201,750	246,847
Fee and commission expense	-48,014	-27,503	-127,721	-69,563	-103,335
<b>Net fee and commission income</b>	<b>25,162</b>	<b>45,789</b>	<b>51,453</b>	<b>132,187</b>	<b>143,512</b>
Received dividend	-	-	1,048,000	-	-
Net results from financial transactions	645	323	-181	-496	-902
<b>Total operating income</b>	<b>549,246</b>	<b>529,232</b>	<b>2,534,242</b>	<b>1,453,236</b>	<b>1,887,910</b>
<b>Operating expenses</b>					
General administrative expenses	-161,550	-198,794	-459,528	-523,556	-661,489
Depreciation and amortisation of tangible and intangible assets	-8,177	-11,325	-19,614	-31,811	-37,668
Other operating expenses	-11,404	-15,544	-33,008	-55,494	-63,862
<b>Total operating expenses</b>	<b>-181,131</b>	<b>-225,663</b>	<b>-512,150</b>	<b>-610,861</b>	<b>-763,019</b>
<b>Profit before loan losses</b>	<b>368,115</b>	<b>303,569</b>	<b>2,022,092</b>	<b>842,375</b>	<b>1,124,891</b>
Net Loan losses	-190,900	-172,409	-528,008	-470,658	-631,231
Impairment of financial fixed assets	-	-	-1,048,000	-	-
<b>Operating profit</b>	<b>177,215</b>	<b>131,160</b>	<b>446,084</b>	<b>371,717</b>	<b>493,660</b>
Income tax for the period	-39,936	-29,165	-98,269	-81,856	-109,159
<b>Profit for the period</b>	<b>137,279</b>	<b>101,995</b>	<b>347,815</b>	<b>289,861</b>	<b>384,501</b>

## STATEMENT OF OTHER COMPREHENSIVE INCOME - PARENT COMPANY

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Profit for the period</b>	<b>137,279</b>	<b>101,995</b>	<b>347,815</b>	<b>289,861</b>	<b>384,501</b>
<b>Other comprehensive income</b>					
<b>Items that may subsequently be reclassified to the income statement</b>					
Gross exchange rate differences	-2,449	-377	-2,851	-327	-1,173
Tax on exchange rate differences in the period	-	82	-	71	260
<b>Other comprehensive income for the period</b>	<b>-2,449</b>	<b>-295</b>	<b>-2,851</b>	<b>-256</b>	<b>-913</b>
<b>Total comprehensive income for the period</b>	<b>134,830</b>	<b>101,700</b>	<b>344,964</b>	<b>289,605</b>	<b>383,588</b>



## BALANCE SHEET - PARENT COMPANY

SEK thousand	30 Sep 2024	31 Dec 2023
<b>ASSETS</b>		
Cash and balances with central banks	18,238	18,916
Treasury bills eligible for refinancing	1,860,763	3,536,570
Loans to credit institutions	2,552,552	2,994,041
Loans to the public	18,906,319	15,424,259
Shares	140	144
Shares in subsidiaries	566,558	1,614,558
Goodwill	20,481	7,652
Intangible assets	98,320	39,216
Tangible assets	5,613	6,514
Other assets	91,112	13,644
Deferred tax assets	126	55,285
Prepaid expenses and accrued income	75,785	53,286
<b>TOTAL ASSETS</b>	<b>24,196,007</b>	<b>23,764,085</b>
<b>LIABILITIES AND EQUITY</b>		
<b>Liabilities</b>		
Deposits and borrowings from the public	20,651,208	20,652,996
Other liabilities	189,095	295,421
Current tax liabilities	47,472	94,075
Deferred tax liabilities	3,592	-
Accrued expenses and prepaid income	484,853	217,527
Provisions	3,262	11,158
Subordinated liabilities	347,761	346,909
<b>Total liabilities</b>	<b>21,727,243</b>	<b>21,618,086</b>
<b>Equity</b>		
<b>Restricted equity</b>		
Share capital	107,500	107,500
Statutory reserve	1,000	1,000
Development costs fund	98,659	39,215
<b>Total restricted equity</b>	<b>207,159</b>	<b>147,715</b>
<b>Non-restricted equity</b>		
Tier 1 capital instrument	250,000	250,000
Foreign currency reserve	-4,129	-1,278
Retained earnings	1,667,919	1,365,061
Profit for the period	347,815	384,501
<b>Total non-restricted equity</b>	<b>2,261,605</b>	<b>1,998,284</b>
<b>Total equity</b>	<b>2,468,764</b>	<b>2,145,999</b>
<b>TOTAL LIABILITIES AND EQUITY</b>	<b>24,196,007</b>	<b>23,764,085</b>

**NOTE 14 Capital adequacy**
**THE PARENT COMPANY'S CAPITAL SITUATION**

SEK thousand	30 Sep 2024	31 Dec 2023
Common Equity Tier 1 capital (CET1)	2,159,186	1,829,184
Tier 1 capital instruments	250,000	250,000
Tier 2 capital instruments	347,761	346,909
<b>Own funds</b>	<b>2,756,947</b>	<b>2,426,093</b>
<b>Risk exposure amount</b>	<b>16,499,554</b>	<b>14,942,035</b>
- of which: credit risk	15,545,412	14,050,361
- of which: credit valuation adjustment risk	76,021	14,508
- of which: market risk	-	-
- of which: operational risk	878,121	877,166
<b>Capital ratios</b>		
CET1 capital ratio, %	13.1	12.2
Tier 1 capital ratio, %	14.6	13.9
Total capital ratio, %	16.7	16.2

**THE PARENT COMPANY'S REGULATORY CAPITAL REQUIREMENTS**

SEK thousand	30 Sep 2024		31 Dec 2023	
	Amount	Percent <sup>1</sup>	Amount	Percent <sup>1</sup>
<b>Capital requirement under pillar 1</b>				
CET1 capital	742,480	4.5	672,392	4.5
Tier 1 capital	989,973	6.0	896,522	6.0
Total capital	1,319,964	8.0	1,195,363	8.0
<b>Capital requirement under pillar 2</b>				
CET1 capital	104,040	0.6	84,641	0.6
Tier 1 capital	138,720	0.8	112,855	0.8
Total capital	184,960	1.1	150,473	1.0
- of which, concentration risk	167,308	1.0	128,880	0.9
- of which, currency risk	2,432	0.0	1,261	0.0
- of which, interest rate risk	15,220	0.1	20,332	0.1
<b>Total capital requirement under pillar 1 and pillar 2</b>				
CET1 capital	846,520	5.1	757,033	5.1
Tier 1 capital	1,128,693	6.8	1,009,377	6.8
Total capital	1,504,924	9.1	1,345,836	9.0
<b>Institution-specific buffer requirement</b>				
Total buffer requirement	600,584	3.6	564,809	3.8
- of which, capital conservation buffer	412,489	2.5	373,551	2.5
- of which, countercyclical buffer	188,095	1.1	191,258	1.3
<b>Total capital requirement including buffer requirement</b>				
CET1 capital	1,447,104	8.8	1,321,842	8.8
Tier 1 capital	1,729,277	10.5	1,574,186	10.5
Total capital	2,105,508	12.8	1,910,645	12.8

<sup>1</sup> Capital requirements expressed as a percentage of the risk exposure amount.

Note 14 cont.

#### THE PARENT COMPANY'S OWN FUNDS

SEK thousand	30 Sep 2024	31 Dec 2023
<b>CET1 capital</b>		
Share capital	107,500	107,500
Other reserves	95,530	38,938
Retained earnings including net profit for the period reviewed by the auditor	2,015,734	1,749,561
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends <sup>1</sup>	-10,218	-
- Intangible assets <sup>2</sup>	-24,491	-18,965
- Goodwill	-20,481	-7,652
- Insufficient coverage for non-performing exposures <sup>3</sup>	-4,388	-40,198
<b>Total CET1 capital</b>	<b>2,159,186</b>	<b>1,829,184</b>
<b>Tier 1 capital instruments</b>		
Perpetual subordinated loan	250,000	250,000
<b>Tier 2 capital instruments</b>		
Fixed term subordinated loans	347,761	346,909
<b>Own funds</b>	<b>2,756,947</b>	<b>2,426,093</b>

#### THE PARENT COMPANY'S SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

SEK thousand	30 Sep 2024		31 Dec 2023	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
<b>Credit risk under the standardised approach</b>				
Corporate exposures	80,499	6,440	79,920	6,394
Household exposures	13,991,265	1,119,301	10,822,202	865,776
Exposures secured by real estate collateral	14,236	1,139	15,891	1,271
Exposures in default	87,133	6,971	847,714	67,817
Exposures to institutions	604,886	48,391	598,944	47,916
Equity exposures	566,699	45,336	1,614,702	129,176
Other items	200,694	16,056	70,988	5,679
<b>Total</b>	<b>15,545,412</b>	<b>1,243,633</b>	<b>14,050,361</b>	<b>1,124,029</b>
<b>Credit valuation adjustment</b>				
Standardised method	76,021	6,082	14,508	1,161
<b>Total</b>	<b>76,021</b>	<b>6,082</b>	<b>14,508</b>	<b>1,161</b>
<b>Market risk</b>				
Foreign exchange rate risk	-	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Operational risk</b>				
Alternative Standardised Approach	878,121	70,250	877,166	70,173
<b>Total</b>	<b>878,121</b>	<b>70,250</b>	<b>877,166</b>	<b>70,173</b>
<b>Total risk exposure amount and total capital requirement</b>	<b>16,499,554</b>	<b>1,319,964</b>	<b>14,942,035</b>	<b>1,195,363</b>

<sup>1</sup> 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.

<sup>2</sup> Deduction according to Commission Delegated Regulation (EU) 2020/2176.

<sup>3</sup> Deduction according to Regulation (EU) No 2019/630.

## THE PARENT COMPANY'S LIQUIDITY POSITION

SEK thousand	30 Sep 2024	31 Dec 2023
<b>Liquidity reserve<sup>1</sup></b>		
Treasury bills eligible for refinancing - EU-commission <sup>2</sup>	561,111	1,322,471
Treasury bills and municipalities eligible for refinancing - Sweden <sup>2</sup>	615,078	246,800
Treasury bills and government securities eligible for refinancing - Norway <sup>2</sup>	403,924	1,030,550
Treasury bills eligible for refinancing - European Stability Mechanism <sup>2</sup>	280,650	-
Treasury bills eligible for refinancing - Netherlands <sup>2</sup>	-	440,823
Treasury bills eligible for refinancing - Finland <sup>2</sup>	-	495,926
<b>Total liquidity reserve</b>	<b>1,860,763</b>	<b>3,536,570</b>
<b>Other available liquidity reserve</b>		
Cash and balances with central banks <sup>3</sup>	6,293	5,968
Loans to credit institutions <sup>3</sup>	1,647,872	1,142,989
<b>Total other available liquidity reserve</b>	<b>1,654,165</b>	<b>1,148,957</b>
<b>Total available liquidity reserve</b>	<b>3,514,928</b>	<b>4,685,527</b>
<b>Sources of financing</b>		
Deposits from the public	20,651,208	20,652,996
Subordinated liabilities	347,761	346,909
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	2,218,764	1,895,999
<b>Total sources of financing</b>	<b>23,467,733</b>	<b>23,145,904</b>
<b>Key figures</b>		
Available liquidity reserve / Deposits from the public	17	23
Liquidity coverage ratio, %	164	231
Net Stable Funding ratio, %	112	129

## REGULATORY LIQUIDITY REQUIREMENTS

	30 Sep 2024	31 Dec 2023
<b>Key figures</b>		
Liquidity coverage ratio, %	100	100
Net Stable Funding ratio, %	100	100

<sup>1</sup> According to definition in FFFS 2010:7.

<sup>2</sup> Remaining term to maturity for treasury bills is up to X month. Maturity date for Norwegian government bonds of NOK 250 million is 19 Februari 2026.

<sup>3</sup> Excluding restricted cash and cash equivalents that are not available the next day.

# ASSURANCE BY THE BOARD OF DIRECTORS AND THE CEO

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 parent company and the Group and describes the material risks and uncertainties that the parent company and the Group faces.

Borås, 14 October 2024

John Brehmer  
*Chairman*

Niklas Johansson

Michael Lindengren

Sara Mindus

Fredrik Oweson

Arti Zeighami

Joakim Jansson  
*President and CEO*

# REPORT OF REVIEW OF INTERIM FINANCIAL INFORMATION

## Introduction

We have reviewed the condensed interim financial information (interim report) of TF Bank AB (publ) as of 30 September 2024 and the nine-month period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies. Our responsibility is to express a conclusion on this interim report based on our review.

## Scope of review

We conducted our review in accordance with International Standard on Review Engagements ISRE 2410 *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing practices and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

## Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, for the Group in accordance with IAS 34 and the Annual Accounts Act for Credit Institutions and Securities Companies, and for the Parent Company in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm 14 October 2024  
KPMG AB

Dan Beitner  
*Authorized Public Accountant*



# 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**

20 January 2025 Year-end report 2024

21 March 2025 Annual report 2024 is published

14 April 2025 Interim report January-March 2025

This is information which TF Bank is required to disclose under the EU Market Abuse Regulation. The information was provided for publication through a pressrelease 15 October 2024 at 07:00 CET.

## **CONTACTS**

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[www.tfbankgroup.com](http://www.tfbankgroup.com)

# RECONCILIATION TABLES

## KEY FIGURES <sup>1</sup>

SEK thousand	Jul-Sep 2024	Jul-Sep 2023	Jan-Sep 2024	Jan-Sep 2023	Jan-Dec 2023
<b>Income statement</b>					
<i>Earnings per share, SEK</i>	6.53	4.55	17.00	12.87	17.53
Net profit for the period attributable to the shareholder's of the Parent Company	140,463	97,751	365,596	276,689	376,853
Average number of outstanding shares, thousands	21,500	21,500	21,500	21,500	21,500
<b>Key figures <sup>2</sup></b>					
<i>Operating income margin, %</i>	12.6	12.3	12.5	12.1	12.3
Total operating income, annualised	2,500,828	2,117,316	2,375,397	1,936,923	1,998,121
Average loans to the public	19,851,225	17,208,278	19,075,042	16,029,426	16,262,503
<i>Net loan loss ratio, %</i>	4.1	4.0	4.2	3.9	4.0
Net loan losses, annualised	818,416	689,636	793,791	627,544	656,851
Average loans to the public	19,851,225	17,208,278	19,075,042	16,029,426	16,262,503
<i>Cost/Income ratio, %</i>	36.7	42.8	38.7	42.1	41.6
Total operating expenses	229,303	226,584	689,262	611,084	831,671
Total operating income	625,207	529,329	1,781,548	1,452,692	1,998,121
<i>Return on equity, %</i>	25.5	22.2	23.3	22.0	21.9
Net profit for the period attributable to the shareholder's of the Parent Company, annualised	561,852	391,004	487,461	368,919	376,853
Average equity attributable to the shareholder's of the Parent Company	2,204,553	1,763,916	2,092,137	1,675,006	1,724,758
<i>Return on loans to the public, %</i>	2.8	2.3	2.6	2.3	2.3
Net profit for the period attributable to the shareholder's of the Parent Company, annualised	561,852	391,004	487,461	368,919	376,853
Average loans to the public	19,851,225	17,208,278	19,075,042	16,029,426	16,262,503

<sup>1</sup> The annualised figure has been calculated by multiplying the quarterly figure by four and the figure for the interim period by 12/9. The average has been calculated as opening balance plus closing balance, divided by two.

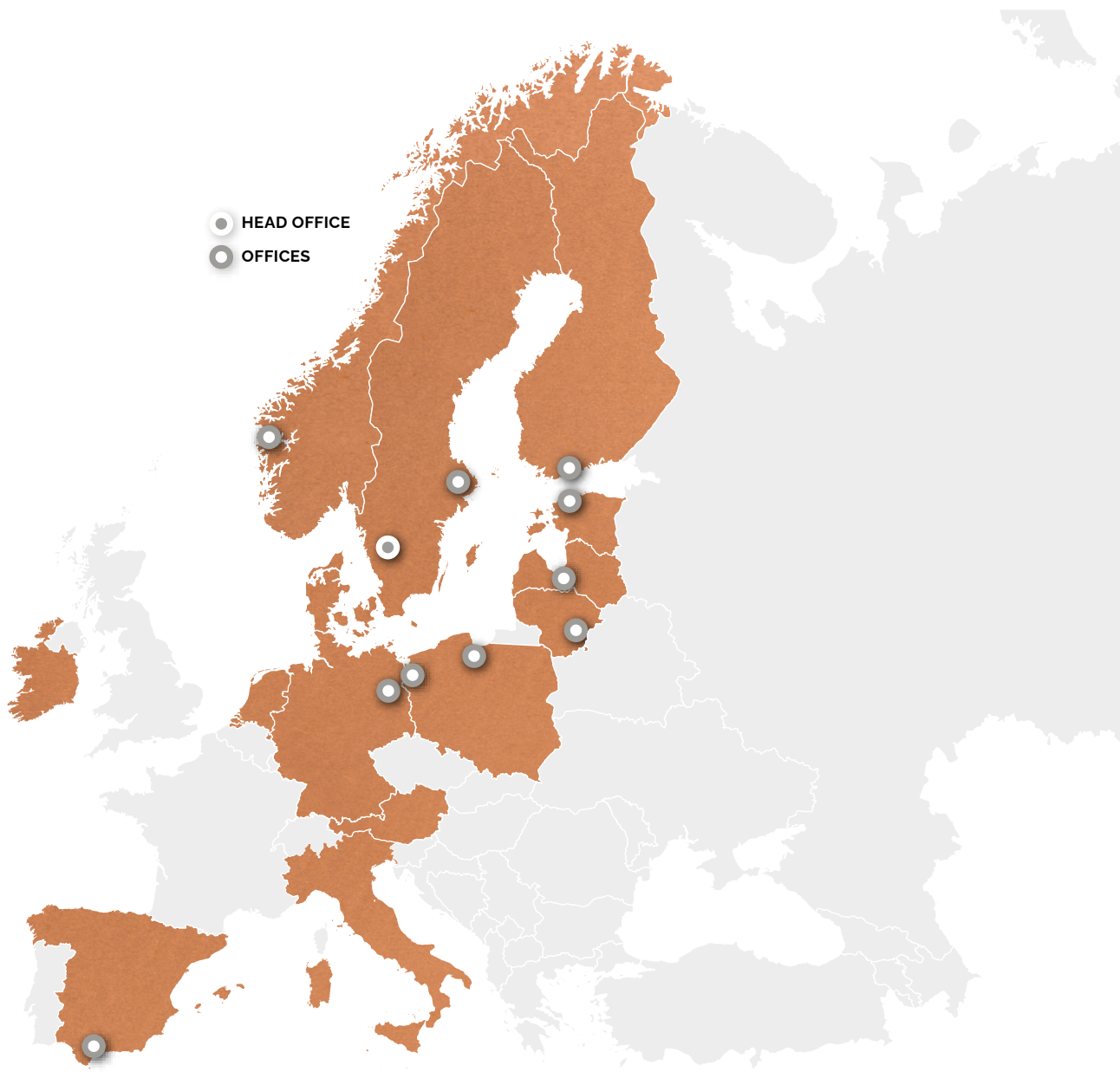
<sup>2</sup> Calculation of capital ratios is shown in Note 9.

# 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	30 Sep 2024	31 Dec 2023
<b>Available own funds</b>		
1 Common Equity Tier 1 capital (CET1)	2,116,888	1,817,029
2 Tier 1 capital	2,366,888	2,067,029
3 Total capital	2,714,649	2,413,938
<b>Risk-weighted exposure amount</b>		
4 Total risk exposure amount	17,294,348	15,143,851
<b>Capital ratios (% of risk-weighted exposure amount)</b>		
5 Common Equity Tier 1 ratio, %	12.2	12.0
6 Tier 1 ratio, %	13.7	13.6
7 Total capital ratio, %	15.7	15.9
<b>Additional own funds requirements to address risks other than the risk of excessive leverage (% of risk-weighted exposure amount)</b>		
EU 7a Additional own funds requirements to address risks other than the risk of excessive leverage, %	1.1	1.1
EU 7b - of which, to be made up of CET1 capital, %	0.6	0.6
EU 7c - of which, to be made up of Tier 1 capital, %	0.8	0.8
EU 7d Total SREP own funds requirements, %	9.1	9.1
<b>Combined buffer and overall capital requirement (% of risk-weighted exposure amount)</b>		
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, %	1.1	1.2
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, %	3.6	3.7
EU 11a Overall capital requirements, %	12.7	12.7
12 CET1 available after meeting the total SREP own funds requirements, %	7.1	6.9
<b>Leverage ratio</b>		
13 Total exposure measure	26,464,884	24,150,038
14 Leverage ratio, %	8.9	8.6
<b>Additional own funds requirements to address risks of excessive leverage (% of leverage ratio total exposure amount)</b>		
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
<b>Leverage ratio buffer and overall leverage ratio requirement (% of total exposure measure)</b>		
EU 14d Total SREP leverage ratio requirements, %	N/A	N/A
EU 14e Overall leverage ratio requirements, %	3.0	3.0
<b>Liquidity Coverage Ratio</b>		
15 Total high-quality liquid assets (Weighted value – average)	2,725,933	3,641,665
EU 16a Cash outflows – Total weighted value	1,750,553	2,070,091
EU 16b Cash inflows – Total weighted value	1,152,589	1,042,366
16 Total net cash outflows (adjusted value)	597,964	1,027,725
17 Liquidity coverage ratio, %	456	354
<b>Net Stable Funding Ratio</b>		
18 Total available stable funding	18,593,627	18,626,082
19 Total required stable funding	16,211,741	14,553,355
20 Net Stable Funding ratio, %	115	128

# TF BANK'S GEOGRAPHICAL PRESENCE



SHARE OF LOAN PORTFOLIO BY QUARTER

