



ANNUAL REPORT

2025



ANNUAL REPORT AND CONSOLIDATED FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR 2025

The Board of Directors and the CEO hereby submit the Annual report and consolidated financial statements for TF Bank AB (publ), corporate identity number 556158-1041.

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Unless otherwise stated, all amounts are shown in thousands of Swedish kronor. The figures in brackets are for the previous year.

This Financial Statements and Report by the Board of Directors 2025 in pdf format has been published voluntarily and is not an xHTML document compliant with the ESEF (European Single Electronic Format) regulation. TF Bank's Financial Statements and Report by the Board of Directors 2025 in accordance with ESEF regulations are available at www.tfbankgroup.com.

ABOUT THE GROUP

We are a fast-growing provider of credit and payment services operating in 14 European countries. Through our proprietary IT infrastructure, we develop simple and flexible payment and financing solutions for millions of customers. Since our founding in 1987, we have consistently combined growth with profitability, and following the stock market listing in 2016, this development has continued with a strong focus on scalability and automation. The Company is listed on Nasdaq Stockholm.

Lending and/or deposit activities are conducted in the Nordics, the Baltics, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, Ecommerce Solutions and Consumer Lending. The target group for all services is creditworthy individuals and the loan amounts are relatively small with short repayment terms.



23,678

Loans to the public,
million SEK

856

Operating profit,
million SEK

16.1 %

Total capital ratio

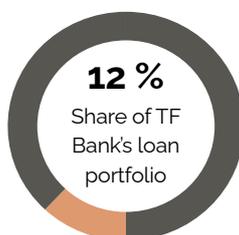
471

Employees (FTE)



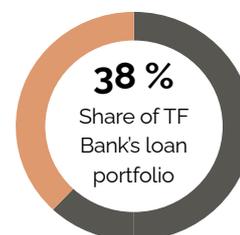
Credit Cards

In the Credit Cards segment, TF Bank offers credit cards to creditworthy individuals. Within this segment the Bank operates across five countries in Europe.



Ecommerce Solutions

In the Ecommerce Solutions segment, TF Bank offers digital payment solutions, primarily in e-commerce, to creditworthy individuals. Within this segment the Bank operates across nine countries in Europe.



Consumer Lending

In the Consumer Lending segment, TF Bank offers unsecured consumer loans to creditworthy individuals. Within this segment the Bank operates across eleven countries in Europe.

See separate section with definitions and reconciliation tables, page 107-108.

GROUP HISTORY

1987

The company, AB Time Finans, started with lending operations in Sweden

1999

Launch of lending operations in Finland

2006

Launch of lending operations in Estonia

2012

Launch of lending operations in Poland

Time Finans receives a license from the Swedish Financial Supervisory Authority to conduct banking operations and changes its name to TF Bank AB

2015

TF Bank acquires the Norwegian company BB Finans

2017

Avarda AB becomes a wholly owned subsidiary

2019

Launch of lending operations in Austria

2024

Rediem Capital is established and acquires the majority of TF Banks NPL-portfolio

Launch of lending operations in Italy

TF Bank divests a majority stake in Rediem Capital

1989

AB Time Finans becomes an authorised credit market company and changes its name to Haléns Finans AB

2004

Launch of lending operations in Norway

2008

Company name changes to Time Finans AB

2014

TF Bank enters into a cooperation agreement with Intrum Justitia AB with the aim of developing and selling payment solutions for the Nordic e-commerce market through the joint company Avarda

2016

TF Bank is listed on Nasdaq Stockholm
Launch of lending operations in Latvia

2018

Launch of lending operations in Lithuania and Germany

2022

Launch of lending operations in Denmark and Spain

2025

TF Bank resolves to change corporate name to Avarda Bank

YEAR IN BRIEF

FINANCIAL PERFORMANCE 2025

- Loans to the public amounted to SEK 23,678 million, compared to December 2024 the increase in local currencies was 23 %
- Operating profit increased by 25 % to SEK 855.8 million
- Earnings per share increased by 6 % to SEK 9.92 and is impacted by items affecting comparability in 2024
- Adjusted earnings per share increased by 29 % to SEK 9.95
- Cost/income ratio improved to 36.3 % (38.3)
- Return on equity amounted to 23.1 % (27.2)
- Adjusted return on equity amounted to 23.1 % (22.5)
- Total capital ratio amounted to 16.1 % (16.7)
- The Board of Directors proposes to the Annual General Meeting a dividend of SEK 5.00 per share for 2025

SIGNIFICANT EVENTS 2025

- The credit card business had an organic loan book growth of 48 % over the past year and economies of scale in the business model have contributed to a significantly improved operating profit of 78 % compared to 2024.
- In the Ecommerce Solutions segment, collaborations have been initiated with Brandsdal Group and Bagaren & Kocken. These partnerships are expected to generate an annual transaction volume of approximately SEK 2,700 million.
- At an extraordinary general meeting held on 17 November, it was resolved to change the corporate name to Avarða Bank AB, which is expected to be implemented during 2026.

During 2025, we continued to enhance our scalability and operational structure, creating a solid foundation for continued expansion.

GROUP KEY FIGURES

SEK million	2025	2024
Income statement		
Operating income	2,905	2,439
Operating profit	856	685
Adjusted earnings per share, SEK	9.95	7.74
Loans to the public	23,678	20,265
New lending	35,618	27,149
Cost/Income ratio, %	36.3	38.3
Adjusted return on equity, %	23.1	22.5
Total capital ratio, %	16.1	16.7
Employees (FTE)	471	417

FINANCIAL CALENDAR

Interim report January-March 2026	14 April 2026
Annual General Meeting 2026	5 May 2026
Interim report January-June 2026	10 July 2026
Interim report January-September 2026	14 October 2026

For further information, see www.tfbankgroup.com or contact Investor Relations at ir@tfbank.se.

For further information, please see www.tfbankgroup.com or contact Investor Relations at ir@tfbank.se. The 2026 Annual General Meeting will be held on Tuesday 5 May 2026 in Borås. Notice of the Annual General Meeting will be published no later than Tuesday 7 April 2026.

See separate section with definitions and reconciliation tables, page 107-108.

CEO'S COMMENTS

During 2025, TF Bank further strengthened its position as a pan-European provider of credit and payment services, with a clear focus on growth, profitability and operational efficiency. The loan portfolio increased by 23 % in local currencies and return on equity amounted to 23 %. Our performance during the year confirms the scalability of our business model, the strength of our risk culture and the effectiveness of the strategic priorities implemented in recent years.

Since our IPO in 2016, the Bank has undergone a significant transformation in both business mix and geographic footprint. From a predominantly Nordic consumer lending business, we have evolved into a pan-European provider of credit and payment services operating in 14 countries. This shift has been executed gradually and with consistent financial discipline. During 2025, we continued to enhance our scalability and operational structure, creating a solid foundation for continued expansion.

In the fourth quarter, an Extraordinary General Meeting resolved to change the corporate name to Avarda Bank AB. The proposed name change reflects our strategic transformation and the position we have established as a European provider of credit and payment services. The resolution is subject to the necessary regulatory approvals and is expected to take effect in 2026.

Preparations are also underway for our first establishment outside the EU. During the year, we submitted an application to the British regulatory authorities to commence operations in the United Kingdom — a market with substantial potential and a natural next step in our European expansion.

Continued strong growth in Credit Cards

The Credit Cards segment remains the main driver of organic growth, with the loan portfolio increasing by 48 % over the past year. Germany continues to be our largest market, where the number of active credit cards reached approximately 401,000. Income grew faster than costs, resulting in an improvement in operating profit.

Our experience from launching credit cards in Germany highlights the importance of local market insight and a long-term perspective. These experiences guide our expansion into new markets. During



2024, we launched credit card operations in Spain and Italy. Despite forecasts indicating strong long-term potential, volumes have initially been maintained at moderate levels to ensure credit quality and profitability. The segment continues to benefit from economies of scale, both in Germany and across other European markets.

Strengthened position and growing volumes in Ecommerce Solutions

Ecommerce Solutions, operated under the Avarda brand, continued to perform well. During the year, we signed several agreements with major merchants, further strengthening our position in the Nordic region. Transaction volumes increased by 27 % compared to previous year, demonstrating the competitiveness and relevance of our offering. We expect this growth to translate progressively into higher income in the coming quarters.

With a continued focus on innovation and, customer-centric solutions we see significant opportunities to further strengthen our market position and create value for both customers and merchants. Our focus on developing flexible and scalable solutions supports sustainable long-term growth.

Stable profitability and disciplined growth in Consumer Lending

Within Consumer Lending, growth remained balanced with continued emphasis on risk control and profitability. In local currencies, the portfolio grew by 6 % during the year. New lending has been deliberately maintained at controlled levels to preserve credit quality and margins, while capital has been allocated to other segments.

To streamline the Group structure, the subsidiary TF Bank Nordic AB was established during the year. This enables a clearer focus on Nordic Consumer Lending operations as the Group's growth increasingly stems from card and payment solutions outside the Nordics. The TF Bank brand will continue to be used within the segment.

Strong financial performance and solid capital position

The Bank delivered stable and profitable growth, achieving a return on equity of 23 %. Credit quality remains stable and capital ratios are comfortably above all regulatory requirements.

Following the Swedish Financial Supervisory Authority's decision during 2025 to set a Pillar 2 Guidance of 0 %, we have gained improved visibility in our long-term capital planning. This strengthens our ability to continue growing while maintaining a comfortable capital buffer.

Based on our strong financial position, the Board of Directors adopted new financial targets: a loan portfolio of SEK 35 billion by the second half of 2027, while maintaining a return on equity exceeding 20 %, and a capital buffer of 2.5 percentage points above regulatory requirements. In accordance with the Bank's dividend policy, the Board proposes a dividend of SEK 5.00 per share to the Annual General Meeting.

Macroeconomic environment and outlook

The external environment continues to be characterised by geopolitical tensions, trade barriers and uneven economic developments across Europe. We closely monitor changes in consumption patterns and credit demand to adjust risk levels and volumes when necessary.

Despite ongoing uncertainties, the Bank is well positioned. Our scalable platform, diversified income streams and strong capital base enable us to continue growing in a disciplined and profitable manner. At the same time, we maintain the strategic flexibility to capture opportunities as market conditions evolve.

We remain committed to combining financial discipline with long-term investments in growth markets and to being the provider of credit and payment services of the future. I would like to extend my sincere gratitude to our customers for their continued trust, to our employees for their dedication, and to our shareholders for their ongoing support as we continue our journey.

*Joakim Jansson
CEO and President*

TF BANK AS AN INVESTMENT

TF Bank's strategy is based on driving profitable growth through a diversified geographical presence in selected European markets. To meet the increasing demand and maximise customer value, the Bank is continuously working to improve efficiency and strengthen its competitiveness, while accelerating the development of Credit Cards and Ecommerce Solutions.

28 %

Compound annual growth rate in the loan portfolio 2016-2025

22 %

Compound annual growth rate in the operating profit 2016-2025

14

Geographical markets 2025

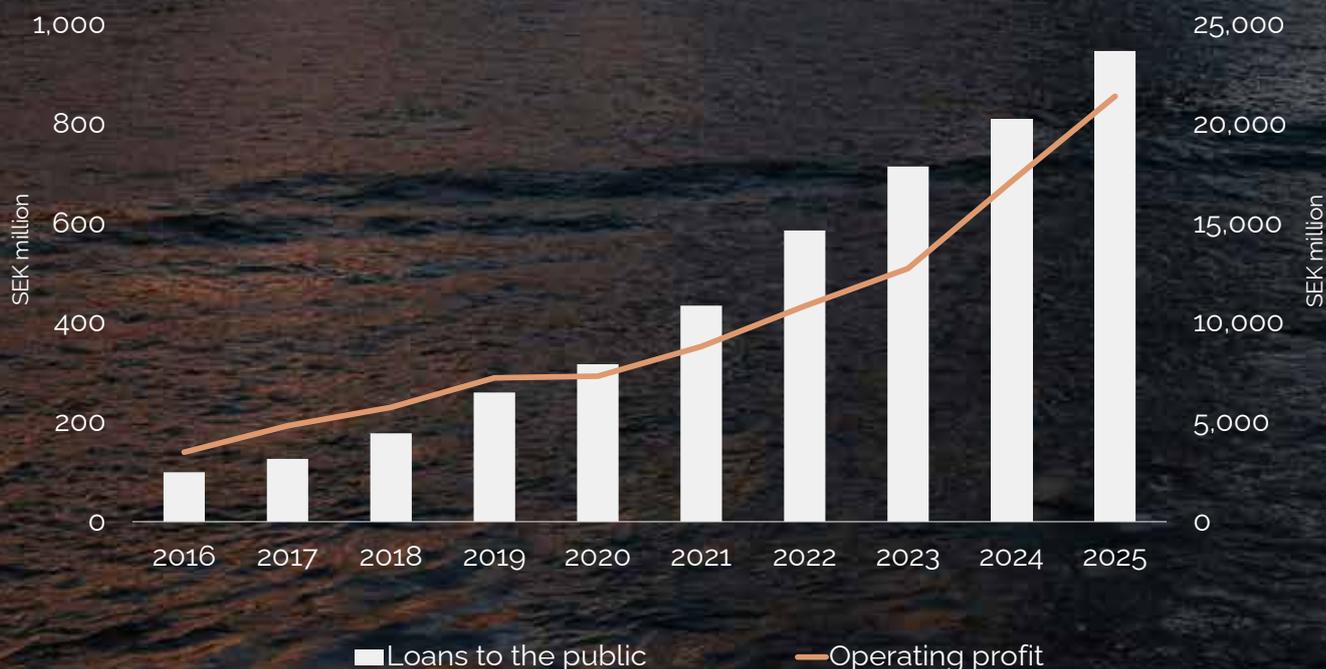
62 %

Share of loan portfolio compiled of the segments Credit Cards and Ecommerce Solutions 2025

Growth with profitability in focus

TF Bank was founded in 1987 in Borås and has since managed to combine rapid growth with strong profitability, which is a central part of the Company's long-term strategy. By expanding its geographical presence, the Bank has been able to ensure robust growth without compromising profitability.

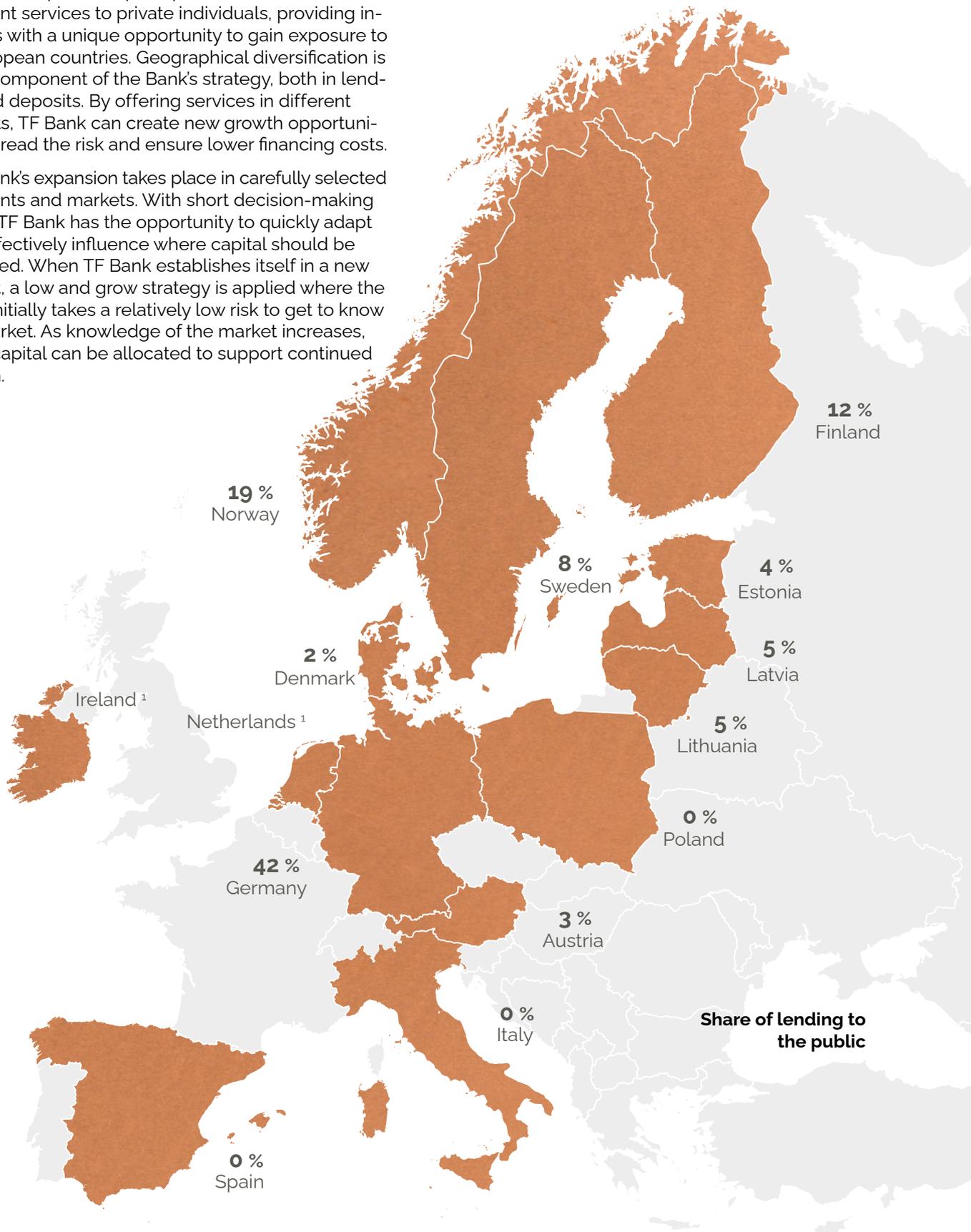
A key factor behind its success is the Bank's ability to quickly put decisions into practice, without burdening the business with high costs or long waiting times. By maintaining high profitability, the Bank can continue to reinvest in the business and provide its shareholders with an attractive risk-adjusted return.



European provider of credit and payment services with a diversified portfolio

TF Bank is a pan-European provider of credit and payment services to private individuals, providing investors with a unique opportunity to gain exposure to 14 European countries. Geographical diversification is a key component of the Bank's strategy, both in lending and deposits. By offering services in different markets, TF Bank can create new growth opportunities, spread the risk and ensure lower financing costs.

The Bank's expansion takes place in carefully selected segments and markets. With short decision-making paths, TF Bank has the opportunity to quickly adapt and effectively influence where capital should be allocated. When TF Bank establishes itself in a new market, a low and grow strategy is applied where the Bank initially takes a relatively low risk to get to know the market. As knowledge of the market increases, more capital can be allocated to support continued growth.



¹ Only deposit products in the market.

Strong risk-adjusted income margin

Responsible lending has always been fundamental to TF Bank's business strategy. By continuously improving its credit assessment processes and avoiding unnecessary risk-taking, the Bank ensures controlled loan loss levels and contributes to a stable economy.

The Bank has no ambition to become the market leader in any country, or in any product area. Instead, TF Bank strives to identify the customer segment where it is currently possible to find a good risk-adjusted income margin.

Growth opportunities in Credit Cards and Ecommerce Solutions

A majority of TF Bank's combined operations are now conducted in the Credit Cards and Ecommerce Solutions segments, where the business flow is managed jointly across several countries. The growing credit card balance represents a significant driver of the Bank's organic growth.

The strong position in the Nordic market in the Ecommerce Solutions segment, in combination with the expansion into Germany in 2024, has further strengthened TF Bank's offering. For our Nordic partners, this means both a valuable addition to the offering and an easier path for profitable expansion into new markets.

RISK-ADJUSTED INCOME MARGIN (SEK million)



CREDIT CARDS

30 %

Growth in the number of active cards during 2025

ECOMMERCE SOLUTIONS

27 %

Growth in transaction volume during 2025

THE SHARE

The share

TF Bank was listed at Nasdaq Stockholm in the Mid Cap segment on 14 June 2016. The listing price was SEK 77.00, corresponding to a market capitalisation of SEK 1,656 million. The closing price on the last trading day of 2025 was SEK 163.75 (following the 3:1 share split executed in July 2025), corresponding to a market capitalisation of SEK 10,586 million. Since the listing TF Bank has paid out a total of SEK 13.75 per share in dividend to shareholders.

Turnover and volume

The share trades under the ticker name TFBANK and the ISIN code is SE0025666969. As of the last trading day of the year 2025, the share price closed at SEK 163.75, an increase of 35 % during the year. In total, approximately 15.6 million shares in TF Bank were traded on Nasdaq Stockholm during the year, totalling approximately SEK 2,295 million in value.

Share capital and number of shares

At the end of the year TF Bank's share capital amounted to SEK 107,750,000 and the number of ordinary shares to 64,650,000. According to the Articles of Association, the share capital must not be less than SEK 107,750,000 and must not exceed SEK 431,000,000. TF Bank has one class of share, and each share carries one vote at the Annual General Meeting.

Dividend policy

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

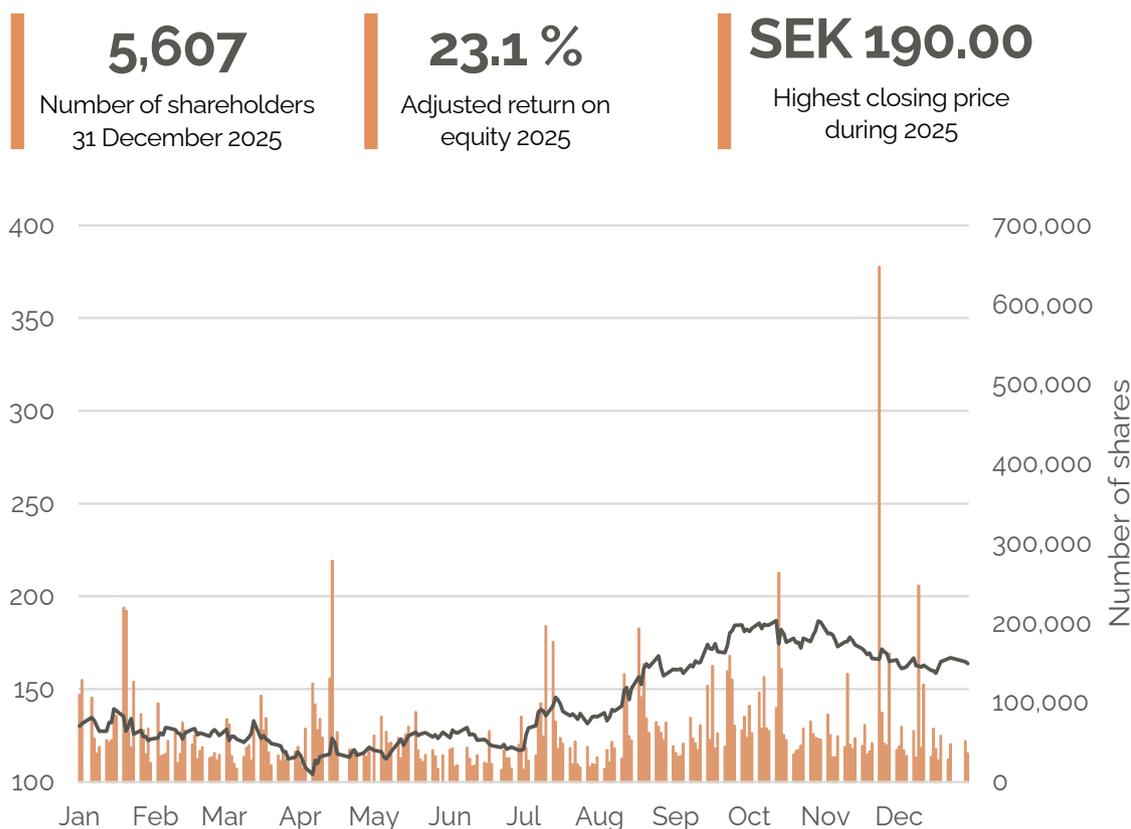
Institutions following TF Bank

ABG Sundal Collier, DNB Carnegie and SEB are following the Company. All institutions had issued a buy recommendation for the TF Bank share at the end of 2025.

Ownership of TF Bank AB as at 31 December 2025

Shareholder	%
TFB Holding AB	29.54
Tiberon AB	15.00
Erik Selin Fastigheter AB	12.53
Carnegie Fonder AB	4.41
Nordnet Pensionsförsäkring AB	4.38
Proventus Aktiebolag	4.17
Maud Umberg Weil	3.88
Goldman Sachs International	2.33
Försäkringsbolaget Avanza Pension	1.31
Amidak AB	1.24
Other shareholders	21.21
Total	100.00

Source: Euroclear
(for more information see page 119)



DIRECTORS' REPORT

TF Bank AB (publ), corporate identity number 556158-1041, is a bank domiciled in Borås, Sweden. The Company has a license to provide banking services.

About the business

TF Bank is a fast-growing provider of credit and payments services operating in 14 European countries. Through a proprietary IT infrastructure, the Company develops simple and flexible payment and financing solutions to millions of customers. Since 1987, TF Bank has combined growth with profitability, and following its IPO in 2016, this development has continued with a strong focus on scalability and automation. The Company is listed on Nasdaq Stockholm.

Lending and deposit operations are conducted in the Nordics, the Baltics, Poland, Germany, Austria, Spain, Ireland, the Netherlands, and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, focusing on credit card products; Ecommerce Solutions, offering digital payment solutions primarily for e-commerce; and Consumer Lending, focusing on unsecured consumer loans. The target group for all services is credit-worthy individuals, with relatively small loan amounts and short repayment periods.

Significant events during the year

On 27 January, a directed share issue of 50,000 shares related to the share programme 2021 was carried out. The total number of shares thereafter amounted to 21,550,000 and the share capital to SEK 107,750,000.

In February, management changes were announced, effective from 1 March. Claudia Wiese, formerly Head of Card Product and Operations, assumed the role as Chief Operating Officer (COO) succeeding Espen Johannesen, who was appointed CEO of the subsidiary TF Bank Nordic AB. Concurrently, Rasmus Rolén was appointed Chief Commercial Officer (CCO) and Executive Director.

On 19 March, the Swedish FSA announced the results of its review and evaluation of TF Bank. The Bank's previously internally calculated capital requirements have been confirmed and the Swedish FSA decided upon a Pillar 2 Guidance of 0 % of the total risk-weighted exposure amount and 0.5 % of the total leverage ratio-based requirement.

TF Bank's Board of Directors has decided on new financial targets. By the second half of 2027 the Bank will achieve a loan portfolio of SEK 35 billion while maintaining high profitability.

In the Ecommerce Solutions segment, collaborations have been initiated with Brandsdal Group and Bagaren & Kocken. These partnerships are expected

to generate an annual transaction volume of approximately SEK 2,700 million.

At the Annual General Meeting on 17 June, it was resolved to distribute an extraordinary dividend of SEK 5.00 per share to shareholders. John Brehmer was re-elected as Chairman of the Board, and all other board members were also re-elected. The meeting further resolved to carry out a share split, whereby each existing share was divided into three new shares (3:1 share split). The record date for the split was set to 21 July 2025, and the number of shares thereafter amounts to 64,650,000.

During June the subsidiary TFBN Services Ltd applied to the supervisory authority in the United Kingdom to establish operations in the country.

The liquidity enhancement agreement has been terminated since the current trade and liquidity in the share is good and there is no longer a benefit of having a liquidity enhancement agreement. The liquidity enhancement agreement ceased at the end of August.

On 19 September, the Company announced an intention to change its corporate name and at an extraordinary general meeting on 17 November, it was resolved to change the corporate name to Avarda Bank AB (publ). The name change is expected to be implemented during 2026.

On 3 November, the Company announced that Rasmus Rolén will step down as Executive Director. On 10 December, the Company announced that Vilma Sool will replace him as Executive Director as of 1 January 2026.

In November, TF Bank's Swedish subsidiary, Yieldloop AB, received authorisation from the Swedish Financial Supervisory Authority (Finansinspektionen) to operate as a deposit taking financial institution. The subsidiary's purpose is the internal management of non-performing loans (NPL).

In November, TF Bank issued Tier 2 bonds in an amount of SEK 150 million, and in December, an early redemption of Tier 2 bonds in the amount of SEK 100 million was executed.

During December, TF Bank's Swedish subsidiary, Credento Bank AB, received authorisation from Finansinspektionen to operate as a deposit taking financial institution. The subsidiary is intended to operate within the Consumer Lending segment. Furthermore, the subsidiary TF Bank Nordic AB has received authorisation to operate as a credit institution.

The credit card business had an organic loan book growth of 48 % over the past year and economies of scale in the business model have contributed to a significantly improved operating profit of 78 % compared to 2024.

FIVE-YEAR OVERVIEW

GROUP

SEK thousand	2025	2024	2023	2022	2021
Income statement					
Operating income	2,904,504	2,438,516	1,998,121	1,412,324	1,054,654
Operating expenses	-1,052,892	-934,005	-831,671	-609,027	-439,219
Net loan losses	-995,804	-819,606	-656,851	-367,569	-260,564
Operating profit	855,808	684,905	509,599	435,728	354,871
Profit for the year	667,046	632,349	396,700	342,459	279,403
Earnings per share, SEK	9.92	9.33	5.83	5.08	4.21
Balance sheet					
Loans to the public	23,678,282	20,265,458	17,870,633	14,654,373	10,872,285
Deposits from the public	24,692,150	21,197,981	20,652,997	16,108,130	11,504,749
New lending	35,618,347	27,149,250	22,046,078	16,318,310	11,186,800
Key figures					
Operating income margin, %	13.2	12.8	12.3	11.1	11.2
Net loan loss ratio, %	4.5	4.3	4.0	2.9	2.8
Cost/Income ratio, %	36.3	38.3	41.6	43.1	41.6
Return on equity, %	23.1	27.2	21.9	23.7	24.6
Return on loans to the public, %	2.9	3.2	2.3	2.6	2.9
Return on assets, %	2.4	2.5	1.8	2.1	2.3
CET1 capital ratio, % ¹	13.0	13.3	12.0	12.3	12.3
Tier 1 capital ratio, % ¹	14.2	14.7	13.6	13.9	14.3
Total capital ratio, % ¹	16.1	16.7	15.9	15.6	16.2
Employees (FTE)	471	417	380	318	261
THE GROUP'S ADJUSTED KEY FIGURES					
Income statement					
Profit for the year	667,046	632,349	396,700	342,459	279,403
Items affecting comparability ²	2,251	-103,084	-	-	-
Tax on items affecting comparability	-	-12,378	-	-	-
Provision for tax surcharge	-	11,723	-	-	-
Adjusted profit for the year	669,297	528,610	396,700	342,459	279,403
Adjusted profit for the year attributable to the shareholders of the Parent company	643,459	499,481	376,853	328,099	272,072
Adjusted earnings per share, SEK	9.95	7.74	5.83	5.08	4.21
Key figures					
Adjusted return on equity, %	23.1	22.5	21.9	23.7	24.6
Adjusted return on loans to the public, %	2.9	2.6	2.3	2.6	2.9
Adjusted return on assets, %	2.4	2.0	1.8	2.1	2.3

EXCHANGE RATES

SEK	2025	2024	2023	2022	2021
EUR Income statement (average)	11.07	11.43	11.48	10.63	10.14
EUR Balance sheet (end of reporting period)	10.82	11.49	11.10	11.13	10.23
NOK Income statement (average)	0.94	0.98	1.01	1.05	1.00
NOK Balance sheet (end of reporting period)	0.91	0.97	0.99	1.06	1.03
PLN Income statement (average)	2.61	2.66	2.53	2.27	2.22
PLN Balance sheet (end of reporting period)	2.56	2.69	2.56	2.37	2.23

¹ Comparative figures for 2021-2022 refers to the Parent company due to the fact that the Bank didn't have a consolidated situation between the first quarter of 2020 and the third quarter of 2023.

² Adjustments for items affecting comparability in 2024-2025 is related to transactions according to the Share Purchase Agreement with Alektum Holding AB and Erik Selin Fastigheter AB regarding the transfer of 80.1 percent of the shares in the former subsidiary Rediem Capital AB on 20 December 2024.

See separate section with definitions and reconciliation tables, page 107-108.

RESULTS AND FINANCIAL POSITION

Operating profit

Operating profit increased by 25 % to SEK 855.8 million (684.9). Higher operating income from the growing loan portfolio has contributed to the increased operating profit. Adjusted earnings per share increased by 29 % to SEK 9.95 (7.74) and the adjusted return on equity amounted to 23.1 % (22.5).

Operating income

The operating income increased by 19 % to SEK 2,905 million (2,439). The increase is related to the growing loan portfolio and geographically it was primarily Germany that had higher operating income. The operating income comprises 92 % of net interest income and 8 % of net fee and commission income. The operating income margin improved to 13.2 % (12.8).

Interest income

Interest income increased by 12 % to SEK 3,488 million (3,101), which is primarily due to a growing loan portfolio.

Interest expense

The interest expenses decreased by 4 % to SEK 808.6 million (845.4) despite increased deposit balances. This is mainly explained by lower interest rates on newly received deposits.

Net fee and commission income

Net fee and commission income increased by 21 % to SEK 221.9 million (183.3). The increase is mainly attributable to higher insurance premiums in the Credit Cards segment, but also higher transaction volumes in the Ecommerce Solutions segment. During the year, 42 % of TF Bank's fee and commission income originated from insurance premiums, 29 % from reminder fees and 29 % from other commission income.

Operating expenses

The operating expenses increased by 13 % to SEK 1,053 million (934.0). The increase is mainly explained by higher sales-related expenses due to an increase in new lending and more employees. However, the C/I ratio improved to 36.3 % (38.3), mainly due to continued economies of scale in the Credit Cards segment.

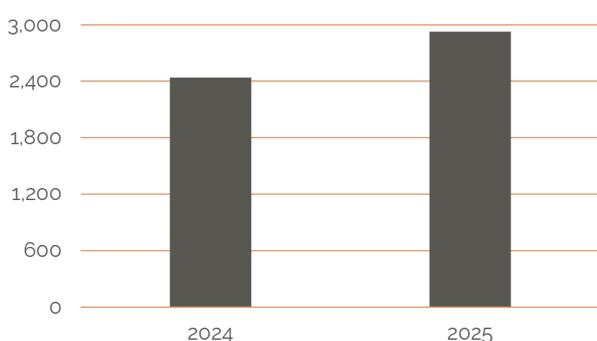
Net loan losses

The net loan losses increased by 21 % to SEK 995.8 million (819.6) which is explained by a higher underlying loan loss level in the growing loan portfolio in the Credit Cards segment relative to other segments. The net loan loss ratio amounted to 4.5 % (4.3).

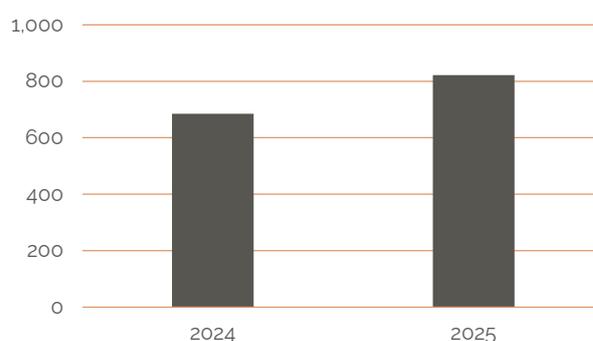
Tax expense

The tax expenses increased by 20 % to SEK 186.5 million (155.6). The increase in the tax expenses is related to a higher operating profit.

OPERATING INCOME (SEK million)



OPERATING PROFIT (SEK million)



Loans to the public

The loan portfolio amounted to SEK 23,678 million (20,265), an increase in local currencies of 23 % compared to December 2024. Negative currency effects impacted the loan portfolio growth by 6 %. New lending increased by 31 % to SEK 35,618 million (27,149) compared to 2024. The increase is mainly attributable to record volumes in all segments.

TF Bank's loan portfolio is well-diversified with relatively small exposures in several different geographic markets. At the end of the year, the exposure towards the three largest countries was Germany at 42 %, Norway at 19 % and Finland at 12 %.

Deposits from the public

Deposits from the public amounted to SEK 24,692 million (21,198), an increase of 24 % in local currencies compared to December 2024. Negative currency effects have impacted the deposit balance by 7 %. At the end of the year, deposits were geographically distributed between Germany 70 %, the Netherlands 20 % and other countries 10 %.

The increased deposit balance over the past year is mainly attributable to the Netherlands and relates to savings accounts with both fixed and variable interest rates. At the end of the year, accounts with a fixed term comprised of 44 % (70) of TF Bank's total deposits.

Cash and cash equivalents

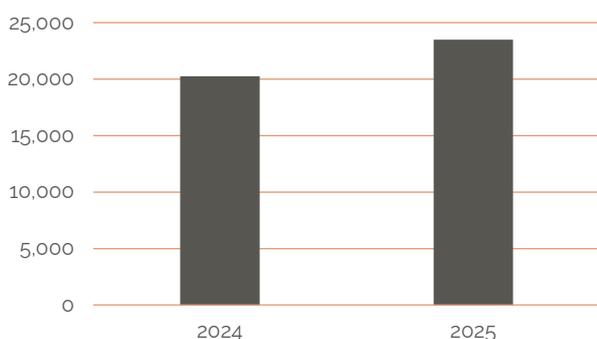
Cash and cash equivalents increased to SEK 4,660 million (4,247) during the year. The increase is partly attributable to cash flows from operating activities. At the end of the year, the available liquidity reserve amounted to 18 % (19)¹ of deposits from the public.

Capital adequacy

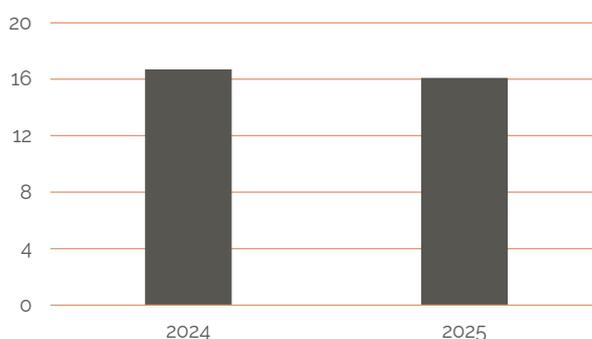
The capital ratios have decreased slightly during the year and at the end of 2025 the CET1 capital ratio was 13.0 % (13.3), the Tier 1 capital ratio was 14.2 % (14.7) and the total capital ratio was 16.1 % (16.7). The capital ratios are affected by deductions for a proposed dividend of SEK 323 million from the capital base.

The Swedish FSA has carried out a review and evaluation of TF Bank AB and decided upon special capital requirements and Pillar 2 Guidance. The Bank's previous internally calculated capital requirements have been confirmed, and on 19 March, the Swedish FSA decided upon a Pillar 2 Guidance of 0 % of the total risk exposure amount. At the end of 2025, TF Bank's statutory Common Equity Tier 1 capital requirement was 8.9 %, the Tier 1 capital requirement was 10.6 % and the total capital requirement was 12.9 %.

LOANS TO THE PUBLIC (SEK million)



TOTAL CAPITAL RATIO (%)



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

CUSTOMER VALUE MANAGEMENT AT TF BANK: CONSISTENT CUSTOMER EXPERIENCE THAT BUILDS TRUST

At TF Bank, customer service is more than just a support function. With operations in 14 countries, the Bank combines local market knowledge with a joint standard to ensure that every customer interaction strengthens trust, loyalty, and the brand.

As Operations Knowledge Manager, Karolina plays a key role in ensuring that service quality is supported by robust internal structures.

- My main responsibility is to ensure that the operational knowledge required is in place for processes to be carried out efficiently. This means helping our teams stay aligned with business needs, even in a dynamic and rapidly changing environment.

One of the challenges is maintaining the right balance between flexibility and continuity. TF Bank's customer service teams must adapt to regional customer preferences and cultural expectations while complying with the Bank's overall service values.

- A shared customer service strategy must be clearly defined and communicated across the organisation. At the same time, local teams should have the freedom to adapt interactions to meet customer expectations in each market.

Technology is playing an increasingly important role in refining the customer experience. TF Bank leverages automation, AI, and other digital tools to

increase efficiency, reduce response times, and support scalable service models. At the same time, the Bank is committed to maintaining the human touch as a complement to technology.

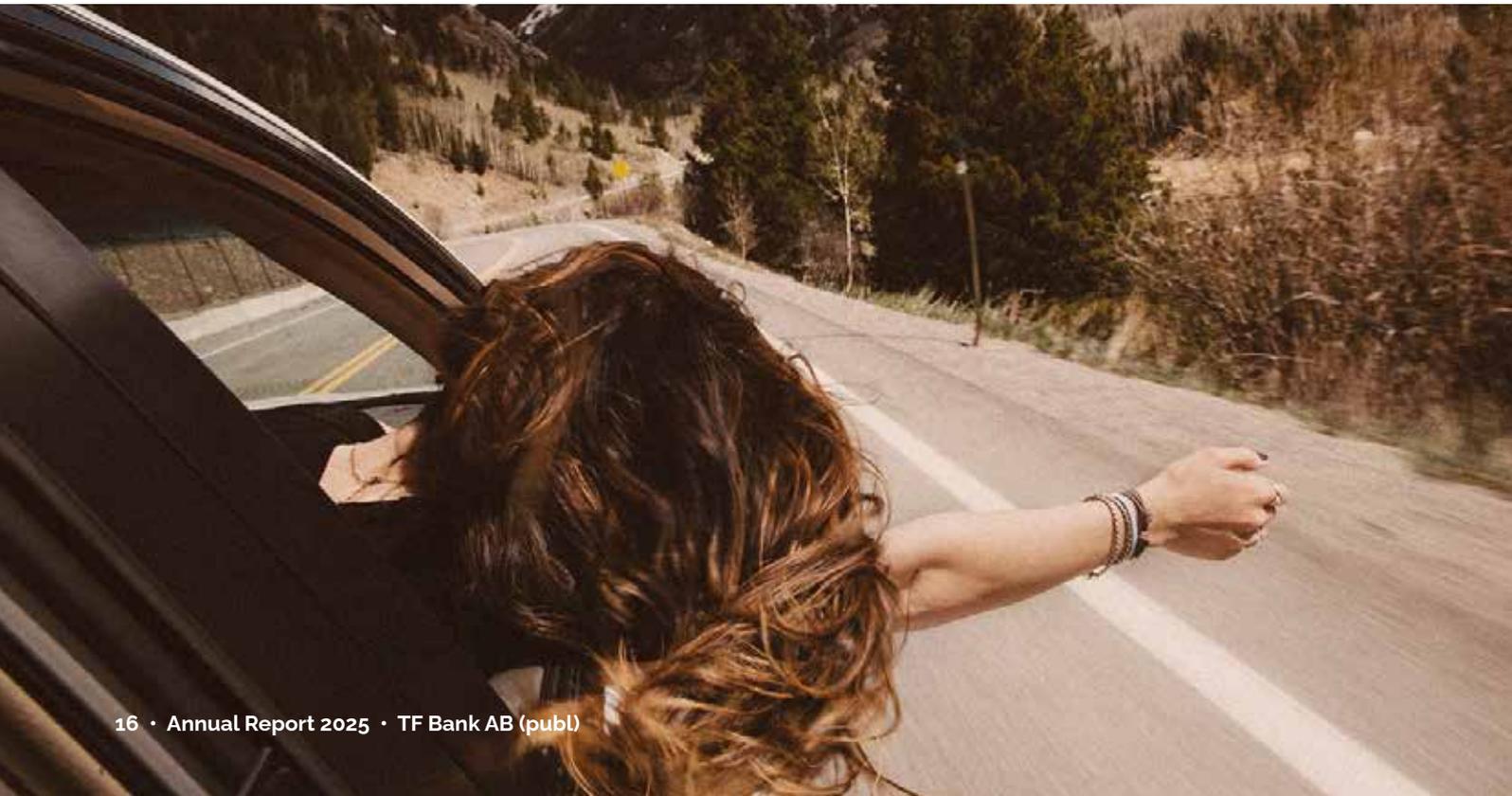
- We believe technology should enhance, not replace, the human experience. That's why we combine smart tools with committed employees who can engage customers on a personal level.

At its core, Customer Value Management at TF Bank is about understanding customer needs and delivering solutions that are efficient and reliable. Customer feedback is actively used to refine service processes and influence product development, ensuring that the bank's offerings remain relevant and value-creating.

Looking ahead, customer service will continue to be central to TF Bank's strategy — not only to meet immediate needs but also to support the bank's growth and create long-term value across all markets.

- Customer service impacts trust and customer satisfaction, which are crucial in a market where many products are very similar. It is how we engage with our customers that makes the difference.

Karolina Demeszuk
Operations Knowledge Manager



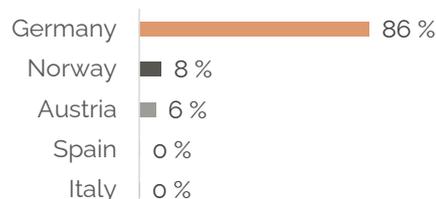
SEGMENTS

CREDIT CARDS

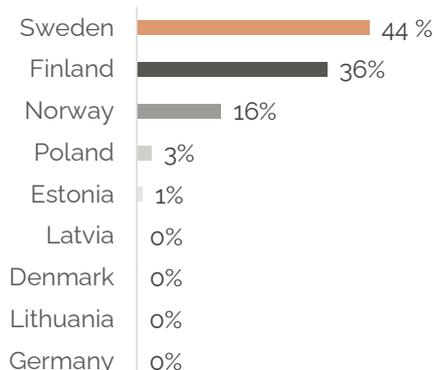
In the Credit Cards segment, TF Bank offers credit cards to creditworthy individuals in selected European markets. Operations are conducted in Germany, Norway, Austria, Spain, and Italy. The credit card offering was initially launched in Norway in 2015, followed by Germany in 2018 and Austria in 2022. In 2024, credit card operations were also established in Spain and Italy, marking an important step in the bank's continued European expansion.

The credit card is compatible with both Google Pay and Apple Pay across all markets and is built on a pan-European platform. The segment is characterised by scalability, data-driven credit assessment, and a clear focus on profitable growth. Credit Cards is one of TF Bank's growth areas and forms a central part of the Bank's long-term strategy.

GEOGRAPHIC DISTRIBUTION OF CREDIT CARDS



GEOGRAPHIC DISTRIBUTION OF ECOMMERCE SOLUTIONS



ECOMMERCE SOLUTIONS

In the Ecommerce Solutions segment, TF Bank offers digital payment solutions, primarily aimed at e-commerce companies and their end customers. Operations are conducted under the Avarda brand and are active in the Nordics as well as Germany. The solutions cover the entire payment flow in e-commerce, from checkout to completed payment.

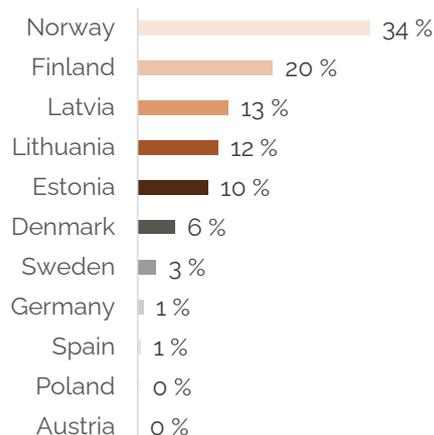
The Avarda brand has existed since 2015 and has a clear focus on enabling e-merchants to strengthen and own their customer relationships throughout the purchase journey. The segment focuses on scalable, flexible, and brand-adapted payment solutions that meet both merchants' and consumers' requirements for simplicity, security, and choice. Platform and technology development within the segment also helps create growth opportunities in the Bank's other segments.

CONSUMER LENDING

In the Consumer Lending segment, TF Bank offers unsecured consumer loans to creditworthy individuals. Operations are conducted in several European markets, with product offerings, terms, and distribution channels adapted to local conditions and regulations. The segment grows in a controlled manner, with a focus on credit quality, risk management, and profitability.

Through selective new lending and active portfolio management, Consumer Lending contributes stable income and cash flows, while complementing and strengthening the Bank's other segments. The segment is a stable foundation for TF Bank's business.

GEOGRAPHIC DISTRIBUTION OF CONSUMER LENDING



CREDIT CARDS

Within the segment, TF Bank offers fee-free credit cards to creditworthy private individuals. The German credit card was named the best credit card of 2025 with the rating "Very Good," based on a customer survey conducted by the magazine, Focus Money, in Germany. In the Norwegian market, TF Bank Mastercard was considered one of the most comprehensive credit cards in 2025, by Finansplassen Norway.

At the end of the year, the number of active credit cards in Germany amounted to approximately 401,000, making it the fastest-growing market within the segment. At year-end, the number of active credit cards in Norway was around 35,000, in Austria approximately 26,000, and in the newly established markets of Spain and Italy a total of about 4,000. With continued focus on attractive terms, user-friendliness, and locally adapted offers, the card segment has the potential to further strengthen its position and grow across the European markets.

432.5 SEK million

Operating profit

11,795 SEK million

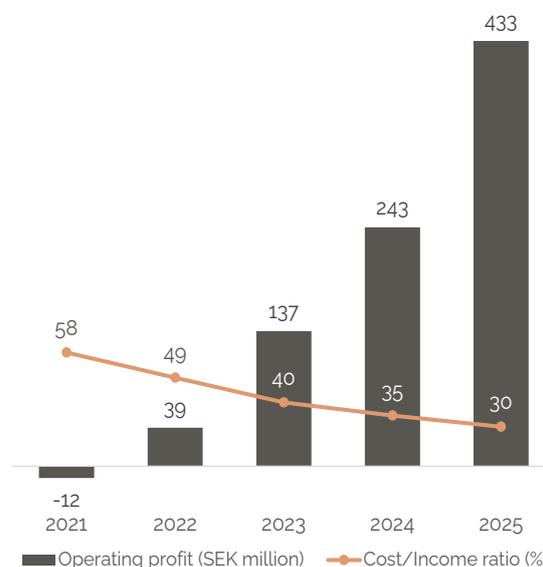
Loan portfolio

Loan portfolio

The loan portfolio amounted to SEK 11,795 million (8,450), an increase in local currencies of 48 % compared to December 2024. Negative currency effects impacted the loan portfolio growth by 8 %. The new lending increased by 41 % to SEK 23,175 million (16,435). The increase is mainly related to the operations in Germany.

The loan portfolio in Germany increased by 50 % to EUR 916 million (612) over the past year. The growth is mainly generated by an increased number of active credit cards. The loan portfolio in Norway increased by 23 % to NOK 1,034 million (844) over the past year. The loan portfolio in Austria increased by 73 % to EUR 65 million (38) during the same period. Growth in each loan portfolio has been driven by an increase in the number of cards issued. The loan portfolios in the new markets of Spain and Italy combined amounted to EUR 4 million (2).

OPERATING INCOME AND COST/INCOME RATIO



Results

The operating profit has increased by 78 % to SEK 432.5 million (243.0). Higher income from the growing loan portfolio and economies of scale in the business model contributed to the considerable improvement in the operating profit.

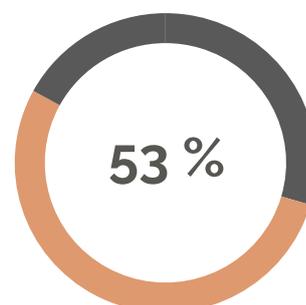
The operating income increased by 44 % to SEK 1,553 million (1,080). The increase is mainly related to the high growth in Germany. The operating income margin improved to 15.3 % (15.1), mainly as a result of higher income from insurance premiums.

The operating expenses increased by 27 % to SEK 472.7 million (373.3) and the expenses have been partly affected by a greater focus on direct marketing, but also by higher sales-related costs associated with newly issued cards. However, the C/I ratio improved to 30.4 % (34.6) due to economies of scale in the business model.

The net loan losses increased by 40 % to SEK 647.5 million (463.5). The increase was primarily affected by provisions for expected loan losses related to the growing loan portfolio in Germany. However, the net loan loss ratio slightly improved to 6.4 % (6.5).

For further information about the loan portfolio and results of this segment, see Note G4 Segment reporting.

SHARE OF THE BANK'S OPERATING INCOME



ECOMMERCE SOLUTIONS

Within the segment, TF Bank offers white-label-based credit and payment solutions primarily within e-commerce, where the merchant's brand remains central throughout the entire customer journey. By enabling a seamless and brand-integrated customer experience, the solutions strengthen merchants' customer relationships, while the Bank assumes responsibility for credit underwriting, risk management, and financing.

The business has a clear Nordic focus. At year-end, the Nordic loan portfolio accounted for 96 % of the segment's total portfolio, while other markets combined represented 4 %. During the year, efforts have been directed toward further concentrating operations in markets with favourable conditions for long-term growth and stable profitability. At the same time, operations in Poland and the Baltics are being phased out. The Nordic portfolio thus constitutes a solid foundation for the segment's continued development. In Germany, the expansion is being pursued selectively and in a controlled manner, with a focus on risk-adjusted returns and operational efficiency.

85.2 SEK million

Operating profit

2,761 SEK million

Loan portfolio

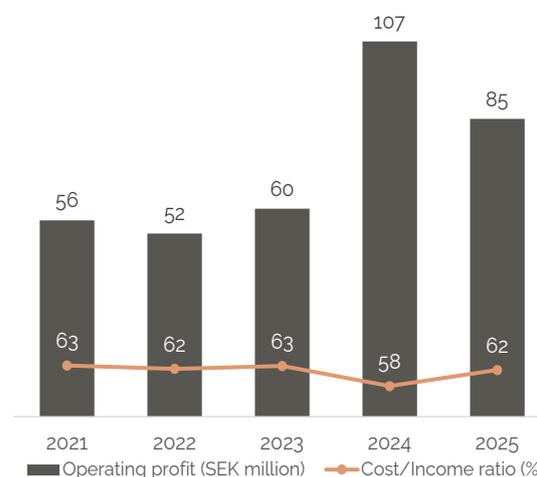
The loan portfolio

The loan portfolio amounted to SEK 2,761 million (2,742) compared to December 2024 the loan portfolio increased by 4 % in local currencies. Negative currency effects impacted the loan portfolio growth by 3 %. New lending increased by 15 % to SEK 6,907 million (5,994). The increase is mainly attributable to partnerships with new major retailers.

Compared to December 2024, the loan portfolio in the Nordics increased by 9 % in local currencies and amounted to SEK 2,606 million (2,462). The Swedish loan portfolio increased by 17 % to SEK 1,194 million (1,023) following strong sales development during the past year. In Finland, the loan portfolio decreased by 2 % to EUR 90 million (93). In Norway the loan portfolio increased by 24 % to NOK 474 million (383). In Denmark, the loan portfolio decreased to DKK 1 million (3).

The loan portfolio in the Baltics decreased by 58 % to EUR 3 million (8) and in Poland, the loan portfolio decreased by 45 % to PLN 29 million (54).

OPERATING INCOME AND COST/INCOME RATIO



Results

The operating profit decreased by 21 % to SEK 85.2 million (107.3). The change is mainly explained to costs attributable to business development and the establishment of new partnerships.

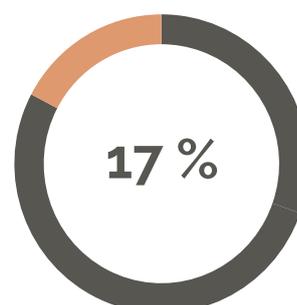
The operating income decreased slightly and amounted to SEK 494.1 million (496.3) mainly related to declining lending balances in the Baltics and Poland. However, the operating income margin improved to 18.0 % (17.3) primarily due to the Nordic operations, which carry stronger margins, accounting for a larger share of the segment, but is also attributable to slightly lower financing costs.

The operating expenses increased by 6 % and amounted to SEK 304.3 million (286.0) primarily related to higher start-up costs for new partnerships. The C/I ratio amounted to 61.6 % (57.6).

The net loan losses increased by 2 % to SEK 104.6 million (103.0) as a result of a slight weakening in credit quality. The net loan loss ratio amounted to 3.8 % (3.6).

For further information about the loan portfolio and results of this segment, see Note G4 Segment reporting.

SHARE OF THE BANK'S OPERATING INCOME



CONSUMER LENDING

Within the segment, risk control is combined with disciplined growth, generating stable income and long-term profitable cash flows. The segment is established in the Nordic and Baltic markets, while the expansion to the German market in 2025 broadens the portfolio and supports continued positive development.

The Nordic loan portfolio represents 63 % 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. During the autumn, new lending in Sweden resumed on a limited scale after having been paused since 2023. The loan portfolio outside the Nordics accounts for 37 % of the segment, with the majority located in the Baltics. The Baltic countries have fast-growing credit markets with several established Nordic players present.

The average loan amount per customer within Consumer Lending amounted to approximately SEK 73 thousand at year-end.

338.1 SEK million

Operating profit

9,122 SEK million

Loan portfolio

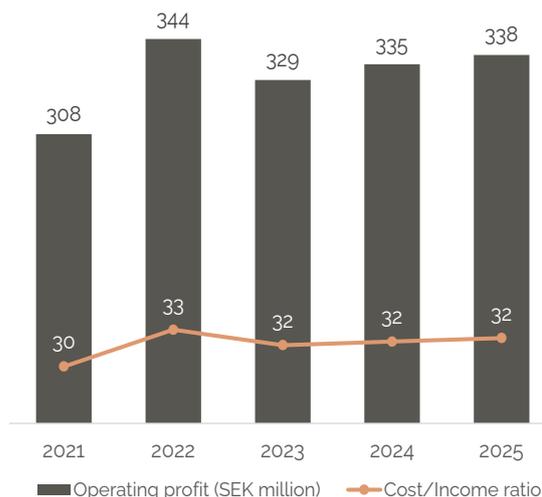
The loan portfolio

The loan portfolio amounted to SEK 9,122 million (9,073), an increase in local currencies of 6 % compared to December 2024. Negative currency effects have impacted the loan portfolio's growth of 6 %. New lending has increased by 17 % to SEK 5,536 million (4,720).

The Nordic loan portfolio amounted to SEK 5,604 million (5,700) an increase of 4 % in local currencies compared to December 2024. The loan portfolio in Norway increased by 7 % and amounted to NOK 3,355 million (3,135). The loan portfolio in Finland decreased by 9 % to EUR 165 million (181). The Swedish loan portfolio decreased by 30 % to SEK 248 million (355). The loan portfolio in Denmark increased by 135 % to DKK 344 million (146) following a strong sales growth during the year.

The loan portfolio in the Baltics increased by 11 % to EUR 296 million (266) over the past year. The growth is stable in all Baltic countries. The Polish loan portfolio decreased by 33 % to PLN 13 million (20) and the loan portfolio in Spain amounted to EUR 5 million (9). The German portfolio amounted to EUR 8 million (-).

OPERATING INCOME AND COST/INCOME RATIO



Results

The operating profit increased by 1 % to SEK 338.1 million (334.5). The increase is explained by slightly lower loan losses.

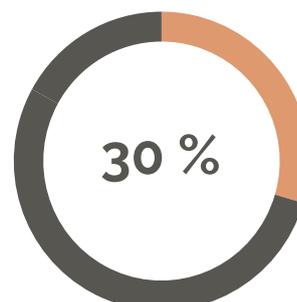
The operating income decreased by 1 % to SEK 857.7 million (862.4) and the operating income margin amounted to 9.4 % (9.5).

The operating expenses increased slightly to SEK 275.9 million (274.7) and the C/I ratio amounted to 32.2 % (31.9).

The net loan losses have decreased by 4 % to SEK 243.7 million (253.2) as a result of slightly improved credit quality in the Nordics. The net loan loss ratio improved slightly to 2.7 % (2.8).

For further information about the loan portfolio and results of this segment, see Note G4 Segment reporting.

SHARE OF THE BANK'S OPERATING INCOME



BUILDING THE FOUNDATION FOR SUSTAINABLE GROWTH

At TF Bank, innovation is about creating smarter, more efficient ways to deliver value to customers. During the year, the Bank took a significant step in its digital transformation by modernising and expanding its card and payment platform. A shared platform is now being developed for both Credit Cards and Ecommerce Solutions. This enables scalable growth, more efficient processes and a clearer focus on creating and developing customer value.

- Throughout my career, I've always been motivated by finding better ways of working, doing more with less. This modernisation project reflects that philosophy perfectly. We're scaling and developing a platform that already performs exceptionally well within Ecommerce Solutions and extending it to support credit cards and future products across TF Bank's markets.

The new platform will enable faster product launches, an improved customer experience and a more efficient way of working. With new features such as instant card issuance, personalised PIN functionality, and seamless integration with digital wallets, the platform brings immediate customer benefits. At the same time, the platform creates opportunities for future product combinations, further enhancing customer value.

- The platform gives us the flexibility to connect products and deliver relevant solutions throughout the entire customer journey. It strengthens our ability to proactively manage customer value and build long-term relationships.

The initiative reflects strong collaboration across all of TF Bank's departments, demonstrating the Group's ability to deliver large-scale enhancements with focus and precision. Within a short timeframe, cross-functional teams have developed a modern, future-ready platform that supports TF Bank's pan-European ambitions.

- This is not just a technology upgrade, it's proof of what can be achieved when the entire organisation works together toward a common goal. The collaboration and commitment across teams has been exceptional. We've built a foundation that will support growth and innovation for years to come."

By consolidating its digital infrastructure and aligning operations, TF Bank is reinforcing its position as a technology-driven provider of credit and payment services. The new platform enhances efficiency, accelerates innovation, and strengthens the Group's capacity to create and sustain customer value at scale.

Suria Ribeiro
Head of Credit Cards Product



OTHER FINANCIAL INFORMATION

Annual General Meeting 2026

The 2026 Annual General Meeting will be held on Tuesday 5 May 2026 in Borås. Notice of the Annual General Meeting will be published no later than Tuesday 7 April 2026.

Proposed dividend

The Board of Directors and the Chief Executive Officer propose that the funds available to the Annual General Meeting, amounting to SEK 3,094,087,215, be appropriated as follows:

A dividend of SEK 5 per share shall be distributed to the shareholders, corresponding to a total of SEK 323,250,000.
SEK 2,770,837,215 shall be carried forward.

The Board of Directors proposes that the record date for the dividend shall be 7 May 2026. If the Annual General Meeting resolves in accordance with the proposal, the dividend is expected to be paid on 12 May 2026.

The Board of Directors' statement pursuant to Chapter 18, Section 4 of the Swedish Companies Act

In assessing the size of the proposed dividend, the Board of Directors has taken into account the requirements that the nature, scope and risks of the operations place on the size of the Company's equity, as well as the Company's need for consolidation, liquidity and financial position in general. In this assessment, the Board has considered the financial position, results and cash flow of the Company and the Group, as well as the Company's future development and investment needs. The Board of Directors considers the proposed dividend to be justifiable in light of the requirements that the nature, scope and risks of the operations place on the equity of the Company and the Group, as well as the Company's need for consolidation, liquidity and financial position in general.

Financial targets

The 13 April 2025 the Board of TF Bank has adopted the following financial targets:

Growth

TF Bank's aim is to achieve a loan portfolio of SEK 35 billion by second half of 2027.

Profitability

TF Bank's aim is to maintain 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.

Remuneration of senior executives

In accordance with the disclosure requirements set out in FFFS 2011:1 regarding remuneration systems in credit institutions and investment firms, as most recently amended by FFFS 2021:17, information relating to, among other things, remuneration systems is presented on the Bank's website, www.tfbankgroup.com. The guidelines for remuneration of senior executives apply to the CEO, the CFO, and other members of executive management. The guidelines shall apply to remuneration agreed upon and to changes made to remuneration already agreed upon after the guidelines have been adopted by the General Meeting. At the Annual General Meeting in 2023, the following guidelines regarding remuneration of TF Bank's senior executives were adopted:

Guidelines for promoting the Bank's business strategy, long-term interests and sustainability

TF Bank is a fast-growing provider of credit and payment services operating in 14 European countries. Through a proprietary IT infrastructure, the Company develops simple and flexible payment and financing solutions to millions of customers. Since 1987, TF Bank has combined growth with profitability, and following its IPO in 2016, this development has continued with a strong focus on scalability and automation. Lending and deposit operations are conducted in the Nordics, the Baltics, Poland, Germany, Austria, Spain, Ireland, the Netherlands, and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, Consumer Lending, and Ecommerce Solutions.

Successful implementation of the Bank's business strategy and the safeguarding of the Bank's long-term interests, including sustainability, require the ability to recruit and retain qualified employees. This, in turn, requires the Bank to offer competitive remuneration. These guidelines enable the Bank to offer senior executives a competitive total remuneration package.

Variable cash remuneration covered by these guidelines shall aim to promote the Bank's business strategy and long-term interests, including sustainability.

The forms of remuneration etc.

Remuneration shall be market-based and competitive and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits, and other benefits. In addition, the General Meeting may resolve on, for example, share-based or share price-related remuneration.

Fixed cash salary

Each senior executive shall receive a base salary, i.e. a fixed monthly salary. The base salary shall reflect the executive's responsibilities and the nature of the posi-

tion, individual performance, and market conditions. The fixed cash salary shall constitute a sufficiently large portion of the executive's total remuneration to allow the variable components to be set to zero. The fixed cash salary constitutes pensionable income and forms the basis for the calculation of variable remuneration.

Variable cash compensation

Fulfilment of the criteria for payment of variable cash remuneration shall be measurable over a period of one or more years. Furthermore, the remuneration rules applicable to banks in force at any given time shall be complied with. Variable cash remuneration may amount to a maximum of 100 % of pensionable income.

Pension benefits

Pension benefits, including disability insurance, shall be defined contribution-based, unless the executive is covered by a defined benefit pension scheme pursuant to mandatory collective bargaining agreements. Pension premiums for defined contribution pensions may amount to a maximum of 25 % of pensionable income.

Other benefits

Other benefits, such as company car benefits, may amount to a maximum of 20 % of pensionable income.

For employment relationships governed by regulations other than Swedish law, appropriate adjustments may be made with regard to pension benefits and other benefits in order to comply with mandatory regulations or established local practice, while ensuring that the overall purpose of these guidelines is met to the greatest extent possible.

Termination of employment

In the event of termination by the Bank, the notice period shall not exceed twelve months. Fixed cash salary during the notice period and any severance pay shall, in total, not exceed an amount corresponding to six to twelve months of fixed cash salary. In the event of termination by the executive, the notice period shall not exceed six months, and no severance pay shall be payable.

In addition, compensation may be paid for any non-compete undertaking. Such compensation shall compensate for any loss of income and shall only be paid to the extent that the former executive is not entitled to severance pay. The compensation shall be based on the fixed cash salary at the time of termination and shall be paid for the duration of the non-compete undertaking, which shall be no longer than six to twelve months following the termination of employment.

Criteria for distributing variable remuneration

Variable cash remuneration shall be linked to pre-determined and measurable criteria, which may be financial or non-financial in nature. The criteria may

also consist of individually tailored quantitative or qualitative targets. The criteria shall be designed to promote the Bank's business strategy and long-term interests, including sustainability, for example by having a clear link to the business strategy or by supporting the executive's long-term development.

Once the measurement period for the fulfilment of the criteria for the payment of variable cash remuneration has ended, an assessment shall be made and the extent to which the criteria have been met shall be determined. The Board of Directors is responsible for such assessment with respect to variable cash remuneration for senior executives. Fulfilment of financial criteria shall be determined based on the Bank's most recently published financial information.

Variable remuneration shall only be paid to the senior executive to the extent that it is justifiable in light of the TF Bank's financial position and warranted by the performance of the Bank, the relevant business unit, and the individual. Variable remuneration may also be reduced to zero in its entirety. The Bank shall have the right, to the extent permitted by law or agreement and subject to any applicable limitations, to reclaim variable remuneration that has been paid on incorrect grounds.

Salary and terms of employment for the employees

In the preparation of these remuneration guidelines, the salary and employment conditions of the Bank's employees have been taken into account by including information on employees' total remuneration, the components of such remuneration, as well as changes in remuneration and the rate of increase over time, as part of the Board of Directors' decision-making basis when assessing the reasonableness of the guidelines and the limitations arising therefrom.

The decision-making process to establish, review and implement the guidelines

The Board of Directors shall prepare proposals for new remuneration guidelines when there is a need for material changes and at least every four years. The proposal shall be submitted to the Annual General Meeting for resolution. The guidelines shall apply until new guidelines are adopted by the General Meeting. The Board of Directors shall also monitor and evaluate variable remuneration programs for the executive management, the application of the guidelines for remuneration to senior executives, as well as the remuneration structures and remuneration levels within the Bank. The Remuneration Committee shall prepare the Board's work in accordance with the above. When the Board of Directors and the Remuneration Committee prepare, consider, and make decisions on remuneration-related matters, the

CEO and other members of the executive management shall not be present insofar as they are affected by the matters.

Deviations from the guidelines

The Board of Directors may resolve to temporarily deviate from these guidelines, in whole or in part, if, in an individual case, there are special reasons for doing so and such deviation is necessary to safeguard the Bank's long-term interests, including sustainability, or to ensure the Bank's financial viability.

Period of notice and severance pay

According to the agreement between TF Bank AB and the CEO, the notice period is six months (twelve months if the termination is initiated by the Bank). Salary during the notice period shall be offset against any salary the CEO receives from a new employer under a new agreement.

Risks and uncertainties

Various types of risks arise in the Group's operations and these risks may materialise in different ways across the business. The following main risk categories have been identified:

- Credit risks (including credit risks related to the loan 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 assesses credit risks, liquidity risks and operational risks as the most significant risks. To limit and control risk-taking in the business, the Board of Directors, which holds ultimate responsibility for internal controls, has established policies and instructions governing lending and other activities. For a more detailed description of financial risks and the use of financial instruments, as well as capital adequacy, see notes G3 and G34.

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 designed to be variable over time and that are dependent on the presence of cyclical and structural systemic risks. The Bank must,

at all times, comply with the specified capital and liquidity requirements and maintain adequate capital and access to liquidity. TF Bank monitors changes related to capital and liquidity requirements and takes these into consideration regarding the financial targets.

Geopolitical and macroeconomic uncertainty

TF Bank is exposed to external factors linked to geopolitics and macroeconomic conditions. The geopolitical situation remains uncertain in parts of Europe, which also affects the broader macroeconomic environment. TF Bank's operations, new lending, or loan losses could potentially be adversely impacted by such events in the future.

Sustainability

TF Bank actively strives to conduct a responsible business with the aim of minimising negative impacts on the environment and people. Environmental resources are used responsibly and carefully throughout the Bank's operations. TF Bank operates 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, which ensures accessibility and a limited environmental footprint.

In November 2025, new Swedish legislation on sustainability reporting was adopted following the EU's revised Corporate Sustainability Reporting Directive (CSRD). The legislation came into effect on 31 December 2025, meaning that TF Bank will continue to apply the provisions of the Annual Accounts Act for sustainability reporting through the 2026 financial year. Reporting under CSRD will be carried out for the first time for the 2027 financial year, with publication in 2028. TF Bank will continue to develop its ongoing preparatory work in relation to CSRD but does not intend to implement the framework in full ahead of schedule.

TF Bank's sustainability report for 2025 has been prepared in accordance with the Annual Accounts Act's requirements (Chapter 6, Section 12) for sustainability reporting. TF Bank has opted to present the statutory sustainability report as a separate report, distinct from the management report in the annual report. This has been submitted to the auditor alongside the annual report. The sustainability report can be found on pages 128-146.

The results and financial position of the Bank are shown in the below income statement and statements of financial position, statements of equity and cash flow statements, as well as accompanying notes.

FINANCIAL INFORMATION AND NOTES - GROUP



INCOME STATEMENT - GROUP

SEK thousand	Note	2025	2024
Operating income	G2,G3,G4		
Interest income according to effective rate method		3,476,420	3,040,652
Other interest income		11,161	60,551
Interest income	G6,G32	3,487,581	3,101,203
Interest expense	G7	-808,621	-845,447
Net interest income		2,678,960	2,255,756
Fee and commission income		441,994	362,750
Fee and commission expense		-220,139	-179,437
Net fee and commission income	G8,G32	221,855	183,313
Net results from financial transactions	G9	3,689	-553
Total operating income		2,904,504	2,438,516
Operating expenses			
General administrative expenses	G10,G11,G12,G32	-917,765	-821,371
Depreciation and amortisation of tangible and intangible assets	G13,G14,G15	-70,467	-68,402
Other operating expenses	G16	-64,660	-44,232
Total operating expenses		-1,052,892	-934,005
Profit before loan losses		1,851,612	1,504,511
Net loan losses	G17	-995,804	-819,606
Operating profit		855,808	684,905
Items affecting comparability	G18	-2,251	103,084
Tax on profit for the year	G19	-186,511	-155,640
Profit for the year		667,046	632,349
<i>Profit for the year attributable to:</i>			
<i>Shareholders of the Parent company</i>		641,208	603,220
<i>Parent company holders of additional tier 1 capital instruments</i>		25,838	29,129
<i>Basic earnings per share (SEK)</i>		9.92	9.33
<i>Diluted earnings per share (SEK)</i>		9.92	9.33

STATEMENT OF OTHER COMPREHENSIVE INCOME - GROUP

SEK thousand	2025	2024
Profit for the year	657,046	632,349
Other comprehensive income		
Items that may subsequently be reclassified to the income statement		
Gross exchange rate differences	-6,296	222
Tax on exchange rate differences in the year	-15,668	-
Other comprehensive income for the year	-21,964	222
Total comprehensive income for the year	645,082	632,571
<i>Profit for the year attributable to:</i>		
<i>Shareholders of the Parent company</i>	619,244	603,442
<i>Parent company holders of additional tier 1 capital instruments</i>	25,838	29,129

BALANCE SHEET - GROUP

SEK thousand	Note	31 Dec 2025	31 Dec 2024
ASSETS	G2,G3,G20,G21		
Cash and balances with central banks		17,576	18,563
Treasury bills eligible for refinancing, etc.	G22	2,489,437	1,792,652
Loans to credit institutions	G23,G32	2,236,407	2,447,869
Loans to the public	G4,G24	23,678,282	20,265,458
Shares	G25	117,267	117,309
Goodwill	G13	20,011	20,011
Intangible assets	G14	82,703	97,572
Tangible assets	G15	75,182	71,370
Other assets	G26,G32	180,591	145,196
Current tax assets		4,368	-
Deferred tax assets	G19	86,129	7,659
Prepaid expenses and accrued income		130,515	85,946
TOTAL ASSETS		29,118,468	25,069,605
LIABILITIES AND EQUITY			
Liabilities			
Deposits and borrowings from the public	G27	24,692,150	21,197,981
Other liabilities	G28,G32	273,103	232,528
Current tax liabilities		81,100	63,175
Accrued expenses and prepaid income	G29	384,565	436,552
Deferred tax liabilities	G19	1,120	19,606
Provisions		3,589	1,574
Subordinated liabilities	G30	394,844	345,509
Total liabilities		25,830,471	22,296,925
Equity	G33		
Share capital		107,750	107,500
Foreign currency reserve		-19,770	2,194
Retained earnings		2,950,017	2,412,986
Total equity attributable to parent company shareholders		3,037,997	2,522,680
Tier 1 capital instrument		250,000	250,000
Total equity attributable to the owners of the Parent Company		3,287,997	2,772,680
TOTAL LIABILITIES AND EQUITY		29,118,468	25,069,605

STATEMENT OF CHANGES IN EQUITY - GROUP

SEK thousand	Restricted equity	Non-restricted equity			Total equity
	Share capital	Foreign currency reserve	Retained earnings	Tier 1 capital instrument	
Equity as at 1 Jan 2024	107,500	1,972	1,801,442	250,000	2,160,914
Profit for the year			632,349		632,349
Other comprehensive income for the year		222			222
<i>Total comprehensive income for the year</i>		222	632,349		632,571
<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			-29,129		-29,129
Share based remunerations			8,324		8,324
<i>Total contributions from and value transfers to owners of the Parent company</i>			-20,805		-20,805
Equity as at 31 Dec 2024	107,500	2,194	2,412,986	250,000	2,772,680
Equity as at 1 Jan 2025	107,500	2,194	2,412,986	250,000	2,772,680
Profit for the year			667,046		667,046
Other comprehensive income for the year		-21,964			-21,964
<i>Total comprehensive income for the year</i>		-21,964	667,046		645,082
<i>Transactions with owners of the Parent company</i>					
<i>Contributions from and value transfers to owners of the Parent company</i>					
Targeted share issue	250				250
Interest on additional Tier 1 capital instruments					
Total contributions from and distributions to owners			-107,750		-107,750
Transaction costs, issue of Tier 1 capital					
Other transactions in equity					
Interest on additional Tier 1 capital instruments			-25,838		-25,838
Total contributions from and distributions to owners			3,573		3,573
<i>Total contributions from and value transfers to owners of the Parent company</i>	250		-130,015		-129,765
Equity as at 31 Dec 2025	107,750	-19,770	2,950,017	250,000	3,287,997

CASH FLOW STATEMENT - GROUP

SEK thousand	2025	2024
Operating activities		
Operating profit	855,808	684,905
<i>Adjustment for items not included in cash flow</i>		
Depreciation and amortisation of tangible and intangible assets	70,467	68,402
Accrued interest income and expense	-76,630	134,635
Other non-cash items	-2,043	5,973
Paid income tax	-188,622	-187,972
Cash flows from used in operations before changes in working capital	658,980	705,943
Increase/decrease in loans to the public	-3,412,824	-2,394,825
Increase/decrease in other short-term receivables	87,259	-271,355
Increase/decrease in deposits and borrowing from the public	3,494,169	544,984
Increase/decrease in other short-term liabilities	47,908	-134,524
Change in restricted bank deposits	-71,549	723
Cash flow from operating activities	803,943	-1,549,054
Investing activities		
Investments in tangible assets	-7,281	-30,999
Investments in intangible assets	-34,566	-53,264
Sale of shares in subsidiaries	-2,251	105,700
Cash flow from investing activities	-44,098	21,437
Financing activities		
Paid interest on lease debt	-1,345	-1,443
Amortisation of lease debt	-17,619	-15,514
Share issue	250	-
Redemption of Tier 2 capital	-100,000	-100,000
Issue of Tier 2 capital	150,000	100,000
Interest on Tier 1 capital	-25,838	-29,129
Dividend to shareholders	-107,750	-
Cash flow from financing activities	-102,302	-46,086
Cash flow for the year	657,543	-1,573,703
Cash and cash equivalents at the beginning of the year	4,246,859	5,731,169
Exchange rate difference in cash and cash equivalents	-244,756	89,393
Cash and cash equivalents at the end of the year	4,659,646	4,246,859
<i>Cash flow from operating activities includes interest expenses paid and interest payments received</i>		
Interest expenses paid	-884,412	-713,452
Interest payments received	3,390,106	2,935,092
Components of cash and cash equivalents		
Cash and balances with central banks	17,576	18,563
Treasury bills eligible for refinancing	2,489,437	1,792,652
Loans to credit institutions	2,236,407	2,447,869
Restricted bank deposits	-83,774	-12,225
Total cash and cash equivalents	4,659,646	4,246,859

NOTES

NOTE G1 General information

The consolidated financial statements and annual report of TF Bank AB for the financial year 2025 were approved by the Board of Directors and the CEO for publication on 20 March 2026. The Parent company, TF Bank AB, has its registered office in Borås, Sweden and is a banking company licensed to conduct banking operations. The Bank conducts lending and/or deposit operations to private individuals in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiaries, branches or cross-border operations with the support of the Swedish banking licence. The Company's shares are traded on Nasdaq OMX Nordic in Stockholm in the Mid Cap segment.

General information

Name	TF Bank AB (publ)
Residence	Borås
Legal form	Limited company (publ)
Legal domicile	Sweden
Address, company headquarter	Box 947, 501 10 Borås
Organisation number	556158-1041
LEI code	529900BGZZZTLBR1X49
Website	www.tfbankgroup.com

Branches

TF Bank AB, branch Finland	2594352-3
TF Bank AB, branch Poland	PL9571076774
TF Bank AB, branch Estonia	14304235
TF Bank AB, branch Norway	923 194 592
TF Bank AB, branch Latvia	50203334311
TF Bank AB, branch Lithuania	306989111
TF Bank AB, branch Spain	W0298854A

Subsidiaries

TF Bank Nordic AB	559476-6379
TF Bank Nordic AB NUF, filial Norge	935 301 734
TF Bank Nordic AB, filial Finland	3529515-2
TFB Service GmbH	HRB 208869 B
TFBN Services Ltd	15924773
TFB Holding Ltd	C 112948
TFB Service UAB	304785170
Yieldloop AB	559526-1859
Avarda AS	931 481 169
Credento Bank AB	559530-1945

All subsidiaries are 100 % owned.

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

The Swedish krona (SEK) is the Group's presentation currency, which is TF Bank AB's functional currency and presentation currency.

NOTE G2 Accounting Policies

The most significant accounting policies applied in the preparation of these consolidated financial statements are set out below. These accounting policies have been applied consistently to all reporting periods presented in these financial statements, unless otherwise stated.

The consolidated financial statements of the TF Bank AB Group have been prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations of these standards adopted by the European Union (EU). In addition, the supplements set out in the Annual Accounts for Credit Institutions and Securities Companies Act (1995:1559), RFR 1 Supplementary Accounting Rules for Groups, issued by the Swedish Sustainability and Financial Reporting Board, and of the Swedish FSA (FFFS 2008:25).

Estimates and Judgements

Preparation of the consolidated financial statements in compliance with IFRS requires the use of some critical estimates for accounting purposes. Estimates and judgements are reviewed on an ongoing basis and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. The Bank makes estimates and assumptions about the future. The resulting estimates for accounting purposes by definition rarely correspond to the actual results.

The area that involves a high degree of judgement, is complex, or where assumptions and estimates have a material impact on the financial statements primarily comprise provisions for expected loan losses.

Provisions for expected loan losses

TF Bank has a forward-looking model for impairments in accordance with IFRS 9, where expected loan losses on financial assets are calculated at initial recognition. A loan loss reserve is recognised for all financial assets that are valued at amortised cost. The calculation of the expected loan losses is done through methods and models developed by the Bank, all of which are characterised by assumptions about the future, such as how historical experiences will develop in the future given assumptions about the development of various macro scenarios. Making provisions for expected loan losses requires careful analysis of available data to make reliable assessments about the future.

The most important inputs used to assess expected loan losses are:

- Probability of default (PD)
- Loss given default (LGD)
- Exposures at default (EAD)
- Expected maturity

Calculations are derived from developed statistical models.

PD for 12 months and PD for the remaining maturity are based on the conditions on the balance sheet date. PD models are based on homogeneous groups of the total loan portfolio, i.e. geographic market and segment. Future economic conditions are considered through expert assessments for each homogeneous group. The Bank's method for estimating the probability of default also takes into account unused limits for revolving credits. LGD corresponds to the expected loss in the event of default and takes into account assumptions about future discounted cash flows or the contractual terms that apply in the event of sale to debt collection agencies. The Company's issued credits that have matured without being settled by the debtor are continuously sold to debt collection agencies on markets where the Board considers the price level to be favourable for the Bank's performance and risk profile. During the year, the Bank has chosen to keep more of nonperforming loans in the balance sheet. EAD represents an estimated credit exposure at a future point in time in the event of default, taking into account expected changes in credit exposure on the balance

Note G2 cont.

sheet date. The Bank's method for calculating EAD corresponds to current contractual terms for repayment of capital, interest, and maturity date. For the calculation of future maturity, the Bank starts from the original contract period and then takes into account behaviour patterns for the Bank's various segments and markets to determine the expected maturity.

For more detailed information on impairment tests and credit risks, see the section Impairment of financial assets in this note, the section on Credit risks in Note G3 and Note G24.

New standards and amendments and interpretations of existing standards that have been adopted by the Bank

No changes or improvements to IFRS standards that have come into effect, or new IFRS IC Agenda Decisions published for the 2025 financial year had any material impact on TF Bank's financial report. The same applies to corresponding changes in Swedish regulations.

In April 2024, the IASB issued the new standard IFRS 18, "Presentation and Disclosure in Financial Statements", which will replace IAS 1 "Presentation of Financial Statements". IFRS 18 introduces new requirements regarding the presentation of, and disclosures about, financial performance in financial statements.

IFRS 18 becomes effective for financial years beginning on or after 1 January 2027. Early adoption is permitted. The standard has not yet been endorsed by the EU.

TF Bank does not intend to apply the amendments before they become effective.

At present, it is not possible to determine exactly how IFRS 18 will affect the Company's financial statements; however, it is currently not expected to have any significant impact. This preliminary assessment will be subject to further analysis.

Foreign currency translation

Functional currency and presentation currency

Items included in the financial statements of the Bank's various entities are measured in the currency of the primary economic environment in which the respective subsidiary or branch mainly operates (the functional currency). The financial statements are presented in Swedish kronor (SEK), which is the functional and presentation currency of TF Bank AB.

Transactions and balances

Transactions in foreign currencies are translated into the functional currency at the exchange rates prevailing on the transaction date. Foreign exchange gains and losses arising on the settlement of such transactions, and on the translation of monetary assets and liabilities denominated in foreign currencies at the exchange rates prevailing at the balance sheet date, are recognised in the income statement. An exception applies to transactions that constitute hedges and meet the requirements for hedge accounting of cash flows or net investments, in which case gains and losses are recognised in other comprehensive income.

Foreign branches and subsidiaries

For items that are considered to be dealings with the foreign branches, all translations are recorded in net profit or loss of financial transactions.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are recognised as assets and liabilities of the foreign entity and translated at the exchange rate at the balance sheet date. Foreign exchange differences arising on the acquisition are recognised in other comprehensive income.

Segment reporting

Operating segments are accounted for in a way that is compatible with the internal reports submitted to the function responsible for the allocation of resources and the evaluation of the results of the operating segments. In the Bank, this function has been identified as the CEO.

Tangible assets

The straight-line method of depreciation is used for all types of tangible assets. The following depreciation periods are used:

IT equipment	36 months
Other equipment	60 months

Lease liabilities are measured at the present value of the remaining lease payments using the incremental borrowing rate at the date of first application. Leases with a term of twelve months or less are not included, nor are leases for which the underlying asset has a lesser value.

Intangible assets

The Group's intangible assets consist entirely of development costs that are directly attributable to the development and testing of identifiable and unique software products controlled by the Bank.

The intangible assets are amortised on a straight-line basis over their useful lives, but not more than 60 months, from the time the asset is ready for use.

Goodwill

The goodwill recognised in the balance sheet is related to business acquisitions and mergers. An impairment test for goodwill is performed annually. The calculations are based on estimated future after-tax cash flows derived from financial forecasts approved by the management, covering a three-year period, in line with the Bank's business plan. Key assumptions regarding the forecasts include average credit portfolio, new lending, and margins. The average growth rate used is based on the Company's own plans and assessments of future development. For the period after the forecast period, growth is estimated to align with the Swedish Central Bank's inflation target. Estimated cash flows have been discounted using a rate based on the risk-free interest rate, along with a risk adjustment corresponding to the market's average return requirement. The calculation of the recoverable amount is based on the value in use.

Financial instruments – classification, recognition and measurement

Note G20 "Classification of financial assets and liabilities" shows how TF Bank has categorised financial instruments.

Fair value through other comprehensive income

Financial assets and liabilities measured at amortised cost are initially recognised in the balance sheet at fair value, including transaction costs. After initial recognition, the instrument in this category is measured at amortised cost using the effective interest method less the credit loss provision for financial assets. This category includes the Bank's loan receivables and customer receivables, eligible Treasury bills, as well as subordinated liabilities.

Fair value through profit and loss

Financial assets and liabilities valued at fair value through profit and loss if they are not to be valued in any of the other categories. These assets and liabilities are valued at fair value excluding transaction costs. All changes in value of these items are reported directly in the income statement in "Net results from financial transactions". The financial instruments that are valued at fair value through TF Bank's profit and loss comprise derivative instruments held for trading purposes and shares whose cash flows do not meet the cash flow criteria.

Accounting, cancellation and modification

Financial assets and financial liabilities are reported in the balance sheet on the business day, which is the day on which the agreement is entered into, in addition to financial assets classified as amortised cost which are reported on the settlement date. Financial assets are removed from the balance sheet when the right to receive cash flows from the instrument has expired or has been transferred and the Bank has transferred virtually all risks and benefits associated with ownership to another party. A financial asset and a financial liability are netting off and reported at the netting

Note G2 cont.

amount in the balance sheet, only when there is a legal right to net off the amounts, and the intention is there to settle the posts with a net amount or to simultaneously realise the asset and settle the liability. When a loan is modified, the Bank makes an assessment of whether the modification results in removal from the balance sheet.

A loan is considered to be modified when the terms and conditions governing cash flows change compared to the original agreement, for example due to easing of loan terms, changes in market conditions, measures to retain the customer and other factors unrelated to a borrower's deteriorating creditworthiness. Modified loans are removed from the balance sheet and a new loan is reported either when the existing loan is terminated and a new agreement is entered into with significantly different terms or if the terms of an existing agreement are significantly modified. Modifications solely due to the borrower's financial difficulties, including the provision of relief in loan terms, are not considered significant on their own. If a loan has been modified and moved from Stage 1 to either Stage 2 or 3, it will not be moved back during the term of the loan.

Financial liabilities are removed from the balance sheet when the debt is extinguished by the agreement being fulfilled, cancelled or terminated. Loan receivables classified as impaired are written off from the balance sheet when the Bank has no reasonable expectation of recovering a claim in its entirety or in part. The Bank has no reasonable expectation of recovering the claim and considers the loss to be determined when a customer has passed, completed a debt restructuring program, or when it has been sold to a third party. After write-off, loan receivables are no longer reported on the balance sheet. Recovery of previously written-off amounts is reported as a reduction of loan losses in the net loan losses line of the income statement.

Impairment of financial assets

TF Bank has a portfolio-based model for calculating loan loss provisions based on the valuation of expected loan losses and complemented by risk parameters. The risk parameters are updated on a report-by-report basis to reflect forward-looking information. The Bank segments out each month's loans issued in order to analyse current behaviour in relation to historical behaviour and, based on this, calibrate models to calculate expected credit losses. In cases where the effect of relevant factors is not captured by risk models, the Bank uses expert adjustments.

The Group's calculation of future expected loan losses includes forward-looking macroeconomic information based on three different scenarios, a base, a positive scenario and an adverse scenario. These scenarios have then been weighted into the model based on the Group's assessment of the probability of each scenario occurring. The input data used comes from the European Central Bank's (ECB) and the Organisation for Economic Co-operation and Development (OECD) forecasts, which include estimates of macroeconomic variables such as GDP, inflation, unemployment rate, interest rates and households' consumption. The base scenario is based on the ECB's staff projections presented new interest rate decisions are announced. The positive scenario assumes favourable outcomes according to the confidence intervals in the ECB's staff projections, which, based on the Company's assessment, would lead to a reduction in the provision for expected loan losses by 6.1%. The adverse scenario is also based on the ECB's staff projections and would result in an increase in provisions by 1.8%. The base scenario implies a decrease of 4.1% in the Group's provisions. The Group takes into account the macroeconomic effect on the reserve for expected loan losses only for loans where the credit risk has not significantly increased since origination (i.e., Stage 1). In addition to macroeconomic variables, the Group also considers credit variables. The Group uses assumptions about the probability of default (PD) ranging from 1-14% for claims in Stage 1 and 38-86% for claims in Stage 2. The Group's assumptions for loss given default (LGD) range from 14-75%. For table illustrations and sensitivity analysis, see note G24.

The Group primarily uses quantitative data to determine whether a significant increase in credit risk has occurred in order to categorise the financial assets into the three different categories. Qualitative data is used in cases where the Bank receives external or internal information that a customer has payment difficulties.

Provisions for loans in Stage 3 are made with the difference between the asset's carrying amount and the present value of future cash flows, discounted at the original effective interest rate. The expected future cash flow is based on calculations that take into account historical repayment levels that are applied to each generation of loan receivables.

The calculation of the lifetime for credit cards and other revolving credits as well as provisioning of unused credit limits is based on predictive models about the future limit use and statistical repayment plans. The models are based on internal historical data where different models are used for homogeneous groups of credits with similar explanatory variables.

Definition of default and credit impaired assets

According to the Bank, defaults and doubtful receivables are triggered if any of the following occurs; a borrower has past due unpaid amounts older than 90 days, has died or been declared bankrupt or similar; the loan has been identified as fraudulent or sold or sent to an external collection agency. In assessing whether a borrower is unlikely to pay its loan obligations, the Bank considers both qualitative and quantitative factors including, but not limited to, the status of defaults, defaults, expected easing of loan terms, expected bankruptcy or breach of loan terms.

Determining a significant increase in credit risk since initial recognition

The Bank assesses changes in credit risk using a combination of individual and collective information and reflects significant increases in credit risk at the individual financial instrument level. The forward-looking lifetime probability of default over the remaining term will incorporate the effects of past and current forecasted economic conditions. Quantitative indicators are the most important part in determining an increase in credit risk since initial recognition, and an increase in credit risk occurs when the loan has been past due for 30 days or more, which results in the asset being moved from Stage 1 to Stage 2. If the loan is past due for 90 days or more, the asset is moved to Stage 3. This process is done at the portfolio level. Qualitative indicators at the contract level are also taken into account when placing in the different stages, such as if the borrower is monitored on a watchlist or has been granted relief in loan terms, or if the Bank receives external information that the customer is experiencing payment difficulties, such as debt restructuring cases and payment arrangements. The Bank assesses that financial assets with low credit risk on the reporting date are not considered to have been significantly exposed to an increased credit risk, which refers to financial assets classified as cash and balances with central banks, securities issued or guaranteed by the government that are eligible for repurchase agreements, and lending to other financial institutions. A financial instrument is no longer considered to have experienced a significant increase in credit risk when all indicators are no longer breached.

Derivative instruments and hedge accounting

Derivative instruments are recognised in the balance sheet on the contract date and are measured at fair value through profit or loss, both initially and in subsequent revaluations. The Bank's derivative instruments are covered by framework agreements for set-offs, and Note K3 shows the net effect of this. The method of recognising the gain or loss arising from revaluation depends on whether the derivative has been identified as a hedging instrument and, if so, the nature of the item hedged.

At the time of entering into the transaction, the Bank documents the relationship between the hedging instrument and the hedged item, as well as the Bank's risk management objective and risk management strategy with respect to the hedge. TF Bank also

Note G2 cont.

documents its assessment, both at the time of entering into the hedge and ongoing, of whether the derivative instruments used in hedging transactions are effective in offsetting changes in fair value or cash flows attributable to the hedged items.

The Bank hedges the forward rate risk of net investments when derivatives are used as hedging instruments, and in other cases it is the spot risk of net investments that constitutes the hedged risk. For derivatives, this means that the entire change in market value is reported in the hedging reserve.

The entire fair value of a derivative that is a hedging instrument is classified as other assets or other liabilities when the remaining maturity of the hedged item is less than 12 months. Derivative instruments held for trading are always classified as other assets or other liabilities.

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

Issued debt and equity instruments

A financial instrument issued by TF Bank are classified either as a financial liability or as equity. Issued financial instruments are classified as a financial liability if the contract terms and conditions mean that TF Bank has an obligation to pay using either cash or another financial asset. If this is not the case, the instrument is usually an equity instrument and classified as equity, less transaction costs.

The issued financial instruments classified as financial liabilities are bonds over ten years with possible voluntary redemption after five years. The interest terms are Stibor plus margin and interest is paid quarterly. The financial instruments classified as equity are perpetual bonds with possible voluntary redemption after five years from the date of issue. The interest terms are Stibor plus margin and interest is paid quarterly. For more detailed terms, see the prospectus on the Bank's website www.tfbankgroup.com, as well as note G30 and note G33.

Interest attributable to financial instruments that are classified as financial liabilities is reported as interest expense and interest for financial instruments that are classified as equity is reported in equity.

Employee benefits

Pension plans are funded through payments to insurance companies. The Bank only has defined contribution plans.

Share-based payments

The Group has share-based incentive programs, under which equity instruments in TF Bank are allotted to the Group's employees. Share-based incentive programs that are settled with shares entitle the employees to receive equity instruments in TF Bank. The fair value of these rights is determined by using appropriate valuation models, taking into account the terms and conditions of the grant, and the Bank's assessment of how many rights will ultimately be vested. This is re-evaluated at each reporting occasion.

Social costs are recognised over the vesting period and the provision for social costs is remeasured at each reporting date to ensure that the provision is based on the fair value of the rights at the reporting date. The cost of share-based incentive programs that are settled with shares is valued based on the fair value of the equity instruments on the date they are granted and is expensed evenly over the vesting period. The vesting period is the period during which employees must remain employed by the Group in order for their rights to be earned.

Interest income

Interest income is recognised in the income statement over the expected life using the effective interest method. Transaction costs related to loans payable and loans receivable are therefore recognised as part of the loan. Transaction costs refer to commission. Transaction costs, arrangement fees and notification charges are recognised over the expected term of the loan. Invoicing charges are also included in interest income.

The Bank regularly makes amortisation of assets and unappropriated funds for which the Bank has not been able to repay or locate counterparties. They are recognised as interest income as they are directly linked to the Bank's loans to the public.

Commission income and expense

TF Bank recognises credit card commissions, transaction commissions, insurance premium fees, reminder fees and other fees in commission income. Commission income is recognised in profit and loss in the period it is earned. Commission expense are expenses attributable to services and charges that relate to fees earned from insurance premiums.

Net results from financial transactions

This item relates to foreign currency translation of assets and liabilities in foreign currencies and changes in the fair value of derivatives in foreign currency.

Cash flow statement

The cash flow statement is prepared according to the indirect method. Recognised cash flow comprises only transactions that involve cash receipts or disbursements. Cash and cash equivalents include Cash and balances with central banks, Treasury bills eligible for refinancing, etc. and Loans to credit institutions net of restricted bank deposits.

Deposit Requirement with the Riksbank

As of 31 October 2025, the Riksbank has introduced a requirement for banks to hold non-interest-bearing deposits with the Riksbank. The requirement has been introduced to strengthen the Riksbank's equity. The size of the deposit is reassessed annually after the Riksbank's annual financial statements have been approved. TF Bank recognises the present value of the foregone interest income on the deposit as an interest expense in full when the Riksbank receives the non-interest-bearing deposit. As the deposit requirement is revised annually by the Riksbank, the Bank has assumed a maturity of twelve months and recognises interest income over the term using the effective interest method.

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

Credit risk is the risk that a counterparty causes the Bank a financial loss by not fulfilling its contractual obligations. The area includes credit risks attributable to the loan portfolio, credit-related concentration risks and counterparty risks.

Credit risk arises primarily through lending to the public and is the most significant risk in the Bank. Credit risks may even arise through placement of liquidity and derivative instruments. Credit risk is monitored closely by the relevant functions and by the Board of Directors, which has the ultimate responsibility for managing credit risk. The Board of Directors has issued a credit policy which establishes the framework for the Bank's lending activities. A credit committee monitors the development of the level of credit risk in the loan portfolios on a continuous basis. It makes decisions on, and implements, changes to the Bank's lending within the framework of the established credit policy and also proposes amendments to the policy to the Board of Directors. A report on performance is provided at every ordinary board meeting. The credit risk exposure also includes concentration risks related to the loan portfolio. Concentration risks are measured based on the size of exposures to individual counterparties, industries or regions. Concentration risks are also captured in the Bank's calculation of capital requirements for credit risks and in the stress tests carried out in the internal capital evaluation and as part of the monitoring of the Bank's risk tolerance.

Before a loan is issued, a risk assessment is done for the customer's creditworthiness, taking into account the customer's financial position, such as external information, scoring, repayment capacity as well as past history with the Bank and other factors. Individual risk limits are defined based on internal and/or external credit assessments in accordance with the limits set by the Board of Directors. The Bank's use of credit limits for loans to the public is strictly limited and is regularly monitored. TF Bank cannot enter into credit agreements with legal entities in which related parties have significant economic interest without the approval of the Board of Directors.

The Bank's credit approval process maintains high standards regarding ethics, quality and control. The share 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 favourable for the Bank's development and risk profile. The Bank's average loan amount per customer is relatively low and the loan portfolio is well diversified with a number of different products in several different geographic markets, resulting in the concentration risk for the Bank being relatively low.

TF Bank works actively with existing customers who experience payment difficulties. There is a credit department that conducts assessments of prospective customers and performs ongoing evaluations of collateral and credit limits established by the Board of Directors. The Bank's procedures for monitoring overdue payments and outstanding receivables are designed to minimise loan losses through early detection of payment problems among borrowers and prompt handling of collection matters. Monitoring is supported by a dedicated collection system that automatically tracks cases and issues reminders when collection actions are required.

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. The Bank strives for a well-diversified loan portfolio with pricing based on risk exposure through a broad base of customers with relatively low exposure amounts per customer. In order to maintain a well-diversified loan portfolio with a balanced risk profile and to have a favourable balance between risk and return, the Bank works actively to understand the borrowers' circumstances and macroeconomic changes that may affect the risk profile.

Credit quality of gross receivables in Stage 1 and Stage 2 (see note G24) that are neither past due nor impaired have been assessed on the basis of a model that classifies loans as low, moderate or high risk. The classification is primarily based on the number of reminders, if any, sent to individual customers, the number of months a customer has had an active loan with the Bank and the borrower's individual credit status at the time of taking out the loan, calculated on the basis of both internal and external sources. The risk assessment also takes into account various parameters such as product type (segment) and country, including historical information retrieved from the Bank's own database.

SEK thousand	31 Dec 2025	31 Dec 2024
Household sector, gross Stage 1-2		
Low risk	17,151,492	14,484,441
Moderate risk	3,783,553	3,880,696
High risk	2,234,100	1,929,949
Total	23,169,145	20,295,086

Note G3 cont.

TF Bank uses the standardised method for calculating the capital requirement for credit risk and does not have its own internal model that calculates the capital requirement. To calculate expected credit losses in accounting, the Bank relies on historical data on risk of default (PD), loss given default (LGD) and exposure to default (EAD). Assumptions about future developments in macro parameters do not form part of the Bank's credit risk management but are only applied in the financial statements.

The age distribution of loans to the public is essentially consistent with the different categories, with Stage 1 loans being between 0-29 days past due, Stage 2 loans being between 30-89 days past due and Stage 3 loans being more than 90 days past due.

SEK thousand	31 Dec 2025	31 Dec 2024
Household sector, gross Stage 1-3		
Between 0-29 days	22,059,400	19,258,023
Between 30-89 days	1,109,745	1,037,063
90 days or more	1,637,391	282,577
Total	24,806,536	20,577,663

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 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.

The credit quality of other fully performing (neither past due nor impaired) financial assets in accordance with Standard & Poor's ratings is shown below:

SEK thousand	31 Dec 2025	31 Dec 2024
Cash and balances with central banks		
AA+	7,456	7,916
A+	-	7
A	7	-
A-	10,113	10,640
Total	17,576	18,563
Treasury bills eligible for refinancing		
AAA	1,467,694	934,334
AA+	1,021,743	858,318
Total	2,489,437	1,792,652
Loans to credit institutions		
A-1+	1,276,646	1,400,562
A-1	764,736	733,458
A-2	26,870	134,522
Unrated	168,155	179,327
Total	2,236,407	2,447,869

Credit risk exposures in financial instruments are referred to as counterparty risks and refer to the risk that a counterparty cannot fulfil its obligations according to an agreement, or that it chooses not to fulfil its obligations in the future on the same or similar terms. TF Bank includes currency derivatives in the form of swaps and futures as a result of lending in currencies other than SEK. Counterparty risks constitute the credit risk towards other banks that arises as a result of transactions. This counterparty risk is reduced by the exchange of collateral between the parties.

Note G3 cont.

Market risk

Market risk refers to the risk that earnings, equity or the value of assets decrease due to changes in risk factors on the financial market. TF Bank's market risks are primarily currency risk and interest rate risk.

(i) Currency risk

TF Bank is exposed to currency risk partly through the monetary assets and liabilities in foreign currencies held in the Swedish operations and partly in the form of the conversion effect that occurs when the net investments in the foreign branches are converted to Swedish kronor. Currency risk involves the following currencies: EUR, NOK, DKK, PLN and USD and TF Bank's overall objective with the management of currency risk is to keep the currency exposure as low as possible with the objective of holding as much assets as liabilities in each currency. For 2025 the Board has decided that the Bank should strive to ensure that the total liabilities, including any derivatives, in each currency should not deviate by more than +/- 2 % of the total assets in the currency. The Bank exchanges the earnings in other currencies than the accounting currency to SEK on an ongoing basis and uses forward contracts for EUR, NOK, DKK, PLN and USD to balance the assets and liabilities in each currency. Forward contracts generally have a maturity of between 1-12 months.

TF Bank assesses its future capital requirements under Pillar 2 for currency risk through stress tests involving the impact on net positions in foreign currencies on the closing date. As of 31 December 2025, TF Bank has chosen an exchange rate movement of 8.2 % (8.3).

CURRENCY EXPOSURES AGAINST THE BANK'S TRANSACTION CURRENCIES

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in EUR:		
Cash and balances with central banks	7,462	7,923
Treasury bills eligible for refinancing, etc.	1,451,950	858,319
Loans to credit institutions	1,323,041	1,530,939
Loans to the public	16,196,964	13,369,379
Other assets	82,253	74,706
Total monetary assets	19,061,670	15,841,266
Monetary liabilities in EUR:		
Deposits and borrowings from the public	-24,406,671	-20,865,409
Other liabilities	-334,687	-386,007
Total monetary liabilities	-24,741,358	-21,251,416
Currency forward contracts	5,663,453	5,453,107
Net currency exposure	-16,235	42,957
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	-1,325	3,548

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in NOK:		
Treasury bills eligible for refinancing, etc.	764,682	527,901
Loans to credit institutions	274,955	428,294
Loans to the public	4,451,367	4,226,007
Other assets	22,073	6,113
Total monetary assets	5,513,077	5,188,315
Monetary liabilities in NOK:		
Deposits and borrowings from the public	-114,814	-180,870
Other liabilities	-96,619	-71,608
Total monetary liabilities	-211,433	-252,478
Currency forward contracts	-5,281,824	-4,930,874
Net currency exposure	19,820	4,963
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	1,617	410

Note G3 cont.

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in PLN:		
Cash and balances with central banks	10,113	10,640
Loans to credit institutions	7,384	13,972
Loans to the public	108,109	196,878
Other assets	2,165	2,459
Total monetary assets	127,771	223,949
Monetary liabilities in PLN:		
Other liabilities	-9,188	-6,854
Total monetary liabilities	-9,188	-6,854
Currency forward contracts	-122,866	-220,818
Net currency exposure	-4,283	-3,723
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	-349	-308

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in DKK:		
Loans to credit institutions	35,418	29,262
Loans to the public	485,976	223,499
Other assets	4,921	371
Total monetary assets	526,315	253,132
Monetary liabilities in DKK:		
Other liabilities	-11,923	-5,161
Total monetary liabilities	-11,923	-5,161
Currency forward contracts	-514,182	-246,368
Net currency exposure	210	1,603
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	17	132

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in USD:		
Loans to credit institutions	190,828	152,700
Total monetary assets	190,828	152,700
Currency forward contracts	-188,627	-148,476
Net currency exposure	2,201	4,224
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	180	349

Note G3 cont.

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in GBP:		
Loans to the public	16,069	-
Other assets	8,749	-
Total monetary assets	24,818	-
Monetary liabilities in GBP:		
Other liabilities	-3,594	-
Total monetary liabilities	-3,594	-
Currency forward contracts	-24,835	-
Net currency exposure	-3,611	-
Impact on profit and equity (excl. tax) in the event of a depreciation of the Swedish krona by 8.2 % (8.3)	-295	-

With regards to the currency risks arising from the conversion of net investments in foreign branches, it is TF Bank's strategy that the entire existing equity when the hedging relationship is established, and that is expected to remain at the end of the hedging period, is to be hedged in its entirety. This means that when a loss is expected for the upcoming hedging period, a deduction is made from the equity for the expected loss at this time so that the hedged item becomes a slightly smaller part of the equity at the start of the period. Conversely, in cases where the foreign operation is expected to have a positive result during the hedging period, this result is not included in the equity until the beginning of the next hedging period. TF Bank has the following hedged net investments in foreign operations and hedging instruments as of the closing date:

SEK thousand	31 Dec 2025	31 Dec 2024
Hedge net assets		
Net investments in branches in EUR	1,447,192	1,311,472
Net investments in branch in NOK	116,113	85,861
Net investments in branch in PLN	-97,168	-96,213
Total	1,466,137	1,301,120
Hedging instruments		
Deposit from the public in EUR as hedge investments	-1,468,789	-1,317,690
Other liability related to currency forward contracts in NOK for hedging purposes (nominal amount)	-112,605	-82,253
Other asset in PLN as hedge investments	94,026	113,215
Total	-1,487,368	-1,286,728

Note G3 cont.

The effects of hedge accounting for the impact of currency risks on the Group's financial position and results are shown below:

SEK thousand	31 Dec 2025	31 Dec 2024
Derivative instrument NOK		
Carrying amount	-92	494
Nominal amount NOK thousand	-123,098	-84,824
Maturity date	2026-01-02	2025-01-02
Hedge ratio	SEK 0,914014 : 1 NOK	SEK 0,975517 : 1 NOK
Forward rate	1:1	1:1
Hedging instrument deposit EUR		
Carrying amount	-1,468,789	-1,317,690
Nominal amount EUR thousand	-135,773	-114,716
Hedge ratio	1:1	1:1
Hedging instrument other asset PLN		
Carrying amount	94,026	113,215
Carrying amount PLN thousand	36,733	42,042
Hedge ratio	1:1	1:1

All derivatives used in hedge accounting mature within one month.

The full market value of the hedging instrument is used to account for hedging inefficiencies. The source of inefficiency of hedging in foreign net investments is if losses are incurred in the branches during a month that are not captured in the hedge. There has been no hedging inefficiency over the years, if there is it is reported in net income from financial transactions.

(iii) Interest rate risk

Interest rate risk arises when TF Bank has different maturities or different fixed interest terms for assets and liabilities. According to the Bank's financial policy, the interest rate risk should be low, and the majority of TF Bank's assets and liabilities therefore have a short, fixed interest term. A small portion of the Bank's lending carries a longer fixed interest term, which is matched by TF Bank offering deposits with longer fixed interest terms. A change in the market interest rate by 1 percentage point would increase/decrease the Bank's net interest income and equity over the coming 12 months by SEK 18 million (58), calculated based on interest-bearing assets and liabilities as of the balance sheet date.

31 Dec 2025 SEK thousand	Remaining interest term to maturity				Total
	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	
Cash and balances with central banks	17,576				17,576
Treasury bills eligible for refinancing	1,483,135	1,006,302			2,489,437
Loans to credit institutions	2,236,407				2,236,407
Loans to the public	15,021,777	4,714,375	3,469,692	472,438	23,678,282
Other financial assets	12,547				12,547
Deposits and borrowings from the public	-17,068,409	-4,886,372	-2,737,369		-24,692,150
Subordinated liabilities	-394,844				-394,844
Other financial liabilities	-6,361	-42,166			-48,527
Total remaining interest term to maturity	1,301,828	792,139	732,323	472,438	3,298,728

Note G3 cont.

31 Dec 2024 SEK thousand	Remaining interest term to maturity				Total
	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	
Cash and balances with central banks	18,563				18,563
Treasury bills eligible for refinancing	954,300	598,397	239,955		1,792,652
Loans to credit institutions	2,447,869				2,447,869
Loans to the public	14,718,071	2,416,767	3,102,532	28,088	20,265,458
Other financial assets	36,940	23,281			60,221
Deposits and borrowings from the public	-9,530,069	-8,759,029	-2,908,883		-21,197,981
Subordinated liabilities	-345,509				-345,509
Other financial liabilities	-1,101	-20,853			-21,954
Total remaining interest term to maturity	8,299,064	-5,741,437	433,604	28,088	3,019,319

Liquidity risk

Liquidity risk primarily arises from the need to meet repayments of deposits from households. The ability to disburse new loans is considered a business risk. To ensure that TF Bank does not face a liquidity crisis, the Bank's finance policy sets a minimum level for the available liquidity reserve. Management monitors the liquidity position regularly through rolling forecasts of expected cash flows. According to the finance policy, liquidity and funding risk should remain low. All funding beyond deposits from the public is obtained through issued securities and equity.

TF Bank also maintains a substantial liquidity reserve to manage uneven cash flows. As of the balance sheet date, the Bank's available liquidity reserve amounted to SEK 4,330 million (4,053), corresponding to 18% (19) of deposits from the public. The amounts shown in the table below represent contractual, undiscounted cash flows and include both interest and principal, and therefore cannot be directly reconciled to the balance sheet. For further information on the Bank's liquidity position, see note G35.

31 Dec 2025 SEK thousand	Remaining maturity						Total
	Payable on demand	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Without maturity	
Cash and balances with central banks	6,096					11,480	17,576
Treasury bills eligible for refinancing		1,497,887	1,039,225				2,537,112
Loans to credit institutions	1,850,189					386,218	2,236,407
Loans to the public		12,415,945	542,674	9,282,407	6,055,918		28,296,944
Other financial assets		12,547					12,547
Deposits and borrowings from the public	-13,964,307	-3,111,861	-4,923,020	-2,874,238			-24,873,426
Subordinated liabilities					-642,651		-642,651
Other financial liabilities		-6,361	-42,166				-48,527
Total cashflow before commitments	-12,108,022	10,808,157	-3,383,287	6,408,169	5,413,267	397,698	7,535,982
Commitments	-13,999,381						-13,999,381
Total cashflow	-26,107,403	10,808,157	-3,383,287	6,408,169	5,413,267	397,698	-6,463,399

Note G3 cont.

31 Dec 2024 SEK thousand	Remaining maturity						Total
	Payable on demand	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Without maturity	
Cash and balances with central banks	6,338					12,225	18,563
Treasury bills eligible for refinancing		962,464	601,895	246,561			1,810,920
Loans to credit institutions	2,254,307					193,562	2,447,869
Loans to the public		9,127,396	372,128	7,968,704	7,368,018		24,836,246
Other financial assets		36,940	23,281				60,221
Deposits and borrowings from the public	-6,413,170	-3,126,639	-8,841,145	-3,090,688			-21,471,642
Subordinated liabilities					-571,089		-571,089
Other financial liabilities		-1,101	-20,853				-21,954
Total cashflow before commitments	-4,152,525	6,999,060	-7,864,694	5,124,577	6,796,929	205,787	7,109,134
Commitments	-10,050,350						-10,050,350
Total cashflow	-14,202,875	6,999,060	-7,864,694	5,124,577	6,796,929	205,787	-2,941,216

The amounts stated in the table are contractual, undiscounted cash flows and include both interest and amortisations and therefore the amounts cannot be directly linked to the balance sheet.

TF Banks derivatives are covered by offsetting agreements. The Bank reports these derivatives with gross amounts in the balance sheet. In the table, the Bank shows how it would have appeared if the Bank had netted the derivatives in the balance sheet.

SEK thousand	31 Dec 2025	31 Dec 2024
Financial assets		
Derivatives	12,547	60,221
Total financial assets for offsetting	12,547	60,221
Financial liabilities		
Derivatives	-48,527	-21,954
Total financial liabilities for offsetting	-48,527	-21,954
Net amount	-35,980	38,267
Paid(-)/received(+) cash collateral	-75,716	-14,160

Operational risk

Operational risk is the risk of loss resulting from inadequate or failed internal processes, procedures and systems, human error, or external events. Operational risk includes information, communication, and security risks, legal risks, as well as compliance risks, and may result in a negative impact on the Bank's assets and reputation and/or result in sanctions.

Operational risks are found in all activities, and it is neither possible nor cost-effective to try to eliminate all operational risks. TF Bank works to minimise operational risks by creating effective processes, systems, and routines, as well as maintaining good internal control. The Bank regularly evaluates its operational risks and quantifies them based on a model of probability and consequences. To reduce the consequences of operational risks, TF Bank uses control points in business and support processes, incident reporting, as well as a process for approving new products, services, markets, IT systems, etc. TF Bank also has contingency, continuity- and recovery plans.

Other operating risks

Other operating risks identified by TF Bank are business risks, economic risks, and reputational risks. Business risk can arise from factors in the external business environment, such as changes in competitive situations or customer behaviour. Economic risk can arise when there are changes in the economic conditions in the market that affect customer demand for the Bank's products. TF Bank continuously makes economic forecasts and follows up on any deviations to reduce the risks that may arise, and the Bank's operations are well-diversified.

Reputation risk is defined as losses that may be caused by customers, counterparties, shareholders, and authorities' negative perception of TF Bank, and negative rumours can significantly damage a company's brand and operations. All of the Bank's lending takes place under controlled conditions where customers' interests are taken into account. TF Bank also has high internal capital targets, in addition to legal ones, to ensure a strong capital situation and stable financing.

NOTE G4 Segment reporting

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.

The business is divided into three operating segments: Credit Cards, Ecommerce Solutions and Consumer Lending. In the Credit Cards segment, TF Bank offers credit cards, in Ecommerce Solutions, digital payment solutions are offered primarily in e-commerce, and in Consumer Lending, consumer loans is offered without collateral. The target group for all services is creditworthy private individuals.

2025 Income statement, SEK thousand	Credit Cards	Ecommerce Solutions	Consumer Lending	Group
Net interest income	1,531,348	354,663	792,949	2,678,960
Net fee and commission income	19,657	139,031	63,167	221,855
Net results from financial transactions	1,721	419	1,549	3,689
Total operating income	1,552,726	494,113	857,665	2,904,504
General administrative expenses	-397,866	-266,808	-253,091	-917,765
Depreciation and amortisation of tangible and intangible assets	-23,368	-35,130	-11,969	-70,467
Other operating expenses	-51,444	-2,391	-10,825	-64,660
Total operating expenses	-472,678	-304,329	-275,885	-1,052,892
Profit before loan losses	1,080,048	189,784	581,780	1,851,612
Net loan losses	-647,526	-104,564	-243,714	-995,804
Operating profit	432,522	85,220	338,066	855,808

Balance sheet, SEK thousand	31 Dec 2025	31 Dec 2025	31 Dec 2025	31 Dec 2025
Loans to the public				
Household sector	11,609,065	2,718,489	8,925,694	23,253,248
Corporate sector ¹	186,194	42,670	196,170	425,034
Total loans to the public	11,795,259	2,761,159	9,121,864	23,678,282
Household sector				
Stage 1, net	10,911,632	2,418,900	8,281,790	21,612,322
Stage 2, net	271,289	166,046	429,732	867,067
Stage 3, net ²	426,144	133,543	214,172	773,859
Total household sector	11,609,065	2,718,489	8,925,694	23,253,248

Key figures ³	2025	2025	2025	2025
Operating income margin, %	15.3	18.0	9.4	13.2
Net loan loss ratio, %	6.4	3.8	2.7	4.5
Cost/Income ratio, %	30.4	61.6	32.2	36.3
Return on loans to the public, %	3.2	2.3	2.8	2.9
New lending, SEK thousand	23,175,054	6,907,067	5,536,226	35,618,347
Number of active credit cards	466,282	E/T	E/T	466,282
Transaction volume, SEK thousand	E/T	17,017,230	E/T	17,017,230

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

² The Bank continuously sells past due receivables in markets where the price level is such that the Board deems it favourable for the Bank's development and risk profile.

³ See separate section with definitions and reconciliation tables, page 107-108.

Note G4 cont.

2024 Income statement, SEK thousand	Credit Cards	Ecommerce Solutions	Consumer Lending	Group
Net interest income	1,085,019	372,426	798,311	2,255,756
Net fee and commission income	-5,060	123,976	64,397	183,313
Net results from financial transactions	-177	-94	-282	-553
Total operating income	1,079,782	496,308	862,426	2,438,516
General administrative expenses	-321,120	-246,845	-253,406	-821,371
Depreciation and amortisation of tangible and intangible assets	-19,194	-35,672	-13,536	-68,402
Other operating expenses	-32,964	-3,495	-7,773	-44,232
Total operating expenses	-373,278	-286,012	-274,715	-934,005
Profit before loan losses	706,504	210,296	587,711	1,504,511
Net loan losses	-463,475	-102,968	-253,163	-819,606
Operating profit	243,029	107,328	334,548	684,905

Balance sheet, SEK thousand	31 Dec 2024	31 Dec 2024	31 Dec 2024	31 Dec 2024
Loans to the public				
Household sector	8,297,766	2,687,816	8,793,889	19,779,471
Corporate sector ¹	152,709	53,820	279,459	485,987
Total loans to the public	8,450,475	2,741,636	9,073,348	20,265,458
Household sector				
Stage 1, net	8,062,411	2,538,800	8,288,633	18,889,844
Stage 2, net	232,897	134,291	444,127	811,315
Stage 3, net ²	2,458	14,725	61,129	78,312
Total household sector	8,297,766	2,687,816	8,793,889	19,779,471

Key figures ³	2024	2024	2024	2024
Operating income margin, %	15.1	17.3	9.5	12.8
Net loan loss ratio, %	6.5	3.6	2.8	4.3
Cost/Income ratio, %	34.6	57.6	31.9	38.3
Return on loans to the public, %	2.5	2.7	2.7	3.2
New lending, SEK thousand	16,435,047	5,994,495	4,719,708	27,149,250
Number of active credit cards	359,792	E/T	E/T	359,792
Transaction volume, SEK thousand	E/T	13,363,621	E/T	13,363,621

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

² The Bank continuously sells past due receivables in markets where the price level is such that the Board deems it favourable for the Bank's development and risk profile.

³ See separate section with definitions and reconciliation tables, page 107-108.

NOTE G5 Geographic information

Below is a presentation of the Group's revenues and investments by country. The basis for allocating revenues and lending to the public is the location of the end customer, regardless of whether the business is conducted through a subsidiary, a branch, or on a cross-border basis under the Swedish banking licence. Investments are allocated by country based on where each asset is recorded.

2025 SEK thousand	Interest income	Fee and commission income	Loans to the public	Investments
Group per country				
Germany	1,551,904	157,572	9,989,603	653
Norway	592,225	136,610	4,448,229	241
Finland	373,770	47,201	2,765,592	10,953
Sweden	263,748	77,276	1,834,039	142,522
Latvia	197,571	2,311	1,206,803	688
Estonia	165,504	3,761	962,077	175
Lithuania	130,808	856	1,067,036	720
Austria	106,023	2,456	705,694	-
Denmark	46,327	9,713	499,540	-
Poland	17,850	2,529	108,241	1,627
Spain	13,802	1,305	75,605	278
Netherlands	2,888	-	-	-
Italy	1,988	404	15,823	-
United Kingdom	35	-	-	28
The rest of Europe	23,138	-	-	-
Group	3,487,581	441,994	23,678,282	157,885

2024 SEK thousand	Interest income	Fee and commission income	Loans to the public	Investments
Group per country				
Germany	1,120,187	103,597	7,030,609	388
Norway	562,961	123,172	4,229,526	264
Finland	469,574	50,883	3,142,408	24,472
Sweden	275,782	65,917	1,736,303	139,826
Lettland	178,987	3,111	1,131,108	157
Estland	182,898	4,991	968,250	850
Lithuania	120,527	458	1,044,378	471
Austria	69,532	610	433,274	-
Denmark	27,676	6,569	230,049	-
Poland	25,056	2,486	197,074	2,004
Spain	13,871	874	118,867	510
Netherlands	8,638	-	-	-
Italy	-	82	3,612	-
The rest of Europe	45,514	-	-	-
Group	3,101,203	362,750	20,265,458	168,942

NOTE G6 Interest income

SEK thousand	2025	2024
Interest income according to the effective interest rate method		
Interest income from loans to the public	3,357,507	2,877,092
Interest income from treasury bills eligible for refinancing	53,412	107,917
Interest income from loans to credit institutions	42,741	53,439
Other interest income according to the effective interest rate method	22,760	2,204
Total interest income according to the effective interest rate method	3,476,420	3,040,652
Other interest income		
Interest income from non-performing loans	157	49,459
Other interest income	11,004	11,092
Total other interest income	11,161	60,551
Total interest income	3,487,581	3,101,203

NOTE G7 Interest expense

SEK thousand	2025	2024
Interest expense, deposits from the public	-627,142	-710,118
Interest expense, currency swaps	-98,244	-54,009
Costs for deposit guarantee and resolution fee	-47,871	-44,078
Interest expense, subordinated liabilities	-29,980	-33,447
Deposit fees to credit institutions	-1,345	-1,443
Interest expenses lease liabilities	-11	-169
Other financial expenses	-4,028	-2,183
Total interest expense	-808,621	-845,447
<i>- of which interest expenses according to the effective interest rate method</i>	<i>-756,722</i>	<i>-801,369</i>

NOTE G8 Net fee and commission income

SEK thousand	2025	2024
Fee and commission income		
Insurance premiums	187,314	144,588
Reminder fees	128,349	126,534
Credit card commissions	88,710	65,337
Transaction fees	37,618	26,169
Other fee and commission income	3	122
Total fee and commission income	441,994	362,750
Fee and commission expense		
Credit card transaction costs	-110,622	-98,795
Payment protection insurance expense	-85,776	-58,443
Travel insurance expense	-21,392	-19,556
Other fee and commission expense	-2,349	-2,643
Total fee and commission expense	-220,139	-179,437
Net fee and commission income	221,855	183,313

NOTE G9 Net results from financial transactions

SEK thousand	2025	2024
Changes in fair value	39	-
Exchange rate fluctuations	3,650	-553
Total net results from financial transactions	3,689	-553

NOTE G10 General administrative expenses

SEK thousand	2025	2024
Staff costs		
Salaries and fees	-303,912	-251,848
Social security costs	-82,449	-64,188
Pension costs	-18,347	-16,088
Other staff costs	-11,604	-10,033
Total staff costs	-416,312	-342,157
Other general administrative expenses		
Informations services and customer communication expenses	-173,531	-174,379
IT-expenses	-103,289	-91,390
Bank fees	-52,051	-40,794
Postage and telephone expenses	-42,160	-38,933
Card issuing expenses	-30,853	-28,708
Debt collection expenses	-28,310	-32,951
Consulting expenses	-13,148	-15,634
Rent and property expenses	-12,084	-11,094
Travel expenses	-9,800	-7,156
Auditor's remuneration	-7,715	-7,505
Consumables	-5,816	-6,187
Lawyer fees	-4,734	-4,267
Other expenses	-17,962	-20,216
Total other general administrative expenses	-501,453	-479,214
Total general administrative expenses	-917,765	-821,371

NOTE G11 Auditors' remuneration

SEK thousand	2025	2024
PWC		
Audit assignment	4,187	-
Audit services in addition to the audit assignment	425	-
Tax advices	1,576	-
Other services	100	-
Total remuneration to PWC	6,288	-
BDO		
Audit assignment	404	-
Audit services in addition to the audit assignment	-	-
Tax advices	-	-
Other services	-	-
Total remuneration to BDO	404	-
KPMG		
Audit assignment	731	6,418
Audit services in addition to the audit assignment	-	638
Tax advices	-	-
Other services	292	449
Total remuneration to KPMG	1,023	7,505
Total auditors' remuneration	7,715	7,505

The amount for 2025 includes audit fees to Öhrlings PricewaterHouse Coopers AB of SEK 4,749 thousand, comprising SEK 3,625 thousand for the audit assignment, SEK 425 thousand for the audit-related services beyond the audit assignment, SEK 1,484 thousand for tax advisory services of as well as SEK 100 thousand for other services.

NOTE G12 Average number of employees, salaries, other remuneration and social security costs
AVERAGE NUMBER OF EMPLOYEES, DISTRIBUTED BETWEEN WOMEN AND MEN, BY COUNTRY:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	61	88	149	58	74	132
Poland	70	69	139	66	59	125
Norway	19	20	39	22	16	38
Finland	17	14	31	18	12	30
Estonia	24	6	30	23	6	29
Spain	6	17	23	3	10	13
Lithuania	15	5	20	15	3	18
Latvia	11	8	19	11	6	17
Germany	6	9	15	7	7	14
United Kingdom	2	3	5	0	1	1
Austria	1	0	1	0	0	0
Total	232	239	471	223	194	417

Note G12 cont.

SALARIES AND REMUNERATION:

SEK thousand	2025	2024
Board of Directors and CEO	18,611	16,709
Other staff	285,301	235,139
Total salaries and remuneration	303,912	251,848
Social costs pursuant to legislation and agreements	82,449	64,188
Pension costs	18,347	16,088
Total salaries, remuneration, social security costs and pension costs	404,708	332,124

SALARIES AND REMUNERATION FOR BOARD MEMBERS AND SENIOR EXECUTIVES:

SEK thousand	2025	2024
Chairman of the Board: John Brehmer		
Board fees ¹	1,750	1,400
Other benefits	-	-
Pension costs	-	-
Total Chairman of the Board	1,750	1,400
Fees ¹ other Board members:		
Arti Zeighami	650	475
Fredrik Oweson	750	575
Michael Lindengren	850	625
Niklas Johansson	850	625
Sara Mindus	650	475
Total	3,750	2,775
CEO: Joakim Jansson		
Basic salary	5,493	4,769
Variable remuneration	489	232
Other benefits	157	160
Pension costs	1,324	1,164
Total	7,463	6,325
Deputy CEO: Mikael Meomuttel		
Basic salary	3,462	3,185
Variable remuneration	489	406
Other benefits	153	165
Pension costs	767	808
Total	4,871	4,564
COO: Espen Johannesen		
Basic salary ²	388	3,032
Variable remuneration	59	361
Other benefits	26	223
Pension costs	19	133
Total	492	3,749
CCO: Rasmus Rolén		
Basic salary ³	2,021	-
Variable remuneration	289	-
Other benefits	85	-
Pension costs	365	-
Total	2,760	-

¹ Remuneration in accordance with the resolution at the AGM's in 2025 and 2024, and include remuneration that will be paid until the AGM during the subsequent year.

² Espen Johannesen has been a senior executive up to and including 16 February 2025, and the reported remuneration relates to the period up to and including that date.

³ Rasmus Rolén has been a senior executive from 1 March 2025 up to and including 31 October 2025, and the reported remuneration relates to this period.

Note G12 cont.

Remuneration of senior executives

In accordance with the disclosure requirements in FFFS 2011:1, information about remuneration systems is presented on the Bank's website www.tfbankgroup.com. Salaries and other remuneration to the CEO and other senior executives consist of fixed salary, variable remuneration, commission-based remuneration, other benefits and pension.

Commission-based compensation

Commission-based compensation during the year amounted to SEK 0 thousand (0). The size of the commission-based compensation is related to the achievement of individually determined financial targets for the financial year. TF Bank has ensured that all targets for variable compensation can be measured in a reliable manner. The commission-based compensation is paid to senior executives within the Bank and is not pensionable.

Pensions

The Company's pension obligations are covered by payments to the ITP plan. The CEO and certain senior executives have the right to retire at the age of 65–67, depending on their geographical location. Pension benefits, including health insurance, shall be premium defined, to the extent that the executive is not covered by a defined benefit pension in accordance with mandatory collective agreement provisions. The pension premiums for premium defined pension may amount to a maximum of 25 % of the pensionable income. Pension costs refer to the cost that affected profit for the year.

Period of notice and severance pay

According to an agreement between TF Bank AB and the CEO, the period of notice is six months (12 months in the case of termination by the Company). If termination is initiated by the Company, basic salary is payable during the period of notice, however variable remuneration, if agreed before the notice was issued, is not payable. Severance pay is adjusted according to the salary that the CEO receives from a new employer.

Compensation to the Board of Directors

Compensation to the members of the Board of Directors, as indicated above, is determined by the Annual General Meetings and refers to annual fees from Annual General Meeting to Annual General Meeting for the years respectively. Board compensation consists of fixed compensation for board work as well as fixed compensation for any committee work. The Board of Directors have established three committees: the Audit Committee, the Remuneration Committee, and the Risk and Compliance Committee. The Bank does not have any pension entitlements for Board members.

GENDER DISTRIBUTION BOARD MEMBERS AND SENIOR EXECUTIVES

SEK thousand	2025		2024	
	Number on reporting date	Of which women (%)	Number on reporting date	Of which women (%)
Board members	6	17	6	17
CEO and other senior executives	2	0	3	0

NOTE G13 Goodwill

SEK thousand	31 Dec 2025	31 Dec 2024
Cost, opening balance	20,011	12,753
<i>Change during the year</i>		
Additions	-	7,258
Cost, closing balance	20,011	20,011
Depreciations, opening balance	-	-
<i>Change during the year</i>		
Depreciations, closing balance	-	-
Carrying amount	20,011	20,011

Goodwill partly stems from the acquisition of the Norwegian subsidiary BB Bank ASA which in early 2020 was transformed into a branch through a merger with TF Bank AB. In December 2024, the Group carried out a business acquisition of operations under the Paynova brand within the Ecommerce Solutions segment.

An impairment test of goodwill was performed prior to the year-end, which resulted in no need for impairment. A change in the assumptions concerning growth rate and discount rate of +/- 1 percentage point would not result in a need to recognise impairment Losses. TF Bank's judgement is that there is room for a reasonable change in both the growth rate assumption and the discount factor.

NOTE G14 Intangible assets

SEK thousand	2025			2024		
	Internally developed software	Ongoing development	Total	Internally developed software	Ongoing development	Total
Cost, opening balance	262,062	31,432	293,494	214,658	28,918	243,576
Additions		34,566	34,566		51,652	51,652
Reclassification	58,646	-58,646		49,416	-49,416	
Sales and disposals						
Exchange rate differences	-5,891	-252	-6,143	-2,012	278	-1,734
Cost, closing balance	314,817	7,100	321,917	262,062	31,432	293,494
Amortisations, opening balance	-195,922		-195,922	-150,488		-150,488
Amortisations for the year	-48,299		-48,299	-48,758		-48,758
Sales and disposals			-			
Exchange rate differences	5,007		5,007	3,324		3,324
Amortisations, closing balance	-239,214		-239,214	-195,922		-195,922
Carrying amount	75,603	7,100	82,703	66,140	31,432	97,572

NOTE G15 Tangible assets

SEK thousand	2025			2024		
	Equipment	Leases	Total	Equipment	Leases	Total
Cost, opening balance	23,274	102,248	125,522	20,507	81,417	101,924
Additions	6,791	19,669	26,460	2,356	28,948	31,304
Sales and disposals	-762	-19,461	-20,223		-8,117	-8,117
Exchange rate differences	-668		-668	411		411
Cost, closing balance	28,635	102,456	131,091	23,274	102,248	125,522
Amortisations, opening balance	-16,188	-37,964	-54,152	-12,737	-29,172	-41,909
Amortisations for the year	-4,392	-17,776	-22,168	-3,276	-16,368	-19,644
Sales and disposals	451	19,461	19,912		7,576	7,576
Exchange rate differences	499		499	-175		-175
Amortisations, closing balance	-19,630	-36,279	-55,909	-16,188	-37,964	-54,152
Carrying amount	9,005	66,177	75,182	7,086	64,284	71,370

NOTE G16 Other operating expenses

SEK thousand	2025	2024
Marketing expenses	-64,660	-44,232
Total	-64,660	-44,232

NOTE G17 Net loan losses

SEK thousand	2025	2024
Change in provision for sold non-performing loans	-109,272	-1,019,868
Realised loan losses	-28,404	-52,885
Recovered from previous write-offs	1,225	392
Change in provision for expected loan losses, Stage 1-3	-859,353	252,755
Net loan losses	-995,804	-819,606

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

NOTE G18 Items affecting comparability

SEK thousand	2025	2024
Profit/loss from sale of shares	-2,251	146,989
Fair value effect of remaining shares	-	28,096
Interest expenses	-	15,657
Consultancy expenses	-	-7,569
Net loan losses	-	-80,089
Items affecting comparability	-2,251	103,084

Items affecting comparability relate to the transfer agreement regarding the sale of 80.1 % of the shares in Rediem Capital AB, which was completed on 20 December 2024.

NOTE G19 Tax for the year

SEK thousand	2025	2024
Current tax on profit for the year	-201,021	-89,417
Provision for tax surcharge	-	-11,723
Changed tax from previous years	83	-
Other taxes	-908	-747
Deferred tax	15,335	-53,753
Tax on profit for the year¹	-186,511	-155,640
Reconciliation of tax on profit for the year		
Profit before tax	853,557	787,989
Tax according to applicable tax rate	-175,833	-162,326
Tax effect of non-deductible expenses	-8,733	-28,579
Tax effect of non-taxable income	421	44,127
Tax effect of expenses that are not included in the recognised profit or loss	-	3,933
Provision for tax surcharge	-	-11,723
Other taxes	-908	-747
Changed tax from previous years	83	-
Deviating tax rates in other countries	-1,541	-325
Tax on profit for the year recognised in the income statement	-186,511	-155,640

SEK thousand	31 Dec 2025	31 Dec 2024
Deferred tax assets		
Deferred taxes attributable to unrealised derivatives	8,521	-
Deferred tax attributable to loss carryforwards	69,493	-
Deferred tax attributable to acquisitions of shares in subsidiary	5,264	5,264
Deferred tax attributable to branches	2,851	2,395
Deferred tax assets	86,129	7,659
Deferred tax liabilities		
The difference between the income tax recognised in the income statement and income tax on operations comprises:		
Deferred taxes attributable to unrealised derivatives	-	11,723
Deferred taxes attributable to taxes abroad	1,120	7,883
Deferred tax on temporary differences	1,120	19,606
The deferred tax liabilities are expected to be settled as follows:		
Within 12 months	1,120	7,883
Later than 12 months	-	11,723
	1,120	19,606
The gross change in deferred tax is as follows:		
Opening balance	-11,947	54,277
Effect of changed branch taxation	405	2,259
Ongoing tax audit	81,216	-
Recognised in the income statement	15,335	-68,483
Closing balance	85,009	-11,947

¹ The weighted average tax rate was 21.9 % (19.8).

NOTE G20 Classification of financial assets and liabilities

31 Dec 2025 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	<i>Compulsory</i>					
Assets						
Cash and balances with central banks			17,576			17,576
Treasury bills eligible for refinancing, etc.			2,489,437			2,489,437
Loans to credit institutions			2,236,407			2,236,407
Loans to the public			23,678,282			23,678,282
Shares	117,267					117,267
Derivatives	12,547					12,547
Non-financial assets					566,952	566,952
Total assets	129,814		28,421,702		566,952	29,118,468
Liabilities						
Deposits and borrowings from the public			24,692,150			24,692,150
Subordinated liabilities			394,844			394,844
Derivatives	48,435			92		48,527
Non-financial liabilities					694,950	694,950
Total liabilities	48,435		25,086,994	92	694,950	25,830,471

31 Dec 2024 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	<i>Compulsory</i>					
Assets						
Cash and balances with central banks			18,563			18,563
Treasury bills eligible for refinancing, etc.			1,792,652			1,792,652
Loans to credit institutions			2,447,869			2,447,869
Loans to the public			20,265,458			20,265,458
Shares	117,309					117,309
Derivatives	59,435			786		60,221
Non-financial assets					367,533	367,533
Total assets	176,744		24,524,542	786	367,533	25,069,605
Liabilities						
Deposits and borrowings from the public			21,197,981			21,197,981
Subordinated liabilities			345,509			345,509
Derivatives	21,954					21,954
Non-financial liabilities					731,481	731,481
Total liabilities	21,954		21,543,490		731,481	22,296,925

NOTE G21 Financial assets and liabilities at fair value

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

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

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

31 Dec 2025 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks		17,576		17,576
Treasury bills eligible for refinancing	2,489,169			2,489,169
Loans to credit institutions		2,236,407		2,236,407
Loans to the public			23,647,282	23,647,282
Shares		117,267		117,267
Derivatives		12,547		12,547
Total assets	2,489,169	2,383,797	23,647,282	28,520,248
Liabilities				
Deposits and borrowings from the public			24,692,150	24,692,150
Subordinated liabilities		394,844		394,844
Derivatives		48,527		48,527
Total liabilities		443,371	24,692,150	25,135,521

31 Dec 2024 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks		18,563		18,563
Treasury bills eligible for refinancing	1,785,666			1,785,666
Loans to credit institutions		2,447,869		2,447,869
Loans to the public			25,597,265	25,597,265
Shares		117,309		117,309
Derivatives		60,221		60,221
Total assets	1,785,666	2,643,962	25,597,265	30,026,893
Liabilities				
Deposits and borrowings from the public			21,197,981	21,197,981
Subordinated liabilities		345,509		345,509
Derivatives		21,954		21,954
Total liabilities		367,463	21,197,981	21,565,444

Note G21 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 information. An instrument is classified as Level 2 if all significant inputs required for fair value measurement of 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 forward rates at the balance sheet date.

Lending to the public primarily consists of loans with variable interest rates and relatively short maturities. Against this background, the reported value is considered a reasonable approximation of the assets' fair value at the end of the reporting period.

31 Dec 2025 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/ Fair value loss (-)
Assets			
Cash and balances with central banks	17,576	17,576	-
Treasury bills eligible for refinancing, etc.	2,489,437	2,489,169	-268
Loans to credit institutions	2,236,407	2,236,407	
Loans to the public	23,678,282	23,678,282	
Shares	117,267	117,267	
Derivatives	12,547	12,547	
Total assets	28,551,516	28,551,248	-268
Liabilities			
Deposits and borrowings from the public	24,692,150	24,692,150	
Subordinated liabilities	394,844	394,844	
Derivatives	48,527	48,527	
Total liabilities	25,135,521	25,135,521	

31 Dec 2024 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/ Fair value loss (-)
Assets			
Cash and balances with central banks	18,563	18,563	
Treasury bills eligible for refinancing, etc.	1,792,652	1,785,666	-6,986
Loans to credit institutions	2,447,869	2,447,869	
Loans to the public	20,265,458	20,265,458	
Shares	117,309	117,309	
Derivatives	60,221	60,221	
Total assets	24,702,072	24,695,086	-6,986
Liabilities			
Deposits and borrowings from the public	21,197,981	21,197,981	
Subordinated liabilities	345,509	345,509	
Derivatives	21,954	21,954	
Total liabilities	21,565,444	21,565,444	

NOTE G22 Treasury bills eligible for refinancing

SEK thousand	31 Dec 2025	31 Dec 2024
Treasury bills eligible for refinancing - EU-commission	806,639	858,318
Government securities eligible for refinancing - Norway	764,682	527,901
Treasury bills eligible for refinancing - Netherlands	430,208	-
Treasury bills eligible for refinancing - Sweden	272,804	406,433
Treasury bills eligible for refinancing - Finland	215,104	-
Total treasury bills eligible for refinancing, etc.	2,489,437	1,792,652

NOTE G23 Loans to credit institutions

SEK thousand	31 Dec 2025	31 Dec 2024
Accounts receivable Swedish currency	425,360	948,593
Accounts receivable foreign currency	1,811,047	1,499,276
Total loans to credit institutions	2,236,407	2,447,869

NOTE G24 Loans to the public

SEK thousand	31 Dec 2025	31 Dec 2024
Loans to the household sector	23,253,248	19,779,471
Loans to the corporate sector ¹	425,034	485,987
Total loans to the public	23,678,282	20,265,458
Loans to the household sector		
Stage 1, gross	22,059,400	19,258,023
Stage 2, gross	1,109,745	1,037,063
Stage 3, gross ²	1,637,391	282,577
Total loans to the household sector, gross	24,806,536	20,577,663
Provisions for expected loan losses, household sector		
Stage 1	-447,078	-368,179
Stage 2	-242,678	-225,748
Stage 3 ²	-863,532	-204,265
Total provisions for expected loan losses, household sector	-1,553,288	-798,192
Loans to the household sector		
Stage 1, net	21,612,322	18,889,844
Stage 2, net	867,067	811,315
Stage 3, net ²	773,859	78,312
Total loans to the household sector, net	23,253,248	19,779,471
Loans to the corporate sector		
Loans, net	425,034	485,987
Total loans to the corporate sector, net	425,034	485,987

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

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

Note G24 cont.

MACROECONOMIC SCENARIOS

Scenario	2025			2024		
	Probability of occurring	Impact on provisions (stage 1)	Probability weighted outcome	Probability of occurring	Impact on provisions (stage 1)	Probability weighted outcome
Adverse	17.7 %	1.8 % increase		15.9 %	10.2 % increase	
Positive	19.9 %	6.1 % decrease	97.3 %	19.5 %	9.4 % decrease	97.5 %
Base	62.4 %	4.1 % decrease		64.6 %	3.5 % decrease	

Effect on provisions for each segment related to expected loan losses in Stage 1.

SEK thousand	31 Dec 2025	31 Dec 2024
Credit Cards	13,300	11,910
Ecommerce Solutions	1,279	309
Consumer Lending	3,579	2,882
Total	18,158	15,101

Sensitivity analysis:

The ECL macroeconomic component relies on ECB macroeconomic projections and EBA stress tests conducted by European banks in 2025. The primary factor influencing the impact on ECL is the HICP inflation rate. Significant deviations between the observed and projected HICP inflation rates, upon realisation, will lead to changes in the likelihood of scenarios and the total weighted impact on ECL.

Impact of 100 % weighting of scenarios:

a. Positive scenario

According to assumed impact on provisions, assigning 100 % probability to positive scenario would lead to multiplication of provisions in Stage 1 by 93.9 % (decrease of provisions by SEK 25.6 million).

b. Base scenario

According to assumed impact on provisions, assigning 100 % probability to baseline scenario would lead to multiplication of provisions in Stage 1 by 95.9 % (decrease of provisions by SEK 17.2 million).

c. Adverse scenario

According to assumed impact on provisions, assigning 100 % probability to adverse scenario would lead to multiplication of provisions in Stage 1 by 101.8 % (increase of provisions by SEK 7.4 million).

Note G24 cont.

PROVISIONS

Provision of credit losses during the period were impacted by several different factors, as described below:

- Transfers between Stage 1 and Stage 2 or Stage 3 depending on whether the loan has significantly increased (or decreased) in risk or if it has defaulted during the period and thus transferred between 12 month and full lifetime ECL.
- New loans during the period and also loans removed from the portfolio in the same period. (Increases due to issue and purchase and decline due to derecognition from the statement of financial position).
- Changes in risk factors as Probability of default (PD), Exposure at default (EAD) and Loss given default (LGD), arising because the model has been updated with new amounts.
- Changes in macroeconomic scenarios based on macroeconomic factors.
- Exchange rate differences.

SEK thousand	Non-doubtful receivables		Doubtful receivables	Total
	Stage 1	Stage 2	Stage 3	
	12 month expected loan losses	Lifetime expected loan losses	Lifetime expected loan losses	
Loans to the public, gross, opening balance 1 January 2025	19,744,010	1,037,063	282,577	21,063,650
Financial assets added during the year	35,618,347			35,618,347
Repayments	-28,337,099	-969,843	-259,790	-29,566,732
Financial assets sold during the year		-506,916	-488,775	-995,691
Stage transfers	-3,798,936	1,610,368	2,188,568	
- from 1 to 2	-2,045,174	2,045,174		
- from 1 to 3	-1,989,826		1,989,826	
- from 2 to 1	236,064	-236,064		
- from 2 to 3		-198,742	198,742	
- from 3 to 2				
Exchange rate differences	-1,166,922	-60,927	-85,189	-1,313,038
Loans to the public, gross, closing balance 31 December 2025	22,059,400	1,109,745	1,637,391	24,806,536
Provision for expected loan losses, opening balance 1 January 2025	-368,179	-225,748	-204,265	-798,192
Changes reported as net loan losses				
Financial assets added during the year	-402,312			-402,312
Repayments	260,519	81,353	20,528	362,400
Financial assets sold during the year		27,344	24,765	52,109
Stage transfers	41,761	-138,908	-747,606	-844,753
- from 1 to 2	18,891	-249,299		-230,408
- from 1 to 3	27,297		-623,456	-596,159
- from 2 to 1	-4,427	56,241		51,814
- from 2 to 3		54,150	-124,150	-70,000
- from 3 to 2				
Exchange rate differences	21,133	13,281	43,046	77,460
Provision for expected loan losses, closing balance 31 December 2025	-447,078	-242,678	-863,532	-1,553,288

Note G24 cont.

SEK thousand	Non-doubtful receivables		Doubtful receivables	Total
	Stage 1	Stage 2	Stage 3	
	12 month expected loan losses	Lifetime expected loan losses	Lifetime expected loan losses	
Loans to the public, gross, opening balance 1 January 2024	16,609,580	711,192	1,604,568	18,925,340
Financial assets added during the year	27,149,250			27,149,250
Repayments	-21,530,098	-217,656	-96,281	-21,844,035
Financial assets sold during the year		-714,954	-2,969,495	-3,684,449
Stage transfers	-2,901,454	1,226,894	1,674,560	
- from 1 to 2	-1,518,637	1,518,637		
- from 1 to 3	-1,565,754		1,565,754	
- from 2 to 1	182,937	-182,937		
- from 2 to 3		-108,806	108,806	
- from 3 to 2				
Exchange rate differences	416,732	31,587	69,225	517,544
Loans to the public, gross, closing balance 31 December 2024	19,744,010	1,037,063	282,577	21,063,650
Provision for expected loan losses, opening balance 1 January 2024	-261,935	-115,109	-677,663	-1,054,707
Changes reported as net loan losses				
Financial assets added during the year	-391,652			-391,652
Repayments	295,829	104,180	208,889	608,898
Financial assets sold during the year		57,322	476,565	533,887
Stage transfers	20,838	-249,819	-164,700	-393,681
- from 1 to 2	21,296	-312,100		-290,804
- from 1 to 3	2,352		-90,468	-88,116
- from 2 to 1	-2,810	28,049		25,239
- from 2 to 3		34,232	-74,232	-40,000
- from 3 to 2				
Exchange rate differences	-31,259	-22,322	-47,356	-100,937
Provision for expected loan losses, closing balance 31 December 2024	-368,179	-225,748	-204,265	-798,192

NOTE G25 Shares

SEK thousand	31 Dec 2025	31 Dec 2024
Opening balance of holdings in unlisted shares	117,309	144
<i>Changes during the year</i>		
Reclassification	-	89,200
Change in fair value	-39	28,096
Translation differences	-3	-131
Closing balance of holdings in unlisted shares	117,267	117,309
Total shares	117,267	117,309

NOTE G26 Other assets

SEK thousand	31 Dec 2025	31 Dec 2024
Tax account	84,555	67,556
Accounts receivable	67,443	4,115
Derivatives	12,547	60,221
Other assets	16,046	13,304
Total other assets	180,591	145,196

NOTE G27 Deposits and borrowings from the public

SEK thousand	31 Dec 2025	31 Dec 2024
Germany	17,387,272	16,825,163
Netherlands	4,861,195	2,781,360
Spain	1,031,658	309,363
Ireland	840,053	614,673
Finland	286,491	334,850
Sweden	170,667	151,702
Norway	114,814	180,870
Total deposits and borrowings from the public	24,692,150	21,197,981

Deposits and borrowings from the public only occur in the household sector and 99 % (98) is covered by a deposit guarantee scheme. Deposits in Sweden, Norway and Germany are payable on demand and on maturity. Deposits in Finland are payable on demand. Deposits with maturity amounts to 44 % (70) of total deposits from the public. Maturities are shown in Note G3.

CHANGES IN DEPOSITS AND BORROWINGS FROM THE PUBLIC

SEK thousand	31 Dec 2025	31 Dec 2024
Opening balance	21,197,981	20,652,997
Change for the year	5,009,277	-161,118
Exchange rate differences	-1,515,108	706,102
Closing balance	24,692,150	21,197,981

NOTE G28 Other liabilities

SEK thousand	31 Dec 2025	31 Dec 2024
Debts to ecommerce partners	115,161	98,922
Lease liabilities	69,289	67,358
Derivatives	48,527	21,954
VAT debt	19,480	18,382
Accounts payable	9,057	9,540
Other liabilities	11,589	16,372
Total other liabilities	273,103	232,528

NOTE G29 Accrued expenses and prepaid income

SEK thousand	31 Dec 2025	31 Dec 2024
Accrued interest on deposits from the public	163,905	240,244
Accrued broker fees	59,815	52,537
Accrued social security costs	31,624	24,375
Accrued salaries and holiday pay liability	27,360	21,760
Accrued interest on loans to the public	11,896	10,989
Other accrued expenses and prepaid income	89,965	86,647
Total accrued expenses and prepaid income	384,565	436,552

NOTE G30 Subordinated liabilities

SEK thousand	31 Dec 2025	31 Dec 2024
Time-bound subordinated liabilities	394,844	345,509
Total	394,844	345,509

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.

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	Maturity date
14 December 2020 (redeemed 15 December 2025)	100,000	STIBOR 3 months +5.50%	N/A
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
27 November 2025	150,000	STIBOR 3 months +3.50%	27 February 2036

TSEK	31 Dec 2025	31 Dec 2024
Lease agreements		
Total minimum lease payments for non-cancellable agreements	69,288	67,358
Total	69,288	67,358
Maturity analysis of non-cancellable lease agreements		
Less than one year	16,777	16,987
More than one year but less than two years	14,677	13,415
More than two years but less than three years	14,103	9,053
More than three years but less than four years	9,116	9,024
More than four years but less than five years	5,775	7,327
More than five years	8,840	11,552
Total	69,288	67,358
Amounts reported in the income statement		
Depreciation of right-of-use assets	-17,684	-16,368
Interest expenses on lease liabilities	-1,635	-1,443
Expenses for leases of low-value assets	-2,966	-2,764

The Group is a lessee, and lease agreements recognised as right-of-use assets primarily comprise office premises and office equipment. Lease agreements with a term of less than 12 months are classified as short-term leases and are therefore not included in recognised right-of-use assets/liabilities. The Group currently has no short-term leases. The Group has elected not to recognise leases of low-value assets as right-of-use assets. The marginal borrowing rate varies depending on the contractual terms and ranges between 1 % and 4 %. In cases where an implicit interest rate is available, that rate is used. Lease contracts entered into but not yet commenced as of the balance sheet date amount to 0 TSEK (0).

NOTE G32 Transactions with related parties

Transactions between Group companies refer to invoicing of services rendered in 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, or where TF Bank owns a minor stake. All transactions are priced according to the market.

SEK thousand	31 Dec 2025	31 Dec 2024
The following transactions took place between companies within the Group:		
General administrative expenses	-7,112	-17,377
Total	-7,112	-17,377

SEK thousand	31 Dec 2025	31 Dec 2024
The following transactions have been made with other related parties:		
Interest income (transaction costs)	-34,615	-36,177
Commission income	2,045	2,287
General administrative expenses	-1,434	-1,729
Loan losses, net	-23,552	-3,503
Total	-57,556	-39,122
Acquisition of assets and liabilities from other related parties:		
Ecommerce Solutions	459,777	465,019
Total	459,777	465,019
Sale of assets and liabilities to other related parties:		
Non-performing loans	87,559	20,368
Total	87,559	20,368

SEK thousand	31 Dec 2025	31 Dec 2024
<i>Assets and liabilities at the end of the period as a result of transactions with other related parties:</i>		
Loans to credit institutions	-	54,959
Other assets	405	496
Other liabilities	931	1,807

NOTE G33 Equity**Shares**

The number of shares in the Parent Company amounted to 64,650,000 (21,500,000) shares at the balance sheet date, with a quota value of SEK 1.66 (5). The quota value represents share capital divided by the number of shares. During the year, on 27 January, the Company carried out a share issue of 50,000 shares at par value and also implemented a share split whereby one existing share was split into three new shares (share split 3:1) on 21 July.

Translation Reserve

This reserve includes translation differences arising from the consolidation of the Group's foreign operations.

Retained Earnings

Retained earnings refer to the retained profit from the previous year, reduced by dividend payments and transactions related to the Group's Tier 1 capital instruments, such as interest payments or issuance costs. During the year, the Company distributed SEK 21,550,000 to its shareholders. Proposed allocation of profits for the year 2025 can be found in Note P32.

Primary Capital Instruments

TF Bank has issued primary capital instruments. The instruments relate to subordinated loans with perpetual maturity, with the first possible redemption after five years. The amount and interest terms are shown in the table below.

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	First possible redemption
1 December 2021	100,000	STIBOR 3 months +6.25%	1 December 2026
6 September 2023	150,000	STIBOR 3 months +8.75%	6 September 2028

A specification of changes in equity can be found in the Report on changes in equity on page 28.

Background

Information about the Bank's capital adequacy includes information in accordance with Chapter 6, Sections 3-4 of the Swedish FSA's regulations and general guidelines (FFFS 2008:25) on annual accounts of credit institutions and investment firms and related information contained in article 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 which means that the stock exchange rules are also applicable. TF Bank is classified as a small and non-complex institute in accordance to article 4.1.145 of supervisory regulation (EU) No 575/2013. To determine the Company's statutory capital requirements, the Special Supervision of Credit Institutions and Securities Companies Act (2014:968), Regulation (EU) No 575/2013, the Swedish Capital Buffers Act (2014:966), and the Swedish Financial Supervisory Authority's regulations and general guidelines (FFFS 2014:12) regarding supervisory requirements and capital buffers.

Own funds

TF Bank's capital base consists of equity attributable to shareholders and issued bonds. Shareholders' equity after regulatory adjustments constitutes Additional Tier 1 capital. Issued bonds constitute of Additional Tier 1 or Tier 2 funds. The bonds are subordinated to the Bank's other creditors and bonds that constitute other core capital could, under certain conditions, be converted into share capital. The Swedish FSA has approved TF Bank's applications to include accrued earnings in its capital base.

Risk exposure amount

TF Bank's risk exposure amount consists mainly of credit risk and operational risk. The risk exposure amount for credit risk is calculated using the Standardised Approach and the Bank's exposures are weighted on the basis of different percentages set out in Regulation (EU) No 575/2013. The risk exposure amount for operational risk is calculated using the alternative standardised approach in accordance with article 4.314 of Regulation (EU) No 575/2013.

Capital requirements and Pillar 2 Guidance

The Pillar 1 regulatory capital requirement requires that total own funds amount to at least 8 % of the risk-weighted exposure amount for credit risk, credit valuation adjustment risk, market risk and operational risk. This is followed by additional capital requirements for the risks that are not covered by Pillar 1, such as concentration risk, exchange rate risk and interest rate risk. The capital requirements for these risks are covered through Pillar 2. In addition, capital is allocated for a capital conservation buffer of 2.5 % of the risk-weighted exposure amount and an institution-specific countercyclical capital buffer weighted on the basis of geographical exposures. As of 31 December 2025, TF Bank's countercyclical capital buffer requirement of 1.2 % 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 Latvia, Lithuania and Poland, 0.75 % for exposures in Germany and 0.5 % for exposures in Spain. The Swedish Financial Supervisory Authority has concluded its supervisory review and evaluation of TF Bank AB and, on 19 March 2025, decided on specific own funds requirements and Pillar 2 guidance. The Bank's previously internally assessed own funds requirement was confirmed, and the Authority resolved to set Pillar 2 guidance at 0 % of the total risk exposure amount and 0.5 % of the total exposure measure for the leverage ratio.

Capital planning

The strategies and methods used by TF Bank to measure and maintain capital requirements according to Regulation (EU) No 575/2013 are based on the Bank's risk management. Risk management seeks to identify and analyse the risks inherent in TF Bank's operations and to set appropriate limits for these risks and ensure that necessary controls are in place. Risks are monitored and controls are performed on an ongoing basis to ensure limits are not exceeded. TF Bank has a centralised function for independent risk control which reports directly to the CEO and whose task it is to analyse development of risks and, where required, suggest changes to governing documents and processes, both for overarching risk management and specific areas.

To assess whether its internal capital is sufficient to support current and future operations and to ensure that the capital base has an appropriate size and composition, TF Bank AB has established its own Internal Capital and Liquidity Adequacy Assessment Process (ICLAAP). The process serves as a tool to ensure that the Bank clearly and accurately identifies, measures and manages all risks to which it is exposed, and assesses its internal capital needs in relation to these risks. This includes ensuring that TF Bank maintains appropriate governance and control functions as well as risk management systems. The Bank's ICLAAP is conducted at least annually.

In TF Bank, the starting point for ICAAP/ILAAP is risk identification and self-assessment workshops with senior executives. Against the background of this risk analysis, each individual risk is analysed and management of the risk is documented. Reference is made to applicable governing documents and policies. The risks are then quantified on the basis of the method that the Bank deems to be appropriate for each type of risk. Each risk type is then assessed to establish if additional capital is required to cover the specific risk type according to Pillar 2. The assessment is based on Pillar 1 capital requirements according to Regulation (EU) No 575/2013 and additional capital is added where necessary for other risks. The ICAAP/ILAAP is then subjected to stress testing to ensure that bank's capital adequacy and liquidity level can be maintained in stressed market conditions. TF Bank uses forward-looking scenarios based on the Company's three-year business plan.

Note G34 cont.

CAPITAL SITUATION

SEK thousand	31 Dec 2025	31 Dec 2024
Common Equity Tier 1 capital (CET1)	2,670,000	2,354,631
Additional Tier 1 capital (AT1)	250,000	250,000
Tier 2 capital	394,844	345,509
Own funds	3,314,844	2,950,140
Risk exposure amount	20,601,319	17,700,941
- of which: credit risk	19,209,888	16,493,873
- of which: credit valuation adjustment	74,415	78,960
- of which: operational risk	1,317,016	1,128,108
Capital ratios		
CET1 capital ratio, %	13.0	13.3
Tier 1 capital ratio, %	14.2	14.7
Total capital ratio, %	16.1	16.7

CAPITAL REQUIREMENTS AND PILLAR 2 GUIDANCE

SEK thousand	31 Dec 2025		31 Dec 2024	
	Amount	Percent ¹	Amount	Percent ¹
Capital requirement under Pillar 1				
CET1 capital	927,059	4.5	796,542	4.5
Tier 1 capital	1,236,079	6.0	1,062,056	6.0
Total capital	1,648,106	8.0	1,416,075	8.0
Capital requirement under Pillar 2				
CET1 capital	142,536	0.7	124,854	0.7
Tier 1 capital	190,048	0.9	166,472	0.9
Total capital	253,397	1.2	221,962	1.3
- of which, concentration risk	195,713	1.0	166,989	0.9
- of which, interest rate risk	57,684	0.3	54,973	0.3
Capital requirement under Pillar 1 and Pillar 2				
CET1 capital	1,069,595	5.2	921,396	5.2
Tier 1 capital	1,426,127	6.9	1,228,528	6.9
Total capital	1,901,503	9.2	1,638,037	9.3
Institution-specific buffer requirement				
Total buffer requirement	758,129	3.7	646,085	3.7
- of which, capital conservation buffer requirement	515,033	2.5	442,524	2.5
- of which, countercyclical buffer requirement	243,096	1.2	203,561	1.2
Total capital requirement including buffer requirement				
CET1 capital	1,827,724	8.9	1,567,480	8.9
Tier 1 capital	2,184,256	10.6	1,874,612	10.6
Total capital	2,659,631	12.9	2,284,122	12.9
Pillar 2 Guidance				
CET1 capital	0	0.0	N/A	N/A
Total need for capital including Pillar 2 Guidance				
CET1 capital	1,827,724	8.9	1,567,480	8.9
Tier 1 capital	2,184,256	10.6	1,874,612	10.6
Total capital	2,659,631	12.9	2,284,122	12.9

¹ Capital requirements expressed as a percentage of the risk exposure amount.

Note G34 cont.

OWN FUNDS

SEK thousand	31 Dec 2025	31 Dec 2024
CET1 capital		
Share capital	107,750	107,500
Other reserves	-19,770	2,194
Retained earnings including net profit for the period reviewed by the auditor	2,950,017	2,412,986
CET1 capital before regulatory adjustments	3,037,997	2,522,680
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-323,250	-107,500
- Intangible assets ²	-11,893	-35,101
- Goodwill	-20,011	-20,011
- Insufficient coverage for non-performing exposures ³	-12,843	-5,437
Total regulatory adjustments to CET1 capital	-367,997	-168,049
Total CET1 capital	2,670,000	2,354,631
Tier 1 capital instruments		
Perpetual subordinated loans	250,000	250,000
Tier 2 capital instruments		
Fixed term subordinated loans	394,844	345,509
Own funds	3,314,844	2,950,140

SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

SEK thousand	31 Dec 2025		31 Dec 2024	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
Credit risk under the standardised approach				
Corporate exposures	420,843	33,667	485,987	38,879
Household exposures	16,839,859	1,347,189	14,745,870	1,179,670
Secured by collateral	6,087	487	13,999	1,120
Exposures in default	773,859	61,909	78,313	6,265
Exposures to institutions	492,305	39,384	571,818	45,745
Equity exposures	293,084	23,447	293,126	23,450
Other items	383,851	30,708	304,760	24,381
Total	19,209,888	1,536,791	16,493,873	1,319,510
Credit valuation adjustment				
Standardised method	74,415	5,953	78,960	6,317
Total	74,415	5,953	78,960	6,317
Market risk				
Foreign exchange risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Alternative Standardised Approach	1,317,016	105,361	1,128,108	90,249
Total	1,317,016	105,361	1,128,108	90,249
Total risk exposure amount and total capital requirement	20,601,319	1,648,106	17,700,941	1,416,075

¹ Deduction of dividends have been made in accordance with the Board of Directors' proposal to the Annual General Meeting.

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

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

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.

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. During the fourth quarter of 2025, TF Bank deposited SEK 72 million with the Riksbank in accordance with a new deposit requirement that applies to all Swedish banks and credit institutions.

Sources of financing

TF Bank's main source of financing is deposits from the public. Deposits are only from the household sector and 99 % (98) is covered by a government deposit guarantee scheme. The other sources of financing are subordinated debt, Additional Tier 1 capital instruments and equity attributable to the shareholders.

LIQUIDITY POSITION

SEK thousand	31 Dec 2025	31 Dec 2024
Liquidity reserve¹		
Treasury bills eligible for refinancing - EU-commission ²	806,639	858,318
Government securities eligible for refinancing - Norway ²	764,682	527,901
Treasury bills eligible for refinancing - Netherlands ²	430,208	-
Treasury bills eligible for refinancing - Sweden ²	272,804	406,433
Treasury bills eligible for refinancing - Finland ²	215,104	-
Total liquidity reserve	2,489,437	1,792,652
Other available liquidity reserve		
Cash and balances with central banks ³	6,096	6,338
Loans to credit institutions ³	1,834,953	2,254,307
Total other available liquidity reserve	1,841,049	2,260,645
Total available liquidity reserve	4,330,486	4,053,297
Sources of financing		
Deposits from the public	24,692,150	21,197,981
Subordinated liabilities	394,844	345,509
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	3,037,997	2,522,680
Total sources of financing	28,374,991	24,316,170
Key figures		
Available liquidity reserve / Deposits from the public	18	19
Liquidity coverage ratio, %	222	406
Net Stable Funding ratio, %	115	109

REGULATORY LIQUIDITY REQUIREMENTS

	31 Dec 2024	31 Dec 2023
Key figures		
Liquidity coverage ratio, %	100	100
Net Stable Funding ratio, %	100	100

¹ According to definition in FFFS 2010:7.

² Remaining term to maturity is up to 12 months.

³ Excluding restricted cash and cash equivalents that are not available the next day.

NOTE G36 Shares in subsidiaries

	TFB Service UAB	TFB Service GmbH	TFBN Services S.L.U.	TFBN Services Ltd	TF Bank Nordic AB	Yieldloop AB	Credento Bank AB	TFB Holding Ltd	Avarda AS
Country of registration and operation	Lithuania	Germany	Spain	United Kingdom	Sweden	Sweden	Sweden	Malta	Norway
Operations	Administration	Administration	Administration	Administration	Financial	Financial	Financial	Financial	Administration
Number of shares	1	25,000	0	2,500,000	825,000,000	25,000	25,000	1,165	33,000
Percentage of shares owned by TF Bank, %	100	100	0	100	100	100	100	100	100
Carrying amount as at 31 December 2025	25	264	0	33,087	825,000	25	25	13	924
Operating income 2025	-	24,478	679	1,956	38,209	-	-	-	-
Profit before tax 2025	-	1,203	102	-16,539	21,351	-	-	-	-47
Tax on profit 2025	-	-382	-	-	-3,297	-	-	-	-
Employees (FTE) 2025	-	16	-	5	7	-	-	-	-

Parent Company	TFB Service UAB	TFB Service GmbH	TFBN Services S.L.U.	TFBN Services Ltd	TF Bank Nordic AB	Yieldloop AB	Credento Bank AB	TFB Holding Ltd	Avarda AS	Total
Carrying amount as at 1 January 2024	25	264	31							320
Share issue				0	25					25
Impairment										
Sale of shares in subsidiaries										
Reclassification										
Acquisition									924	924
Carrying amount as at 31 December 2024	25	264	31	0	25				924	1,269
Carrying amount as at 1 January 2025	25	264	31	0	25				924	1,269
Share issue				33,088	824,975	25	25	14		858,127
Liquidation			-31							-31
Carrying amount as at 31 December 2025	25	264	0	33,088	825,000	25	25	14	924	859,365

NOTE G37 Pledged assets, contingent liabilities and commitments

SEK thousand	31 Dec 2025	31 Dec 2024
Pledged assets		
Restricted bank deposits ¹	83,774	12,225
Total	83,774	12,225

SEK thousand	31 Dec 2025	31 Dec 2024
Commitments		
Unutilised credit limits	13,999,381	10,050,350
Total	13,999,381	10,050,350

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

NOTE G38 Events after 31 December 2025

No other significant events have occurred after the balance sheet date.

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

FINANCIAL INFORMATION AND NOTES - PARENT COMPANY



FIVE-YEAR OVERVIEW - PARENT COMPANY

SEK thousand	2025	2024	2023	2022	2021
Income statement					
Operating income	2,862,766	3,822,223	1,887,910	1,412,801	1,055,287
Operating expenses	-1,023,076	-746,320	-763,019	-611,229	-442,165
Net loan losses	-983,410	-832,359	-631,231	-367,569	-260,564
Operating profit	856,280	792,044	493,660	434,003	352,558
Profit for the year	655,985	654,315	384,501	340,805	277,206
Balance sheet					
Loans to the public	18,074,416	20,265,458	15,424,259	14,654,373	10,872,285
Deposit from the public	24,137,407	21,197,981	20,652,996	16,108,130	11,504,749
Key figures					
CET1 capital ratio, %	15.1	13.4	12.2	12.3	12.3
Tier 1 capital ratio, %	16.5	14.8	13.9	13.9	14.3
Total capital ratio, %	18.8	16.7	16.2	15.6	16.2
Employees (FTE)	443	322	322	290	236

See separate section with definitions, page 107.

INCOME STATEMENT - PARENT COMPANY

SEK thousand	Note	2025	2024
Operating income	P1,P2		
Interest income according to the effective interest rate method		3,441,802	2,830,390
Other interest income		11,024	29,526
Interest income	P4,P31	3,452,826	2,859,916
Interest expense	P5	-808,084	-804,374
Net interest income		2,644,742	2,055,542
Fee and commission income		435,984	281,456
Fee and commission expense		-218,663	-177,684
Net fee and commission income	P6	217,321	103,772
Dividends received	P7	-	1,451,500
Net results from financial transactions	P8	703	41,885
Other operation income	P9	-	169,524
Total operating income		2,862,766	3,822,223
Operating expenses			
General administrative expenses	P10,P11,P12,P31	-900,867	-669,710
Depreciation and amortisation of tangible and intangible assets	P13,P14,P15	-57,549	-34,671
Other operating expenses	P16	-64,660	-41,939
Total operating expenses		-1,023,076	-746,320
Profit before loan losses		1,839,690	3,075,903
Net loan losses	P17	-983,410	-832,359
Impairment of financial non-current assets	P18	-	-1,451,500
Operating profit		856,280	792,044
Appropriation	P32	-18,500	-
Tax on profit for the year	P19	-181,795	-137,729
Profit for the year		655,985	654,315

STATEMENT OF OTHER COMPREHENSIVE INCOME - PARENT COMPANY

SEK thousand	2025	2024
Profit for the year	655,985	654,315
Other comprehensive income		
Items that may subsequently be reclassified to the income statement		
Gross exchange rate differences	-4,385	50
Tax on exchange rate differences in the period	-15,668	-
Other comprehensive income for the year	-20,053	50
Total comprehensive income for the year	635,932	654,365

BALANCE SHEET - PARENT COMPANY

SEK thousand	Note	31 Dec 2025	31 Dec 2024
ASSETS	P1,P2,P20,P21		
Cash and balances with central banks		17,576	18,563
Treasury bills eligible for refinancing, etc.	P22	2,177,053	1,792,652
Loans to credit institutions	P23,P31	6,720,692	2,442,923
Loans to the public	P24	18,074,416	20,265,458
Shares	P25	117,267	117,309
Shares in subsidiaries	G36	859,365	1,244
Goodwill	P13	20,465	26,593
Intangible assets	P14	82,703	97,572
Tangible assets	P15	7,219	5,784
Other assets	P26,P31	173,782	145,736
Deferred tax assets	P19	80,451	2,395
Prepaid expenses and accrued income		119,894	85,668
TOTAL ASSETS		28,450,883	25,001,897
LIABILITIES AND EQUITY			
Liabilities			
Deposits and borrowings from the public	P27	24,137,407	21,197,981
Other liabilities	P28,P31	199,537	163,030
Current tax liabilities		78,544	61,917
Accrued expenses and prepaid income	P29	351,422	432,908
Deferred tax liabilities	P19	-	19,606
Provisions		3,589	1,574
Subordinated liabilities	P30	394,844	345,509
Total liabilities		25,165,343	22,222,525
Equity	P32		
Restricted equity			
Share capital		107,750	107,500
Statutory reserve		1,000	1,000
Development costs fund		82,703	97,572
Total restricted equity		191,453	206,072
Non-restricted equity			
Tier 1 capital instrument		250,000	250,000
Foreign currency reserve		-21,280	-1,227
Retained earnings		2,209,382	1,670,212
Profit for the year		655,985	654,315
Total non-restricted equity		3,094,087	2,573,300
Total equity		3,285,540	2,779,372
TOTAL LIABILITIES AND EQUITY		28,450,883	25,001,897

STATEMENT OF CHANGES IN EQUITY - PARENT COMPANY

SEK thousand	Restricted equity			Non-restricted equity				Total equity
	Share capital	Statutory reserve	Development costs fund	Tier 1 capital instrument	Foreign currency reserve	Retained earnings	Profit for the year	
Equity as at 1 Jan 2024	107,500	1,000	39,215	250,000	-1,277	1,365,060	384,501	2,145,999
Profit for the year							654,315	654,315
Other comprehensive income for the year					50			50
Transfer of previous year's profit						384,501	-384,501	
Capitalisation of development costs			95,043			-95,043		
Amortisation of capitalised development costs			-36,686			36,686		
Interest Tier 1 capital						-29,129		-29,129
Share-based remunerations						8,137		8,137
Equity as at 31 Dec 2024	107,500	1,000	97,572	250,000	-1,227	1,670,212	654,315	2,779,372
Equity as at 1 Jan 2025	107,500	1,000	97,572	250,000	-1,227	1,670,212	654,315	2,779,372
Profit for the year							655,985	655,985
Other comprehensive income for the year					-20,053			-20,053
Transfer of previous year's profit						654,315	-654,315	
Capitalisation of development costs			8,019			-8,019		
Amortisation of capitalised development costs			-22,888			22,888		
Interest Tier 1 capital						-25,838		-25,838
Share issue	250							250
Total contributions from and distributions to owners						-107,750		-107,750
Share-based remunerations						3,574		3,574
Equity as at 31 Dec 2025	107,750	1,000	82,703	250,000	-21,280	2,209,382	655,985	3,285,540

CASH FLOW STATEMENT - PARENT COMPANY

SEK thousand	2025	2024
Operating activities		
Operating profit	837,780	792,044
<i>Adjustment for items not included in cash flow</i>		
Depreciation and amortisation of tangible and intangible assets	57,549	34,671
Accrued interest income and expense	-77,495	132,709
Other non-cash items	-1,456	-1,343
Paid income tax	-180,856	-169,887
Cash flows from operations before changes in working capital	635,522	788,194
Increase/decrease in loans to the public	2,191,042	-4,828,458
Increase/decrease in other short-term receivables	55,756	-51,827
Increase/decrease in deposits and borrowing from the public	2,939,426	544,985
Increase/decrease in other short-term liabilities	11,346	-28,970
Change in restricted bank deposits	-71,549	723
Cash flow from operating activities	5,753,988	-3,575,353
Investing activities		
Investments in tangible assets	-6,129	-2,054
Investments in intangible assets	-34,566	-95,043
Sales of tangible assets	759	-
Business acquisitions	-	-34,013
Investments in subsidiaries	-858,121	-213,000
Sale of shares in subsidiaries	-2,251	105,700
Cash flow from investing activities	-900,308	-238,410
Financing activities		
Share issue	250	-
Redemption of Tier 2 capital	-100,000	-100,000
Issue of Tier 2 capital	150,000	100,000
Interest on Tier 1 capital	-25,838	-29,129
Dividends received	-	1,451,500
Dividend to shareholders	-107,750	-
Cash flow from financing activities	-83,338	1,422,371
Cash flow for the year	4,777,897	-2,391,392
Cash and cash equivalents at the beginning of the year	4,241,913	6,536,579
Exchange rate difference in cash and cash equivalents	-188,263	96,726
Cash and cash equivalents at the end of the year	8,831,547	4,241,913
<i>Cash flow from operating activities includes interest expenses paid and interest payments received</i>		
Interest expenses paid	-882,000	-674,255
Interest payments received	3,349,783	2,622,446
Components of cash and cash equivalents		
Cash and balances with central banks	17,576	18,563
Treasury bills eligible for refinancing	2,177,053	1,792,652
Loans to credit institutions	6,720,692	2,442,923
Restricted bank deposits	-83,774	-12,225
Total cash and cash equivalents	8,831,547	4,241,913

NOTES

NOTE P1 Accounting Policies

The Parent company prepares financial reports in accordance with the Annual Accounts for Credit Institutions and Securities Companies Act (1995:1559) and of the Swedish FSA 's accounting regulation FFFS 2008:25. So-called statutory IFRS means that IFRS, as approved by the EU, are applicable to the preparation of the financial statements, with the limitations and additions that follow from RFR 2 Accounting for Legal Entities, issued by the Swedish Sustainability and Financial Reporting Board, and FFFS 2008:25. This means that the Parent company, with the exception of what is stated below, has applied the same accounting principles as the Group as shown in Note G2

Shares in subsidiaries

Shares and participations in subsidiaries are recognised at cost plus transaction costs after deduction of any impairment losses. Where there is an indication that shares have become impaired, an estimate is made of the recoverable amount. If this is lower than the carrying amount, an impairment loss is recognised. Impairment losses are recognised under the items Gains/losses on participations in subsidiaries.

Goodwill

Goodwill has an indefinite useful life and RFR 2 states that such intangible assets are to be amortised in accordance with Chapter 4. Section 4 of the Annual Accounts Act in legal entities. If the useful life cannot be determined with a reasonable degree of certainty, it shall be deemed to be five years. The Bank's assessment is that, in the light of the impairment test carried out in connection with the merger, it can be demonstrated that the useful life is significantly longer than five years. Based on this, TF Bank applies a depreciation period of ten years in the Parent company.

Tangible assets

The Parent company has made use of the exemption in RFR 2 regarding IFRS 16 Leases and only reports it at Group level.

Leasing fees are recognised as an expense on a straight-line basis over the lease term, even if the payments are distributed differently. Lease agreements that include one or more lease components are accounted for as a single lease component. The Parent company's leasing fees are related to rental agreements. Information about leasing fees can be found in Note P35.

Business combinations

Intra-group business acquisitions are made at book values, as far as possible, in accordance with the applicable tax legislation at the time.

Dividend

Dividends paid to TF Bank's shareholders are reported as liabilities in the Company's financial statements in the period when the dividend is approved by TF Bank's shareholders.

NOTE P2 Financial risks and financial risk management

The Parent company has applied the same principles for risks and risk management as the Group, as outlined in Note G3. Below is specific information regarding the Parent company's tables related to the various risks; otherwise, the same principles apply as for the Group.

Credit Risk

The credit quality of fully performing gross receivables in Stages 1 and 2 (see Note P23), classified according to low, medium, or high risk, is presented in the table below.

Credit quality of fully performing loan receivables

SEK thousand	31 Dec 2025	31 Dec 2024
Household sector, gross Stage 1-2		
Low risk	13,684,593	14,484,441
Moderate risk	2,411,772	3,880,696
High risk	1,540,377	1,929,949
Total	17,636,742	20,295,086

Age analysis of loans to the public

SEK thousand	31 Dec 2025	31 Dec 2024
Household sector, gross Stage 1-3		
Between 0-29 days	16,900,698	19,258,023
Between 30-89 days	736,044	1,037,063
90 days or more	1,379,408	282,577
Total	19,016,150	20,577,663

Note P2 cont.

The credit quality of cash and cash equivalents according to Standard & Poor's rating is specified below:

SEK thousand	31 Dec 2025	31 Dec 2024
Cash and balances with central banks		
AA+	7,456	7,916
A+	-	7
A	7	-
A-	10,113	10,640
Total	17,576	18,563
Treasury bills eligible for refinancing		
AAA	1,368,080	934,334
AA+	808,973	858,318
Total	2,177,053	1,792,652
Loans to credit institutions		
A-1+	1,196,103	1,400,562
A-1	715,490	731,182
A-2	25,019	134,185
Unrated ¹	4,784,080	176,994
Total	6,720,692	2,442,923

Market risk

TF Bank AB assesses the additional capital requirement for Pillar 2 for currency risk by stressing its net positions in foreign currency as of the balance sheet date. As of 31 December 2025, TF Bank has chosen a currency movement of 8.2 % (8.3).

CURRENCY EXPOSURES AGAINST THE BANK'S TRANSACTION CURRENCIES

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in EUR:		
Cash and balances with central banks	7,462	7,923
Treasury bills eligible for refinancing, etc.	1,239,180	858,319
Loans to credit institutions	2,753,152	1,527,411
Loans to the public	14,408,889	13,369,379
Other assets	79,469	68,434
Total monetary assets	18,488,152	15,831,466
Monetary liabilities in EUR:		
Deposits and borrowings from the public	-23,851,928	-20,865,409
Other liabilities	-322,183	-386,007
Total monetary liabilities	-24,174,111	-21,251,416
Currency forward contracts	5,663,453	5,453,107
Net currency exposure	-22,506	33,157
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	-1,836	2,739

¹ The amount for the parent company include loans to the subsidiary TF Bank Nordic AB of 4 628 MSEK (-).

Note P2 cont.

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in NOK:		
Treasury bills eligible for refinancing, etc.	764,682	527,901
Loans to credit institutions	3,312,879	426,876
Loans to the public	1,382,352	4,226,007
Other assets	21,108	6,587
Total monetary assets	5,481,021	5,187,371
Monetary liabilities in NOK:		
Deposits and borrowings from the public	-114,814	-180,870
Other liabilities	-78,572	-71,407
Total monetary liabilities	-193,386	-252,277
Currency forward contracts	-5,281,824	-4,930,874
Net currency exposure	5,811	4,220
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	474	349

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in PLN:		
Cash and balances with central banks	10,113	10,640
Loans to credit institutions	7,384	13,972
Loans to the public	108,109	196,878
Other assets	2,165	2,462
Total monetary assets	127,771	223,952
Monetary liabilities in PLN:		
Other liabilities	-9,188	-6,854
Total monetary liabilities	-9,188	-6,854
Currency forward contracts	-122,866	-220,818
Net currency exposure	-4,283	-3,720
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	-349	-307

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in DKK:		
Loans to credit institutions	17,207	29,262
Loans to the public	1,850	223,499
Other assets	4,921	322
Total monetary assets	23,978	253,083
Monetary liabilities in DKK:		
Other liabilities	-10,312	-5,161
Total monetary liabilities	-10,312	-5,161
Currency forward contracts	-	-246,368
Net currency exposure	13,666	1,554
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	1,115	128

Note P2 cont.

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in USD:		
Loans to credit institutions	190,828	152,700
Total monetary assets	190,828	152,700
Currency forward contracts	-188,627	-148,476
Net currency exposure	2,201	4,224
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	180	349

SEK thousand	31 Dec 2025	31 Dec 2024
Monetary assets in GBP:		
Loans to credit institutions	5,841	-
Other assets	187	-
Total monetary assets	6,028	-
Currency forward contracts	-24,835	-
Net currency exposure	-18,807	-
Impact on profit and equity (excl. tax) in the event of a weakening of the Swedish krona of 8.2 % (8.3)	-1,535	-

TF Bank has the following hedged net investments in foreign operations and hedging instruments as of the balance sheet date:

SEK thousand	31 Dec 2025	31 Dec 2024
Hedge net assets		
Net investments in branches in EUR	1,447,192	1,311,472
Net investments in branch in NOK	116,113	85,861
Net investments in branch in PLN	-97,168	-96,213
Total	1,466,137	1,301,120
Hedging instruments		
Deposit from the public in EUR as hedge investments	-1,468,789	-1,317,690
Other liability related to currency forward contracts in NOK for hedging purposes (nominal amount)	-112,605	-82,253
Other asset in PLN as hedge investments	94,026	113,215
Total	-1,487,368	-1,286,728

Note P2 cont.

The effects of hedge accounting for the impact of currency risks on the financial position and results are shown below:

SEK thousand	31 Dec 2025	31 Dec 2024
Derivative instrument NOK		
Carrying amount	-92	494
Nominal amount NOK thousand	-123,098	-84,824
Maturity date	02/01/2026	02/01/2025
Hedge ratio	SEK 0,914014 : 1 NOK	SEK 0,975517 : 1 NOK
Forward rate	1:1	1:1
Hedging instrument deposit EUR		
Carrying amount	-1,468,789	-1,317,690
Nominal amount EUR thousand	-135,773	-114,716
Hedge ratio	1:1	1:1
Hedging instrument other asset PLN		
Carrying amount	94,026	113,215
Carrying amount PLN thousand	36,733	42,042
Hedge ratio	1:1	1:1

All derivatives used in hedge accounting mature within one month.

The full market value of the hedging instrument is used to account for hedge ineffectiveness. The source of inefficiency concerning hedging foreign net investments occurs if losses are made in the branches within a month that are not captured by the hedge. No hedge ineffectiveness has occurred during the years, and if it does, it is reported in the net result of financial transactions.

31 Dec 2025 SEK thousand	Remaining interest term to maturity				Total
	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	
Cash and balances with central banks	17,576				17,576
Treasury bills eligible for refinancing	1,383,521	793,532			2,177,053
Loans to credit institutions	6,720,692				6,720,692
Loans to the public	11,468,345	2,753,658	3,396,523	455,890	18,074,416
Other financial assets	7,166				7,166
Deposits and borrowings from the public	-17,013,626	-4,386,412	-2,737,369		-24,137,407
Subordinated liabilities	-394,844				-394,844
Other financial liabilities	-6,361	-42,166			-48,527
Total remaining interest term to maturity	2,182,469	-881,388	659,154	455,890	2,416,125

31 Dec 2024 SEK thousand	Remaining interest term to maturity				Total
	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	
Cash and balances with central banks	18,563				18,563
Treasury bills eligible for refinancing	954,300	598,397	239,955		1,792,652
Loans to credit institutions	2,442,923				2,442,923
Loans to the public	14,718,071	2,416,767	3,102,532	28,088	20,265,458
Other financial assets	36,940	23,281			60,221
Deposits and borrowings from the public	-9,530,069	-8,759,029	-2,908,883		-21,197,981
Subordinated liabilities	-345,509				-345,509
Other financial liabilities	-1,101	-20,853			-21,954
Total remaining interest term to maturity	8,294,118	-5,741,437	433,604	28,088	3,014,373

Note P2 cont.

Liquidity risk

TF Bank also maintains a substantial liquidity reserve to manage uneven liquidity flows. As of the balance sheet date, TF Bank's available liquidity reserve amounted to SEK 3,877 million (4,048), corresponding to 16 % (19) of deposits from the public. The amounts shown in the table represent contractual, undiscounted liquidity flows and include both interest and principal, and therefore cannot be directly reconciled to the balance sheet. For more information about the Parent company's liquidity situation, see Note P34.

31 Dec 2025 SEK thousand	Remaining maturity						Total
	Payable on demand	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Without maturity	
Cash and balances with central banks	6,096					11,480	17,576
Treasury bills eligible for refinancing		1,397,506	1,039,225				2,436,731
Loans to credit institutions	1,709,382			4,795,312		383,218	6,887,912
Loans to the public		12,223,097	356,656	5,780,048	2,603,371		20,963,172
Other financial assets		7,166					7,166
Deposits and borrowings from the public	-13,964,308	-3,056,942	-4,419,310	-2,874,238			-24,314,798
Subordinated liabilities					-642,651		-642,651
Other financial liabilities		-6,361	-42,166				-48,527
Total cashflow before commitments	-12,248,830	10,564,466	-3,065,595	7,701,122	1,960,720	394,698	5,306,581
Commitments ¹	-14,432,133						-14,432,133
Total cashflow	-26,680,963	10,564,466	-3,065,595	7,701,122	1,960,720	394,698	-9,125,552

31 Dec 2024 SEK thousand	Remaining maturity						Total
	Payable on demand	Up to 3 months	More than 3 months but less than 1 year	More than 1 year but less than 5 years	More than 5 years	Without maturity	
Cash and balances with central banks	6,338					12,225	18,563
Treasury bills eligible for refinancing		962,464	601,895	246,561			1,810,920
Loans to credit institutions	2,249,361					193,562	2,442,923
Loans to the public		9,127,396	372,128	7,968,704	7,368,018		24,836,246
Other financial assets		36,940	23,281				60,221
Deposits and borrowings from the public	-6,413,170	-3,126,639	-8,841,145	-3,090,688			-21,471,642
Subordinated liabilities					-571,089		-571,089
Other financial liabilities		-1,101	-20,853				-21,954
Total cashflow before commitments	-4,157,471	6,999,060	-7,864,694	5,124,577	6,796,929	205,787	7,104,188
Commitments	-10,050,350						-10,050,350
Total cashflow	-14,207,821	6,999,060	-7,864,694	5,124,577	6,796,929	205,787	-2,946,162

¹ The amount includes unutilised credit limit to the subsidiary TF Bank Nordic AB of SEK 372 million (-).

Note P2 cont.

TF Banks derivatives are covered by offsetting agreements. The Bank reports these derivatives with gross amounts in the balance sheet. In the table, the Bank shows how it would have appeared if the Bank had netted the derivatives in the balance sheet.

SEK thousand	31 Dec 2025	31 Dec 2024
Financial assets		
Derivatives	7,166	60,221
Total financial assets for offsetting	7,166	60,221
Financial liabilities		
Derivatives	-48,527	-21,954
Total financial liabilities for offsetting	-48,527	-21,954
Net amount	-41,361	38,267
Paid(-)/received(+) cash collateral	-72,716	-14,160

NOTE P3 Geographic information

Below is a presentation of the Parent company's revenues and investments by country. The basis for allocating revenues and lending to the public is the location of the end customer, regardless of whether the business is conducted through a branch or on a cross-border basis under the Swedish banking licence. Investments are allocated by country based on where each asset is recorded.

2025 SEK thousand	Interest income	Fee and com- mission income	Other income	Loans to the public	Investments
Parent company per country					
Germany	1,551,904	157,572	-	9,989,603	-
Norway	563,534	132,207	-	1,379,213	58
Finland	359,112	46,483	-	977,026	10,761
Sweden	278,453	76,926	-	1,585,473	75,999
Latvia	197,571	2,311	-	1,206,803	688
Estonia	165,504	3,761	-	962,077	175
Lithuania	130,808	856	-	1,067,036	338
Austria	106,023	2,456	-	705,694	-
Denmark	40,919	9,174	-	1,822	-
Poland	17,850	2,529	-	108,241	1,626
Spain	13,802	1,305	-	75,605	278
Netherlands	2,888	-	-	-	-
Italy	1,988	404	-	15,823	-
The rest of Europe	22,470	-	-	-	-
Parent company	3,452,826	435,984	-	18,074,416	89,923

Note P3 cont.

2024 SEK thousand	Interest income	Fee and com- mission income	Other income	Loans to the public	Investments
Parent company per country					
Germany	1,116,041	103,586	-	7,030,609	-
Norway	545,806	109,828	-	4,229,526	265
Finland	320,160	24,776	-	3,142,408	24,472
Sweden	221,622	27,289	169,524	1,736,303	75,543
Latvia	178,810	3,093	-	1,131,108	157
Estonia	181,821	4,965	-	968,250	850
Lithuania	120,527	457	-	1,044,378	65
Austria	69,445	576	-	433,274	-
Denmark	26,474	3,485	-	230,049	-
Poland	25,056	2,446	-	197,074	2,004
Spain	13,871	873	-	118,867	-
Netherlands	8,638	-	-	-	-
Italy	-	82	-	3,612	-
The rest of Europe	31,645	-	-	-	-
Parent company	2,859,916	281,456	169,524	20,265,458	103,356

NOTE P4 Interest income

SEK thousand	2025	2024
Interest income according to the effective interest rate method		
Interest income from loans to the public	3,305,278	2,611,284
Interest income from treasury bills eligible for refinancing	51,843	89,297
Interest income from loans to credit institutions	61,923	127,679
Other interest income according to the effective interest rate method	22,758	2,130
Total interest income according to effective interest rate method	3,441,802	2,830,390
Other interest income		
Interest income from non-performing loans	156	25,085
Other interest income	10,868	4,441
Total other interest income	11,024	29,526
Total interest income	3,452,826	2,859,916

NOTE P5 Interest expense

SEK thousand	2025	2024
Interest expense, deposits from the public	-626,800	-682,901
Costs for deposit guarantee and resolution fee	-47,871	-44,067
Interest expense, subordinated liabilities	-29,980	-33,447
Deposit fees to credit institutions	-8	-172
Other financial expenses	-103,425	-43,787
Total interest expense	-808,084	-804,374

- of which interest expenses according to the effective interest rate method

-756,186

-775,964

NOTE P6 Net fee and commission income

SEK thousand	2025	2024
Fee and commission income		
Insurance premiums	181,974	144,588
Reminder fees	127,680	60,330
Credit card commissions	88,709	65,337
Transaction fees	37,618	11,079
Other fee and commission income	3	122
Total fee and commission income	435,984	281,456
Fee and commission expense		
Credit card transaction costs	-110,622	-98,795
Payment protection insurance expense	-84,300	-58,443
Travel insurance expense	-21,392	-19,556
Other fee and commission expense	-2,349	-890
Total fee and commission expense	-218,663	-177,684
Net fee and commission income	217,321	103,772

NOTE P7 Received dividends

TSEK	2025	2024
Dividend received from shares in subsidiaries	-	1,451,500
Total dividends received	-	1,451,500

NOTE P8 Net results from financial transactions

SEK thousand	2025	2024
Changes in fair value	39	-
Exchange rate fluctuations	2,915	-639
Results from investments in shares	-2,251	42,524
Total net results from financial transactions	703	41,885

NOTE P9 Other operating income

TSEK	2025	2024
Gain on sale of shares in subsidiaries	-	169,524
Other operating income	-	169,524

NOTE P10 General administrative expenses

SEK thousand	2025	2024
Staff costs		
Salaries and fees	-270,745	-185,195
Social security costs	-75,908	-47,625
Pension costs	-17,752	-12,633
Other staff costs	-10,835	-7,080
Total staff costs	-375,240	-252,533
Other general administrative expenses		
Informations services and customer communication expenses	-168,181	-147,151
IT-expenses	-98,735	-71,121
Bank fees	-51,757	-25,884
Postage and telephone expenses	-41,912	-26,399
Card issuing costs	-30,853	-28,708
Debt collection expenses	-27,958	-20,273
Rent and property expenses	-27,458	-18,387
Consulting costs	-11,951	-11,064
Travel expenses	-7,819	-5,387
Auditor's remuneration	-7,027	-5,878
Consumables	-5,657	-5,367
Lawyer fees	-3,866	-3,237
Other expenses	-42,453	-48,321
Total other general administrative expenses	-525,627	-417,177
Total general administrative expenses	-900,867	-669,710

NOTE P11 Auditors' remuneration

SEK thousand	2025	2024
PWC		
Audit assignment	3,562	-
Audit services in addition to the audit assignment	425	-
Tax advices	1,576	-
Other services	100	-
Total remuneration to PWC	5,663	-
BDO		
Audit assignment	404	-
Audit services in addition to the audit assignment	-	-
Tax advices	-	-
Other services	-	-
Total remuneration to BDO	404	-
KPMG		
Audit assignment	668	4,791
Audit services in addition to the audit assignment	-	638
Tax advices	-	-
Other services	292	449
Total remuneration to KPMG	960	5,878
Total auditors' remuneration	7,027	5,878

The amount for 2025 includes audit fees to Öhrlings PricewaterHouse Coopers AB of SEK 4,374 thousand, comprising SEK 3,250 thousand for the audit assignment, SEK 425 thousand for the audit-related services beyond the audit assignment, SEK 1,484 thousand for tax advisory services of as well as SEK 100 thousand for other services.

NOTE P12 Average number of employees, salaries, other remuneration and social security costs
AVERAGE NUMBER OF EMPLOYEES, DISTRIBUTED BETWEEN WOMEN AND MEN, BY COUNTRY:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sverige	59	86	145	43	53	96
Polen	70	69	139	66	59	125
Norge	18	19	37	21	14	35
Estland	24	6	30	23	6	29
Finland	16	14	30	10	5	15
Spanien	6	17	23	0	0	0
Litauen	15	5	20	4	1	5
Lettland	11	8	19	11	6	17
Total	219	224	443	178	144	322

SALARIES AND REMUNERATION:

SEK thousand	2025	2024
Board of Directors and CEO	18,611	16,709
Other staff	252,134	168,486
Total salaries and remuneration	270,745	185,195
Social costs pursuant to legislation and agreements	75,908	47,625
Pension costs	17,752	12,633
Total salaries, remuneration, social security costs and pension costs	364,405	245,453

Note P12 cont.

SALARIES AND REMUNERATION FOR BOARD MEMBERS AND SENIOR EXECUTIVES:

SEK thousand	2025	2024
Chairman of the Board: John Brehmer		
Board fees ¹	1,750	1,400
Other benefits	-	-
Pension costs	-	-
Total Chairman of the Board	1,750	1,400
Fees ¹ other Board members:		
Arti Zeighami	650	475
Fredrik Oweson	750	575
Michael Lindengren	850	625
Niklas Johansson	850	625
Sara Mindus	650	475
Total	3,750	2,775
CEO: Joakim Jansson		
Basic salary	5,493	4,769
Variable remuneration	489	232
Other benefits	157	160
Pension costs	1,324	1,164
Total	7,463	6,325
Deputy CEO: Mikael Meomuttel		
Basic salary	3,462	3,185
Variable remuneration	489	406
Other benefits	153	165
Pension costs	767	808
Total	4,871	4,564
COO: Espen Johannesen		
Basic salary ²	388	3,032
Variable remuneration	59	361
Other benefits	26	223
Pension costs	19	133
Total	492	3,749
CCO: Rasmus Rolén		
Basic salary ³	2,021	-
Variable remuneration	289	-
Other benefits	85	-
Pension costs	365	-
Total	2,760	-

¹ Remuneration in accordance with the resolution at the AGM's in 2025 and 2024, and include remuneration that will be paid until the AGM during the subsequent year.

² Espen Johannesen has been a senior executive up to and including 16 February 2025, and the reported remuneration relates to the period up to and including that date.

³ Rasmus Rolén has been a senior executive from 1 March 2025 up to and including 31 October 2025, and the reported remuneration relates to this period.

Note P12 cont.

Remuneration of senior executives

In accordance with the disclosure requirements in FFFS 2011:1, information about remuneration systems is presented on the Bank's website www.tfbankgroup.com. Salaries and other remuneration to the CEO and other senior executives consist of fixed salary, variable remuneration, commission-based remuneration, other benefits and pension.

Commission-based compensation

Commission-based compensation during the year amounted to SEK 0 thousand (0). The size of the commission-based compensation is related to the achievement of individually determined financial targets for the financial year. TF Bank has ensured that all targets for variable compensation can be measured in a reliable manner. The commission-based compensation is paid to senior executives within the Bank and is not pensionable.

Pensions

The Company's pension obligations are covered by payments to the ITP plan. The CEO and certain senior executives have the right to retire at the age of 65–67, depending on their geographical location. Pension benefits, including health insurance, shall be premium defined, to the extent that the executive is not covered by a defined benefit pension in accordance with mandatory collective agreement provisions. The pension premiums for premium defined pension may amount to a maximum of 25 % of the pensionable income. Pension costs refer to the cost that affected profit for the year.

Period of notice and severance pay

According to an agreement between TF Bank AB and the CEO, the period of notice is six months (12 months in the case of termination by the Company). If termination is initiated by the Company, basic salary is payable during the period of notice, however variable remuneration, if agreed before the notice was issued, is not payable. Severance pay is adjusted according to the salary that the CEO receives from a new employer.

Compensation to the Board of Directors

Compensation to the members of the Board of Directors, as indicated above, is determined by the Annual General Meetings and refers to annual fees from Annual General Meeting to Annual General Meeting for the years respectively. Board compensation consists of fixed compensation for board work as well as fixed compensation for any committee work. The Board of Directors have established three committees: the Audit Committee, the Remuneration Committee, and the Risk and Compliance Committee. The Bank does not have any pension entitlements for Board members.

GENDER DISTRIBUTION BOARD MEMBERS AND SENIOR EXECUTIVES

SEK thousand	2025		2024	
	Number on reporting date	Of which women (%)	Number on reporting date	Of which women (%)
Board members	6	17	6	17
CEO and other senior executives	2	0	3	0

NOTE P13 Goodwill

SEK thousand	31 Dec 2025	31 Dec 2024
Cost, opening balance	34,025	12,753
<i>Change during the year</i>		
Additions	-	21,272
Exchange rate differences	-816	-
Cost, closing balance	33,209	34,025
Amortisations and depreciations, opening balance	-7,432	-5,101
<i>Change during the year</i>		
Amortisations according to plan	-5,427	-2,326
Exchange rate differences	115	-5
Amortisations and depreciations, closing balance	-12,744	-7,432
Carrying amount	20,465	26,593

Goodwill partly stems from the acquisition of the Norwegian subsidiary BB Bank ASA which was transformed into a branch through a merger with TF Bank AB in early 2020. On September 1, 2024, a corporate restructuring was implemented within the Group, in which TF Bank AB acquired the Nordic e-commerce business operated under the brand Avarda from the former subsidiary Rediem Capital AB (formerly Avarda AB). The resulting goodwill is attributable to the Finnish operations. In December 2024, TF Bank AB carried out a business acquisition of operations under the brand Paynova within the Ecommerce Solutions segment.

An impairment test of goodwill was performed prior to the year-end, which resulted in no need for impairment. A change in the assumptions concerning growth rate and discount rate of +/- 1 percentage point would not result in any impairment. Therefore, it is TF Bank's assessment that there is room for a reasonable adjustment to both the growth rate assumption and the discount factor.

NOTE P14 Intangible assets

SEK thousand	2025			2024		
	Internally developed software	Ongoing development	Total	Internally developed software	Ongoing development	Total
Cost, opening balance	180,686	31,432	212,118	109,933	12,001	121,934
Additions		34,566	34,566	34,593	54,769	89,362
Reclassification	58,646	-58,646	-	35,371	-35,371	
Sales and disposals	-20,440		-20,440			
Exchange rate differences	-5,855	-252	-6,107	789	33	822
Cost, closing balance	213,037	7,100	220,137	180,686	31,432	212,118
Amortisations, opening balance	-114,546		-114,546	-82,718		-82,718
Amortisations for the year	-48,299		-48,299	-29,562		-29,562
Sales and disposals	20,440		20,440			
Exchange rate differences	4,971		4,971	-2,266		-2,266
Amortisations, closing balance	-137,434		-137,434	-114,546		-114,546
Carrying amount	75,603	7,100	82,703	66,140	31,432	97,572

NOTE P15 Tangible assets

SEK thousand	2025		2024	
	Equipment	Total	Equipment	Total
Cost, opening balance	20,221	20,221	17,986	17,986
Additions	6,129	6,129	1,957	1,957
Sales and disposals	-1,410	-1,410		
Exchange rate differences	-1133	-1,133	278	278
Cost, closing balance	23,807	23,807	20,221	20,221
Amortisations, opening balance	-14,437	-14,437	-11,472	-11,472
Amortisations for the year	-3,823	-3,823	-2,784	-2,784
Sales and disposals	657	657		
Exchange rate differences	1015	1,015	-181	-181
Amortisations, closing balance	-16,588	-16,588	-14,437	-14,437
Carrying amount	7,219	7,219	5,784	5,784

NOTE P16 Other operating expenses

SEK thousand	2025	2024
Marketing expenses	-64,660	-41,939
Total	-64,660	-41,939

NOTE P17 Net loan losses

SEK thousand	2025	2024
Change in provision for sold non-performing loans	-104,861	-1,035,743
Realised loan losses	-24,897	-47,537
Recovered from previous write-offs	1,213	360
Change in provision for expected loan losses, Stage 1-3	-854,865	250,561
Net loan losses	-983,410	-832,359

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

NOTE P18 Impairment of financial non-current assets

TSEK	2025	2024
Impairment of shares in subsidiaries	-	-1,451,500
Impairment of financial non-current assets	-	-1,451,500

NOTE P19 Tax for the year

SEK thousand	2025	2024
Current tax on profit for the year	-193,531	-62,229
Tax effect of group contribution paid	-3,811	-
Provision for tax surcharge	-	-11,723
Other taxes	-909	-747
Deferred tax	16,456	-63,030
Tax on profit for the year¹	-181,795	-137,729
Reconciliation of tax on profit for the year		
Profit before tax	837,779	792,044
Tax according to applicable tax rate	-172,582	-163,161
Tax effect of non-deductible expenses	-8,725	-10,044
Tax effect of non-taxable income	421	44,013
Tax effect of expenses that are not included in the recognised profit or loss	-	3,933
Provision for tax surcharge	-	-11,723
Other taxes	-909	-747
Tax on profit for the year recognised in the income statement	-181,795	-137,729

SEK thousand	31 Dec 2025	31 Dec 2024
Deferred tax assets		
Deferred taxes attributable to unrealised derivatives	8,520	-
Deferred tax attributable to ongoing tax audit	69,493	-
Deferred tax attributable to acquisitions of shares in subsidiary	-	-
Deferred tax attributable to branches	2,438	2,395
Deferred tax assets	80,451	2,395
Deferred tax liabilities		
The difference between the income tax recognised in the income statement and income tax on operations comprises:		
Deferred tax attributable to ongoing tax audit	-	11,723
Deferred taxes attributable to unrealised derivatives	-	7,883
Deferred tax on temporary differences	-	19,606
The deferred tax liabilities are expected to be settled as follows:		
Within 12 months	-	7,883
Later than 12 months	-	11,723
	-	19,606
The gross change in deferred tax is as follows:		
Opening balance	-17,211	55,285
Effect of changed branch taxation	-10	2,259
Ongoing tax audit	81,216	-
Recognised in the income statement	16,456	-74,755
Closing balance	80,451	-17,211

¹ The weighted average tax rate was 21.7 % (17.4).

NOTE P20 Classification of financial assets and liabilities

31 Dec 2025 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	<i>Compulsory</i>					
Assets						
Cash and balances with central banks			17,576			17,576
Treasury bills eligible for refinancing, etc.			2,177,053			2,177,053
Loans to credit institutions			6,720,692			6,720,692
Loans to the public			18,074,416			18,074,416
Shares	117,267					117,267
Derivatives	7,166					7,166
Non-financial assets					1,336,713	1,336,713
Total assets	124,433		26,989,737		1,336,713	28,450,883
Liabilities						
Deposits and borrowings from the public			24,137,407			24,137,407
Subordinated liabilities			394,844			394,844
Derivatives	48,435			92		48,527
Non-financial liabilities					584,565	584,565
Total liabilities	48,435		24,532,251	92	584,565	25,165,343

31 Dec 2024 SEK thousand	Financial instru- ments at fair value through profit or loss	Fair value through other com- prehensive income	Amortised cost	Derivatives used for hedge accounting	Non- financial assets and liabilities	Total
	<i>Compulsory</i>					
Assets						
Cash and balances with central banks			18,563			18,563
Treasury bills eligible for refinancing, etc.			1,792,652			1,792,652
Loans to credit institutions			2,442,923			2,442,923
Loans to the public			20,265,458			20,265,458
Shares	117,309					117,309
Derivatives	59,435			786		60,221
Non-financial assets					304,771	304,771
Total assets	176,744		24,519,596	786	304,771	25,001,897
Liabilities						
Deposits and borrowings from the public			21,197,981			21,197,981
Subordinated liabilities			345,509			345,509
Derivatives	21,954					21,954
Non-financial liabilities					657,081	657,081
Total liabilities	21,954		21,543,490		657,081	22,222,525

NOTE P21 Financial assets and liabilities at fair value

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

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

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

31 Dec 2025 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks		17,576		17,576
Treasury bills eligible for refinancing	2,178,345			2,178,345
Loans to credit institutions		6,720,692		6,720,692
Loans to the public			18,074,416	18,074,416
Shares		117,267		117,267
Derivatives		7,166		7,166
Total assets	2,178,345	6,862,701	18,074,416	27,115,462
Liabilities				
Deposits and borrowings from the public			24,137,407	24,137,407
Subordinated liabilities		394,844		394,844
Derivatives		48,527		48,527
Total liabilities		443,371	24,137,407	24,580,778

31 Dec 2024 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks		18,563		18,563
Treasury bills eligible for refinancing	1,785,666			1,785,666
Loans to credit institutions		2,442,923		2,442,923
Loans to the public			20,265,458	20,265,458
Shares		117,309		117,309
Derivatives		60,221		60,221
Total assets	1,785,666	2,639,016	20,265,458	24,690,140
Liabilities				
Deposits and borrowings from the public			21,197,981	21,197,981
Subordinated liabilities		345,509		345,509
Derivatives		21,954		21,954
Total liabilities		367,463	21,197,981	21,565,444

Note P21 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 information. An instrument is classified as Level 2 if all significant inputs required for fair value measurement of 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 forward rates at the balance sheet date.

Lending to the public primarily consists of loans with variable interest rates and relatively short maturities. Against this background, the reported value is considered a reasonable approximation of the assets' fair value at the end of the reporting period.

31 Dec 2025 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/ Fair value loss (-)
Assets			
Cash and balances with central banks	17,576	17,576	
Treasury bills eligible for refinancing, etc.	2,177,053	2,178,345	1,292
Loans to credit institutions	6,720,692	6,720,692	
Loans to the public	18,074,416	18,074,416	
Shares	117,267	117,267	
Derivatives	7,166	7,166	
Total assets	27,114,170	27,115,462	1,292
Liabilities			
Deposits and borrowings from the public	24,137,407	24,137,407	
Subordinated liabilities	394,844	394,844	
Derivatives	48,527	48,527	
Total liabilities	24,580,778	24,580,778	

31 Dec 2024 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/ Fair value loss (-)
Assets			
Cash and balances with central banks	18,563	18,563	
Treasury bills eligible for refinancing, etc.	1,792,652	1,785,666	-6,986
Loans to credit institutions	2,442,923	2,442,923	
Loans to the public	20,265,458	20,265,458	
Shares	117,309	117,309	
Derivatives	60,221	60,221	
Total assets	24,697,126	24,690,140	-6,986
Liabilities			
Deposits and borrowings from the public	21,197,981	21,197,981	
Subordinated liabilities	345,509	345,509	
Derivatives	21,954	21,954	
Total liabilities	21,565,444	21,565,444	

NOTE P22 Treasury bills eligible for refinancing

SEK thousand	31 Dec 2025	31 Dec 2024
Government securities eligible for refinancing - Norway	764,682	527,901
Treasury bills eligible for refinancing - EU-commission	593,869	858,318
Treasury bills eligible for refinancing - Netherlands	430,208	-
Treasury bills eligible for refinancing - Finland	215,104	-
Treasury bills eligible for refinancing - Sweden	173,190	406,433
Total treasury bills eligible for refinancing, etc.	2,177,053	1,792,652

NOTE P23 Loans to credit institutions

SEK thousand	31 Dec 2025	31 Dec 2024
Accounts receivable Swedish currency	477,386	948,593
Accounts receivable foreign currency	6,243,306	1,494,330
Total loans to credit institutions	6,720,692	2,442,923

NOTE P24 Loans to the public

SEK thousand	31 Dec 2025	31 Dec 2024
Loans to the household sector	17,687,431	19,779,471
Loans to the corporate sector ¹	386,985	485,987
Total loans to the public	18,074,416	20,265,458
Loans to the household sector		
Stage 1, gross	16,900,698	19,258,023
Stage 2, gross	736,044	1,037,063
Stage 3, gross ²	1,379,408	282,577
Total loans to the household sector, gross	19,016,150	20,577,663
Provisions for expected loan losses, household sector		
Stage 1	-382,012	-368,179
Stage 2	-190,756	-225,748
Stage 3 ²	-755,951	-204,265
Total provisions for expected loan losses, household sector	-1,328,719	-798,192
Loans to the household sector		
Stage 1, net	16,518,686	18,889,844
Stage 2, net	545,288	811,315
Stage 3, net ²	623,457	78,312
Total loans to the household sector, net	17,687,431	19,779,471
Loans to the corporate sector		
Loans, net	386,985	485,987
Total loans loans to the corporate sector, net	386,985	485,987

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

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

Note P24 cont.

MACROECONOMIC SCENARIOS

Scenario	2025			2024		
	Probability of occurring	Impact on provisions (stage 1)	Probability weighted outcome	Probability of occurring	Impact on provisions (stage 1)	Probability weighted outcome
Adverse	17.7 %	0.1 % increase		15.9 %	10.2 % increase	
Positive	19.9 %	5.8 % decrease	97.3 %	19.5 %	9.4 % decrease	97.5 %
Base	62.4 %	4.4 % decrease		64.6 %	3.5 % decrease	

Effect on provisions for each segment related to expected loan losses in Stage 1.

SEK thousand	31 Dec 2025	31 Dec 2024
Credit Cards	13,300	11,910
Ecommerce Solutions	1,279	309
Consumer Lending	1,828	2,882
Total	16,407	15,101

Sensitivity analysis:

The ECL macroeconomic component relies on ECB macroeconomic projections and EBA stress tests conducted by European banks in 2025. The primary factor influencing the impact on ECL is the HICP inflation rate. Significant deviations between the observed and projected HICP inflation rates, upon realisation, will lead to changes in the likelihood of scenarios and the total weighted impact on ECL.

Impact of 100 % weighting of scenarios:

- a. *Positive scenario*
According to assumed impact on provisions, assigning 100 % probability to positive scenario would lead to multiplication of provisions in Stage 1 by 94.2 % (decrease of provisions by SEK 21.1 million).
- b. *Base scenario*
According to assumed impact on provisions, assigning 100 % probability to baseline scenario would lead to multiplication of provisions in Stage 1 by 95.6 % (decrease of provisions by SEK 16.0 million).
- c. *Adverse scenario*
According to assumed impact on provisions, assigning 100 % probability to adverse scenario would lead to multiplication of provisions in Stage 1 by 100.1 % (increase of provisions by SEK 0.5 million).

Note P24 cont.

PROVISIONS

Provision of credit losses during the period were impacted by several different factors, as described below:

- Transfers between Stage 1 and Stage 2 or Stage 3 depending on whether the loan has significantly increased (or decreased) in risk or if it has defaulted during the period and thus transferred between 12 month and full lifetime ECL.
- New loans during the period and also loans removed from the portfolio in the same period. (Increases due to issue and purchase and decline due to derecognition from the statement of financial position).
- Changes in risk factors as Probability of default (PD), Exposure at default (EAD) and Loss given default (LGD), arising because the model has been updated with new amounts.
- Changes in macroeconomic scenarios based on macroeconomic factors.
- Exchange rate differences.

SEK thousand	Non-doubtful receivables		Doubtful receivables	Total
	Stage 1	Stage 2	Stage 3	
	12 month expected loan losses	Lifetime expected loan losses	Lifetime expected loan losses	
Loans to the public, gross, opening balance 1 January 2025	19,258,023	1,037,063	282,577	20,577,663
Financial assets added during the year	35,321,891			35,321,891
Repayments	-28,199,067	-742,903	-214,397	-29,156,367
Financial assets sold during the year	-5,492,276	-770,392	-487,776	-6,750,444
Stage transfers	-3,122,392	1,251,256	1,871,136	
- from 1 to 2	-1,549,969	1,549,969		
- from 1 to 3	-1,723,799		1,723,799	
- from 2 to 1	151,376	-151,376		
- from 2 to 3		-147,337	147,337	
- from 3 to 2				
Exchange rate differences	-865,481	-38,980	-72,132	-976,593
Loans to the public, gross, closing balance 31 December 2025	16,900,698	736,044	1,379,408	19,016,150
Provision for expected loan losses, opening balance 1 January 2025	-368,179	-225,748	-204,265	-798,192
Changes reported as net loan losses				
Financial assets added during the year	-283,282			-283,282
Repayments	151,814	57,865	32,185	241,864
Financial assets sold during the year	68,781	52,731	87,676	209,188
Stage transfers	31,510	-85,896	-709,091	-763,477
- from 1 to 2	10,799	-174,704		-163,905
- from 1 to 3	23,923		-621,238	-597,315
- from 2 to 1	-3,212	40,955		37,743
- from 2 to 3		47,853	-87,853	-40,000
- from 3 to 2				
Exchange rate differences	17,344	10,292	37,544	65,180
Provision for expected loan losses, closing balance 31 December 2025	-382,012	-190,756	-755,951	-1,328,719

Note P24 cont.

SEK thousand	Non-doubtful receivables		Doubtful receivables	Total
	Stage 1	Stage 2	Stage 3	
	12 month expected loan losses	Lifetime expected loan losses	Lifetime expected loan losses	
Loans to the public, gross, opening balance 1 January 2024	14,372,314	548,807	1,466,518	16,387,639
Financial assets added during the year	27,149,250			27,149,250
Repayments	-19,292,891	-55,271	-26,281	-19,374,443
Financial assets sold during the year		-714,954	-2,901,387	-3,616,341
Stage transfers	-2,901,395	1,226,894	1,674,501	
- from 1 to 2	-1,518,637	1,518,637		
- from 1 to 3	-1,565,695		1,565,695	
- from 2 to 1	182,937	-182,937		
- from 2 to 3		-108,806	108,806	
- from 3 to 2				
Exchange rate differences	416,732	31,587	69,226	517,545
Loans to the public, gross, closing balance 31 December 2024	19,744,010	1,037,063	282,577	21,063,650
Provision for expected loan losses, opening balance 1 January 2024	-235,988	-104,259	-623,133	-963,380
Changes reported as net loan losses				
Financial assets added during the year	-340,224			-340,224
Repayments	218,454	93,330	19,022	330,806
Financial assets sold during the year		57,322	611,902	669,224
Stage transfers	20,839	-249,819	-164,700	-393,680
- from 1 to 2	21,297	-312,100		-290,803
- from 1 to 3	2,352		-90,468	-88,116
- from 2 to 1	-2,810	28,049		25,239
- from 2 to 3		34,232	-74,232	-40,000
- from 3 to 2				
Exchange rate differences	-31,260	-22,322	-47,356	-100,938
Provision for expected loan losses, closing balance 31 December 2024	-368,179	-225,748	-204,265	-798,192

NOTE P25 Shares

TSEK	31 Dec 2025	31 Dec 2024
Opening balance of holdings in unlisted shares	117,309	144
<i>Changes during the year</i>		
Reclassification	-	74,772
Change in fair value	-39	42,524
Translation differences	-3	-131
Closing balance of holdings in unlisted shares	117,267	117,309
Total shares	117,267	117,309

NOTE P26 Other assets

SEK thousand	31 Dec 2025	31 Dec 2024
Tax account	84,408	67,556
Accounts receivable	67,255	4,115
Derivatives	7,166	60,221
Other assets	14,953	13,844
Total other assets	173,782	145,736

NOTE P27 Deposits and borrowings from the public

SEK thousand	31 Dec 2025	31 Dec 2024
Germany	16,832,529	16,825,163
Netherlands	4,861,195	2,781,360
Spain	1,031,658	309,363
Ireland	840,053	614,673
Finland	286,491	334,850
Sweden	170,667	151,702
Norway	114,814	180,870
Total deposits and borrowings from the public	24,137,407	21,197,981

Deposits and borrowings from the public only occur in the household sector and 99 % (98) is covered by a deposit guarantee scheme. Deposits in Sweden, Norway and Germany are payable on demand and on maturity. Deposits in Finland are payable on demand. Deposits with maturity amounts to 43 % (70) of total deposits from the public. Maturities are shown in Note P2.

CHANGES IN DEPOSITS AND BORROWINGS FROM THE PUBLIC

SEK thousand	31 Dec 2025	31 Dec 2024
Opening balance	21,197,981	20,652,996
Change for the year	4,420,254	-161,117
Exchange rate differences	-1,480,828	706,102
Closing balance	24,137,407	21,197,981

NOTE P28 Other liabilities

SEK thousand	31 Dec 2025	31 Dec 2024
Debts to ecommerce partners	114,775	98,922
Derivatives	48,527	21,954
VAT debt	18,905	18,382
Accounts payable	7,873	9,494
Other liabilities	9,457	14,278
Total other liabilities	199,537	163,030

NOTE P29 Accrued expenses and prepaid income

SEK thousand	31 Dec 2025	31 Dec 2024
Accrued interest on deposits from the public	163,905	238,368
Accrued broker fees	45,296	52,537
Accrued social security costs	28,859	24,085
Accrued salaries and holiday pay liability	21,766	21,173
Accrued interest on loans to the public	7,410	10,989
Other accrued expenses and prepaid income	84,186	85,756
Total accrued expenses and prepaid income	351,422	432,908

NOTE P30 Subordinated liabilities

SEK thousand	31 Dec 2025	31 Dec 2024
Time-bound subordinated liabilities	394,844	345,509
Total	394,844	345,509

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.

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	Maturity date
14 December 2020 (redeemed 15 December 2025)	100,000	STIBOR 3 months +5.50%	N/A
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
27 November 2025	150,000	STIBOR 3 months +3.50%	27 February 2036

NOTE P31 Transactions with related parties

Transactions between Group companies refer to invoicing of services rendered in subsidiaries and interest income linked to intra-group loans to 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, or where TF Bank owns a minor stake. All transactions are priced according to the market.

SEK thousand	31 Dec 2025	31 Dec 2024
The following transactions took place between companies within the Group:		
Interest income	19,400	-
Interest expenses	-1,165	-
General administrative expenses	-33,678	-37,937
Total	-15,443	-37,937
Sale of assets and liabilities to Group companies		
Assets and liabilities, net	5,738,496	-
Total	5,738,496	-

Note P31 cont.

SEK thousand	31 Dec 2025	31 Dec 2024
The following transactions have been made with other related parties:		
Interest income (transaction costs)	-34,615	-10,633
Interest income (loans to credit institutions)	-	74,388
Interest expenses	-	-3,970
Commission income	2,045	578
General administrative expenses	-1,434	-472
Net loan losses	-23,552	-
Total	-57,556	59,891
Acquisition of assets and liabilities from other related parties:		
Ecommerce Solutions	459,777	115,679
Total	459,777	115,679
Sale of assets and liabilities to other related parties:		
Non-performing loans	87,559	20,368
Total	87,559	20,368

SEK thousand	31 Dec 2025	31 Dec 2024
<i>Assets and liabilities at the end of the period as a result of transactions with group companies:</i>		
Loans to credit institutions	4,628,093	-
Other liabilities	-	201

SEK thousand	31 Dec 2025	31 Dec 2024
<i>Assets and liabilities at the end of the period as a result of transactions with other related parties:</i>		
Loans to credit institutions	-	54,959
Other assets	405	496
Other liabilities	931	1,807

Shares

The number of shares in the Parent Company amounted to 64,650,000 (21,500,000) shares at the balance sheet date, with a quota value of SEK 1.66 (5). The quota value represents share capital divided by the number of shares. During the year, on 27 January, the Company carried out a share issue of 50,000 shares at par value and also implemented a share split whereby one existing share was split into three new shares (share split 3:1) on 21 July.

Restricted Equity

Restricted equity includes, in addition to share capital, reserve funds and development expenditure funds. Due to the new share issue that took place on 27 January 2025, the share capital at the time of the annual report's publication amounts to SEK 107,750,000.

Unrestricted Equity

Unrestricted equity includes primary capital instruments, translation reserve, retained earnings, and profit for the year. For more information about the Bank's Tier 1 capital instruments, see Note G33.

A specification of changes in equity can be found in the parent company's Statement of Changes in Equity on page 74.

Proposal for appropriation of profits**The following earnings are at the disposal of the Annual General Meeting in the Parent company**

SEK	31 Dec 2025
Tier 1 capital instrument	250,000,000
Fair value fund	-21,279,962
Retained earnings	2,209,382,555
Profit for the year	655,984,622
	3,094,087,215

The Board of Directors proposes that the earnings be allocated in the following manner:

SEK	31 Dec 2025
to distribute a dividend of SEK 5 per share (64,650,000 shares)	323,250,000
to be transferred to new account	2,770,837,215
Total	3,094,087,215

NOTE P33 Capital adequacy ¹
CAPITAL SITUATION

SEK thousand	31 Dec 2025	31 Dec 2024
Common Equity Tier 1 capital (CET1)	2,667,594	2,354,741
Additional Tier 1 capital (AT1)	250,000	250,000
Tier 2 capital	394,844	345,509
Own funds	3,312,438	2,950,250
Risk exposure amount	17,651,029	17,635,872
- of which: credit risk	16,630,664	16,428,804
- of which: credit valuation adjustment	67,149	78,960
- of which: operational risk	953,216	1,128,108
Capital ratios		
CET1 capital ratio, %	15.1	13.4
Tier 1 capital ratio, %	16.5	14.8
Total capital ratio, %	18.8	16.7

REGULATORY CAPITAL REQUIREMENTS

SEK thousand	31 Dec 2025		31 Dec 2024	
	Amount	Percent ²	Amount	Percent ²
Capital requirement under pillar 1				
CET1 capital	794,296	4.5	793,614	4.5
Tier 1 capital	1,059,062	6.0	1,058,152	6.0
Total capital	1,412,082	8.0	1,410,870	8.0
Capital requirement under pillar 2				
CET1 capital	122,123	0.7	124,247	0.7
Tier 1 capital	162,831	0.9	165,662	0.9
Total capital	217,108	1.2	220,883	1.3
- of which, concentration risk	167,685	1.0	166,377	0.9
- of which, interest rate risk	49,423	0.3	54,506	0.3
Total capital requirement under pillar 1 and pillar 2				
CET1 capital	916,420	5.2	917,861	5.2
Tier 1 capital	1,221,893	6.9	1,223,815	6.9
Total capital	1,629,190	9.2	1,631,753	9.3
Institution-specific buffer requirement				
Total buffer requirement	642,498	3.6	643,710	3.7
- of which, capital conservation buffer requirement	441,276	2.5	440,897	2.5
- of which, countercyclical buffer requirement	201,222	1.1	202,813	1.2
Total capital requirement including buffer requirement				
CET1 capital	1,558,917	8.8	1,561,571	8.9
Tier 1 capital	1,864,390	10.6	1,867,524	10.6
Total capital	2,271,688	12.9	2,275,463	12.9
Pillar 2 Guidance				
CET1 capital	0	0.0	N/A	N/A
Total need for capital including Pillar 2 Guidance				
CET1 capital	1,558,917	8.8	1,561,571	8.9
Tier 1 capital	1,864,390	10.6	1,867,524	10.6
Total capital	2,271,688	12.9	2,275,463	12.9

¹ For information on the principles for the Bank's capital adequacy analysis, see Note G34.

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

Note P33 cont.

OWN FUNDS

SEK thousand	31 Dec 2025	31 Dec 2024
CET1 capital		
Share capital	107,750	107,500
Other reserves	68,393	97,345
Retained earnings including net profit for the period reviewed by the auditor	2,859,397	2,324,527
CET1 capital before regulatory adjustments	3,035,540	2,529,372
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-323,250	-107,500
- Intangible assets ²	-11,893	-35,101
- Goodwill	-20,465	-26,593
- Insufficient coverage for non-performing exposures ³	-12,338	-5,437
Total regulatory adjustments to CET1 capital	-367,946	-174,631
Total CET1 capital	2,667,594	2,354,741
Additional Tier 1 capital		
Perpetual subordinated loans	250,000	250,000
Tier 2 capital		
Fixed term subordinated loans	394,844	345,509
Own funds	3,312,438	2,950,250

SPECIFICATION OF RISK EXPOSURE AMOUNT AND CAPITAL REQUIREMENT

SEK thousand	31 Dec 2025		31 Dec 2024	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
Credit risk under the standardised approach				
Corporate exposures	387,549	31,004	485,987	38,879
Household exposures	12,774,563	1,021,965	14,745,870	1,179,670
Secured by collateral	6,087	487	13,999	1,120
Exposures in default	623,681	49,894	78,313	6,265
Exposures to institutions	1,382,497	110,600	570,829	45,666
Equity exposures	1,152,447	92,196	294,370	23,550
Other items	303,840	24,307	239,436	19,155
Total	16,630,664	1,330,453	16,428,804	1,314,304
Credit valuation adjustment				
Standardised method	67,149	5,372	78,960	6,317
Total	67,149	5,372	78,960	6,317
Market risk				
Foreign exchange risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Alternative Standardised Approach	953,216	76,257	1,128,108	90,249
Total	953,216	76,257	1,128,108	90,249
Total risk exposure amount and total capital requirement	17,651,029	1,412,082	17,635,872	1,410,870

¹ Deduction of dividends have been made in accordance with the Board of Directors' proposal to the Annual General Meeting.

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

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

NOTE P34 Liquidity coverage

For information on the principles for the Bank's liquidity coverage analysis, see Note G35.

LIQUIDITY POSITION

SEK thousand	31 Dec 2025	31 Dec 2024
Liquidity reserve ¹		
Government securities eligible for refinancing - Norway ²	764,682	527,901
Treasury bills eligible for refinancing - EU-commission ²	593,869	858,318
Treasury bills eligible for refinancing - Netherlands ²	430,208	-
Treasury bills eligible for refinancing - Finland ²	215,104	-
Treasury bills eligible for refinancing - Sweden ²	173,190	406,433
Total liquidity reserve ²	2,177,053	1,792,652
Other available liquidity reserve		
Cash and balances with central banks ³	6,096	6,338
Loans to credit institutions ³	1,694,047	2,249,324
Total other available liquidity reserve	1,700,143	2,255,662
Total available liquidity reserve	3,877,196	4,048,314
Sources of financing		
Deposits from the public	24,137,407	21,197,981
Subordinated liabilities	394,844	345,509
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	3,035,540	2,529,372
Total sources of financing	27,817,791	24,322,862
Key figures		
Available liquidity reserve / Deposits from the public	16	19
Liquidity coverage ratio, %	152	406
Net Stable Funding ratio, %	112	109

REGULATORY LIQUIDITY REQUIREMENTS

	31 Dec 2025	31 Dec 2024
Key figures		
Liquidity coverage ratio, %	100	100
Net Stable Funding ratio, %	100	100

¹ According to definition in FFFS 2010:7.

² Remaining term to maturity is up to 12 month.

³ Excluding restricted cash and cash equivalents that are not available the next day.

NOTE P35 Leasing

SEK thousand	31 Dec 2025	31 Dec 2024
Paid lease payments		
Lease payments	22,491	15,242
Total	22,491	15,242

SEK thousand	31 Dec 2025	31 Dec 2024
Lease agreements		
Total minimum lease payments for non-cancellable agreements	59,137	46,274
Total	59,137	46,274

SEK thousand	31 Dec 2025	31 Dec 2024
Maturity analysis of non-cancellable lease agreements		
Less than one year	11,871	9,730
More than one year but less than two years	12,799	8,121
More than two years but less than three years	11,921	5,746
More than three years but less than four years	7,571	5,433
More than four years but less than five years	5,984	5,393
More than five years	8,991	11,851
Total	59,137	46,274

NOTE P36 Pledged assets, contingent liabilities and commitments

SEK thousand	31 Dec 2025	31 Dec 2024
Pledged assets		
Restricted bank deposits ¹	83,774	12,225
Total	83,774	12,225

SEK thousand	31 Dec 2025	31 Dec 2024
Commitments		
Unutilised credit limits	13,999,381	10,050,350
Future total minimum lease payments for non-cancellable operating leases	59,137	46,274
Total	14,058,518	10,096,624

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

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

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 users 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 Alternative Performance Measures are shown below.

ACTIVE CREDIT CARDS, QUANTITY

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

ADJUSTED EARNINGS PER SHARE

Adjusted earnings for the year attributable to the Parent company shareholders divided by average number of outstanding shares.

ADJUSTED RETURN ON EQUITY

Adjusted earnings for the year attributable to parent company shareholders divided by average equity attributable to parent company shareholders.

ADJUSTED RETURN ON ASSETS

Adjusted earnings for the year attributable to parent company shareholders divided by average assets.

ADJUSTED RETURN ON LOANS TO THE PUBLIC

Adjusted earnings for the year attributable to parent company shareholders divided by average lending to the public.

CET1 CAPITAL RATIO

CET1 capital as a percentage of total risk exposure amount.

COST/INCOME RATIO (C/I)

Operating expenses divided by operating income.

EARNINGS PER SHARE

Net profit for the year 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.

LIQUIDITY COVERAGE RATIO

Total net liquidity outflows divided by total high-quality liquid assets.

NET LOAN LOSS RATIO Net loan losses for the year divided by average loans to the public.

NEW LENDING

New loans (the cash flow) in the year, the amounts have been reduced by returns.

OPERATING INCOME MARGIN

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

RETURN ON ASSETS

Profit for the year attributable to the Parent company's shareholders divided by average assets.

RETURN ON EQUITY

Net profit for the year 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 year 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.

STABLE NET FINANCING RATIO

Total available stable funding divided by total stable funding needs.

TIER 1 CAPITAL RATIO

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

TRANSACTION VOLUME

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

TOTAL CAPITAL RATIO

The capital base divided by the risk exposure amount.

RECONCILIATION TABLES

KEY FIGURES

SEK thousand	2025	2024	2023	2022	2021
Income statement					
<i>Earnings per share, SEK</i>	9.92	9.33	5.83	5.08	4.21
Net profit for the year attributable to the shareholder's of the Parent company	641,208	603,220	376,853	328,099	272,072
Average number of outstanding shares, thousands	64,638	64,638	64,638	64,638	64,638
Key figures ¹					
<i>Operating income margin, %</i>	13.2	12.8	12.3	11.1	11.2
Total operating income	2,904,504	2,438,516	1,998,121	1,412,324	1,054,654
Average loans to the public ²	21,971,870	19,068,046	16,262,503	12,763,329	9,397,367
<i>Net loan loss ratio, %</i>	4.5	4.3	4.0	2.9	2.8
Net loan losses	995,804	819,606	656,851	367,569	260,564
Average loans to the public ²	21,971,870	19,068,046	16,262,503	12,763,329	9,397,367
<i>Cost/Income ratio, %</i>	36.3	38.3	41.6	43.1	41.6
Total operating expenses	1,052,892	934,005	831,671	609,026	439,219
Total operating income	2,904,504	2,438,516	1,998,121	1,412,324	1,054,654
<i>Return on equity, %</i>	23.1	27.2	21.9	23.7	24.6
Net profit for the year attributable to the shareholder's of the Parent company	641,208	603,220	376,853	328,099	272,072
Average equity attributable to the shareholder's of the Parent company ²	2,780,339	2,216,797	1,724,757	1,385,668	1,108,140
<i>Return on loans to the public, %</i>	2.9	3.2	2.3	2.6	2.9
Net profit for the year attributable to the shareholder's of the Parent company	641,208	603,220	376,853	328,099	272,072
Average loans to the public ²	21,971,870	19,068,046	16,262,503	12,763,329	9,397,367
<i>Return on assets, %</i>	2.4	2.5	1.8	2.1	2.3
Net profit for the year attributable to the shareholder's of the Parent company	641,208	603,220	376,853	328,099	272,072
Average total assets ²	27,094,037	24,508,182	21,161,608	15,895,316	11,815,570
Adjusted income statement ³					
<i>Adjusted earnings per share, SEK</i>	9.95	7.73	5.83	5.08	4.21
Adjusted profit for the period attributable to the shareholders of the Parent company	643,459	499,481	376,853	328,099	272,072
Average number of outstanding shares, thousands	64,638	64,638	64,638	64,638	64,638
Adjusted key figures ³					
<i>Adjusted return on equity, %</i>	23.1	22.5	21.9	23.7	24.6
Adjusted profit for the period attributable to the shareholders of the Parent company, annualised	643,459	499,481	376,853	328,099	272,072
Average equity attributable to the shareholder's of the Parent company ²	2,780,339	2,216,797	1,724,757	1,385,668	1,108,140
<i>Adjusted return on loans to the public, %</i>	2.9	2.6	2.3	2.6	2.9
Adjusted profit for the period attributable to the shareholders of the Parent company, annualised	643,459	499,481	376,853	328,099	272,072
Average loans to the public ²	21,971,870	19,068,046	16,262,503	12,763,329	9,397,367
<i>Adjusted return on assets, %</i>	2.4	2.0	1.8	2.1	2.3
Adjusted profit for the period attributable to the shareholders of the Parent company, annualised	643,459	499,481	376,853	328,099	272,072
Average total assets ²	27,094,037	24,508,182	21,161,608	15,895,316	11,815,570

¹ Calculation of capital and liquidity ratios is shown in Note G34 and G35.

² The average has been calculated as opening balance plus closing balance, divided by two.

³ Adjusted for items affecting comparability during 2024-2025 related to transactions according to the Share Purchase Agreement with Alektum Holding AB and Erik Selin Fastigheter AB regarding the transfer of 80.1 percent of the shares in the subsidiary Rediem Capital AB.

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	Group		Parent Company		
	31 Dec 2025	31 Dec 2024	31 Dec 2025	31 Dec 2024	
Available own funds					
1	Common Equity Tier 1 capital (CET1)	2,670,000	2,354,631	2,667,594	2,354,741
2	Tier 1 capital	2,920,000	2,604,631	2,917,594	2,604,741
3	Total capital	3,314,844	2,950,140	3,312,438	2,950,250
Risk-weighted exposure amount					
4	Total risk exposure amount	20,601,319	17,700,941	17,651,029	17,635,872
Capital ratios (% of risk-weighted exposure amount)					
5	Common Equity Tier 1 ratio, %	13.0	13.3	15.1	13.4
6	Tier 1 ratio, %	14.2	14.7	16.5	14.8
7	Total capital ratio, %	16.1	16.7	18.8	16.7
Additional own funds requirements to address risks other than the risk of excessive leverage (% of risk-weighted exposure amount)					
EU 7a	Additional own funds requirements to address risks other than the risk of excessive leverage, %	1.2	1.3	1.2	1.3
EU 7b	- of which, to be made up of CET1 capital, %	0.7	0.7	0.7	0.7
EU 7c	- of which, to be made up of Tier 1 capital, %	0.9	0.9	0.9	0.9
EU 7d	Total SREP own funds requirements, %	9.2	9.3	9.2	9.3
Combined buffer and overall capital requirement (% of risk-weighted exposure amount)					
8	Capital conservation buffer, %	2.5	2.5	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	N/A	N/A
9	Institution specific countercyclical capital buffer, %	1.2	1.2	1.1	1.2
EU 9a	Systemic risk buffer, %	N/A	N/A	N/A	N/A
10	Global Systemically Important Institution buffer, %	N/A	N/A	N/A	N/A
EU 10a	Other Systemically Important Institution buffer, %	N/A	N/A	N/A	N/A
11	Combined buffer requirement, %	3.7	3.7	3.6	3.7
EU 11a	Overall capital requirements, %	12.9	12.9	12.9	12.9
12	CET1 available after meeting the total SREP own funds requirements, %	6.9	8.1	9.5	8.2
Leverage ratio					
13	Total exposure measure	30,447,061	26,262,931	29,757,160	26,188,735
14	Leverage ratio, %	9.6	9.9	9.8	9.9
Additional own funds requirements to address risks of excessive leverage (% of leverage ratio total exposure amount)					
EU 14a	Additional own funds requirements to address the risk of excessive leverage, %	N/A	N/A	N/A	N/A
EU 14b	- of which, to be made up of CET1 capital, %	N/A	N/A	N/A	N/A
EU 14c	Total SREP leverage ratio requirements, %	3.0	3.0	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (% of total exposure measure)					
EU 14d	Total SREP leverage ratio requirements, %	N/A	N/A	N/A	N/A
EU 14e	Overall leverage ratio requirements, %	3.0	3.0	3.0	3.0
Liquidity Coverage Ratio					
15	Total high-quality liquid assets (Weighted value – average)	2,495,533	1,798,991	2,183,148	1,798,991
EU 16a	Cash outflows – Total weighted value	3,307,619	1,771,891	3,480,533	1,771,891
EU 16b	Cash inflows – Total weighted value	2,184,023	1,328,918	2,047,043	1,328,918
16	Total net cash outflows (adjusted value)	1,123,596	442,973	1,433,490	442,973
17	Liquidity coverage ratio, %	222	406	152	406
Net Stable Funding Ratio					
18	Total available stable funding	21,045,436	17,626,638	20,765,686	17,626,751
19	Total required stable funding	18,340,719	16,206,901	18,587,838	16,140,406
20	NSFR ratio, %	115	109	112	109

ASSURANCE BY THE BOARD OF DIRECTORS AND THE CEO

The Board of Directors and the Managing Director certify that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and the consolidated financial statements have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts, respectively, give a true and fair view of the financial position and results of operations of the Parent company and the Group. The Directors' Report for the Parent company and the Group, respectively, gives a true and fair view of the development of the Parent company's and the Group's operations, financial position and results and describes the significant risks and uncertainties faced by the Parent company and the companies included in the Group.

The annual report and the consolidated financial statements were approved for issue by the Board of Directors on 20 March 2026. The Group's income statement and balance sheet, as well as the Parent company's income statement and balance sheet, will be subject to adoption at the Annual General Meeting on 5 May 2026.

Borås, 20 March 2026

John Brehmer
Chairman

Niklas Johansson

Michael Lindengren

Sara Mindus

Fredrik Oweson

Arti Zeighami

Joakim Jansson
CEO and President

We submitted our Auditor's Report on 20 March 2026.

Öhrlings PricewaterhouseCoopers AB (PWC)

Frida Main
Authorised Public Accountant

AUDITOR'S REPORT

NOTE: this is an unofficial translation of the report originally issued in Swedish. In case of discrepancies between the original report and this translation the original Swedish version shall prevail.

To the general meeting of the shareholders of TF Bank AB (publ), corp. id 556158-1041

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have performed an audit of the annual report and consolidated accounts of TF Bank AB (publ) for the year 2025. The company's annual report and consolidated accounts are included on pages 12-110 of this document.

In our opinion, the annual report have been prepared in accordance with the Act on Annual Accounts for Credit Institutions and Securities Companies and give a true and fair view, in all material respects, of the financial position of the parent company as of 31 December 2025 and of its financial performance and cash flow for the year then ended in accordance with the Act on Annual Accounts for Credit Institutions and Securities Companies. The consolidated accounts have been prepared in accordance with the Act on Annual Accounts for Credit Institutions and Securities Companies and give a true and fair view, in all material respects, of the financial position of the group as of 31 December 2025 and of its financial performance and cash flow for the year then ended in accordance with IFRS Accounting Standards, as adopted by the EU, and the Act on Annual Accounts for Credit Institutions and Securities Companies. The administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the Annual General Meeting adopt the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual report and consolidated accounts are consistent with the content of the supplementary report that has been submitted to the parent company's audit committee in accordance with Article 11 of the Auditors Regulation (537/2014/EU).

Basis for Opinions

We have conducted the audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's responsibilities section. We are independent of the parent company and the group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in Article 5(1) of the Auditors Regulation (537/2014/EU) have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Other Matter

The audit of the annual accounts for year 2024 was performed by another auditor who submitted an auditor's report dated 21 March 2025, with unmodified opinions in the Report on the annual accounts.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in the audit of the annual report and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in our opinion on, the annual report and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Key audit matter	How our audit considered the area of particular importance
<p><i>Provisions for expected credit losses</i></p> <p>The assessment of the provisions for expected credit losses involved critical judgments and estimates. Estimates include, among other things, the assessment of the probability of default, whether a credit event has occurred, and the size of the provision.</p> <p>Expected credit losses are calculated as a function of the probability of default, exposure at default, loss given default, and the timing of default. Loans are divided into three categories depending on the level of credit risk or changes in credit risk for each individual loan. For loans without a significant increase in credit risk, stage 1, credit losses are calculated for expected defaults within 12 months. For loans with a significant increase in credit risk, stage 2, or loans in default, stage 3, credit losses are calculated for defaults that have occurred and are expected to occur over the estimated lifetime of the loan.</p> <p>The Group has the ability to adjust model-driven credit losses to address market trends.</p> <p>The valuation of the provision for expected credit losses has been assessed as a key audit matter due to the complexity of the calculation and because it requires the company to make significant assumptions and judgments, which can have a material impact on the financial statements.</p> <p>See the Annual Report, note K2 – Accounting principles, note K3 – Risk and risk management, and note K24 – Loans to the public.</p>	<p>Our audit of the provisions for expected credit losses has been performed through a combination of testing of internal controls and substantive testing, which, among other things, included:</p> <ul style="list-style-type: none"> • obtaining an understanding of the credit process including ongoing monitoring of credits and credit provisions and review of key controls in the process. • evaluating the company's methodology documentation for calculating credit losses and whether the calculation follows the company's methodology documentation. • reviewing model-calculated reserves through involvement of our model experts where we assessed the company's calculation model by evaluating underlying assumptions. • reviewing a sample of credit agreements to verify whether the input data that forms the basis for the calculation of the loss reserve is complete and correct. • recalculation of a selection of the model-calculated reserve to assess the accuracy of the provisions for expected credit losses. • evaluating the company's assessment of adjustments to model-driven expected credit losses. <p>We have also reviewed the disclosures relating to the provisions for expected credit losses.</p>

Other information than the annual report and consolidated financial statements

This document also contains information other than the annual report and consolidated financial statements and is found on pages 1-11, 128-146 and 148-150. The remuneration report for the financial year 2025 also constitutes other information. The Board of Directors and the CEO are responsible for this other information.

Our opinion on the annual report and consolidated accounts does not cover this information and we do not express an opinion with assurance regarding this other information.

In connection with our audit of the annual report and consolidated accounts, it is our responsibility to read the information identified above and consider whether the information is materially inconsistent with the annual report and consolidated accounts. In this review, we also consider the knowledge we otherwise obtained during the audit and assess whether the information otherwise appears to be materially misstated.

If, based on the work performed on this information, we conclude that the other information contains a material misstatement, we are required to report that fact. We have nothing to report in that regard.

Responsibilities of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for the preparation of the annual report and consolidated accounts and for their fair presentation in accordance with the Act on Annual Accounts of Credit Institutions and Securities Companies and, in the case of consolidated accounts, in accordance with IFRS Accounting Standards as adopted by the EU. The Board of Directors and the CEO are also responsible for such internal control as they determine is necessary to enable the preparation of annual report and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual report and consolidated accounts, the Board of Directors and the CEO are responsible for assessing the company's and the group's ability to continue as a going concern. They disclose, as applicable, any conditions that may affect the company's ability to continue as a going concern and use the going concern basis of accounting. However, the going concern basis of accounting is not used if the Board of Directors and the CEO either intend to liquidate the company or to cease operations, or have no realistic alternative but to do so.

The Board's Audit Committee shall, without prejudice to the Board's other responsibilities and duties, among other things, monitor the company's financial reporting.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual report and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the annual report and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. In addition:

- We identify and assess the risks of material misstatement of the annual report and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- We obtain an understanding of the company's internal control that is relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of internal control.
- We evaluate the appropriateness of the accounting principles used and the reasonableness of the estimates made by the Board of Directors and the CEO in the financial statements and related disclosures.
- We conclude on the appropriateness of the Board of Directors and the Managing Director's use of the going concern basis of accounting in preparing the annual report and consolidated accounts. We also conclude, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the disclosures in the annual report and the consolidated accounts related to the material

uncertainty or, if such disclosures are inadequate, to modify our opinion on the annual report and the consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and the group to cease to continue as a going concern.

- We evaluate the overall presentation, structure and content of the annual report and consolidated accounts, including the disclosures, and whether the annual report and consolidated accounts represent the underlying transactions and events in a manner that gives a fair view.
- We plan and perform the group audit to obtain sufficient appropriate audit evidence regarding the financial information of companies or business units within the group as a basis for expressing an opinion on the consolidated financial statements. We are responsible for directing, supervising and reviewing the audit work performed for the purpose of the group audit. We are solely responsible for our opinions.

We are required to communicate with the Board of Directors, including the planned scope, direction and timing of the audit. We are also required to communicate significant audit findings, including any significant deficiencies in internal control that we identify.

We must also provide the board with a statement that we have complied with relevant ethical requirements regarding independence, and address all relationships and other conditions that may reasonably bear on our independence, and, where applicable, actions taken to eliminate the threats or countermeasures taken.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance to the audit of the annual report and consolidated accounts, including the most significant assessed risks of material misstatement, and which therefore constitute the key audit matters. We describe these matters in the auditor's report unless laws or regulations prevent disclosure of the matter.

REPORT ON OTHER REQUIREMENTS UNDER LAWS AND REGULATIONS

The auditor's review of management and proposal for the allocation of the company's profit or loss

Opinions

In addition to our audit of the annual report and consolidated accounts, we have also performed an audit of the Board of Directors' and CEO's administration of TF Bank AB (publ) for the year 2025 and of the proposed appropriations of the company's profit or loss.

We recommend that the Annual General Meeting allocate the profit in accordance with the proposal in the administration report and grant the members of the Board of Directors and the CEO discharge from liability for the financial year.

Basis for opinions

We conducted our audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under these standards are further described in the Auditor's responsibilities section. We are independent of the parent company and the group in accordance with generally accepted auditing standards in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the CEO

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. In the case of a proposal for a dividend, this includes, among other things, an assessment of whether the dividend is justifiable, taking into account the requirements that the company's and the group's nature of business, scope and risks place on the size of the parent company's and the group's equity, consolidation needs, liquidity and general position.

The Board of Directors is responsible for the company's organization and the management of the company's affairs. This includes, among other things, continuously assessing the company's and the group's financial situation, and ensuring that the company's organization is designed so that the accounting, asset management and the company's financial affairs are otherwise controlled in a satisfactory manner. The CEO shall manage the day-to-day administration in accordance with the Board's guidelines and instructions and, among other things, take the measures necessary to ensure that the company's accounting is carried out in accordance with the law and that the asset management is carried out in a satisfactory manner.

Auditor's responsibility

Our objective regarding the audit of the administration, and thereby our opinion on discharge from liability, is to obtain audit evidence to be able to assess with a reasonable degree of certainty whether any member of the Board of Directors or the CEO in any material respect:

- has taken any action or been guilty of any negligence that may give rise to liability to the company, or

- has in any other way acted in violation of the Companies Act, the Banking and Financing Business Act, the Annual Accounts Act for Credit Institutions and Securities Companies or the articles of association.

Our objective regarding the audit of the proposal for appropriations of the company's profit or loss, and thereby our opinion thereon, is to assess with a reasonable degree of assurance whether the proposal is in accordance with the Act on Annual Accounts for Credit Institutions and Securities Companies.

Reasonable assurance is a high degree of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that may give rise to liability to the company, or that a proposal for the allocation of the company's profit or loss is not in accordance with the Act on Annual Accounts for Credit Institutions and Securities Companies.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The review of the administration and the proposal for appropriations of the company's profit or loss is primarily based on the audit of the accounts. What additional audit procedures are performed are based on our professional assessment based on risk and materiality. This means that we focus the audit on such measures, areas and conditions that are material to the operations and where deviations and violations would have particular significance for the company's situation. We review and test decisions made, decision bases, measures taken and other conditions that are relevant to our opinion on discharge from liability. As a basis for our opinion on the board of directors' proposal for appropriations regarding the company's profit or loss, we have reviewed the board of directors' reasoned statement and a selection of the supporting documents for this in order to assess whether the proposal is compatible with the Companies Act.

The auditor's review of the ESEF report

Opinion

In addition to our audit of the annual report and consolidated accounts, we have also performed a review of whether the Board of Directors and the CEO have prepared the annual report and consolidated accounts in a format that enables uniform electronic reporting (the ESEF report) in accordance with Chapter 16, Section 4 a of the Securities Market Act (2007:528) for TF Bank AB (publ) for the year 2025.

Our review and opinion relate only to the statutory requirement.

In our opinion, the ESEF report has been prepared in a format that essentially enables uniform electronic reporting.

Basis for opinion

We have conducted our review in accordance with FAR's recommendation RevR 18 Auditor's Review of the ESEF Report. Our responsibilities under this recommendation are described in more detail in the Auditor's Responsibilities section. We are independent of TF Bank AB (publ) in accordance with generally accepted accounting principles in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the CEO

The Board of Directors and the CEO are responsible for ensuring that the ESEF report has been prepared in accordance with Chapter 16, Section 4 a of the Securities Market Act (2007:528), and for ensuring that there is such internal control as the Board of Directors and the CEO deem necessary to prepare the ESEF report without material misstatement, whether due to fraud or error.

Auditor's responsibility

Our task is to express a reasonable assurance as to whether the ESEF report is, in all material respects, prepared in a format that meets the requirements of Chapter 16, Section 4 a of the Securities Market Act (2007:528), based on our review.

RevR 18 requires that we plan and perform our audit procedures to obtain reasonable assurance that the ESEF report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered

material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the ESEF report.

The audit firm applies International Standard on Quality Management 1, which requires the firm to design, implement and maintain a system of quality management including guidelines or procedures regarding compliance with professional ethical requirements, standards of professional practice and applicable requirements in laws and regulations.

The audit involves obtaining evidence through various procedures that the ESEF report has been prepared in a format that enables uniform electronic reporting of the annual report and consolidated accounts. The auditor selects the procedures to be performed, including by assessing the risks of material misstatement of the reporting, whether due to fraud or error. In making this risk assessment, the auditor considers those parts of the internal control that are relevant to how the board of directors and the CEO prepare the evidence in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the internal control. The audit also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the board of directors and the CEO.

The audit measures mainly include validation that the ESEF report has been prepared in a valid XHTML format and a reconciliation of the ESEF report to the audited annual report and consolidated financial statements.

Furthermore, the review also includes an assessment of whether the group's income statement, balance sheet and equity statements, cash flow statement and notes in the ESEF report have been marked with iXBRL in accordance with the ESEF Regulation.

Öhrlings PricewaterhouseCoopers AB, 113 97 Stockholm, was appointed as TF Bank AB's auditor by the Annual General Meeting on June 17, 2025 and has been the company's auditor since June 17, 2025.

Stockholm 20 March 2026
Öhrlings PricewaterhouseCoopers AB (PWC)

Frida Main
Authorised Public Accountant

The background image shows a modern urban building with a curved facade on the left and a brick building on the right. Numerous vertical pipes of different colors (white, grey, black) run up the side of the building. An orange banner is at the top.

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE REPORT

TF Bank AB (publ), corporate identity number 556158-1041

Good corporate governance forms the foundation for a well-functioning company where shareholders, employees, and other stakeholders in the Bank's environment can have confidence in the Bank. Good corporate governance means that the Bank's strategies and values are managed as effectively and responsibly as possible, with strong internal controls and tools for sound risk management.

INTRODUCTION

TF Bank AB (publ) (TF Bank or the Bank) is a Swedish public limited company whose shares have been listed on Nasdaq Stockholm's main list since 14 June 2016. All shares carry equal voting rights. TF Bank is authorised by the Swedish Financial Supervisory Authority (Finansinspektionen) to conduct banking operations and is subject to its supervision. TF Bank is domiciled in Borås, Sweden. The Bank conducts lending and/or deposit-taking operations in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands, and Italy via subsidiaries, branches, or cross-border activities under the Swedish Banking and Financing Business Act (LBF).

TF Bank has eight wholly-owned subsidiaries: TF Bank Nordic AB, Yieldloop AB, Credento Bank AB, Avarda AS, TFB Service UAB, TFB Service GmbH, TFBN Services Limited, and TFB Holding Ltd.

TF Bank complies with applicable laws and regulations for good corporate governance and operational control, including: LBF, the Consumer Credit Act (2010:1846), the Companies Act (2005:551), the Annual Accounts Act (1995:1554), the Act (1995:1559) on annual accounts in credit institutions and securities companies, the Swedish Corporate Governance Code ("the Code"), Nasdaq's rules for issuers, and International Financial Reporting Standards (IFRS). In addition, TF Bank is subject to various regulations and general guidelines issued by Finansinspektionen and the European Banking Authority (EBA).

This corporate governance report has been prepared in accordance with the Annual Accounts Act and the Code.

OWNERSHIP

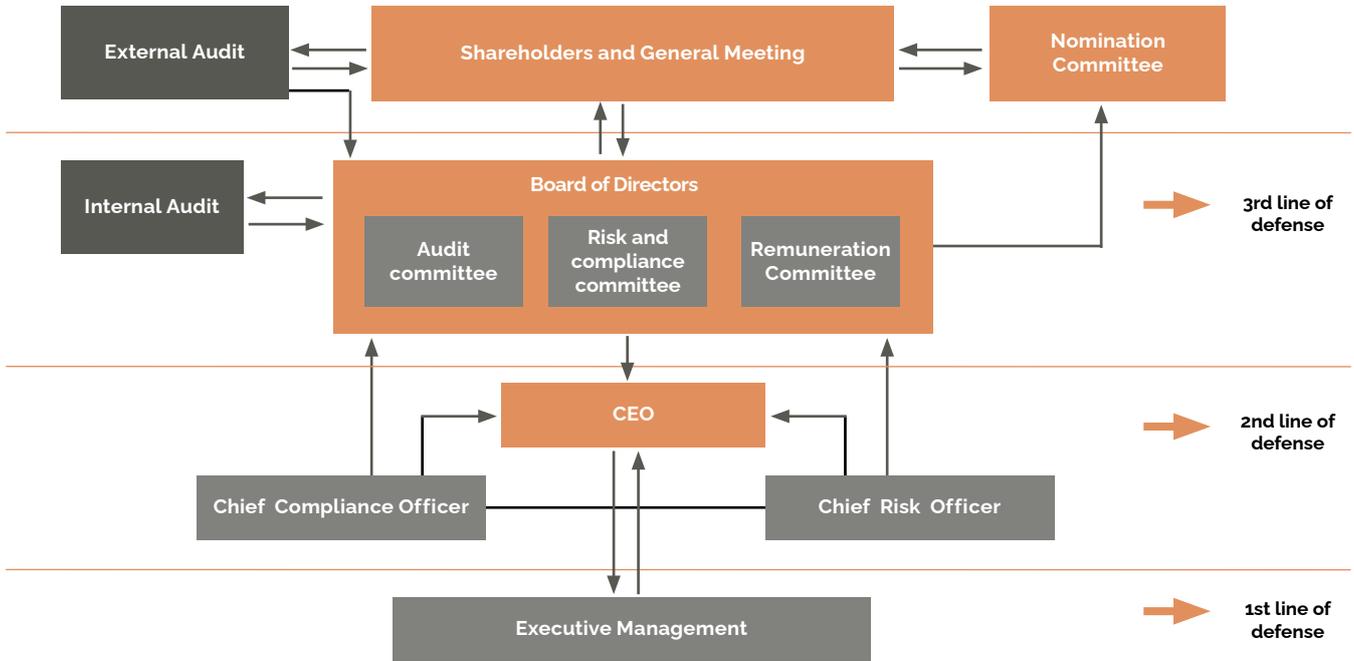
Ownership structure 31 December 2025:

	Owner	Number of shares	Share of equity, %
1	TFB Holding AB	19,095,698	29.54
2	Tiberon AB	9,700,000	15.00
3	Erik Selin Fastigheter AB	8,102,154	12.53
4	Carnegie Fonder AB	2,850,917	4.41
5	Nordnet Pensionsförsäkring AB	2,833,179	4.38
6	Proventus Aktiebolag	2,699,113	4.17
7	Maud Umberg Weil	2,506,430	3.88
8	Goldman Sachs International	1,508,373	2.33
9	Försäkringsbolaget Avanza Pension	849,816	1.31
10	Amidak AB	800,000	1.24
11	Anders Klein	690,000	1.07
12	The Bank of New York Mellon	672,632	1.04
13	Nordea Funds AB	621,978	0.96
14	State Street Bank and Trust CO, Wg	567,816	0.88
15	Livförsäkringsbolaget Skandia, ömsesidigt	518,956	0.80
16	Ålandsbanken Abp (Finland), svensk filial	484,336	0.75
17	AB Monarda	468,000	0.72
18	Skandia Fonder AB	467,922	0.72
19	SEB Investment Management AB	433,405	0.67
20	Bank Julius Baer & CO Ltd	432,000	0.67
	Other shareholders	8,347,275	12.93
	Total	64,650,000	100.00

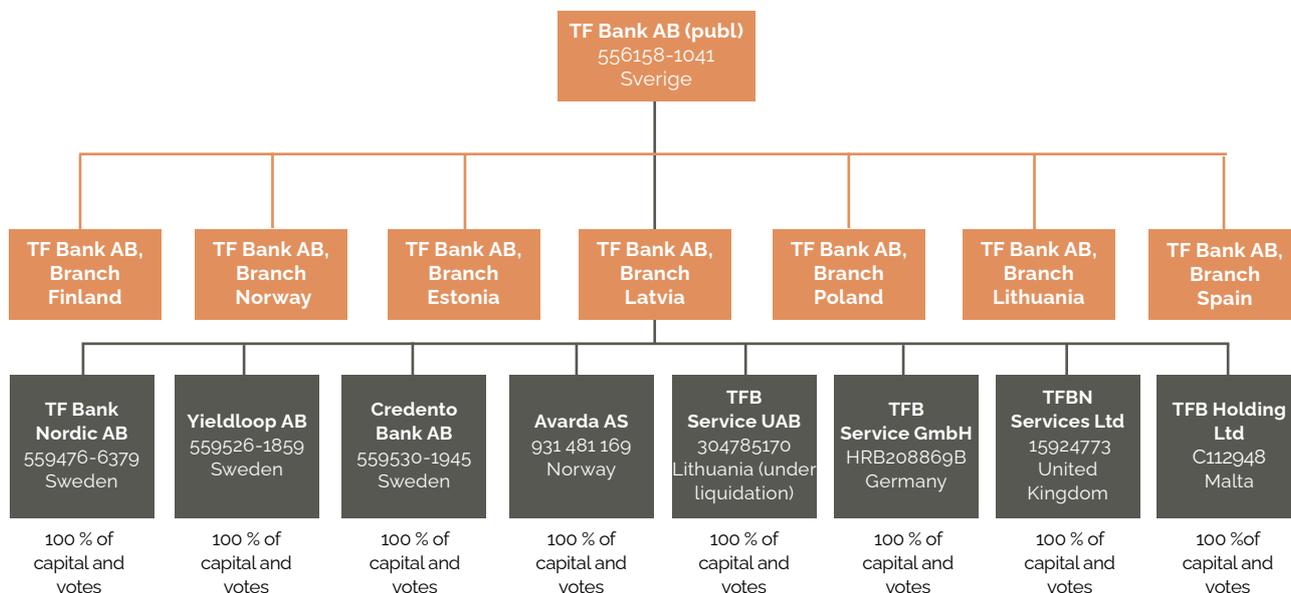
Source: Euroclear

The largest shareholder, TFB Holding AB, with a total holding of 29.54 % as of 31 December 2025, is represented in the Nomination Committee by Paul Källenius.

CORPORATE GOVERNANCE AND RISK MANAGEMENT IN TF BANK



COMPANY STRUCTURE



List of companies included in consolidation for accounting and supervisory purposes:

Parent Company	Subsidiaries	Corporate identity number	Interest	Consolidation (supervisory/consolidation)
TF Bank AB		556158-1041		
	TF Bank Nordic AB	559476-6379	100%	Full/Full
	Yieldloop AB	559526-1859	100%	Full/Full
	Credento Bank AB	559530-1945	100%	Full/Full
	Avarda AS	931481169	100%	Full/Full
	TFB Service UAB	304785170	100%	Full/Full
	TFB Service GmbH	HRB 208869 B	100%	Full/Full
	TFBN Services Ltd	15924773	100%	Full/Full
	TFB Holding Ltd	C112948	100%	Full/Full

ARTICLES OF ASSOCIATION

The Articles of Association are adopted by the General Meeting and a number of mandatory details that are fundamental for TF Bank. The Articles are available on TF Bank's website, www.tfbankgroup.com, and specify, among other things, the business the Bank shall conduct, limits on share capital, the voting rights of share classes, and the number of permitted board members. The Articles do not include provisions regarding appointment and dismissal of board members or amendments to the Articles.

GENERAL MEETING OF SHAREHOLDERS

TF Bank's shareholders exercise their decision-making rights at the General Meeting. According to the Companies Act, the General Meeting is the Bank's highest decision-making body and decides on matters such as amendments to the Articles of Association, discharge from liability, approval of balance sheets and income statements, dividends, election of board members and auditors, and remuneration of board members and auditors. The regulations governing the General Meeting, including its required procedures, are set out inter alia in the Companies Act and the Articles of Association.

Annual General Meeting 2025

The AGM was held on 17 June 2025 in Borås, with voting possible on-site or by post. The AGM voted in accordance with the proposals submitted in all matters. The AGM granted discharge from liability for the board members and CEO for the 2024 financial year.

The AGM decided that the Board should consist of six members. John Brehmer, Sara Mindus, Michael Lindengren, Niklas Johansson, Fredrik Oweson, and Arti Zeighami were re-elected as board members. John Brehmer was re-elected as chairman. Öhrlings PricewaterhouseCoopers AB (PWC) was elected auditor until the end of the AGM 2026, with authorised auditor Frida Main as the principal responsible auditor.

The Annual General Meeting resolved, in accordance with the Board's proposal, to authorise the Board to, on one or more occasions before the next Annual General Meeting, decide on a new issue of shares.

Full Articles of Association, minutes, and information on the 2025 AGM are available at www.tfbankgroup.com.

NOMINATION COMMITTEE

According to the decision at the 2021 AGM, the three largest shareholders who wish to participate in the Nomination Committee have the right to appoint one member each. The member representing the largest shareholder is appointed chairman of the Nomination Committee. Members were appointed based on ownership as of 31 August 2025.

The Nomination Committee prepares proposals for the AGM regarding:

- Chairperson of the meeting;
- Board members;
- Board chairman;
- Board fees, including division between chairman and members, as well as remuneration for committee assignments;
- Auditors;
- Auditor remuneration

The Nomination Committee must follow Rule 4.1 of the Code when preparing proposals to ensure a well-functioning board in terms of diversity and breadth.

Nomination Committee for AGM 2026:

- Paul Källenius, representing TFB Holding AB
- Erik Selin, representing Erik Selin Fastigheter AB
- Jonas Weil, representing Proventus Aktiebolag
- John Brehmer, Chairman of TF Bank AB

Paul Källenius has been appointed Chairman of the Nomination Committee.

Tiberon AB, the second-largest shareholder in TF Bank, declined its own representation on the Nomination Committee. However, Tiberon AB's board member John Brehmer serves on the Nomination Committee in his capacity as Chairman of TF Bank.

The committee composition was announced through a press release and on the Bank's website on 1 December 2025.

BOARD OF DIRECTORS

The Board of Directors holds the ultimate responsibility for TF Bank's organisation and management. In addition, the Board shall exercise oversight of the CEO and monitor that TF Bank's financial conditions are audited in a reliable manner. The Board's decisions shall aim to promote the owners' interest in value development and return. The Board's duties and working methods are governed by the Companies Act, the Articles of Association, and the Board's internal rules of procedure. The responsibilities and work of the Board of TF Bank, as a regulated company, are furthermore governed by the Banking and Financing Business Act.

The Board's responsibilities and tasks include, among other things, establishing goals and strategies for TF Bank's operations and striving to ensure that the organisation and operation of the Bank are characterised by sound internal governance and control. This is done by establishing internal rules regarding risk management and risk control and regularly monitoring compliance, ensuring the presence of an internal audit function, and overseeing the Bank's financial position.

Furthermore, it is the Board's responsibility to appoint the CEO, adopt instructions for the CEO's work, and monitor the results of that work. The Board receives regular reports from internal and external auditors as well as from the CEO, CFO, and control functions. The Board is responsible for balancing TF Bank's risk-taking and has established rules for decision-making procedures, financial reporting, and financing. Guidelines also exist for work in other areas such as environment, ethics, quality, information, personnel, IT and security, and communication.

The Board's work follows an annually approved set of rules of procedure covering the matters to be addressed at each ordinary meeting and the division of work within the Board, with specific responsibilities for the Chairperson. The rules of procedure also specify regulations for financial reporting to the Board and more detailed rules regarding the CEO's responsibilities and authority.

According to the Articles of Association, the Board shall consist of at least three and no more than ten ordinary members. Information about the Board members can be found at www.tfbankgroup.com and on page 148.

Board Meetings 2025

The Board held 23 meetings in 2025: 13 ordinary meetings and 10 extraordinary meetings; 5 were held in-person and 18 were held remotely.

Date	Significant matters addressed at the Board Meeting
13 Jan 2025	Extraordinary: Strategic decisions
19 Jan 2025	Ordinary: Approval of interim report for October–December 2024 and Internal Audit annual plan for 2025
27 Jan 2025	Extraordinary: Decision on directed share issue
12 Feb 2025	Ordinary: Follow-up from Risk and Compliance Committee
17 Feb 2025	Extraordinary: Decisions on organisational changes
14 Mar 2025	Ordinary: Decisions on annual and consolidated financial statements, Pillar 3 report, Board annual plan, strategic decisions, and policy changes
20 Mar 2025	Extraordinary: Strategic decisions
13 Apr 2025	Ordinary: Approval of interim report for January–March 2025
28 Apr 2025	Ordinary: Follow-up from Risk and Compliance Committee
6 May 2025	Extraordinary: Decision on notice to Annual General Meeting and strategic decisions
14 May 2025	Extraordinary: Strategic decisions
16 Jun 2025	Ordinary: Decisions on NPL strategy, updated remuneration policy, organisational changes, and strategic decisions
17 Jun 2025	Constitutive: Adoption of policies, election of committee members, election of Board secretary, decisions on signatory rights, and dates for upcoming board meetings
18 Jun 2025	Extraordinary: Decision to revoke resolution on record date for share split
10 Jul 2025	Ordinary: Approval of interim report for April–June 2025
13 Jul 2025	Extraordinary: Decision on record date for share split
31 Jul 2025	Extraordinary: Strategic decisions
18 Aug 2025	Ordinary: Follow-up from Risk and Compliance Committee
18 Sep 2025	Ordinary: Decisions on name change, organisational changes and strategic decisions
13 Oct 2025	Ordinary: Approval of interim report for July–September 2025, notice to extraordinary general meeting due to corporate name change, new Board secretary, confirmation of signatory rights for branches, and dates for next year's board meetings
14 Oct 2025	Ordinary: Follow-up from Risk and Compliance Committee
6 Nov 2025	Extraordinary: Strategic decisions
10 Dec 2025	Ordinary: Decisions on annual plans for control functions. Decisions on adjustments to the Credit Policy and the Sustainability Policy. Decisions on the Board's annual plan, including training. Decisions on the revised incentive program

Board attendance was as follows:

Board member	Independent of major shareholders	Attendance
John Brehmer (Chairman)	No	23 of 23
Sara Mindus	Yes	23 of 23
Michael Lindengren	Yes	23 of 23
Niklas Johansson	Yes	23 of 23
Fredrik Oweson	Yes	23 of 23
Arti Zeighami	Yes	23 of 23

The Bank's CEO, Joakim Jansson, has participated in all meetings. CFO Mikael Meomuttel has participated in all ordinary meetings and certain extraordinary meetings.

Reporting to the Board of Directors and Board committees

The Board receives a monthly financial report, including the balance sheet, income statement, and the Bank's capital and liquidity positions. When the Board of Directors meets, the CEO, CFO, and heads of Risk Control, Compliance, and Credit Risk functions also report regularly.

The Board's overall responsibility cannot be delegated, but it is supported by three committees: the Remuneration Committee, the Audit Committee, and the Risk and Compliance Committee.

Remuneration Committee

The Remuneration Committee's main task is to support the Board in ensuring that risks associated with TF Bank's remuneration systems are measured, managed, and reported. The Committee is also responsible for assisting the Board in establishing standards and principles for decisions on remuneration to TF Bank's employees and management team, and for ensuring that the remuneration systems comply with applicable laws and regulations. The Board decides on remuneration for the CEO, Deputy CEO, Chief Compliance Officer, and Chief Risk Officer based on the work of the Remuneration Committee.

The Remuneration Committee is tasked with developing a remuneration policy for the Bank and presenting it to the Board for approval. The Board adopts a remuneration policy at least once a year in accordance with the Swedish Financial Supervisory Authority's regulations on remuneration systems in credit institutions and securities companies, covering all TF Bank employees. Adoption of the policy is based on an annual analysis to identify employees whose work has a material impact on TF Bank's risk profile.

The remuneration policy stipulates, among other things, that salaries and other benefits should be competitive to promote TF Bank's long-term interests and prevent excessive risk-taking. Further details and remuneration paid in 2025 are available on TF Bank's website: www.tfbankgroup.com. The Remuneration Committee shall meet at least twice a year and otherwise as needed. Minutes shall be prepared at each meeting and circulated to all Board members.

At the Board meeting on 17 May, the Board appointed the Remuneration Committee by re-electing John Brehmer and Fredrik Oweson.

All members of the Remuneration Committee have been Board members during the year.

Board member Fredrik Oweson was re-elected Chair of the Remuneration Committee.

In 2025, the Remuneration Committee held two recorded meetings. Participation was as follows:

Board member	Attendance
Fredrik Oweson (Chairman)	2 of 2
John Brehmer	2 of 2

Audit Committee

The Audit Committee is responsible for preparing the Board's work on ensuring the quality of the Bank's financial reporting, internal control, and risk management. This includes addressing critical accounting issues and reviewing the financial reports issued by the Bank.

The Committee shall also regularly meet with the Bank's auditors to discuss accounting principles, receive information on changes in regulations, review the scope and focus of audits, and coordinate between external and internal audits and the assessment of the Bank's risks. The Committee shall also review and monitor the auditor's independence, paying particular attention to whether the auditor provides services other than auditing to the Bank.

The Audit Committee shall evaluate the audit and inform the Bank's Nomination Committee of the results, and assist the Nomination Committee in preparing proposals for auditor appointments and audit fees. The Audit Committee shall meet at least four times per financial year and otherwise as needed. Minutes shall be prepared at each meeting and circulated to all Board members.

At the Board meeting on 17 June 2025, the Board appointed the Audit Committee by re-electing John Brehmer, Michael Lindengren and Niklas Johansson.

All members of the Audit Committee have been Board members during the year.

Board member Michael Lindengren was re-elected Chair of the Audit Committee.

In 2025, the Audit Committee held seven recorded meetings. Participation was as follows:

Board member	Attendance
Michael Lindengren (Chairman)	7 of 7
John Brehmer	7 of 7
Niklas Johansson	7 of 7

The Bank's CEO, CFO, and Head of Group Accounting were present at all meetings. The Head of Group Controlling and the lead auditor from PWC participated in several meetings.

Risk and Compliance Committee

The Risk and Compliance Committee is responsible for preparing and monitoring matters relating to risk management, compliance, capitalisation, and liquidity management. The Committee reviews the Bank's overall current and future risk appetite and risk strategy and assists the Board in overseeing the Executive Management's implementation of the strategy.

The Committee ensures that the products TF Bank offers its customers take into account the Bank's business model and risk strategy. If pricing does not appropriately reflect the risks in accordance with the business model and risk strategy, the Committee shall develop an action plan for the Board.

The Committee shall meet at least four times per financial year and otherwise as needed. Minutes shall be prepared at each meeting and circulated to all Board members.

At the Board meeting on 17 June 2025, it was decided that all Board members would serve on the Risk and Compliance Committee, with Niklas Johansson appointed as Committee Chair.

In 2025, the Risk and Compliance Committee held four recorded meetings. Attendance was as follows:

Board member	Attendance
Niklas Johansson (Chairman)	4 of 4
John Brehmer	4 of 4
Sara Mindus	4 of 4
Fredrik Oweson	4 of 4
Michael Lindengren	4 of 4
Arti Zeighami	4 of 4

The Bank's CEO, CFO, Chief Compliance Officer, and Chief Risk Officer were present at all meetings.

Remuneration of Board members

The 2025 Annual General Meeting resolved on the following remuneration for the members of the Board:

- Chairman of the Board SEK 1,500,000,
- Other members of the Board SEK 550,000,
- Chairman of the Audit Committee SEK 200,000,
- Other members of the Audit Committee SEK 100,000,
- Chairman of the Remuneration Committee SEK 100,000,
- Other members of the Remuneration Committee SEK 50,000,
- Chairman of the Risk and Compliance Committee SEK 200,000,
- Other members of the Risk and Compliance Committee SEK 100,000.

Evaluation of the Board's work

The Board regularly conducts a systematic evaluation in which members are given the opportunity to provide their views on working methods, board materials, and both their own and other members' contributions to the Board's work. The purpose is to develop the Board's work and provide the Nomination Committee with relevant decision-making material ahead of the Annual General Meeting. The results of the evaluation conducted in preparation for the 2026 Annual General Meeting have been presented to both the Board and the Nomination Committee.

CEO AND EXECUTIVE MANAGEMENT

The CEO is responsible for the ongoing management of the Bank in accordance with the Swedish Companies Act and the Board's instructions. The CEO is responsible for keeping the Board informed about the Bank's operations and for ensuring that the Board has as accurate and correct a basis for decision-making as possible.

As of 31 December 2025, TF Bank's Executive Management consisted of Joakim Jansson (CEO) and Mikael Meomuttel (CFO).

Further information about the Executive Management is available at www.tfbankgroup.com and on page 149.

Remuneration of senior executives

The guidelines for remuneration to senior executives include the CEO, CFO, and other members of Executive Management. The guidelines shall apply to remuneration agreed, and changes made to already agreed remuneration, after the guidelines have been adopted by the General Meeting. At the 2023 Annual General Meeting, the following guidelines regarding remuneration to TF Bank's senior executives were adopted:

The Guidelines' Promotion of the Bank's Business Strategy, Long-Term Interests and Sustainability

TF Bank is a fast-growing provider of credit and payment services operating in 14 European countries. Through a proprietary IT infrastructure, TF Bank develops simple and flexible payment and financing solutions for millions of customers. Since its foundation in 1987, TF Bank has consistently combined growth with profitability, and following the stock market listing in 2016, this development has continued with a strong focus on scalability and automation. Lending and/or deposit activities are conducted in the Nordics, the Baltic countries, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, Ecommerce Solutions and Consumer Lending.

Successful implementation of TF Bank's business strategy and safeguarding of the Bank's long-term interests, including its sustainability, require that the Bank can recruit and retain qualified employees. This requires that the Bank can offer competitive remuneration. These guidelines enable senior executives to be offered a competitive total remuneration.

Variable cash remuneration covered by these guidelines shall aim to promote TF Bank's business strategy and long-term interests, including sustainability.

Forms of Remuneration, etc.

Remuneration shall be market-based and competitive and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits, and other benefits. The General Meeting may additionally resolve on, for example, share-based and share price-related remuneration.

Fixed Cash Salary

Each senior executive shall receive a base salary, i.e., fixed monthly salary. The base salary shall reflect the executive's responsibilities, the nature of the position, and individual performance, and shall be market-based. The fixed cash salary shall constitute a sufficiently large part of the employee's total remuneration to enable the variable components to be set to zero. The fixed cash salary constitutes pensionable income and forms the basis for calculating variable remuneration.

Variable Cash Remuneration

Fulfilment of criteria for payment of variable cash remuneration shall be measurable over a period of one or several years. Furthermore, the rules applicable to banks regarding remuneration at any given time shall be complied with. Variable cash remuneration may amount to a maximum of 100 % of pensionable income.

Pension Benefits

Pension benefits, including health insurance, shall be defined contribution, unless the executive is covered by defined benefit pension under mandatory collective agreement provisions. Pension premiums for defined contribution pension may amount to a maximum of 25 % of pensionable income.

Other Benefits

Other benefits, such as company car benefit, may amount to a maximum of 20 % of pensionable income.

With regard to employment relationships governed by rules other than Swedish rules, appropriate adjustments may be made concerning pension and other benefits to comply with mandatory rules or established local practice, whereby the overall purpose of these guidelines shall be met as far as possible.

Termination of employment

In the event of termination by the Bank, the notice period may be a maximum of twelve months. Fixed cash salary during the notice period and severance pay may not together exceed an amount corresponding to the fixed cash salary for six to twelve months. In the event of termination by the executive, the notice period may be a maximum of six months, without entitlement to severance pay.

In addition, remuneration for any non-compete undertaking may be paid. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the former executive is not entitled to severance pay. The remuneration shall be based on the fixed cash salary at the time of termination and be paid during the period the non-compete undertaking applies, which shall be a maximum of six to twelve months following termination of employment.

Criteria for distributing variable remuneration

Variable cash remuneration shall be linked to pre-determined and measurable criteria, which may be financial or non-financial. They may also consist of individually adapted quantitative or qualitative targets. The criteria shall be designed to promote the Company's business strategy and long-term interests, including sustainability, for example by having a clear connection to the business strategy or promoting the executive's long-term development.

When the measurement period for fulfilment of criteria for payment of variable cash remuneration has ended, it shall be assessed and determined to what extent the criteria have been fulfilled. The Board is responsible for such assessment with regard to variable cash remuneration to senior executives. Fulfilment of financial criteria shall be determined based on the Bank's most recently published financial information.

Variable remuneration shall only be paid to the extent that it is justifiable considering the Bank's financial situation and warranted based on the Bank's, the relevant business unit's, and the employee's performance. Variable remuneration may also be forfeited in full. The Bank shall have the possibility, in accordance with law or agreement and subject to any limitations therein, to reclaim variable remuneration paid on incorrect grounds.

Salary and Employment Conditions for Employees

In preparing these remuneration guidelines, salary and employment conditions for the Bank's employees have been taken into account by including information on employees' total remuneration, the components of remuneration, and the increase and rate of increase over time as part of the Board's decision-making basis when evaluating the reasonableness of the guidelines and the limitations resulting from them.

Decision-Making Process for Establishing, Reviewing and Implementing the Guidelines

The Board shall prepare proposals for new guidelines when there is a need for material changes and at least every four years. The proposal shall be submitted for resolution at the Annual General Meeting. The guidelines shall apply until new guidelines are adopted by the General Meeting.

The Board shall also monitor and evaluate variable remuneration programs for Executive Management, the application of the remuneration guidelines for senior executives, and the Bank's current remuneration structures and levels. The Remuneration Committee shall prepare the Board's work as described above.

When the Board and the Remuneration Committee prepare, address, and resolve remuneration-related matters, the CEO or other members of Executive Management shall not be present to the extent that they are affected by the matters.

Deviations from the Guidelines

The Board may resolve to temporarily deviate from the guidelines, in whole or in part, if in an individual case there are special reasons for doing so and a deviation is necessary to safeguard the Bank's long-term interests, including sustainability, or to ensure the Bank's financial viability.

Notice Period and Severance Pay

According to the agreement between TF Bank AB and the CEO, the notice period amounts to six months (twelve months if termination is initiated by the Bank). Salary during the notice period shall be deducted against new salary received by the CEO from a new agreed employer.

DIVERSITY POLICY

TF Bank applies a diversity policy aimed at promoting a well-composed Board of Directors and organisation with regard to competence, experience, background and gender. In the recruitment and nomination of Board members and senior executives, diversity is considered an important factor to ensure effective governance and long-term sustainable decision-making. The policy is applied by considering diversity aspects in nomination and recruitment processes within the Bank. The Bank has established procedures for collecting, quality-assuring and reporting data related to diversity at management level. The Bank also ensures equal pay and equal conditions for equal work.

INTERNAL GOVERNING DOCUMENTS

In addition to laws, regulations, and other rules, TF Bank has a number of internal governing documents relating to day-to-day management. These have been adopted by the Board, the CEO, or other function managers and include, among other things, the Board's rules of procedure, instructions for the Board's three committees, instructions for the CEO and financial reporting to the Board, insider policy, risk management, lending, remuneration, handling of ethical matters and conflicts of interest (Code of Conduct), processing of personal data, outsourcing, business continuity planning, liquidity management, finance policy, capital policy, governing documents for risk control, compliance and internal audit, complaints handling, and policy regarding measures against money laundering and terrorist financing. All governing documents are available via the Bank's intranet.

EXTERNAL AUDITORS

The Company's external auditors are appointed by the General Meeting. The task of the external auditors is to audit the annual report and financial statements as well as the administration of the Board and the CEO. The 2025 Annual General Meeting elected PWC as the Bank's auditor, with authorised public accountant Frida Main as auditor in charge.

Information regarding fees and expense reimbursements to the auditors is available in notes G11 and P11.

INTERNAL CONTROL AND RISK MANAGEMENT

First Line of Defence

Group Management sets the framework for how operations shall be organised to be as efficient as possible from both a risk management and profitability perspective. Based on the needs of the Group's three business areas – Credit Cards, Ecommerce Solutions, and Consumer Lending – Group Management appoints functions and controls to ensure data quality and support decision-making.

Risk management is based on the business areas and includes all employees. Unit/function managers in the first line of defence are responsible for daily risk management and compliance, as well as for taking appropriate measures in case of deviations. Reporting is made to the immediate manager, the Compliance function, the Risk Control function, or the CEO.

Second Line of Defence – Compliance and Risk Control

The independent control functions Compliance and Risk Control review, evaluate, and report to management and the Board regarding risks and compliance. The work of the two functions is governed by governing documents adopted by the Board. The control functions in the second line of defence are responsible for reviewing risk management and compliance in the first line of defence and shall also function as support to it.

Independent review of compliance with external and internal rules is carried out by the Compliance function in accordance with applicable laws and regulations in the countries where TF Bank operates, as well as the regulations and general guidelines of the Swedish Financial Supervisory Authority (or equivalent) regarding governance and control in credit institutions. The Compliance function reports to the CEO and directly to the Board and is regularly reviewed by Internal Audit. TF Bank's Chief Compliance Officer is Magnus Wahlkvist. The Compliance function operates independently of all business units and support functions.

Independent risk control and monitoring of risk management in TF Bank are carried out by the internal independent Risk Control function in accordance with prevailing risk practices, the regulations and general guidelines of the Swedish Financial Supervisory Authority on governance, risk management and control in credit institutions, as well as applicable guidelines and recommendations issued by the EBA. The Risk Control function also reports to the CEO and directly to the Board and is regularly reviewed by Internal Audit. Reporting to the Board includes the Bank's capital position, liquidity risk, credit risk, market risk, and operational risk, including incidents.

TF Bank's Chief Risk Officer is Jonas Danielsson. The Risk Control function works to ensure that all risks in the operations are identified and clarified. The function's responsibility includes independently monitoring and analysing how risks at an aggregated level develop over time and reporting these to the Board and management. The function is also responsible for contributing to the further development of

risk management processes, including by providing methods for identifying, measuring, analysing, and reporting risks. The Risk Control function operates independently of all business units and support functions.

Third Line of Defence – Internal Audit

TF Bank's Internal Audit is an independent review function directly subordinated to the Board. Internal Audit is primarily responsible for providing the Board with reliable and objective evaluation of risk management, financial reporting, and control and governance processes in order to reduce risks and improve the control structure.

TF Bank's Internal Audit is carried out by Advisense AB, with Tomas Munkby as auditor in charge. Reviews are conducted in accordance with an audit plan adopted by the Board.

The Internal Audit function reviews and assesses whether systems, internal controls, and procedures are appropriate and effective, issues recommendations, and follows up that recommendations are implemented. In 2025, Internal Audit's review, in addition to mandatory areas, included TF Bank's implementation of the Digital Resilience Act (DORA), deposit systems, and measures against money laundering and terrorist financing.

The Board issues and revises all policies forming the framework for the operations at least once per year.

INFORMATION IN ACCORDANCE WITH CHAPTER 6, SECTION 2 OF THE ACT (2014:968) ON SPECIAL SUPERVISION OF CREDIT INSTITUTIONS AND SECURITIES COMPANIES AND CHAPTER 8, SECTION 2 OF THE SWEDISH FINANCIAL SUPERVISORY AUTHORITY'S REGULATIONS ON SUPERVISORY REQUIREMENTS AND CAPITAL BUFFERS (FFFS 2014:12)

TF Bank Nordic AB, Yieldloop AB, Credento Bank AB, Avarda AS, TFB Service UAB, TFB Service GmbH, TFBN Services Ltd and TFB Holding Ltd Malta are wholly owned by TF Bank. All companies are wholly owned subsidiaries and, as sole shareholder, TF Bank has the ability to govern the companies by exercising its voting rights at general meetings. Through its shareholding, TF Bank may also determine the Board elected at each company's general meeting.

THE BOARD'S DESCRIPTION OF INTERNAL CONTROL AND RISK MANAGEMENT IN RELATION TO FINANCIAL REPORTING

The Board is responsible, pursuant to the Swedish Companies Act and the Annual Accounts Act, for internal control in both TF Bank AB and its subsidiaries.

Internal control regarding financial reporting is a process designed to provide reasonable assurance

regarding the reliability of external financial reporting and whether the financial statements have been prepared in accordance with generally accepted accounting principles, applicable laws and regulations, and other requirements for companies whose transferable debt securities are admitted to trading on a regulated market.

The internal regulatory framework of policies, instructions, and routine and process descriptions constitutes the primary tool for ensuring financial reporting. The effectiveness and appropriateness of the control mechanisms are reviewed annually by the control functions and Internal Audit.

Internal control activities are part of TF Bank's administrative procedures. Internal control at TF Bank is based on a control environment that includes values and management culture, follow-up, a clear and transparent organisational structure, segregation of duties, the dual control principle, and quality and efficiency of internal communication. The basis for internal control regarding financial reporting also consists of a control environment with organisation, decision-making paths, authorities, and responsibilities documented and communicated in governing documents and job descriptions for control functions.

TF Bank works with proactive and follow-up risk management, with primary focus on ongoing controls and training initiatives. Risk management is an integrated part of business operations. Control activities include both general and detailed controls intended to prevent and detect errors and deviations so that these can be corrected. Control activities are developed and documented at company and department level, based on a reasonable level relative to the risk of error and the impact of such errors. The respective function manager is primarily responsible for managing the risks associated with the department's operations and financial reporting processes (the "first line of defence").

Procedures and processes relating, among other things, to financial reporting are also reviewed by TF Bank's Risk Unit (the "second line of defence"). The review consists of an assessment of whether existing procedures and processes are adequate, as well as sample testing.

Monthly financial reports are submitted to the Board, and the Bank's financial situation is addressed at each Board meeting. The Board of Directors receives regular reports from the Risk Control function and the Compliance function.

FURTHER INFORMATION

Further information about TF Bank's corporate governance is available at www.tfbankgroup.com.

AUDITOR'S REPORT ON THE CORPORATE GOVERNANCE STATEMENT

To the Annual General Meeting of TF Bank AB (publ), corporate identity number 556158-1041.

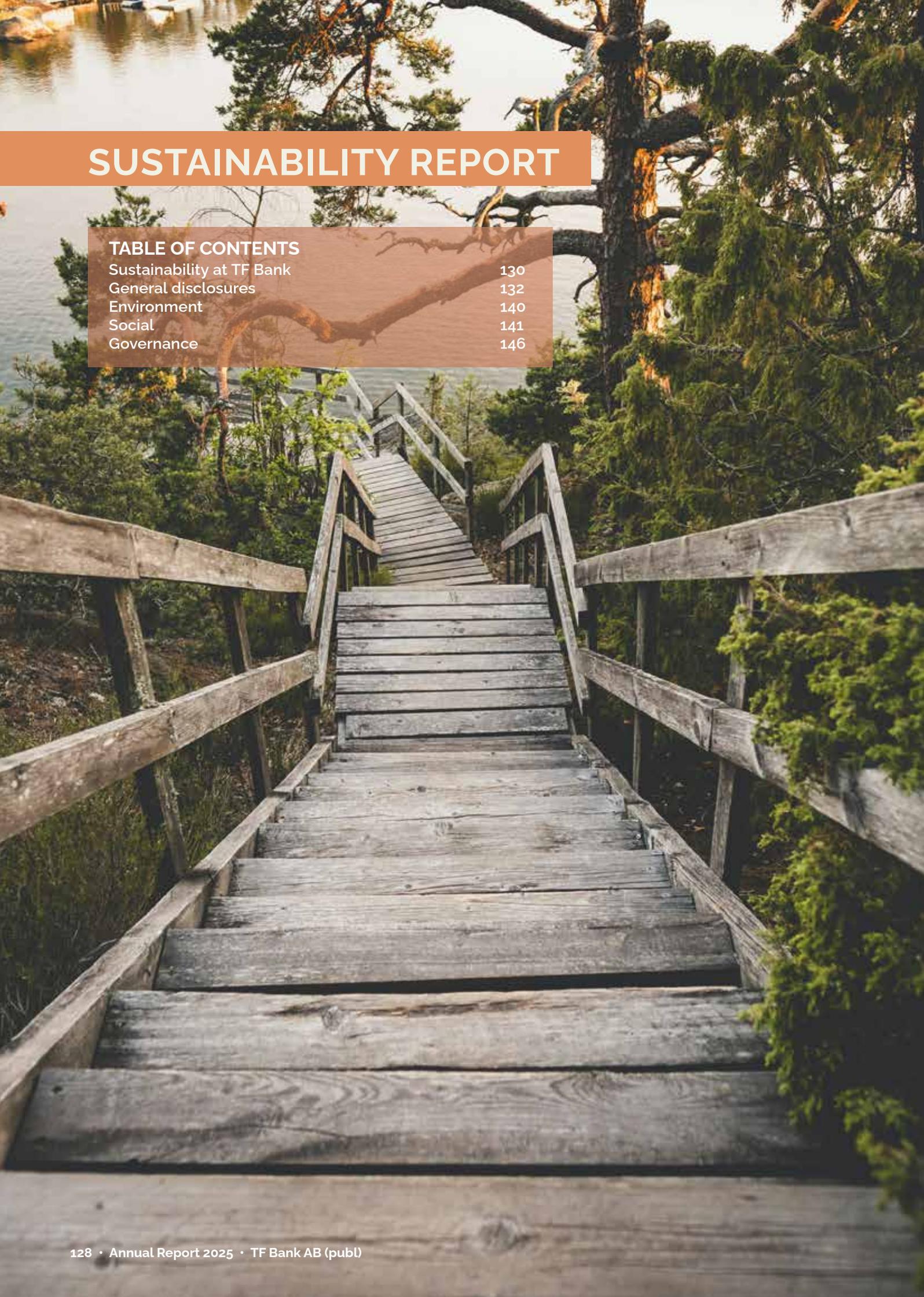
The Board of Directors is responsible for that the corporate governance statement on pages 116-126 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act for Credit Institutions and Securities Companies.

Stockholm 20 March 2026
Öhrlings PricewaterhouseCoopers AB (PWC)

Frida Main
Authorised Public Accountant



SUSTAINABILITY REPORT

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SUSTAINABILITY REPORT

This is TF Bank's statutory Sustainability Report for the financial year 2025. The Report comprises the Parent company TF Bank AB (publ) org.no 556158-1041 including subsidiaries and branches (hereinafter to be referred as TF Bank and/or the Bank).

Disclaimer

This Sustainability Report (the "Report") has been prepared by TF Bank AB (publ) for applicable reporting and information purposes only and is intended to provide transparency regarding TF Bank's sustainability related activities, impacts, risks, and opportunities (IROs).

This Report may contain forward-looking statements, including statements regarding future sustainability objectives, targets, strategies, plans, expectations, or ambitions. Such statements are based on assumptions and assessments made at the time of preparation and are subject to risks, uncertainties, and changes in circumstances. Actual outcomes may differ materially from those expressed or implied in such statements.

Measurement approaches, calculation methods, and data sources used for data collection in this Report may evolve over time as regulatory requirements, best practices, and data availability develop. As a result, previously reported information may be updated or restated to improve accuracy and comparability.

The scope of disclosures in this Report reflects TF Bank's current reporting maturity, the principle of proportionality, and the availability of reliable data. The principle of proportionality means that the extent and level of detail of disclosures are aligned with the size, nature, and complexity of the Bank's operations, as well as the relevance and materiality of the information. Accordingly, TF Bank seeks to ensure that its reporting is appropriate and balanced, without going beyond what is necessary to meet regulatory requirements and stakeholder needs.

This Report has been prepared in accordance with applicable European Union legal acts and Swedish legislation. Certain disclosures are provided on a phased basis, considering transitional provisions and evolving regulatory guidance.



SUSTAINABILITY AT TF BANK

Our approach to sustainability

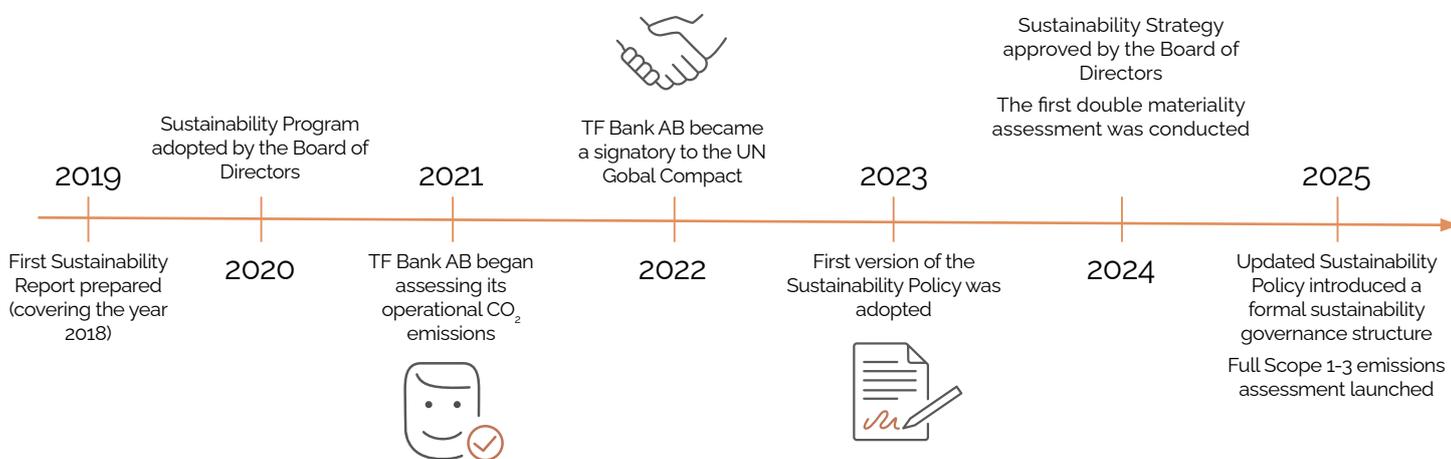
As part of our ongoing commitment to transparency and responsible business practices TF Bank has published sustainability-related information since 2019. Our objective is to contribute to financial inclusion by offering responsible lending solutions that support the everyday needs of our customers. In a well-functioning economy, responsible lending plays an important role by providing individuals with access to essential financial services in a secure, transparent, and sustainable manner. Our ambition is to ensure that all customers can access the products and services they need in a way that is fair, responsible, and aligned with long-term societal and regulatory expectations.

We integrate environmental, social, and governance (ESG) considerations into our business model, risk management processes, and decision-making to ensure that sustainability is embedded in our operations. This is achieved through responsible lending practices, transparent customer engagement, and a long-term perspective on value creation.

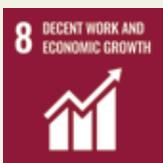
Over recent years, TF Bank has taken steps to strengthen its sustainability framework, with the aim of meeting evolving regulatory requirements and contributing positively to societal needs. We are committed to supporting the United Nations Sustainable Development Goals (UN SDGs). In 2022 we joined the United Nations (UN) Global Compact, a voluntary initiative that encourages businesses to align their operations and strategies with universal principles on human rights, labour, environment, and anti-corruption.

Based on our impact, stakeholder expectations, and applicable regulatory requirements, we have identified priority areas to guide our sustainability efforts and focus our actions where we can have the greatest effect.

The timeline below presents main sustainability related initiatives.



Based on our business model and sustainability priorities, we have identified a number of UN SDGs where TF Bank can have the greatest impact. The table below outlines our related focus areas.

UN SDG	How TF Bank contributes	TF Banks focus area
 <p>3 GOOD HEALTH AND WELL-BEING</p>	<p>Promotes employee physical, mental and social well-being by providing a healthy and supportive work environment. Applies responsible lending and customer protection practices to safeguard financial well-being.</p>	<ul style="list-style-type: none"> • Employee well-being • Responsible lending
 <p>5 GENDER EQUALITY</p>	<p>Ensures equal opportunities in employment, implements diversity policies, and fosters a safe and inclusive workplace culture.</p>	<ul style="list-style-type: none"> • Diversity and equality • Safe work environment • Competence development • Employee well-being
 <p>7 AFFORDABLE AND CLEAN ENERGY</p>	<p>Indirectly contributes through digital processes that reduce reliance on physical infrastructure and lower resource consumption.</p>	<ul style="list-style-type: none"> • Reduce own climate impact • Digital processes • Contribute to energy transition
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	<p>Applies fair employment practices, invests in employee competence development, and provides a healthy and developing workplace. Ensures responsible lending through a continuously tested and improved credit assessment process.</p>	<ul style="list-style-type: none"> • Responsible lending • Diversity and equality • Safe work environment • Competence development
 <p>10 REDUCED INEQUALITIES</p>	<p>Promotes financial inclusion by providing access to responsible financial services.</p>	<ul style="list-style-type: none"> • Access to financial service • Financial literacy promotion
 <p>13 CLIMATE ACTION</p>	<p>Works to reduce its own environmental footprint and integrates climate considerations into operations and services.</p>	<ul style="list-style-type: none"> • Reduce own climate impact • Digital processes • Contribute to energy transition
 <p>16 PEACE, JUSTICE AND STRONG INSTITUTIONS</p>	<p>Maintains strong corporate governance, high ethical standards, AML/CTF compliance, and adherence to regulatory requirements. Ensures high risk awareness and protection of customer data.</p>	<ul style="list-style-type: none"> • Anti-corruption • AML and prevention of terrorist financing • Data security and customer integrity • Sound corporate governance • Efficient risk management

GENERAL DISCLOSURES

The following section of this Sustainability Report presents all sustainability aspects required under the Swedish Annual Accounts Act—environment, social sustainability, employees, anti-corruption, and human rights—and describes our work and governance related to sustainability. This approach provides a clear and consistent structure for presenting sustainability matters and aligns with European best practices in corporate sustainability reporting. As of the date of preparation of this report, TF Bank is not obliged to comply fully with European Union legal acts; therefore, the report constitutes a voluntarily prepared disclosure.

Each disclosure requirement outlines the types of information expected in European sustainability reporting practices. Following this structure helps stakeholders navigate the Bank's sustainability information and understand its key IROs.

General Basis for Preparation of Sustainability Report and Disclosures in Relation to Specific Circumstances

This Sustainability Report has been prepared in accordance with the Swedish Annual Accounts Act. In preparing this Report, relevant European regulatory practices, broader European Union sustainability-related legal developments, as well as applicable industry standards, supervisory expectations and national regulatory guidance have been taken into account.

TF Bank aims to be as transparent as possible based on current reporting capabilities.

In 2024, TF Bank conducted its first Double Materiality Assessment (DMA) in line with European Union sustainability-related legal principles. The assessment identified material sustainability matters based on TF Bank's actual and potential impacts on the environment and society as well as sustainability-related risks and opportunities that may affect the Bank's financial position, performance, and future prospects.

Due to the current maturity of internal systems and data processes, the scope of disclosure is primarily focused on TF Bank's own operations. The Bank expects to gradually expand the scope of its assessments and disclosures over time.

For the 2025 Sustainability Report, the structure has been adjusted compared to previous reporting cycles to closer align with the sustainability reporting practices. The disclosures in the DMA and the performance indicators assessing TF Bank's IROs are based on the best available data at the time of reporting. However, TF Bank notes that certain measurement inaccuracies may occur due to differences in methodologies and data quality across the value chain.

Since initiating sustainability reporting, TF Bank has applied different calculation approaches for certain indicators. As additional and improved data becomes available, methodologies are continuously refined to enhance accuracy, reliability and comparability. Where necessary, historical data and calculations are reviewed and updated to improve consistency across reporting periods.

All sustainability information in this Report is disclosed within the limits of intellectual property protection and the safeguarding of commercially sensitive information. The Report has been prepared on a consolidated basis, with a scope of consolidation consistent with TF Bank Group's financial statements and covers the same reporting period, from 1 January to 31 December 2025. The Sustainability Report is approved by the Board of Directors and published on the TF Bank website www.tfbankgroup.com.

The Report applies the principle of proportionality, taking into account TF Bank's business model, size, geographic footprint, and risk profile. TF Bank aims to provide sustainability information that is relevant, reliable, and decision-useful, with the goal to progressively increase alignment with sustainability-related legal requirements over time.

The Sustainability Report comprises the following sections:

- General disclosures
- Environment
- Social matters
- Governance

The Role of the Administrative, Management and Supervisory Bodies

Sustainability at TF Bank is governed through clearly defined roles and responsibilities included in the Bank's governance framework.

The Board of Directors is responsible for setting the overall strategic direction for sustainability. The Board approves the Sustainability Policy, sustainability strategy, the Sustainability Report, and other key sustainability-related frameworks and documents.

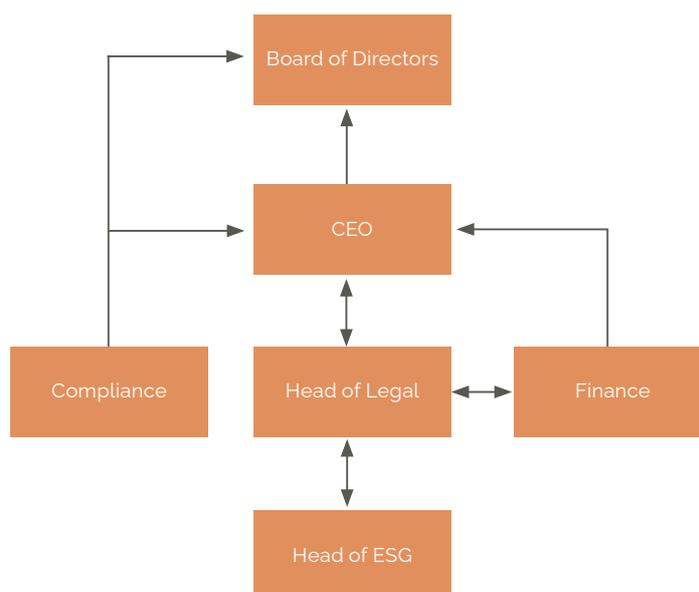
The Chief Executive Officer is responsible for implementing the sustainability strategy and translating the Board's strategic direction into operational plans. The CEO also ensures that progress and material developments are regularly reported to the Board.

Operational responsibility for sustainability is assigned to the Legal function. Sustainability activities are coordinated by the Head of ESG, who reports directly to the Head of Legal. The Compliance function oversees the implementation and effectiveness of sustainability management across the Bank, ensuring alignment with applicable regulatory requirements and internal policies. The Finance function supports sustainability reporting by preparing reporting materials based on sustainability-related data and disclosures.

Although TF Bank has established a clear governance framework for sustainability, effective and comprehensive implementation requires active engagement across the organisation. All departments contribute to sustainability management through the integration of sustainability considerations into their respective areas of responsibility. This includes continuous training and the timely collection and reporting of relevant data. The governing bodies collectively possess experience relevant to TF Bank business model, regulatory environment and geographic footprint. Sustainability-related expertise is supported through internal functions, access to external specialists and ongoing training initiatives.

TF Bank continuously reviews and develops its sustainability governance framework to ensure alignment with evolving regulatory requirements and emerging best practices under applicable legal acts.

TF Bank's Sustainability Governance



Information Provided to the Bank's Governing Bodies and Sustainability Matters Under Their Oversight

Sustainability matters are addressed by the Board of Directors and Executive Management as part of strategic decision-making. In 2024, the Board of Directors was presented with the results of TF Bank's first DMA, which identified material sustainability IROs.

Based on the DMA findings, the Board confirmed TF Bank's sustainability strategy and sustainability priority areas. In 2025, the Board approved an updated Sustainability Policy, reflecting the adopted strategy and clarifying governance responsibilities and implementation principles. In the same year, TF Bank also conducted a review and update of the DMA, evaluating progress in addressing previously identified gaps and emerging sustainability matters.

The Board and Executive Management receive regular updates on sustainability matters through structured reporting, including information on regulatory developments relevant to sustainability, implementation progress of the sustainability strategy and material sustainability-related risks and opportunities.

Integration of Sustainability-related Performance in Incentive Schemes

TF Bank has adopted a Remuneration Policy designed to ensure a sound, balanced and differentiated remuneration structure that reflects business needs, market conditions and regulatory requirements. The remuneration framework promotes compliance, risk awareness and long-term value creation.

Performance-related remuneration for employees and management is based on a combination of financial performance, risk management, compliance and behavioural criteria. Sustainability-related considerations are currently reflected indirectly through requirements related to responsible business conduct, compliance with internal policies, and adherence to regulatory obligations.

At present, TF Bank does not apply explicit sustainability or climate-related performance targets in variable remuneration or incentive schemes. Individual performance targets and detailed remuneration criteria are considered confidential by the Bank and are therefore not publicly disclosed.

TF Bank regularly reviews its remuneration framework to ensure alignment with evolving regulatory requirements, sound governance practices and the gradual integration of sustainability considerations into incentive schemes.

Risk Management and Internal Controls over Sustainability Reporting

TF Bank's risk management framework covers sustainability-related risks, which are managed and controlled through the Bank's established structures, processes and internal control mechanisms. The Bank applies the three lines of defense model, with the Board of Directors holding ultimate responsibility for internal controls and overseeing the accuracy and completeness of sustainability-related information.

Sustainability related reporting risks, including data availability, data quality and methodological consistency, are assessed using TF Bank's standard risk assessment and prioritisation methodology. Identified risks are addressed through established reporting procedures, second line review, and ongoing improvements to sustainability data processes.

As reflected in the Credit policy, TF Bank recognises that ESG factors may impact credit risk. These factors are considered, where relevant, within the Bank's credit risk management framework. The identification of sustainability-related risks is informed, among other inputs, by the results of TF Bank's DMA, which identifies material sustainability IROs relevant to TF Bank's activities.

Findings related to sustainability reporting risks are periodically reported to Executive Management and the Board of Directors through existing governance reporting channels, ensuring oversight and informed decision-making.

Strategy, Business Model and Value Chain

Sustainability Strategy

TF Bank's Sustainability strategy, approved in 2024, aligns with the Bank's strategic time horizons to guide sustainability efforts. Detailed implementation measures are still under development.

Time Horizon	Strategic Focus
Short-Term (0-3 Years)	Strengthen ESG-related policies, enhance data protection, and initiate low-carbon transition projects
Medium-Term (4-10 Years)	Deepen ESG integration into operations, transition logistics and operations to low-carbon solutions
Long-Term (11-30 Years)	Follow regulatory targets to achieve net-zero emissions by 2050, expand stakeholder collaborations, and create lasting positive environmental and social impacts

Business model

TF Bank is a fast-growing provider of credit and payment services operating in 14 European countries. Through a proprietary IT infrastructure, TF Bank develops simple and flexible payment and financing solutions for millions of customers. Since its foundation in 1987, TF Bank has consistently combined growth with profitability, and following the stock market listing in 2016, this development has continued with a strong focus on scalability and automation.

Lending and/or deposit activities are conducted in the Nordics, the Baltic countries, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy through subsidiary, branch, or cross-border banking with the support of the Swedish banking license. The business is divided into three segments: Credit Cards, Ecommerce Solutions and Consumer Lending. The target group for all services is creditworthy individuals, and the loan amounts are relatively small with short repayment terms.

Sources of financing

TF Bank's primary source of funding is deposits from the public. Deposits stem only from the household sector, which are protected under a government deposit guarantee scheme.

Economic value creation

TF Bank generates economic value for its key stakeholders according to the table below:

Stakeholder	Economic Value
Customers	Interest payments
Employees	Salaries and benefits
Suppliers and business partners	Purchases
Shareholders	Dividends
Society	Taxes and fees

As a bank, employer, and listed company, TF Bank is committed to addressing sustainability topics most relevant to its business model, stakeholders, and regulatory environment.

Responsible lending

Responsible lending is central to TF Bank's business model, ensuring long term value creation and safeguarding customer trust. The table below presents selected key performance indicators that TF Bank monitors in relation to responsible lending.

KPIs	2025	2024
Loan loss ratio (%)	4.5	4.3
Income from late payments (%)	4.4	5.2
Number of loan applications	12,421,002	11,409,505
- Of which denied	6,522,346	5,809,566
Average loan amount (SEK)	15,826	15,194
Share of markets with local customer service (%)	75	75

In 2025, TF Bank continued to demonstrate its commitment to responsible lending while managing a growing volume of loan applications. The Bank received over 12.4 million loan applications, an increase compared with 11.4 million in 2024, reflecting an increasing demand for TF Bank's services. At the same time, the number of declined applications also increased, indicating a selective and careful credit assessment process to ensure responsible lending practices are maintained.

The net loan loss ratio increased slightly to 4.5 % from 4.3 % in 2024, reflecting the growth of the loan portfolio in the Credit Cards segment, which carries a higher loan loss ratio compared with the Bank's other segments. Revenue from late payments decreased to 4.4 % from 5.2 % in 2024, reflecting improvements in repayment behaviour and proactive debt management. The average loan amount increased modestly to SEK 15,826, compared with SEK 15,194 in the previous year.

The share of markets with local customer service remained stable at 75 %, demonstrating TF Bank's continued commitment to accessibility and responsiveness across its operating regions. Overall, the indicators illustrate the Bank's focus on balancing growth with prudent credit assessment, risk management, and the ongoing pursuit of responsible lending.

Value chain

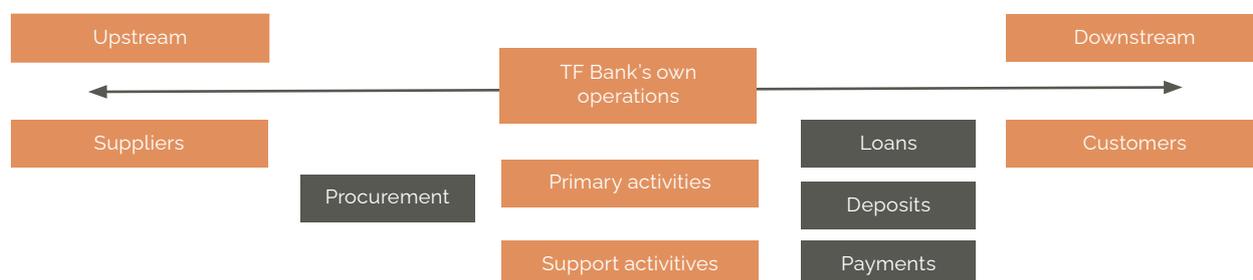
The diagram below illustrates the core elements of TF Bank's value chain.

Support activities (back-office functions) ensure the smooth functioning of the Bank by leveraging internal resources and external service providers to maintain systems, deliver projects and safeguard technological continuity, system stability and regulatory compliance.

Primary activities (front-office functions) represent the Bank's core services and products provided to customers and merchants. These activities rely on support functions and, where relevant, external service providers to ensure efficient and secure operations.

Together, support and primary activities enable TF Bank to deliver appropriate, secure and reliable financial products and services to downstream stakeholders, including customers and merchants.

TF Bank's value chain



Operating across multiple European markets, TF Bank relies on employees working across different countries to support both primary and support activities. This structure creates a multicultural workforce that reflects the international scope of the Bank's operations and the diversity of its customer base.

Interests and Views of Stakeholders

TF Bank engages with a broad range of stakeholders whose interests are directly linked to TF Bank business model, value chain and sustainability IROs. Stakeholders are identified and categorised based on their position in the value chain, and their relevance to TF Bank operations, regulatory obligations and long-term strategy.

TF Bank's stakeholders are grouped into upstream and downstream categories:

Upstream stakeholders support the development and delivery of TF Bank products and services:

- Employees - all personnel within TF Bank
- Suppliers and business partners - providers of administrative, financial, legal, logistics, marketing, operational and IT services, as well as brokers. Engagement with these stakeholders is managed through partnership, service and other contractual agreements.

Downstream stakeholders are recipients or users of TF Bank products and services:

- Customers - private individuals with a loans, credit cards or deposit agreements with TF Bank, as well as those using the Bank's payment services
- Merchants - entities with commercial agreements with TF Bank
- Shareholders - individuals or entities that invest in TF Bank and have a financial interest in its performance

Stakeholder engagement is conducted through both formal and informal channels including:

- Employee surveys, internal communication and dialogue with management
- Ongoing cooperation and contractual follow-up with suppliers, partners and merchants
- Customer and merchant interaction via service channels, complaints handling, and feedback mechanisms

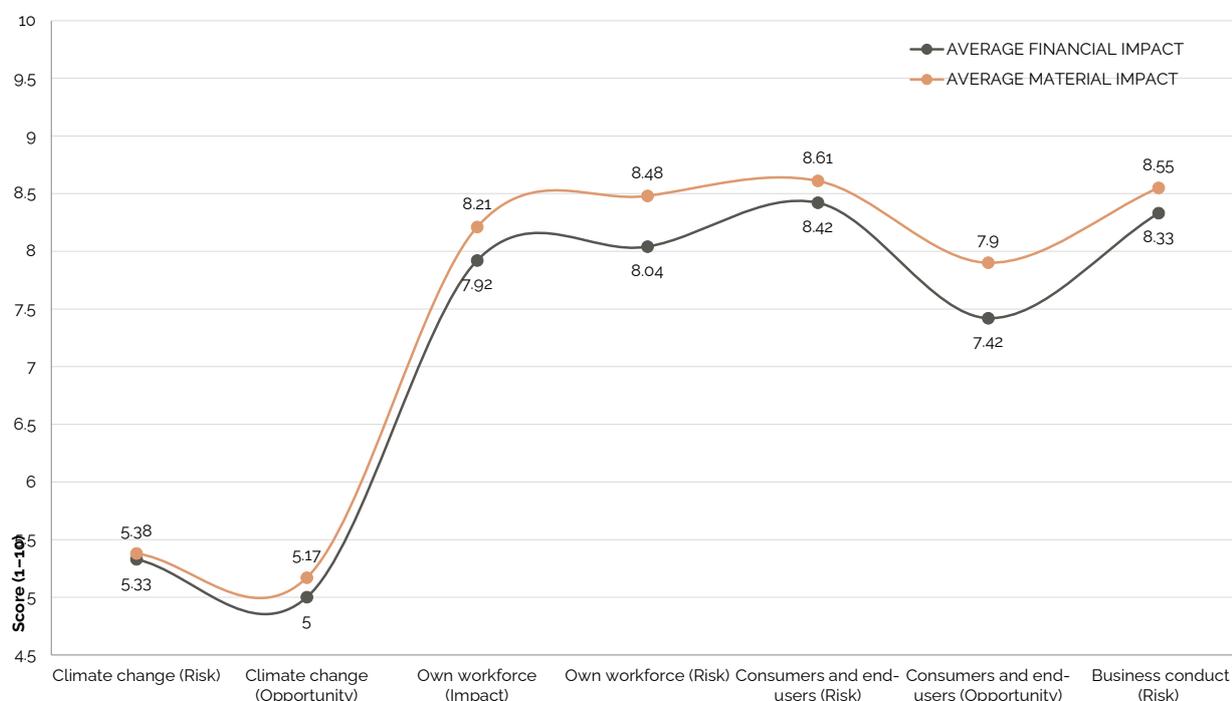
In TF Bank's DMA sustainability-related IROs across operations, value chain and stakeholder relationships are identified and assessed. Impact materiality (effect of TF Bank on people and the environment) and financial materiality (effects of sustainability matters on TF Bank's financial position, performance and future prospects) were considered.

List of identified IROs:

Section	IRO type	IRO description
Environment	R	Climate-related physical and transition risks may reduce customers' ability to repay loans, negatively affecting the Bank's credit risk profile.
Environment	O	Integrating climate-related risks into credit risk management may improve portfolio resilience and risk awareness.
Social matters	I	Inadequate working conditions, including physical office conditions and organisational culture, may negatively affect employee wellbeing.
Social matters	R	High employee turnover may increase operational, recruitment and training costs for the Bank.
Social matters	R	Data protection breaches may result in regulatory fines and negatively affect customers' personal data rights.
Social matters	O	Responsible lending practices may strengthen customer trust and long-term customer relationships.
Governance	R	Corruption or unethical conduct may lead to regulatory sanctions, financial losses and reputational damage.

Identified IROs were evaluated using a structured scoring process, incorporating stakeholder input collected through surveys of both internal stakeholders and external stakeholders. Based on the DMA results, the identified IROs were ranked according to their financial and impact significance as follows:

Double Materiality Matrix



The DMA results indicate that TF Bank's sustainability profile is primarily driven by governance and ethical conduct, responsible lending, data protection and workforce-related matters, rather than by direct environmental impacts. This reflects the nature of TF Bank business model, which is focused on financial services and has a limited direct environmental footprint.

Material Impacts, Risks and Opportunities and Their Interaction with Strategy and Business Model

TF Bank has identified and assessed its IROs through DMA. The assessment considers both material impacts on society and the environment, and material impacts on TF Bank financial position, performance and future prospects. The results provide the foundation for integrating sustainability into TF Bank strategy, governance and risk management.

Based on these assessment, the following material matters have been prioritised as those with the strongest interaction with TF Bank's strategy, business model and long term value creation.

- Corruption and unethical conduct.*
Corruption and unethical conduct were identified as a material risk with high impact and financial significance. Stakeholders clearly perceive that even a single serious incident could have a disproportionate negative effect on TF Bank reputation, regulatory standing and financial performance.
- Own workforce.*
Workforce-related matters were identified as both a material impact and a material risk. Stakeholders view employees as one of TF Bank key assets and expect not only legal compliance, but also effective implementation of employee rights related to working conditions, equal treatment, health and safety, social dialogue and privacy. The results indicate that employee wellbeing and turnover have a direct financial effect to the organisation.
- Consumers and end-users.*
Consumer-related matters were identified as both a material risk and a material opportunity. Data protection breaches were assessed as a material risk, with high impact and financial significance. This highlights data protection as a core element of customer trust. Responsible lending and access to clear information were identified as a material opportunity, with high impact significance but medium financial significance. Stakeholders primarily associate responsible lending with trust, fairness and long-term customer relationships.

- *Climate change.*

Climate-related IROs were assessed as having low impact and low financial significance from the stakeholder perspective. These results reflect stakeholder perception rather than the TF Bank long-term exposure to climate-related financial and regulatory risks.

The identified IROs are closely connected to TF Bank digital, consumer-focused banking model and are addressed through policies, controls and strategic initiatives. High-priority topics are managed through governance structures and risk management processes, while medium and lower priority topics are incorporated into ongoing monitoring and continuous improvement initiatives. The relevance of IROs is regularly reviewed to reflect changes in regulation, stakeholder expectations and business activities.

Description of the Processes to Identify and Assess Material Impacts, Risks and Opportunities

TF Bank applies a structured DMA process to identify and assess sustainability-related IROs. DMA is designed to become an ongoing process, iterative process, fully integrated into TF Bank's risk management framework and strategic planning.

The DMA began with the identification of topics relevant to TF Bank business model, operations, value chain, stakeholder context and regulatory environment. This assessment was supported by stakeholder engagement activities. Internal and external stakeholders were consulted through surveys to assess the significance of identified topics using a 10-point scale for both material (impact) and financial perspectives. Stakeholder groups included employees, management and customers.

Survey responses were aggregated to calculate average scores for Material Impact and Financial Impact. Pre-defined thresholds were applied to classify topics as having high, medium or low significance. The findings were analysed to prioritise sustainability topics and to support materiality conclusions. Stakeholder engagement and internal expert input were integrated throughout the process to validate findings. Topics that met the materiality thresholds were designated as material and formed the basis for sustainability disclosures, strategic priorities, policies, actions, and targets.

Sustainability Disclosure Requirements Covered by the Report

The findings of DMA were mapped to the relevant sustainability topics. Based on the assessment, TF Bank's Sustainability Report focuses on the following material sustainability areas:

- Environment – Climate change
- Social matters – Own workforce
- Social matters – Consumers and end-users
- Governance – Business conduct

These topics reflect the areas where TF Bank has identified the most significant sustainability-related IROs and demonstrate the integration of sustainability considerations into the Bank's strategy, business model, governance arrangements, and risk profile.

Other sustainability-related topics were considered as part of the DMA but were not identified as material at this stage and are therefore not subject to detailed disclosure in this Report.

TF Bank applies a phased approach to the development of its sustainability reporting, with the scope of disclosures, methodologies, and data quality being further enhanced over time. Topics currently assessed as not material are continuously monitored and may be reassessed in future reports in response to regulatory developments, stakeholder expectations and changes in TF Bank's activities.

The selected material topics are discussed in detail in the ESG sections of this report, highlighting TF Bank's approach to managing and integrating sustainability risks and opportunities into its operations and long-term strategy.

ENVIRONMENT

Climate change

TF Bank's Sustainability Policy provides an overarching framework for TF Bank's environmental and climate-related initiatives, including commitments to reducing emissions, improving resource efficiency and promoting sustainable operations. The Policy ensures compliance with applicable legal and regulatory disclosure requirements.

TF Bank maintains transparency in calculating its carbon footprint, collaborating with external consultants and following the Greenhouse Gas (GHG) Protocol reporting standards, including the Corporate Accounting and Reporting Standard (2004) and the Corporate Value Chain (Scope 3) Accounting and Reporting Standard (2011).

Emissions are classified into three scopes:

- Scope 1 – Direct GHG emissions from sources that are owned or controlled by TF Bank.
- Scope 2 – Indirect GHG emissions from the generation of purchased electricity, heating, cooling, or other energy carriers consumed by TF Bank.
- Scope 3 – all other indirect emissions across the value chain, both upstream and downstream

TF Bank's indirect environmental impact primarily arises from Scope 3 emissions, particularly those associated with suppliers' energy use. TF Bank employs a cloud-based server solution that is considered more secure and more energy-efficient than operating its own servers. The data centre used is powered entirely by renewable electricity and is environmentally certified under ISO 14001.

KPIs - Climate change	2025	2024
Climate impact (t CO ₂ e)	6,316.4	4,648.8
Climate impact per employee (t CO ₂ e / FTE)	12.92	11.15
Climate impact per net sales (t CO ₂ e / MSEK)	2.17	1.91
Climate impact per office space (t CO ₂ e / m ²)	1.00	0.82
Energy consumption per office space (kWh / m ²)	157.06	119.17

A full Scope 1-3 assessment was conducted for 2025 and 2024. As shown in the table above, there was an overall increase in emissions year-on-year from 4,648.8 t CO₂e in 2024 to 6,316.4 t CO₂e in 2025. This increase is primarily driven by the expansion of TF Bank's operations during 2025, including offices in more countries, growth in the number of employees, and the resulting rise in commuting-related emissions. Increased office space consumption and business travel also contributed to the upward trend, reflecting the Bank's international footprint and continued organisational growth.

While TF Bank prioritises video conferencing across all offices to reduce travel-related emissions and facilitate collaboration, business travel remains necessary in certain cases to support customer relationships, operational coordination, and regulatory compliance across multiple countries.

TF Bank applies standard environmental practices across its offices, including structured recycling procedures, responsible waste handling, and the use of environmentally certified and eco-labelled office supplies wherever feasible. These measures form part of the Bank's commitment to maintaining responsible day-to-day operations and reducing operational environmental impacts.

While office-related environmental impacts remain limited in scale, TF Bank seeks to contribute to reduced emissions in its value chain. Within the Ecommerce Solutions segment, digital optimisation tools such as Avarda Return Optimiser support partners in lowering return rates and associated transport emissions.

TF Bank also considers it essential that its suppliers maintain high ethical standards and act responsibly. To support this, the Bank has adopted a Code of Conduct for Suppliers. Suppliers are required either to formally approve the Code or demonstrate that they have an equivalent internal code of conduct in place.

At this stage, TF Bank has not yet established a formal, quantified CO₂ emissions reduction plan with defined targets. However, the Bank continuously monitors emissions across Scopes 1-3 and is actively strengthening its carbon accounting practices by refining data collection processes, improving calculation methodologies, and enhancing internal reporting structures. This work supports the environmental time horizon and strategic focus outlined earlier in the report. In the short term, efforts concentrate on strengthening ESG-related policies and initiating low-carbon transition measures while improving emissions data quality. Over the medium to long term, enhanced measurement and monitoring will provide the foundation for deeper ESG integration, operational transition initiatives, and alignment with evolving regulatory expectations, including longer-term net-zero ambitions.

SOCIAL MATTERS

Own workforce

Well-being, Diversity and Equality

TF Bank recognises that social responsibility is fundamental to building trust, ensuring long-term value creation and maintaining a sustainable banking business. TF Bank's social approach focuses on employees, customers, and society, and is embedded in its governance framework, internal policies and daily operations.

TF Bank strives to provide all employees with a safe, healthy and inspiring work environment – physically, mentally and socially. Employees are treated with respect and dignity in accordance with the TF Bank business principles and Code of Conduct. Diversity in terms of backgrounds, experiences and perspectives is recognised as a key driver of innovation, resilience and long-term business success. Flexible working arrangements and employee benefits further support work-life balance and overall well-being.

As shown in the table below, TF Bank maintains a balanced gender distribution, with women representing 49 % of employees in 2025. Female representation is also present at both Board and Executive Management levels, supporting organisational diversity. The number of employees grew by approximately 13 % during the year, while employee turnover decreased from 25 % to 16 %, indicating a more stable employee base and suggesting that TF Bank continues to offer an attractive and safe working environment.

Attractive employer

KPIs	2025	2024
Number of employees	471	417
- Of which women	231	223
- Share of women (%)	49	53
Share of female members of Board of Directors and executive management (%)	29	21
- In Board of Directors (%)	17	17
- In operational management (%)	38	25
Number of nationalities in Board of Directors	1	1
Average age of employees	35	35
Sick absence (%)	4	3
Staff turnover rate (%)	16	25
Number of part-time employed students	18	16

As an pan-European organisation operating across multiple countries, TF Bank brings together employees with diverse cultural, linguistic and professional backgrounds. This diversity strengthens collaboration and broadens perspectives, while also requiring a workplace culture based on tolerance, mutual respect and the ability to adapt to different ways of working.

Average number of employees by country is shown in the table below:

	2025			2024		
	Women	Men	Total	Women	Men	Total
Sweden	61	88	149	58	74	132
Poland	70	69	139	66	59	125
Norway	19	20	39	22	16	38
Finland	17	14	31	18	12	30
Estonia	24	6	30	23	6	29
Lithuania	15	5	20	15	3	18
Latvia	11	8	19	11	6	17
Germany	6	9	15	7	7	14
Spain	6	17	23	3	10	13
United Kingdom	2	3	5	0	1	1
Austria	1	0	1	0	0	0
Total	232	239	471	223	194	417

TF Bank is committed to equal rights, obligations and opportunities for all employees, with a particular focus on:

- equal pay and conditions for equal work
- non-discrimination in recruitment, employment and career development
- gender balance across roles and management levels
- reconciliation of work and parenthood through flexible and hybrid working arrangements

Recruitment and career development decisions are based on competence, experience and role requirements. Inclusive employment practices are promoted in the organisation, including opportunities for part-time work in several markets as well as supporting students and individuals entering the workforce.

Safe and Healthy Work Environment

TF Bank aims to ensure a safe and supportive work environment, both physically and psychosocially. Workplaces are designed with ergonomics, health and safety in mind, and in regards legal requirements. TF Bank continuously assesses work environment risks and improvement opportunities to ensure that employees feel safe, supported and have the conditions necessary to perform at their best.

Competence Development and Training

Competence development is a key enabler of employee engagement and business performance. All employees are offered opportunities for training and professional development through:

- mandatory and role-specific training (e.g. AML/CTF, information security, data protection);
- leadership and management development programmes; and
- individual development plans agreed during annual performance and development reviews.

These processes ensure that employees understand their role, contribute meaningfully to the TF Bank values and are supported in their professional growth.

TF Bank has an integrated training system that enables employees to complete mandatory and developmental training at a time that best suits their schedules. TF Bank aims to provide training that is directly relevant to employees' roles, supports effective execution of their responsibilities and contributes to the achievement of organisational goals, while also encouraging sustainable practices both within and beyond the workplace.

During the year TF Bank achieved high completion rates across essential training modules, demonstrating strong employee engagement and commitment to continuous learning:

Training module	Completion rate (%)
ESG Training	96
Personal Data Privacy Training: Basics	93
Anti Bribery and Corruption	91
Artificial Intelligence (AI) Basics	90
How to Work Smarter with AI	83
Personal Data Privacy Training: Data Breaches	78
Security Awareness	72
Artificial Intelligence (AI) – EU AI Act	63
ICT & Security Incident Management	52

These results reflect TF Bank's ongoing ambition to develop digital and ethical competencies, particularly in areas critical to responsible banking, such as data protection, cybersecurity, anti-corruption and the integration of sustainability matters. The high level of participation in AI-related areas also highlights TF Bank's focus on preparing employees for the secure and compliant use of new technologies, including the regulatory requirements arising from the EU AI Act.

Employee Engagement

TF Bank conducts regular employee surveys to measure engagement, satisfaction and organisational climate. Survey results are discussed at executive management level and used to identify improvement actions related to leadership, communication and collaboration. The high participation rate demonstrates that employees are actively involved and maintain a strong relationship with the organisation.

Employee engagement Survey results	2025	2024
Participation rate, %	85	83

Collective Bargaining and Employee Representation

Collective bargaining rights are respected in accordance with applicable national legislation. In the Nordic countries and Spain, employee terms and conditions are covered by collective bargaining agreements where required by law.

In other markets, collective bargaining arrangements are not legally mandated or are less commonly applied. In these cases, employment conditions are governed by national labour laws, individual employment contracts and internal policies. TF Bank respects employees' freedom of association and their right to representation in line with local legal requirements.

Human Rights

TF Bank respects internationally recognised human rights in all markets where it operates. TF Bank supports the UN Universal Declaration of Human Rights and related conventions and has been a signatory to the UN Global Compact since 2023.

Human rights considerations are integrated into employment practices, labour conditions, supplier and partner relationships, and customer interactions. Potential risks are assessed through internal processes and in cooperation with suppliers, supported by the Code of Conduct for Suppliers. Respect for human dignity, fair labour conditions and ethical conduct is fundamental to all TF Bank operations.

Within the reporting period, no human rights incidents were recorded. Five employee complaints were submitted through the internal reporting system to the responsible TF Bank HR department and were handled in accordance with established procedures.

Social Partnerships

TF Bank contributes to society through selected social partnerships and community initiatives aligned with its values. The Bank cooperates with organisations such as PlayOnside, supporting displaced children and youth through education and sports initiatives. PlayOnside operates in Mae Sot, Thailand, where it empowers refugee and migrant children from Myanmar through football-based education programmes, reaching approximately 700 children from 22 schools.

The current partnership with PlayOnside will expire at the end of 2025. Following the partnership's conclusion, TF Bank will evaluate future social engagement opportunities to ensure that upcoming partnerships continue to align with the Bank's values, strategic priorities, and commitment to creating positive social impact.

Employee Involvement

In 2025, TF Bank implemented several initiatives that combined sustainability, employee engagement, and community support. These included:

- A global walking challenge promoting health and good well-being
- The reuse of IT equipment through donations to organisations supporting children and families
- A Christmas donation initiatives where employees selected diverse non-profits addressing animal welfare, healthcare, and emotional support for children

Customers and End Users

TF Bank places strong emphasis on customer protection, data security and transparent communication. As a digital bank, trust, information security and responsible conduct are essential to the business. Key focus areas include:

- protection of customer data and privacy in accordance with GDPR and applicable national regulations
- information security and cyber resilience, including compliance with DORA
- clear, accurate and accessible customer information
- responsible lending and fair treatment of customers

TF Bank applies responsible lending principles to ensure that credit products are suitable for customers' needs and proportionate to their ability to repay. Credit is granted only when there is a well-founded assessment that the customer can meet their financial obligations over the term of the agreement. To prevent excessive indebtedness, TF Bank conducts creditworthiness assessments before entering into any credit agreement. Assessments are based on sufficient, reliable, and verifiable information. Lending practices are designed to support customers' long-term financial stability and to avoid unsustainable debt burdens. Creditworthiness assessments are proportionate to the type, amount, and risk of the credit and combine automated decision-making with manual controls where appropriate. This approach supports efficient processing while ensuring accuracy, fairness, and compliance with applicable regulatory requirements. Customers are provided with clear, transparent, and understandable information to enable informed decision-making.

TF Bank continuously monitors credit performance to identify early signs of financial difficulty. Where risks arise, customers are contacted proactively and offered guidance, support and, where appropriate, flexible repayment solutions or restructuring. Specially trained customer support staff engage with customers at an early stage to minimise financial strain and support sustainable repayment outcomes.

Transparency is a core principle throughout the customer journey. Customers receive clear and understandable information on credit terms, costs, fees, risks and consequences of non-payment. Marketing, onboarding and contractual communications are designed to be fair, clear and not misleading, enabling informed decision-making. Risk warnings, APRs and repayment examples are disclosed in line with regulatory requirements, and accessible customer service is available throughout the lending process.

TF Bank pays particular attention to vulnerable customers and provides support in accordance with internal policies. Accessibility requirements for key consumer products and services are followed to ensure inclusion of customers with disabilities.

Marketing of consumer credit and related products is conducted responsibly and in line with applicable laws and ethical standards. Marketing materials are designed to support informed choices and avoid misleading claims or exploitation of customers' financial situations.

TF Bank continuously works to improve service quality, customer experience and product design, with the aim of building long-term trust and supporting responsible financial inclusion.

RESPONSIBLE LENDING AT TF BANK

Responsible lending at TF Bank begins with the Board of Directors holding ultimate responsibility for managing credit risk. Credit risk is the Bank's most significant risk and is closely monitored across all lending activities. The Board establishes the credit policy, which sets the framework for all lending, and receives regular updates on portfolio performance. A dedicated credit committee tracks risk developments, implements necessary adjustments, proposes policy updates and ensures that exposures remain within defined limits, including concentration risks across counterparties, industries and regions. This structured oversight ensures a well-diversified loan portfolio with a balanced risk profile while supporting sustainable growth.

Within this framework, Jana Reimal, an Underwriter at TF Bank, plays a key role in translating policy into practical, responsible lending decisions.

– My role is to evaluate a customer's financial behaviour and overall standard of living based on the information they provide. When the assessment confirms the customer's ability to borrow responsibly, the application is approved with the aim of establishing a stable and manageable repayment plan. The goal is not only to approve loans but to ensure they are sustainable for the customer and the Bank.

Each application is assessed against the Bank's risk appetite, using a consistent methodology and verified data. Detailed creditworthiness assessments consider the customer's financial position, repayment capacity, creditworthiness assessment models, external information and past history with the Bank. Internal limits are strictly monitored to avoid excessive exposure and maintain portfolio diversification.

– We document and review information for every customer without exception. We rely on registered data, bank statements and official sources to guide our decisions, not assumptions or verbal assurances. This reduces uncertainty and improves the accuracy of our assessments.

Monitoring a customer's ability to repay is central to responsible lending. The Bank's tools and systems support consistent and reliable underwriting. Underwriters pay close attention to the customer's existing obligations and financial patterns, identifying potential repayment difficulties early. Tools such as secure identification programs, creditworthiness assessment models, and internal databases support these assessments, making the process consistent and thorough.

The Bank also has safeguards to prevent over-lending. Only one application can be submitted at a time, and if there are signs that a customer's financial stability could weaken, underwriters will refuse the application or offer refinancing.

– In borderline cases, we request additional documentation or, if necessary, suggest a smaller loan so that the customer retains a financial buffer.

Collaboration across departments strengthens this process further. Credit risk, compliance, and analytics teams provide broader insights, helping underwriters identify early warning signs and make well-informed decisions.

Looking forward, the core principles of responsible underwriting will remain unchanged: careful evaluation, thorough monitoring, and reliance on verified data.

– It is essential to assess not just the number of a customer's obligations, but also the quality of their creditors. Whenever doubts arise, it is always better to request additional documentation.

Through this disciplined approach, TF Bank ensures that underwriting is robust, fair, and fully aligned with its commitment to responsible lending, safeguarding both the Bank and its customers over the long term.

Jana Reimal
Underwriter, Estonia

GOVERNANCE

Business Conduct and Governance

TF Bank is committed to high standards of business ethics, integrity and responsible conduct across all operations. TF Bank governance practices are designed to support regulatory compliance, effective risk management and long-term value creation, while maintaining trust among customers, employees, suppliers and other stakeholders.

TF Bank corporate culture is founded on its Code of Conduct, which applies to all employees, management and members of the Board. The Code sets clear expectations regarding ethical behaviour, compliance with laws and regulations, prevention of conflicts of interest, equal treatment and respect for human rights.

Based on the DMA, business ethics, anti-corruption, prevention of money laundering and terrorist financing, and information security have been identified as material governance topics. TF Bank applies a zero-tolerance approach to corruption and bribery. Anti-corruption, anti-bribery and anti-financial crime measures are embedded in TF Bank governance and risk management systems and include:

- Risk-based anti-money laundering (AML) and counter-terrorist financing (CTF) controls
- Strict Know Your Customer (KYC) procedures during onboarding and throughout the customer relationship
- Continuous transaction monitoring and reporting of suspicious activities to relevant authorities
- Mandatory and regularly updated training for employees in relevant roles

These measures aim to prevent, detect and address financial crime risks and are continuously enhanced to reflect regulatory changes and emerging risks.

TF Bank has an independent whistleblower function available to employees and external stakeholders. Suspected breaches of the Code of Conduct, violations of internal or external regulations, or concerns related to corruption, money laundering or terrorist financing can be reported anonymously. Reports are handled confidentially and in accordance with applicable whistleblower protection legislation.

TF Bank expects suppliers and business partners to comply with high ethical, legal and sustainability standards. These expectations are set out in the Code of Conduct for Suppliers, covering areas such as anti-corruption, AML, data protection, human rights and environmental responsibility. Suppliers are expected to adhere to TF Bank's Code of Conduct or demonstrate that they apply equivalent standards.

Information security and data protection are critical to TF Bank's digital business model. The Board of Directors has approved IT, information security and privacy policies aligned with GDPR, DORA and other applicable regulations. Controls include access management, encryption, incident response procedures, business continuity and disaster recovery planning, and mandatory employee training. Compliance is monitored through internal controls and independent internal audit.

Governance oversight is exercised through the Bank's three-lines-of-defence model, internal controls and independent internal audit. During the reporting period, TF Bank did not record incidents of corruption, bribery or serious breaches of business conduct that had a significant impact on TF Bank or its stakeholders.

The table below reflects that the operational governance indicators remained stable within reporting period, with an increase in customer complaints and reported GDPR breaches compared to 2024, no whistleblowing reports, and a higher amount of taxes paid, reflecting TF Bank's expanding operations. These developments should also be understood in the context of growing business volumes, an increasing customer base and TF Bank's broader international footprint.

KPIs	2025	2024
Number of customer complaints	517	452
Number of reported GDPR breaches	10	7
Number of reports to whistle-blower function	0	0
Tax payments (SEK thousand)	268,960	219,828

AUDITOR'S OPINION REGARDING THE STATUTORY SUSTAINABILITY REPORT

To the Annual General Meeting of TF Bank AB (publ), corporate identity number 556158-1041.

The Board of Directors is responsible for the sustainability report on pages 128-146, and that it is prepared in accordance with the Annual Accounts Act in accordance with the older wording that applied before 1 July 2024.

Our examination has been conducted in accordance with FAR's standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

Stockholm 20 March 2026
Öhrlings PricewaterhouseCoopers AB (PWC)

Frida Main
Authorised Public Accountant

BOARD OF DIRECTORS



John Brehmer
Chairman of the Board since 2020. Board member since 2010.

Born: 1965

Education: MSc in Business and Economics, industrial marketing, Stockholm School of Economics.

Current directorships:
 Chairman: Mederion AB, Tiberon AB and Zebware AB.
 Board member: Consortio Invest AB, Consortio Business Center AB and Consortio CS Holding AB.

Holdings in Company:
 10,100,000 shares¹

Independent of the Company and its management. Affiliation with major shareholders.



Michael Lindengren
Board member since 2021.

Born: 1956

Education: MSc in Business and Economics, Gothenburg University.

Current directorships:
 Chairman: Acrap Aktiebolag and Simplicity Stiftelsestjänst AB.
 Board member: Simplicity AB, Sparbanksstiftelsen Sjuhärad and Sparbanken Sjuhärad AB (publ).

Holdings in Company: 15,000 shares¹

Independent of the Company, its management and major shareholders.



Arti Zeighami
Board member since 2023.

Born: 1970

Education: Studied Electrical Engineering, the Royal Institute of Technology in Stockholm and Business Administration, Stockholm University.

Current directorships:
 No current directorships.

Holdings in Company: 5,376 shares¹

Independent of the Company, its management and major shareholders.



Niklas Johansson
Board member since 2022.

Born: 1961

Education: B.A., Linköping university, MBA, Uppsala university and CEFA, Stockholm School of Economics.

Current directorships:
 Chairman: Nordisk Renting AB.
 Board member: Livförsäkringsbolaget Skandia, Trustly AB, Cienaga AB, Euroclear Sweden AB and Verdane Fund Management AB.

Holdings in Company: 1,317 shares¹

Independent of the Company, its management and major shareholders.



Sara Mindus
Board member since 2020.

Born: 1972

Education: Master of Laws and BSc in Business Administration at Stockholm University.

Current directorships:
 Board member: Besqab AB (publ), K-Fast Holding AB (publ), Dreams AB, Colibri Ventures AB, Faboss Invest AB and Duco Förvaltning AB.
 Board member and CEO: Sara Mindus AB

Holdings in Company: 75,000 shares¹

Independent of the Company, its management and major shareholders.



Fredrik Oweson
Board member since 2022.

Born: 1968

Education: M.Sc. Business and Administration, Stockholm School of Economics.

Current directorships:
 Chairman: Scope Capital SA and Woffel SA.
 Board member: Klättermusen Aktiebolag.

Holdings in Company: 0 shares¹

Independent of the Company, its management and major shareholders.

¹ Refers to directly or indirectly holdings as of December 31, 2025.

EXECUTIVE MANAGEMENT



Joakim Jansson
CEO

Born: 1976

Education: PhD in Economics, Uppsala University.

At TF Bank since 2023 as CEO. Has previously held leading positions within Swedbank and Handelsbanken.

Current directorships: Board member: Yieldloop AB.

Holdings in Company: 32,800 shares ¹.



Mikael Meomuttel
CFO and Deputy CEO

Born: 1976

Education: MSc in Business/ Economics and Finance at Borås University/Gothenburg University.

At TF Bank since 2009, 2014 Deputy CEO and from 2018 also Head of IR. Previous experience: Financial controller at Consortio Fashion Group AB (CFG).

Current directorships: Chairman: TF Bank Nordic AB and Yieldloop AB. Board member: Torhamnsskär Holding AB

Holdings in Company: 72,000 shares ^{1,2}

AUDITOR



Auditor

Frida Main
Authorised Public Accountant
Öhrlings Pricewaterhouse-Coopers AB

CONTACT DETAILS

Investor Relations
Mikael Meomuttel
Tel: +46 706 26 95 33
ir@tfbank.se
www.tfbankgroup.com

¹ Refers to directly or indirectly holdings as of December 31, 2025.

² TF Bank's principal owners TFB Holding AB, Erik Selin Fastigheter AB, Tiberon AB and Merizole Holding Ltd have agreed on market terms with CFO Mikael Meomuttel on an incentive program consisting of call options regarding shares in TF Bank. The incentive program has a term of approximately five years. The call options have been acquired on market terms and no compensation cost has been reported by the company and will not be reported during the remaining part of the five-year period.

