



TF Bank AB (publ)
Årsstämma
3 maj 2017
kl 1600



Förslag till Dagordning

1. Stämmans öppnande och anförande av styrelsens ordförande
2. Val av ordförande vid stämman
3. Upprättande och godkännande av röstlängd
4. Godkännande av dagordning
5. Val av två personer att justera protokollet
6. Prövning av om stämman blivit behörigen sammankallad
7. Framläggande av årsredovisning samt koncernredovisning för räkenskapsåret 2016
Framläggande av revisionsberättelsen och koncernrevisionsberättelsen för räkenskapsåret 2016
Anförande av verkställande direktören
8. Fastställelse av resultaträkning och balansräkning samt koncernresultaträkning och koncernbalansräkning för räkenskapsåret 2016
9. Beslut om dispositioner av bankens vinst enligt den fastställda balansräkningen samt beslut om avstämningsdag för vinstutdelning
10. Beslut om ansvarsfrihet för styrelseledamöterna och verkställande direktören
11. Fastställande av antal styrelseledamöter
12. Fastställande av arvoden till styrelseledamöter och revisor
13. Val av styrelseledamöter och styrelseordförande
14. Val av revisor
15. Fastställande av principer för tillsättande av valberedning
16. Beslut om riktlinjer för ersättning till ledande befattningshavare
17. Stämmans avslutande



Anförande av
verkställande direktören

2016 – an historic year!



2016 in summary

- Record high organic loan book growth
- Strong EPS growth
- Cost efficiency
- Strong capital base

¹⁾ Attributable to shareholders of the parent company excluding items affecting comparability.

Full Year 2016 vs 2015

LOAN BOOK
GROWTH

+35.5%

EPS growth

+23%¹⁾

C/I RATIO

38.6%

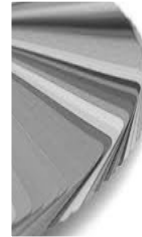
TOTAL CAPITAL
RATIO

18.2%
(Dec '16)

This is TF Bank



**GEOGRAPHICALLY
DIVERSIFIED**



**DIVERSIFIED
GRANULATED
PORTFOLIO**



**FLEXIBLE
IT- PLATFORM**



**NEW OPPORTUNITIES
IN SALES FINANCE
WITH AVARDA**



**CLEAN BALANCE
SHEET SALE OF NPL**



**LEAN AND COST
FOCUSED
ORGANIZATION**

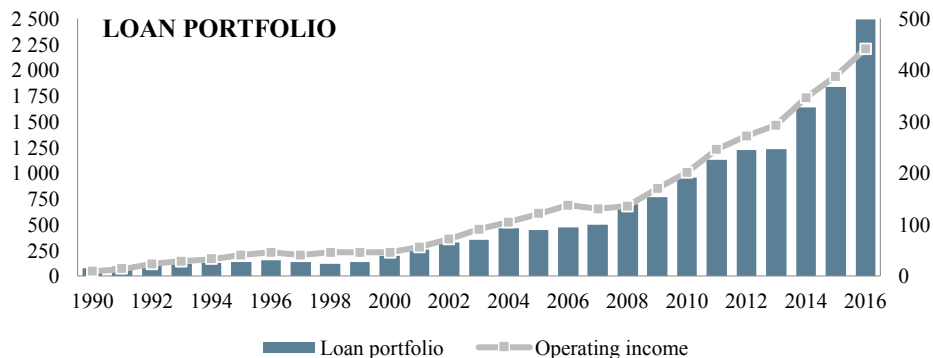
Long track record of profitable growth

Long experience and proven business model

- More than 25 years experience from consumer finance industry
- Business model combining growth with best-in-class returns
- Highly profitable core markets with proven model for geographical expansion into new high-growth markets
- Over 1 million active customers
- Two complementary business segments
 - *Direct to Consumer* (consumer loans)
 - *Sales Finance* (payment solutions to merchants and credit cards)

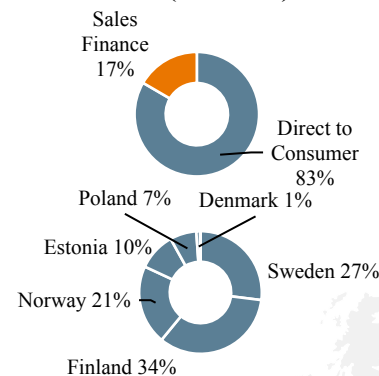
Strong track record on growth and profitability

SEK million

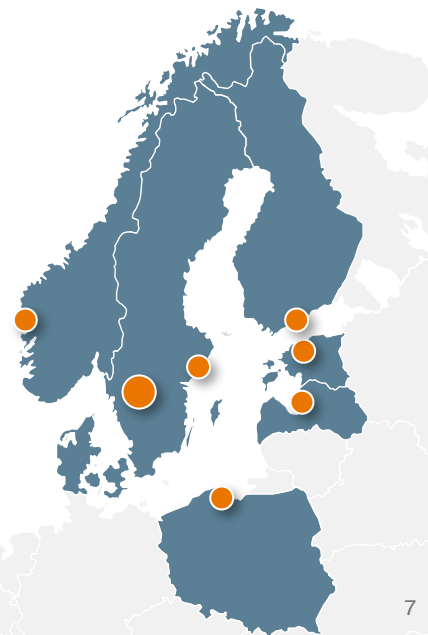


Geographically well diversified

SHARE OF LOAN PORTFOLIO (12M2016)

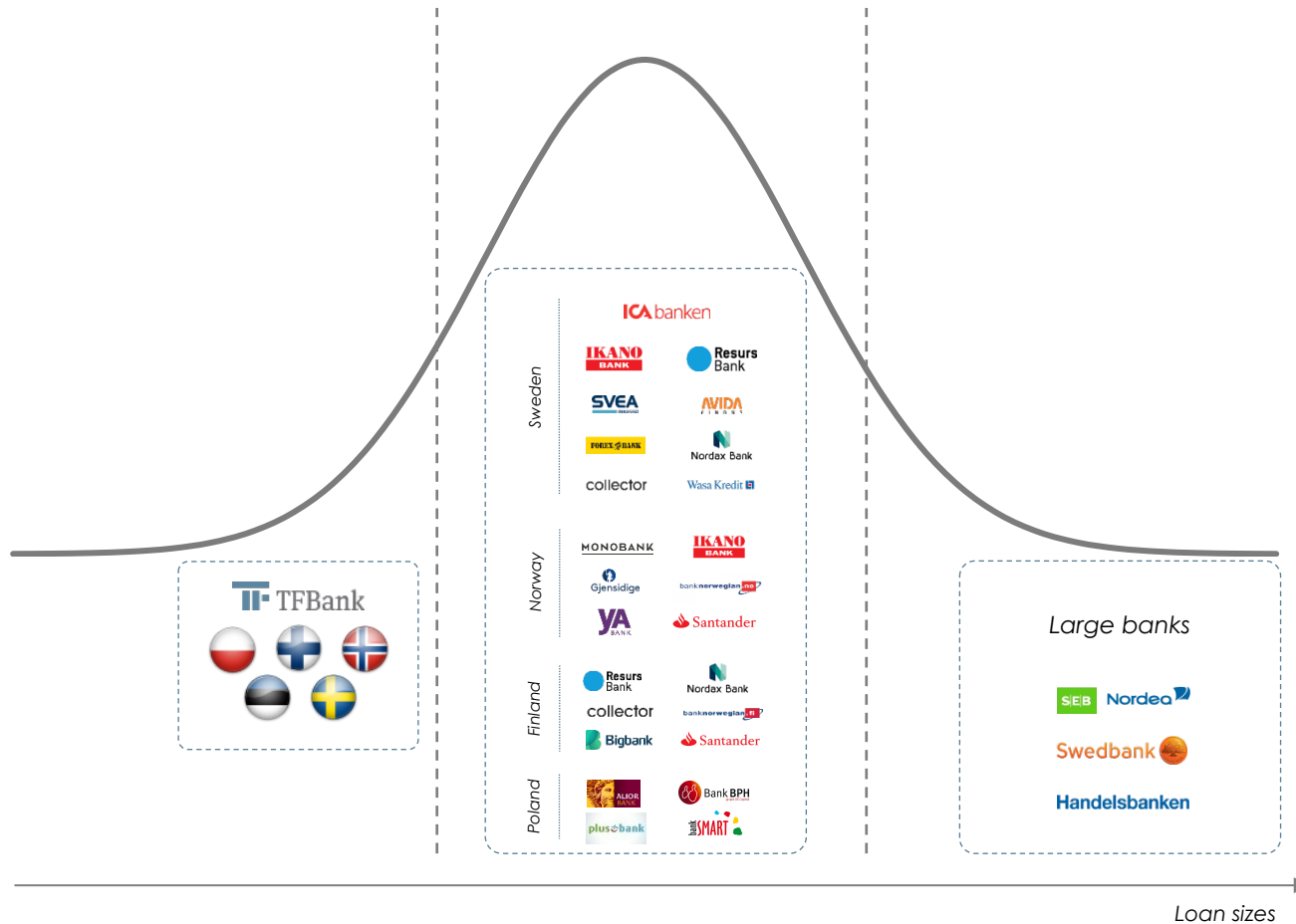


**98 employees
(Average)**



Market positioning within Direct to Consumer segment

Illustrative overview of consumer finance markets



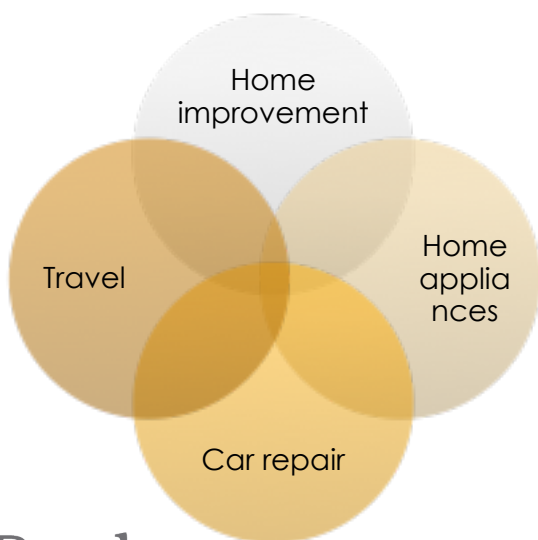
Comments

- Highly competitive market space.
- Several market participants have increased ticket sizes in recent years, in search of volumes.
- TF Bank focuses on a market niche below the most competitive market spaces (“niche bank within the niche banks”)






Direct to Consumer - Diversified Granulated Portfolio

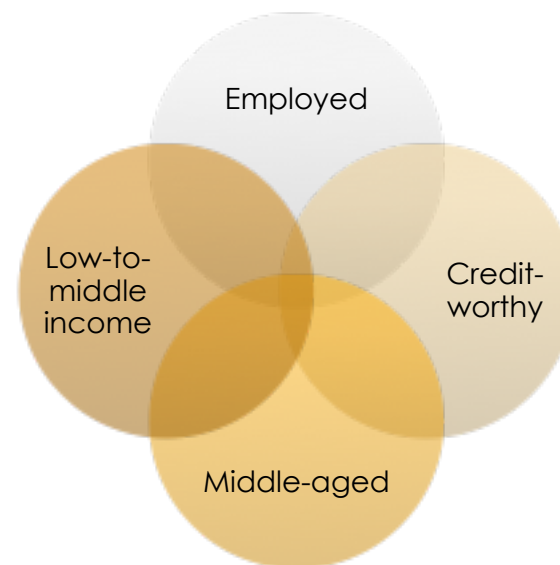
Product overview and use of proceeds

- Unsecured consumer loans
- Marketed through internal channels and external partners
- Tenor of loans are typically between 12 and 60 months
- Average loan on book of SEK ~28,000
- Estimated average maturity of ~22 months



Loan sizes and customer profile

	Average size (SEK) (per Dec '16)
	~24,000
	~99,000
	~24,000
	~20,000
	~16,000



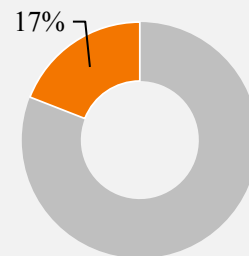
Sales Finance – Drives new lending and builds database

Product overview

- The Sales Finance segment enables merchants to offer financing solutions to their customers
- TF Bank offers reliable and attractive white-label solutions, enabling merchant to use branded invoices
- Invoice payment time of 30-50 days and instalment plans for up to 36 months
- Average loan amount of SEK ~1,500

Key financials

% OF TOTAL LOAN PORTFOLIO (Q4'16)



KEY FACTS

Amount outstanding	413 SEKm (31 Dec 2016)
Loan portfolio growth	+18% (12M)
Avg. ticket size	~1,500 SEK

Growth through two different brands and organisations

TFBank (100%)

Geographical expansion in Europe

Long-term merchant relationships in the Nordics



AVARDA (51% JV)

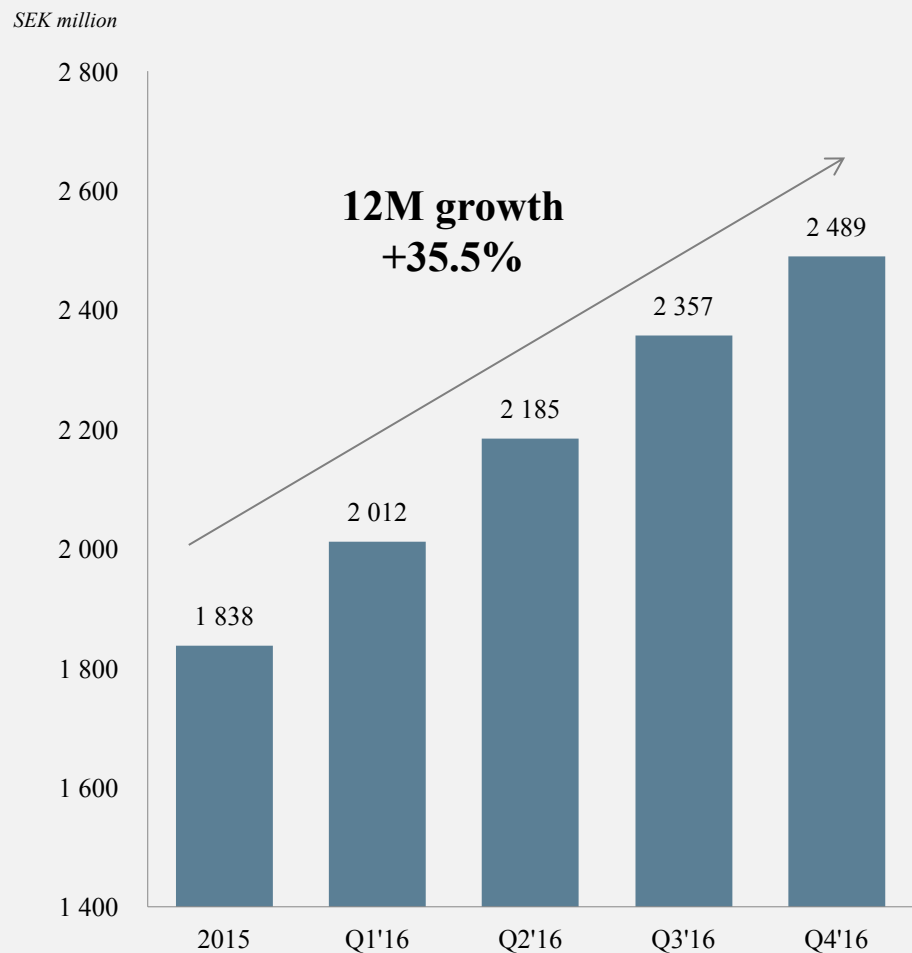
Newly established JV

Strategy to become #2 in the Nordic region

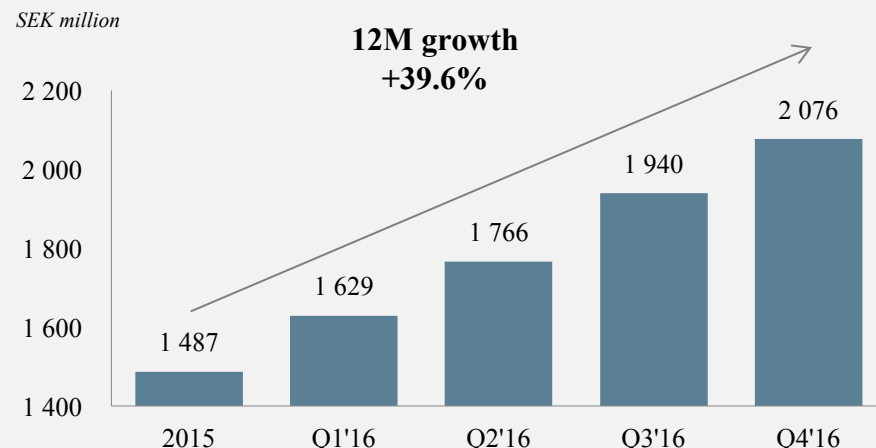


Strong loan book growth driven primarily by Direct to Consumer

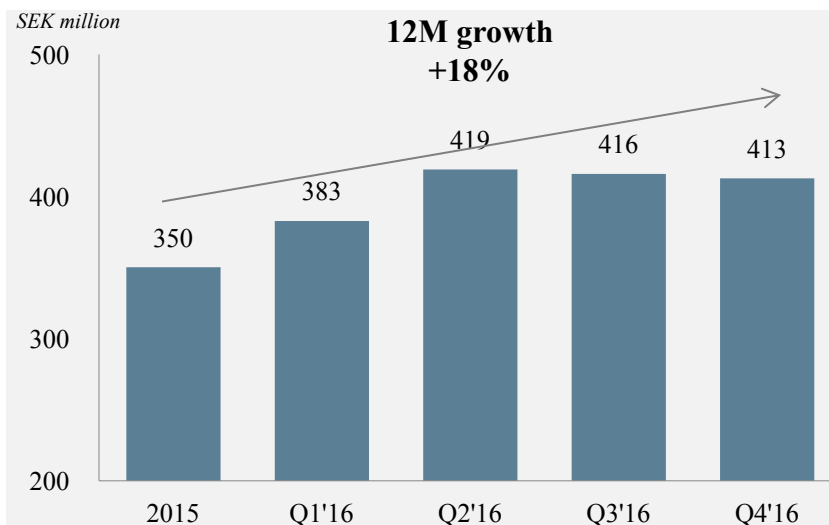
TF Bank Group








Direct to Consumer segment



Sales Finance segment

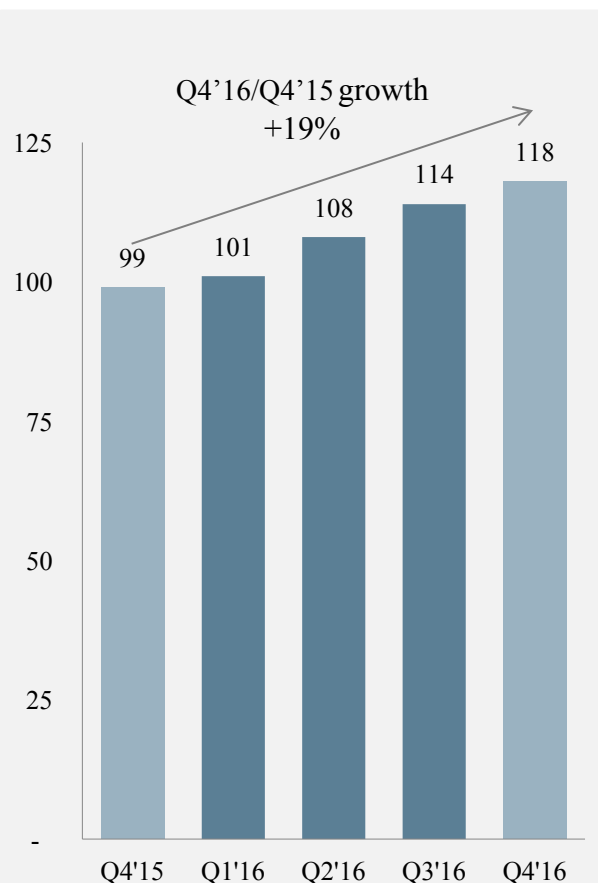


Summary: growth and diversification according to plan

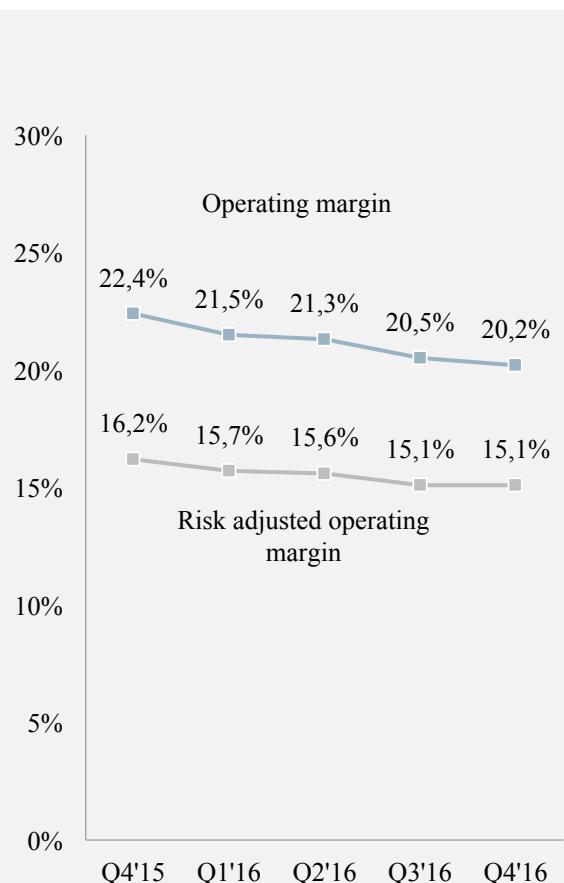
Country	Loan book growth in MSEK (share of group)			Comments
	<div>Q4'15</div> <div>660</div> <div>(36%)</div>	<div>Q4'16</div> <div>847</div> <div>(34%)</div>	<div>Growth during 2016</div> <div>+28%</div>	<ul style="list-style-type: none"> Strong growth in both segments
	<div>Q4'15</div> <div>655</div> <div>(36%)</div>	<div>Q4'16</div> <div>663</div> <div>(27%)</div>	<div>Growth during 2016</div> <div>+1%</div>	<ul style="list-style-type: none"> Focus on profitability
	<div>Q4'15</div> <div>228</div> <div>(12%)</div>	<div>Q4'16</div> <div>530</div> <div>(21%)</div>	<div>Growth during 2016</div> <div>+132%</div>	<ul style="list-style-type: none"> Strong growth via BB Finans
	<div>Q4'15</div> <div>174</div> <div>(10%)</div>	<div>Q4'16</div> <div>246</div> <div>(10%)</div>	<div>Growth during 2016</div> <div>+41%</div>	<ul style="list-style-type: none"> Stable portfolio development
	<div>Q4'15</div> <div>85</div> <div>(5%)</div>	<div>Q4'16</div> <div>164</div> <div>(7%)</div>	<div>Growth during 2016</div> <div>+92%</div>	<ul style="list-style-type: none"> Strong growth, focus on credit quality

Increased operating income and continued strong margins

Operating income



Operating income margins



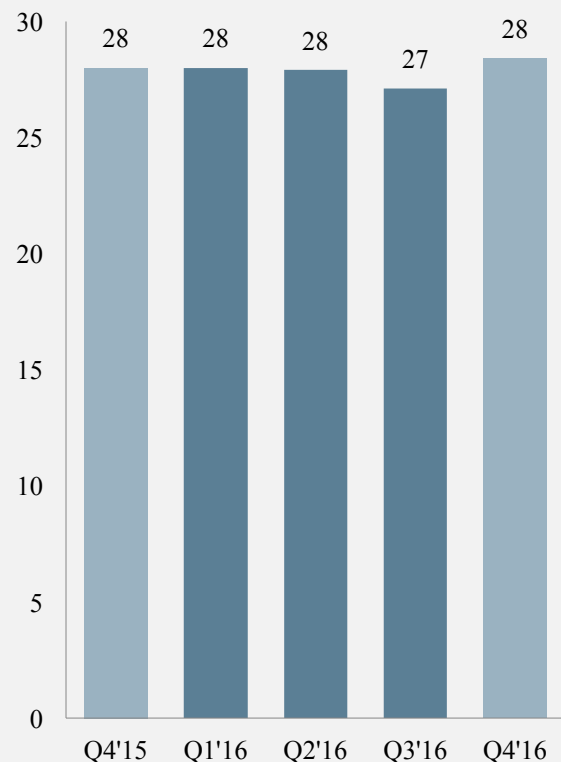
Comments

- Operating income margin decreasing mostly due to:
 - Growth in Norway (lower margins)
 - Higher interest expenses due to subordinated loan
- Risk-adjusted margin (adjusted for net loan losses): 15,1%

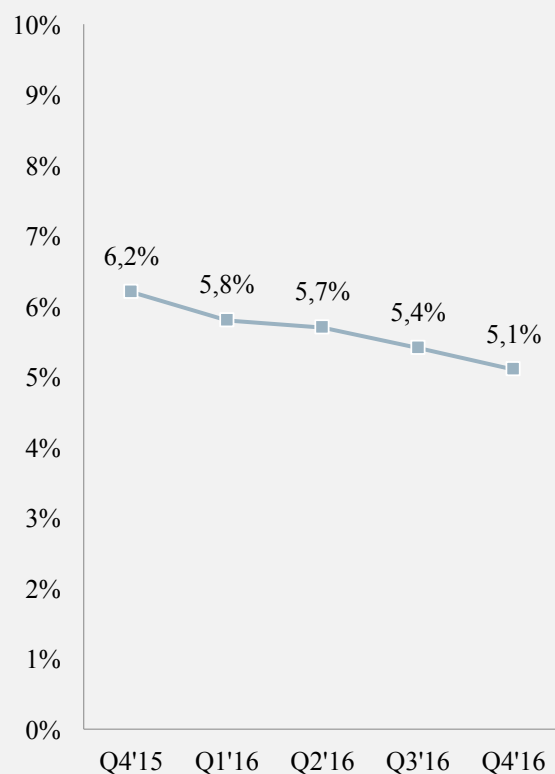
Net loan loss ratio continues to decrease

Net loan losses

SEK million



Net loan loss ratio



Comments

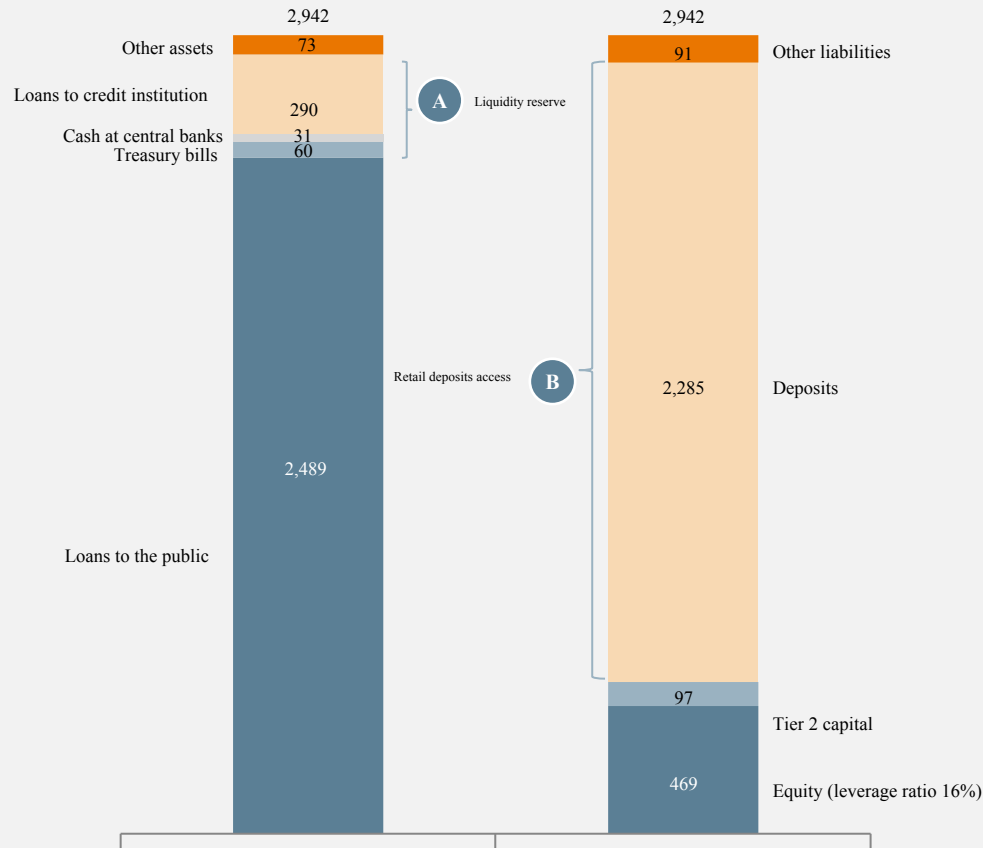
- Clean balance sheet policy
 - Non Performing Loans are generally sold on forward flow basis after approx. 70 days
- Net loan loss ratio continues to decrease, driven by;
 - Strong growth in Norway
 - Improving credit risk management processes in all new markets

Funding position

Strong balance sheet and capital position

SEK million

BALANCE SHEET, 31 DECEMBER 2016



Comments

A Solid liquidity position
Liquidity reserve 31% of deposits¹⁾

B Cost-efficient funding from retail deposits

- Sweden
- Finland

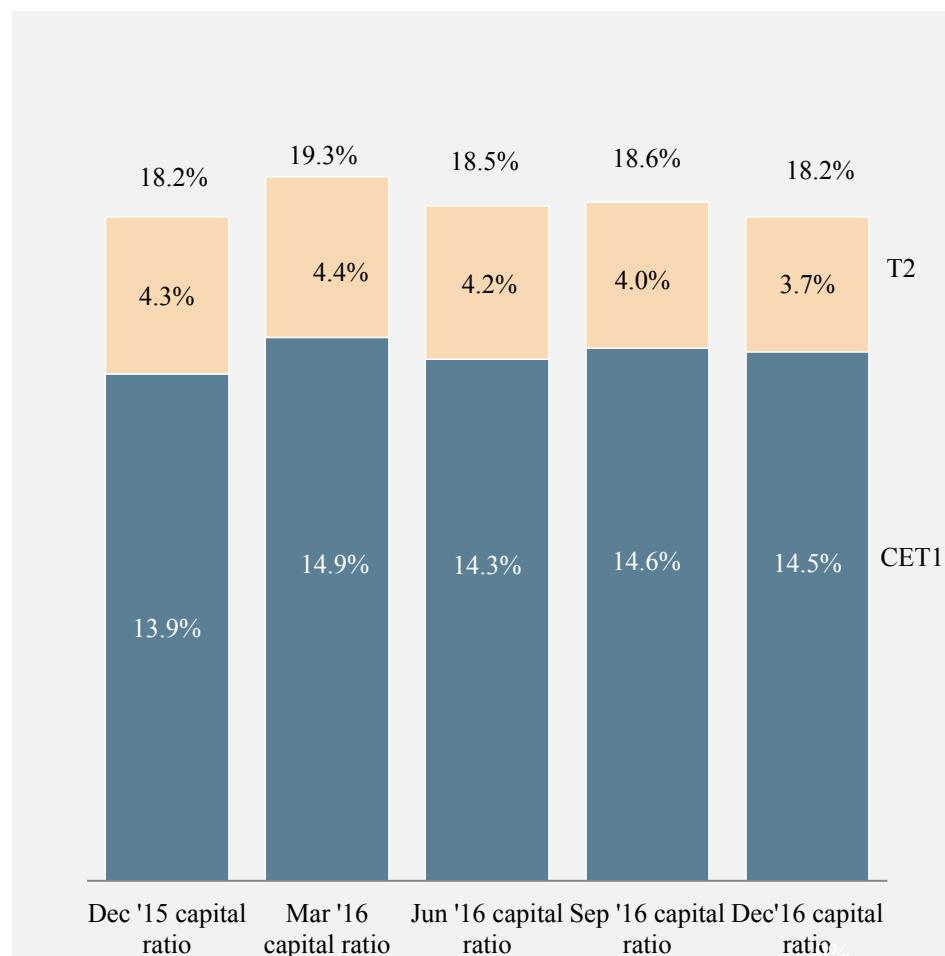
Recent diversification in funding structure

- Fixed-interest account in Sweden
- Deposits from the public in Norway

¹⁾ Includes unutilized credit facility of MSEK 332.

Strong capital position to support further growth

Historical and current capital structure ¹⁾



Comments

- Strong CET1 ratio of 14.5% and total capital ratio of 18.2%
- Significant headroom to legal requirements
 - CET1 capital requirement: 8.32%
 - Total capital requirement: 12.11%
- Objective is to maintain a total capital ratio of at least 14.5%

¹⁾ For the first three quarters of the year deduction of foreseeable dividend from own funds have been made in accordance with the adopted dividend policy and for the fourth quarter deduction of dividends from own funds have been made in accordance with the Board of Directors' proposal to the Annual General Meeting

Outcome vs. financial targets 2016

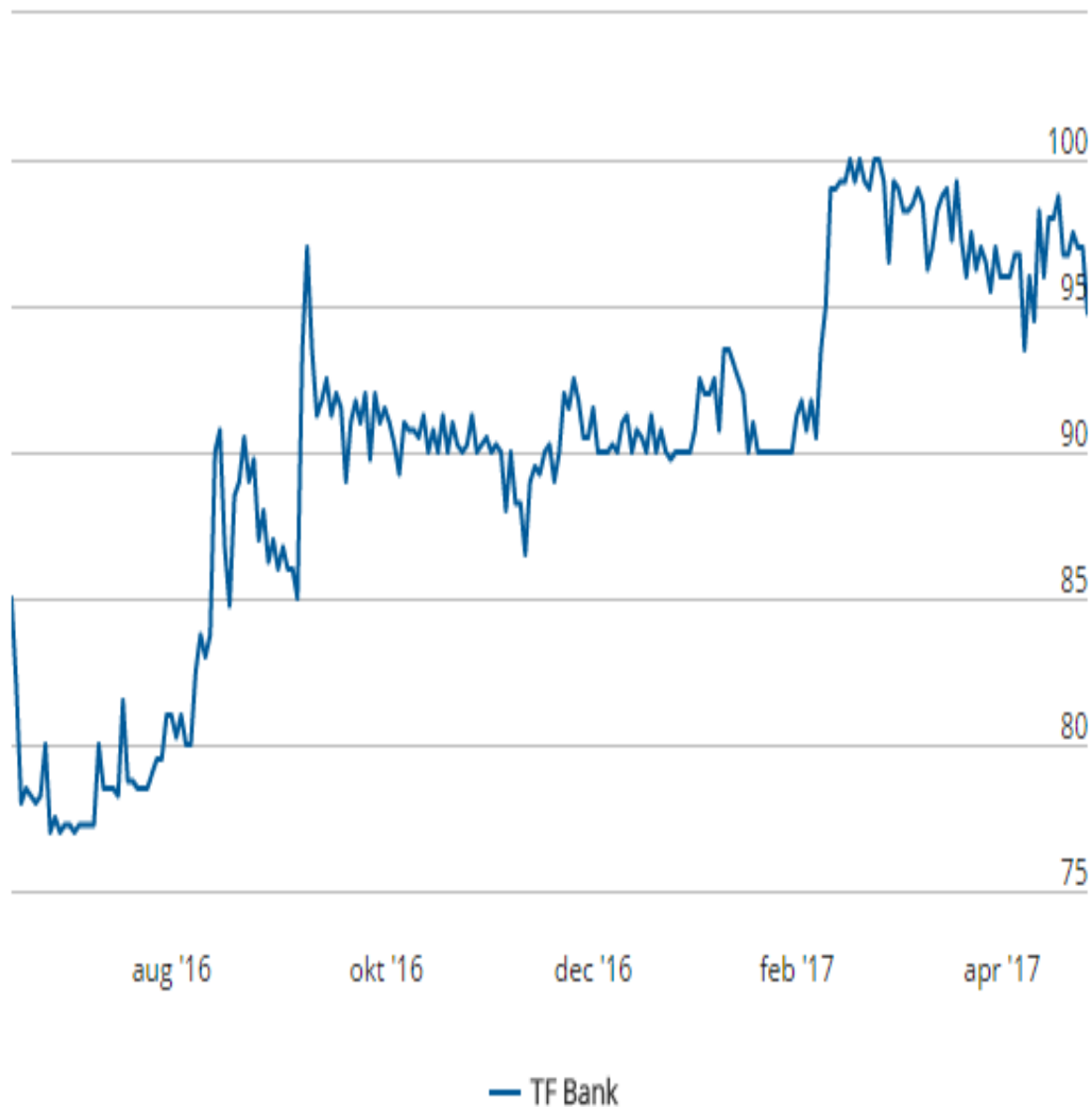
Note: Medium term defined as 3-5 years

Item	Target	Outcome
Growth	<i>Over the medium term, the Company aims to achieve an EPS growth of at least 20 percent</i>	23¹ percent
Efficiency	<i>Over the medium term, the Company aims to achieve a cost to income ratio of below 35 percent</i>	38.6 percent
Capital structure	<i>The Company aims to maintain a total capital ratio of at least 14.5 percent</i>	18.2 percent (31 Dec '16)
Dividend policy	<i>a pay-out ratio of approximately 50 percent of its annual consolidated net profit²⁾</i>	Proposed dividend approx. 40%

¹⁾ Excluding items affecting comparability

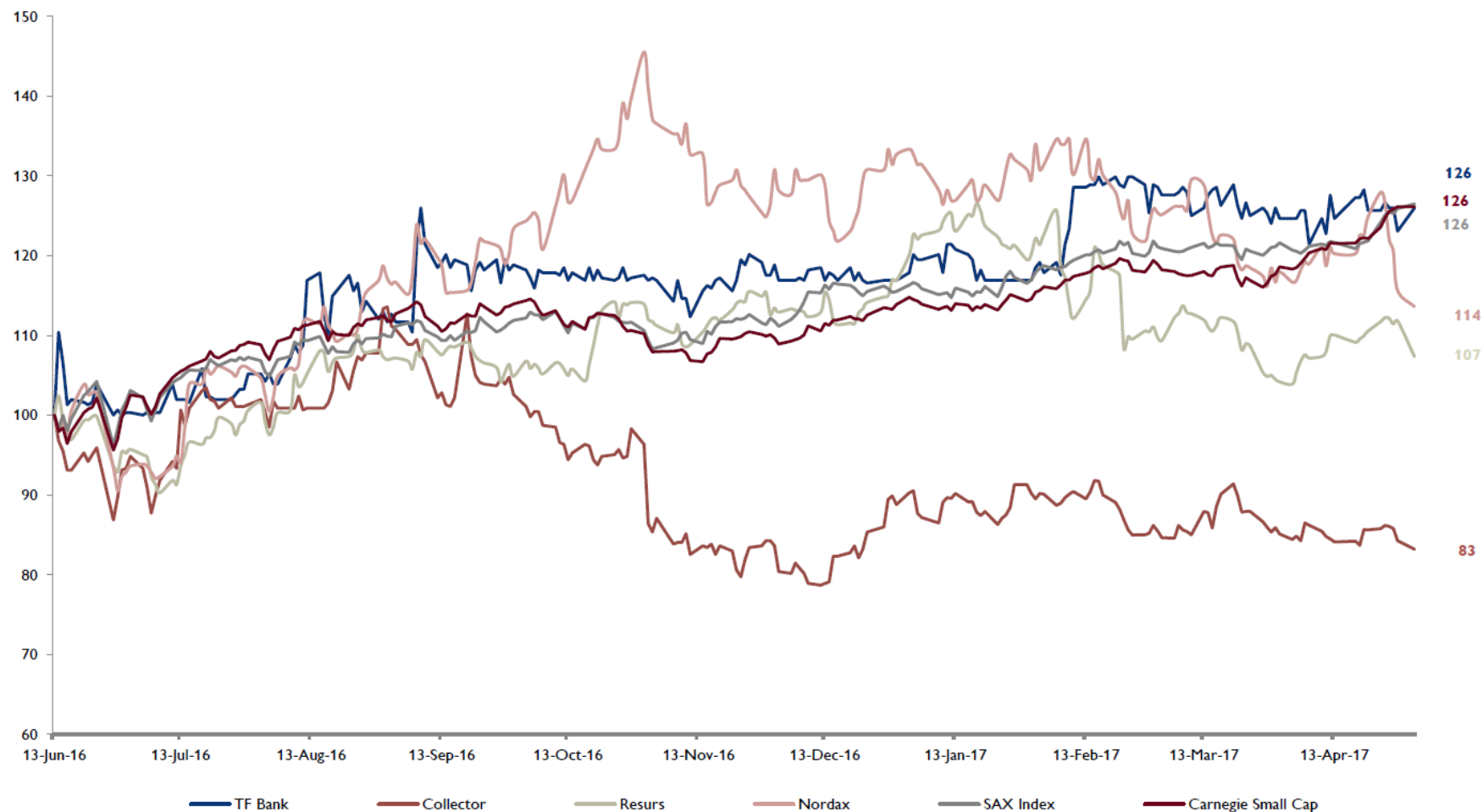
²⁾ Attributable to shareholders of the parent company including items affecting comparability.

Stock market development



Stock market development

Return since TF Bank first day of trading (14 June 2016);
Rebased to 100



Looking ahead

> Continued profitable growth in both segments and in all countries



Strong start to 2017 – maintaining momentum



Increased focus on OPEX within the Group



Increased product mix both in financing and lending



Core markets – maximise use of customer database, cross selling



Developing markets – credit quality leading to growth potential



New markets – continue the geographical diversification



Regulatory awareness creates business opportunities



Focus on automated processes and solutions



Q&A

Appendix

TF Bank team

Executive management team



Declan Mac Guinness
CEO

With TF Bank since 2012

Previous experience: CEO of Carlson Fonder AB and Compliance Officer for DNB Asset Management. Also a guest lecturer at Stockholm University for the last fifteen years



Mikael Meomuttel
CFO and Deputy CEO

With TF Bank since 2009

Previous experience: Financial Controller at Consortio Fashion Group AB (CFG), one of the Nordic region's leading groups in distance commerce and e-commerce



Johannes Rintaniemi
Head of Finland and Head of Direct to Consumer

With TF Bank since 2011

Previous experience: Worked in consumer credit, credit risk management and portfolio quality at Ferratum Group. **GE Money**, **Santander Consumer Finance** and **Citibank**



Jonas Wedin
Head of Sales Finance

With TF Bank since 2013

Previous experience: Worked at ICA Banken, ICA AB and SP Technical Research Institute of Sweden as project leader and team leader



Björn Skytt
CIO

With TF Bank since 2010

Previous experience: Worked as integration manager for ICA Banken and prior to that as project manager and system manager for SKF's financial and treasury systems



Sture Stølen
Head of Investor Relations

With TF Bank since 2015

Previous experience: Head of Investor Relations at SAS Group, senior advisor at Fogel & Partners, senior advisor and partner at Wildeco and a director of Forex Bank

Head of countries and functions



Wojciech Drozd
Head of Poland

With TF Bank since 2014

Previous experience: Sales leader with more than 15 years of extensive consumer finance and retail banking experience. Worked for **GE Money** & **BPH Bank** in Poland



Karin Zandren
Head of Sweden

With TF Bank since 2009

Previous experience: More than 10 years in the consumer finance sector. Previously worked with **Citibank** as Lending Product Manager and with **GE Money** as Online Sales & Marketing Manager



Krzysztof Blach
Credit Manager

With TF Bank since 2015

Previous experience: 12 years of experience within credit risk management. Worked for **GE Money Bank** in Poland as Head of Consumer Risk Management



Espen Johannesen
Head of Norway and CEO BB Finans

With TF Bank since 2015

Previous experience: Six years of experience within the Norwegian consumer finance market



Vilma Sool
Head of Estonia

With TF Bank since 2014

Previous experience: Head of division for private customer deposits in German, Austrian and Dutch market at **Bigbank** and established the Bigbank AS Swedish branch



Mikael Johansson
CEO Avarda

With Avarda since 2016

Previous experience: Various roles within Risk, Marketing & Business Development and CEO/MD at **GE Commercial Finance**, **Santander Consumer Bank**

Strong Governance through experienced Board



Mattias Carlsson
Chairman of the Board since 2015, Board member since 2008

Current commitments: TFB Service OÜ, Board member, BB Finans AS, Board member, Avarda AB, Board member, Avarda Oy, Board member

Dependent of the company and its management



Thomas Grahn
Board member since 2010

Previous appointments include the Swedish Financial Supervisory Authority

Independent of the company, its management and of major shareholders



Tone Bjørnov
Board member since 2015

Current commitments: Filmparken AS, chairman, BB Finans AS, Board member, ABG Sundal Collier ASA, Board member, ABG Sundal Collier Holding ASA, Board member, Bank 1 Oslo Akershus AS, Board member, Valutacorp AS, Board member, Norsk Film Kostyme AS, chairmann Aqua Bio Technology ASA, Board member Intex Resources ASA, Board member

Independent of the company, its management and major shareholders



John Brehmer
Board member since 2010

Current commitments: TFB Holding AB, Board member, Zebware AB, chairman, Tiberon AB, chairman, Mederion AB, chairman, Consortio Fashion Holding AB, Board member

Independent of the company and its management. Dependent of major shareholders



Bertil Larsson
Board member since 2007

Current commitments: Board member, LåsTeam Sverige AB, chairman, Minso Solutions AB, chairman, Conpera AB, Board member Minso Holding AB, chairman, Aktiebolaget Borås Tidning, chairman, Tore G Wärenstams stiftelse, Board member, Swedebribe AB, chairman Gota Media AB, Board member Effektiv Bemannning AB, chairman, Brf Asplickan, Board member

Independent of the company, its management and of major shareholders



Paul Källenius
Board member since 2007

Current commitments: TFB Holding AB, chairman, Consortio Fashion Group AB, chairman, Halens A, Board member, New Bubbleroom Sweden AB, Board member, Urbanista AB, Board member, Nordiska Hypoteksförmedlingen AB, Board member, Consortio Fashion Holding AB, chairman

Independent of the company and its management. Dependent of major shareholders