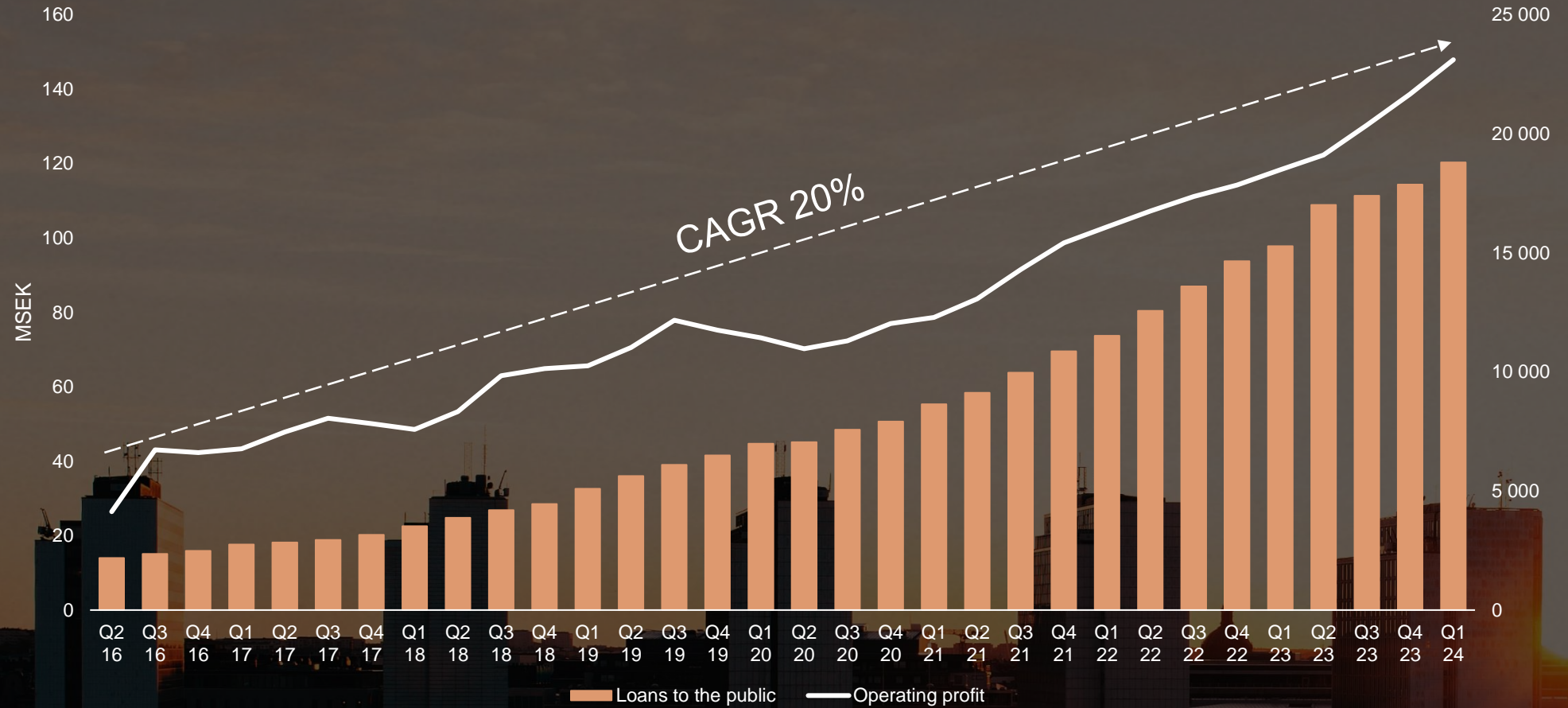


# TRACK RECORD SINCE IPO



\* Excluding items affecting comparability Q4-18, Q1-20





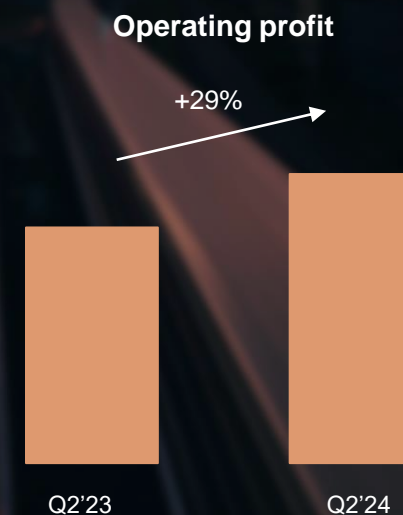
TFBank

2<sup>nd</sup> Quarter 2024

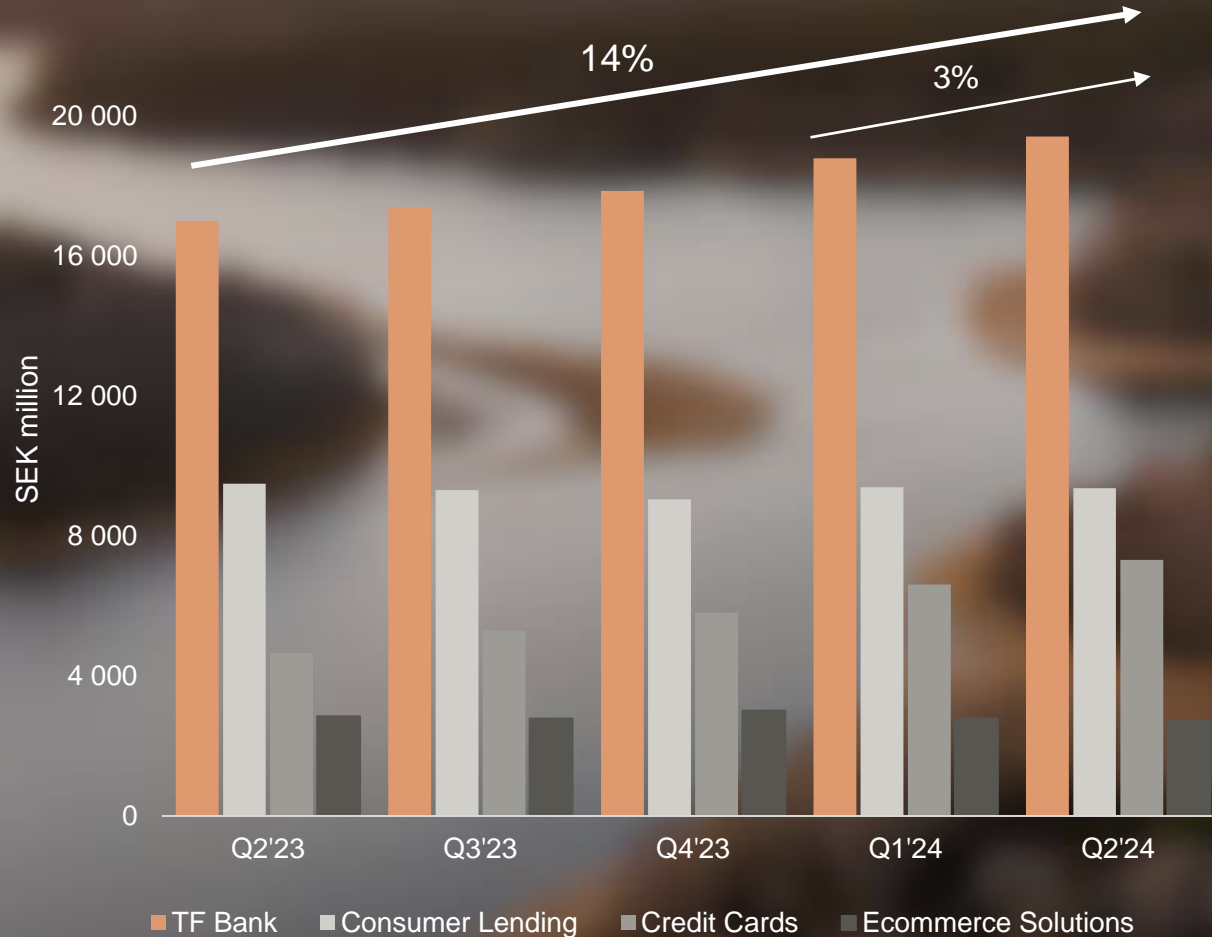
RESULT PRESENTATION

# HIGHLIGHTS APRIL – JUNE 2024

- Controlled growth during the quarter
  - 4% in local currencies
- Operating profit 158 MSEK, +29% vs Q2-2023
  - Credit Cards and Ecommerce Solutions segment drives EPS
- Income growing faster than cost, the business is scaling well with improved Cost/Income ratio
- Stabilised loan loss ratio
- Credit Card product in Spain launched during the quarter



# LOAN BOOK GROWTH



- TF Bank: Growth in Q2 = 3% (4%\*)  
- Year-on-year 14% (18%\*)
- Credit Cards: Q2 = 11% (12%\*)  
- Year-on-year 57% (63%\*)
- Ecommerce Solutions: Q2 = -2% (-2%\*)  
- Year-on-year -4% (-2%\*)
- Consumer Lending: Q2 = 0% (0%\*)  
- Year-on-year -1% (1%\*)

\* In local currencies

# GROWTH AND DIVERSIFICATION

## Market update

### Germany and Austria

- Credit card product in high demand. Competitive CAC\*. Preparing for launching digital payment solutions in Germany.



### Norway

- Focus on protecting margins in Consumer Lending. The credit card and Ecommerce Solutions business keeps growing.



### Finland

- Focus on protecting margins and improve profitability.



### Sweden

- Focus on profitability in e-commerce. New sales in Consumer Lending is paused.



### The Baltic states

- Portfolio growth and profitability focus in Consumer Lending. Ecommerce Solutions in run off from Q1 2024.



### New markets

- For Denmark underwriting is kept low, still building credit experience. Credit card product in Spain launched during Q2 2024. Preparing for launching credit card product in Italy.

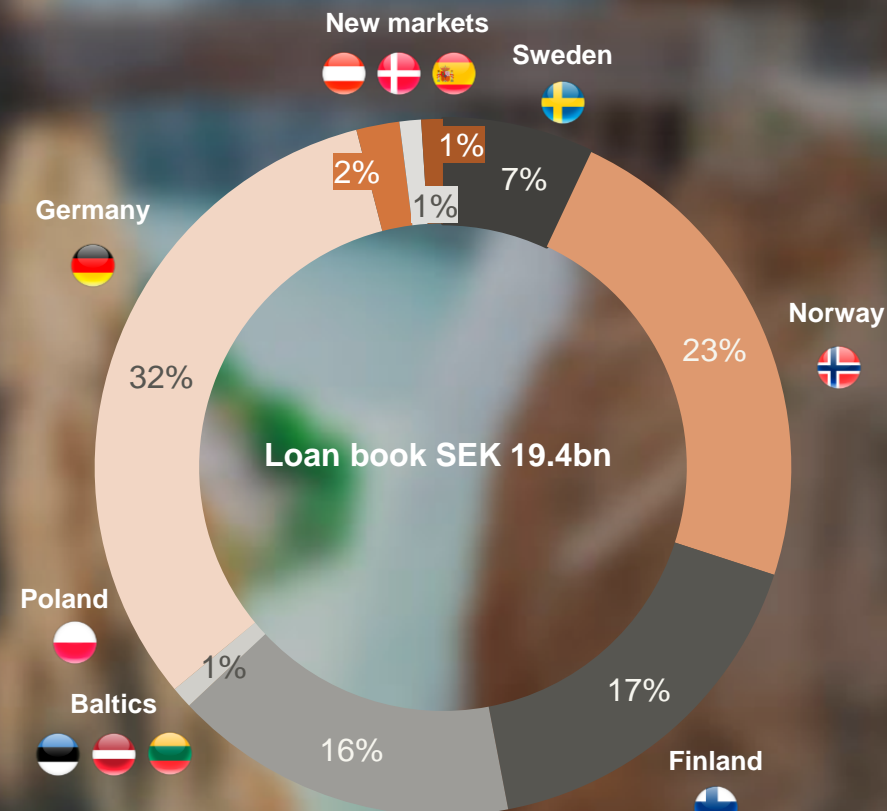


### Poland

- Both Consumer Lending and Ecommerce Solutions in run off.



## Loan book split by market



\* Customer acquisition cost

# CREDIT CARDS

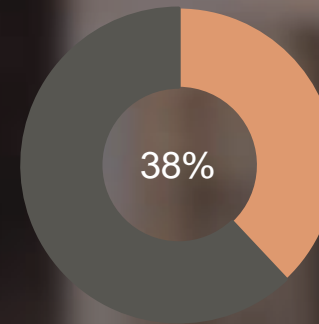
## Highlights

- The loan portfolio in Germany now exceeds 6 billion SEK
  - Record level in distribution of cards, +56% vs Q2 2023
- Continued scalability in the business model
- Improved customer onboarding process increases security and reduce costs of acquisition of new clients

### Segment description

- Gold plated and transparent offering – gold card with no fees
- Different income profile compared to consumer loans
  - "Low and grow" strategy
- Target markets are Germany, Norway, Austria and Spain and addressable size of market in terms of number of consumers
  - Germany 35 M\*, Norway 3 M\*\*, Austria 3 M\*\*\* and Spain 12 M\*\*\*

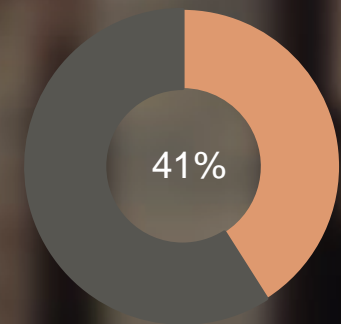
Share of TF Bank's loan book



**7.3bn**

**Loan book**

Share of TF Bank's operating income



**+57%**

**Loan book growth\*\*\*\***

**4**

**Countries**

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

# ECOMMERCE SOLUTIONS

## Highlights

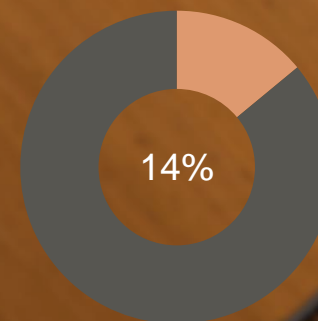
- Repricing to compensate for higher funding costs is bearing fruit
- Continuously improved profitability despite pressure in e-commerce sector in general
- Preparing to launch credit offering in Germany during Q3

### Segment description

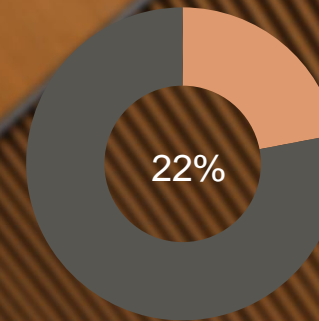
- Digital payment solutions offered in the Nordic region, the Baltics and Poland
- Best-in-class white label Checkout+ solution. We support our partners, the merchants, throughout the whole customer journey

\* Year-on-year

Share of TF Bank's loan book



Share of TF Bank's operating income



**2.7bn**

Loan book

**-4%**

Loan book growth\*

**8**

Countries

**6.2bn**

Transaction volume

**-1%**

Transaction volume growth\*

# CONSUMER LENDING

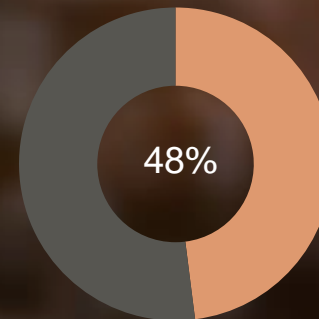
## Highlights

- Focus on protecting margins
- Business as usual with best-in-class performance
- Improved credit quality during the last quarters

### Segment description

- Diversified portfolio with Nordic base
- Product offering tailored for each market
  - Average loan size on book of SEK – 72,000
  - Tenor typically between 12 and 60 months
- Marketed through direct channels, own data base and external partners

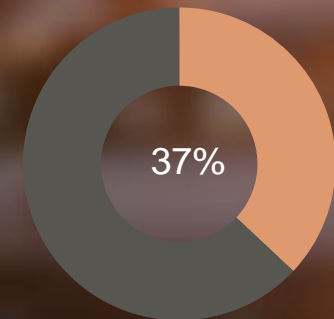
Share of TF Bank's loan book



9.4bn

Loan book

Share of TF Bank's operating income



-1%

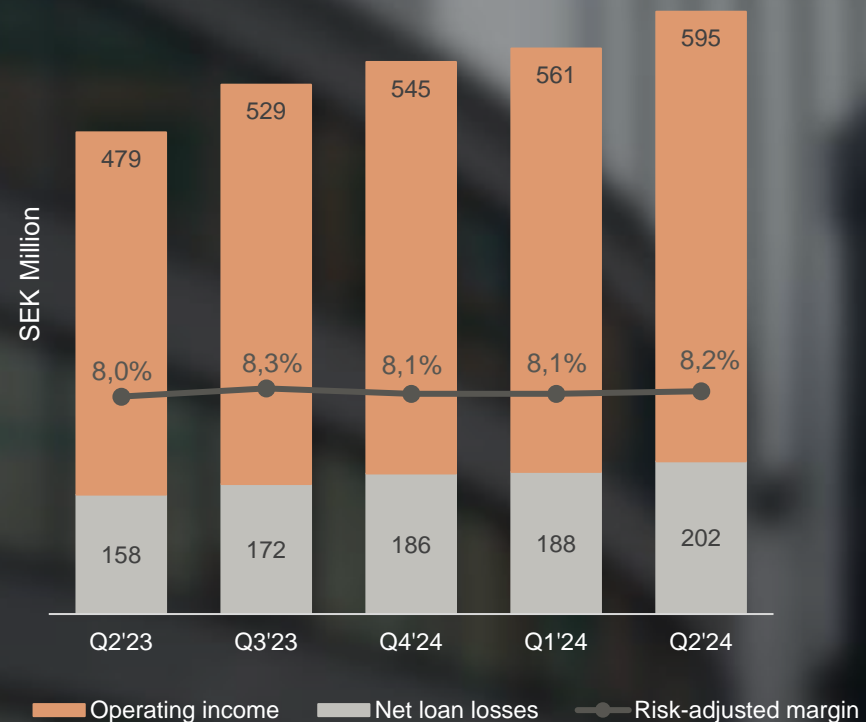
Loan book  
growth\*

10

Countries

\* Year-on-year

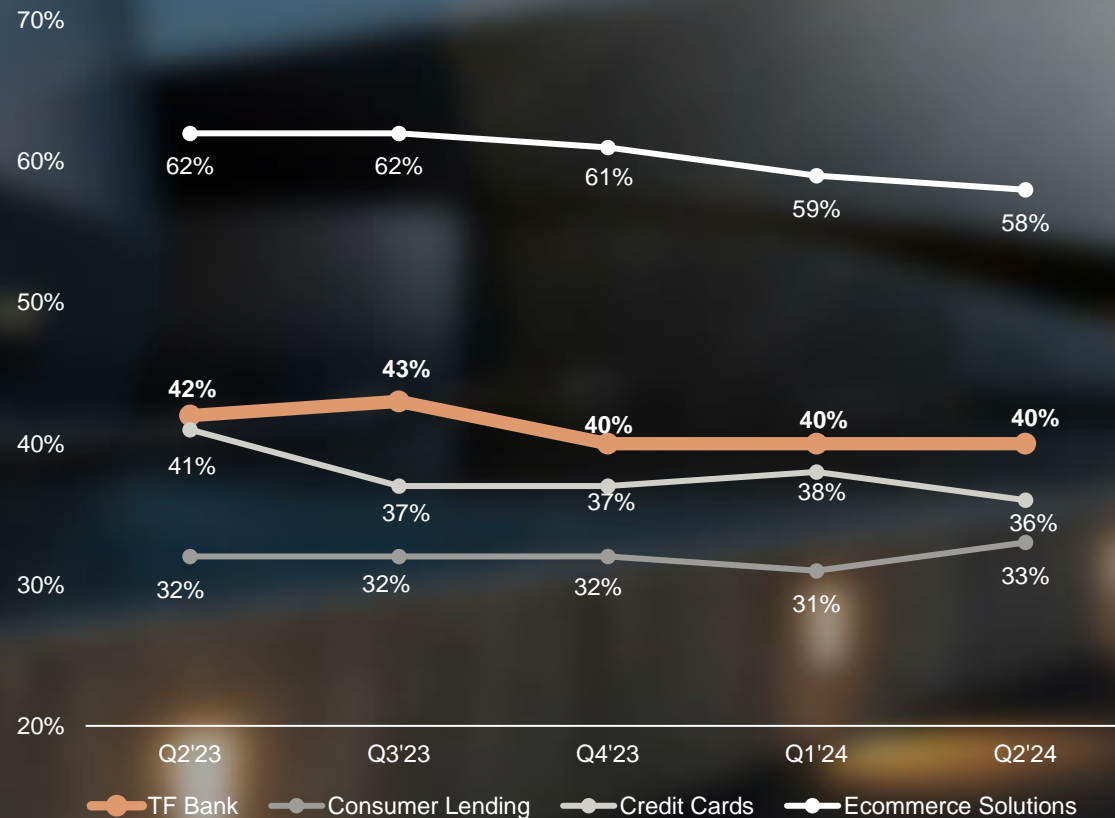
# STABLE RISK-ADJUSTED MARGIN



- **Risk-adjusted income\***
  - Stable risk-adjusted margin\*\*
- **Operating income**
  - Credit Cards the main driver
- **Net loan losses\*\***
  - Mix effects impacts loss ratio

\* Operating income minus net loan losses, \*\* ratio = current quarter annualised

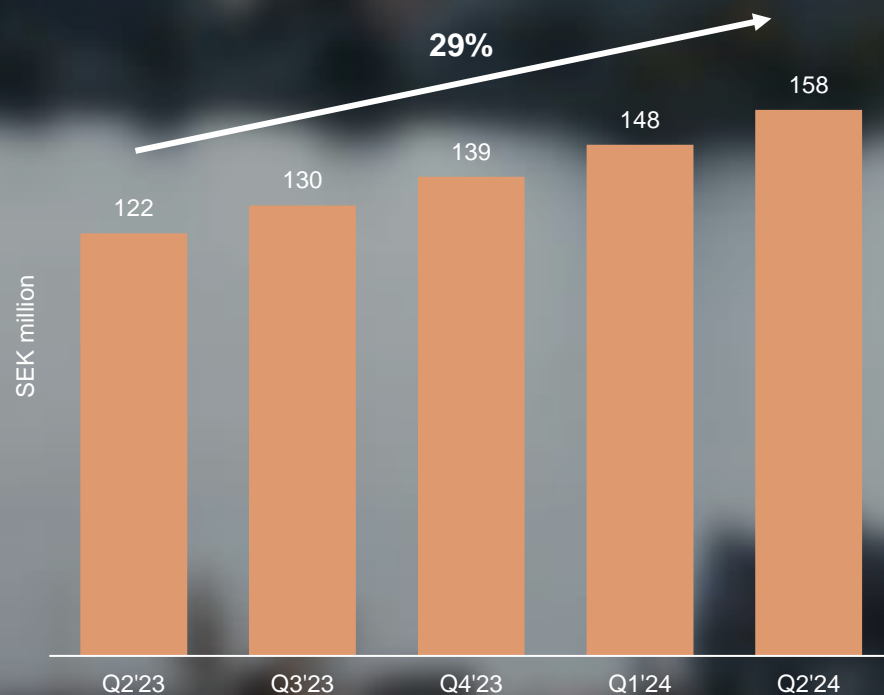
# OPEX – COST/INCOME RATIO BY SEGMENT



- **Operating expenses Q2-24 vs. Q2-23, +18%**
  - Sales-related costs and more employees
  - Expanding our team to cope with larger business volumes
- **Cost/income ratio per segment in Q2-24**
  - Consumer Lending 33%
  - Credit Cards 36%
  - Ecommerce Solutions 58%

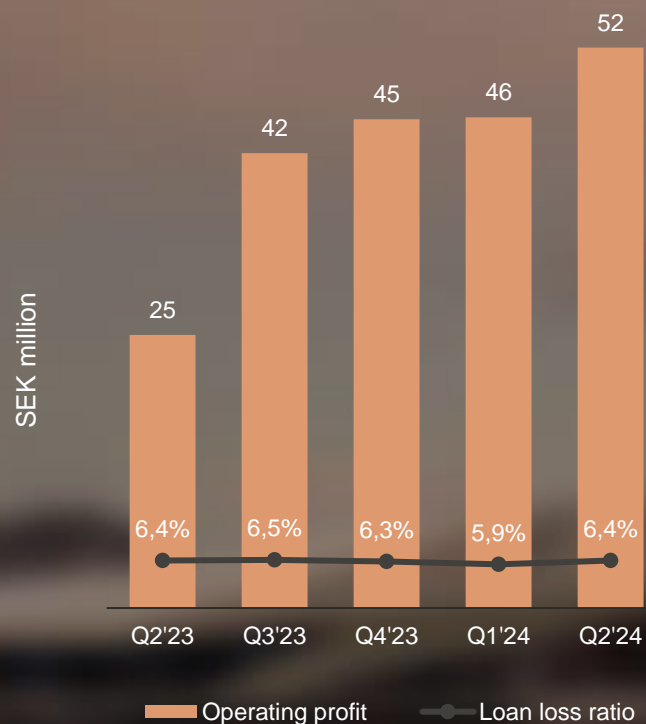
# INCREASED PROFIT QUARTER-BY-QUARTER

## Operating profit



- **Operating profit Q2-24 vs. Q2-23, +29%**
  - Growing operating income
  - EPS driven by Credit Cards and Ecommerce Solutions
- **Stable profitability in Q2-2024**
  - Return on equity, 22.5%
  - Earnings per share, 5.43 SEK

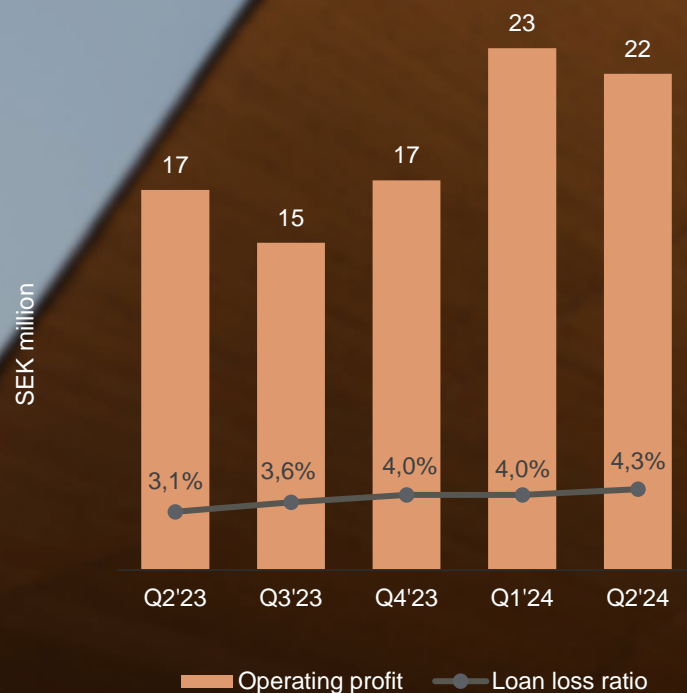
# CREDIT CARDS: HIGHER OPERATING PROFIT



- **Operating profit Q2-24 vs. Q2-23, +105%**
  - Growing operating income
  - Economies of scale
  - Return on allocated equity\*, 21.1%
- **Investments in new markets**
  - Spain and Italy

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

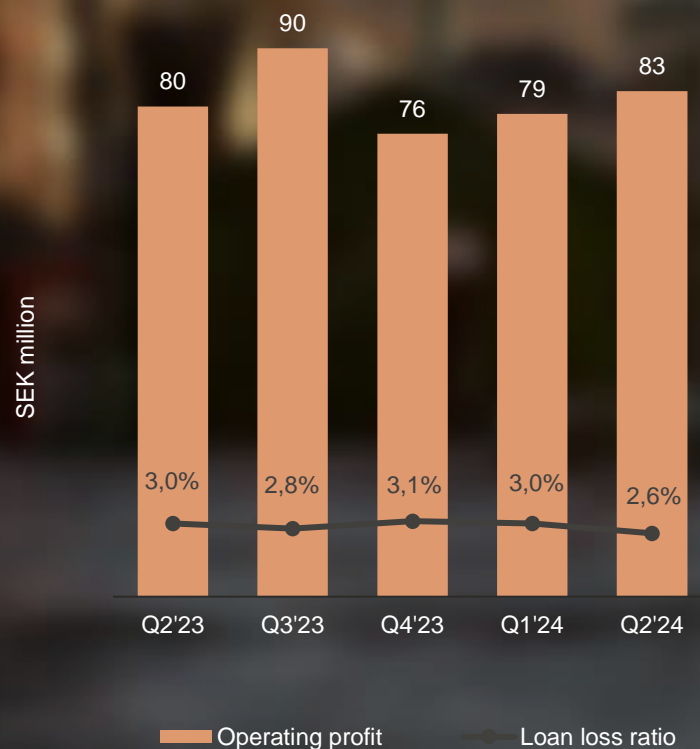
# ECOMMERCE SOLUTIONS: IMPROVED PROFITABILITY



- **Operating profit Q2-24 vs. Q2-23, +33%**
  - Higher operating income
  - Return on allocated equity\*, 22.7%
- **Higher loan losses during the last quarters**
  - Loan loss ratio 4.3%
  - Credit quality in Sweden and Finland

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

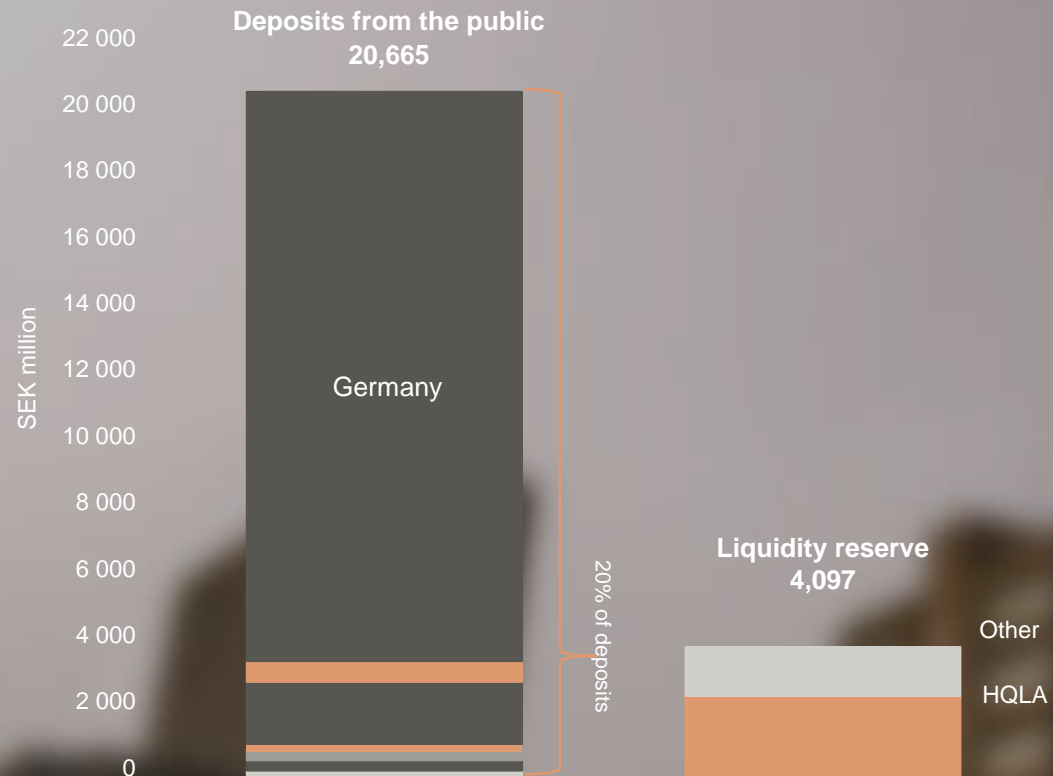
# CONSUMER LENDING: FOCUS ON MARGINS



- **Operating profit Q2-24 vs. Q2-23, +4%**
  - Stabilised risk-adjusted margin
  - Return on allocated equity\*, 24.3%
- **Positive trend for loan loss ratio**
  - General improvement in credit quality

\* Operating profit minus standard tax deduction divided by allocated equity to the segment

# FUNDING AND LIQUIDITY

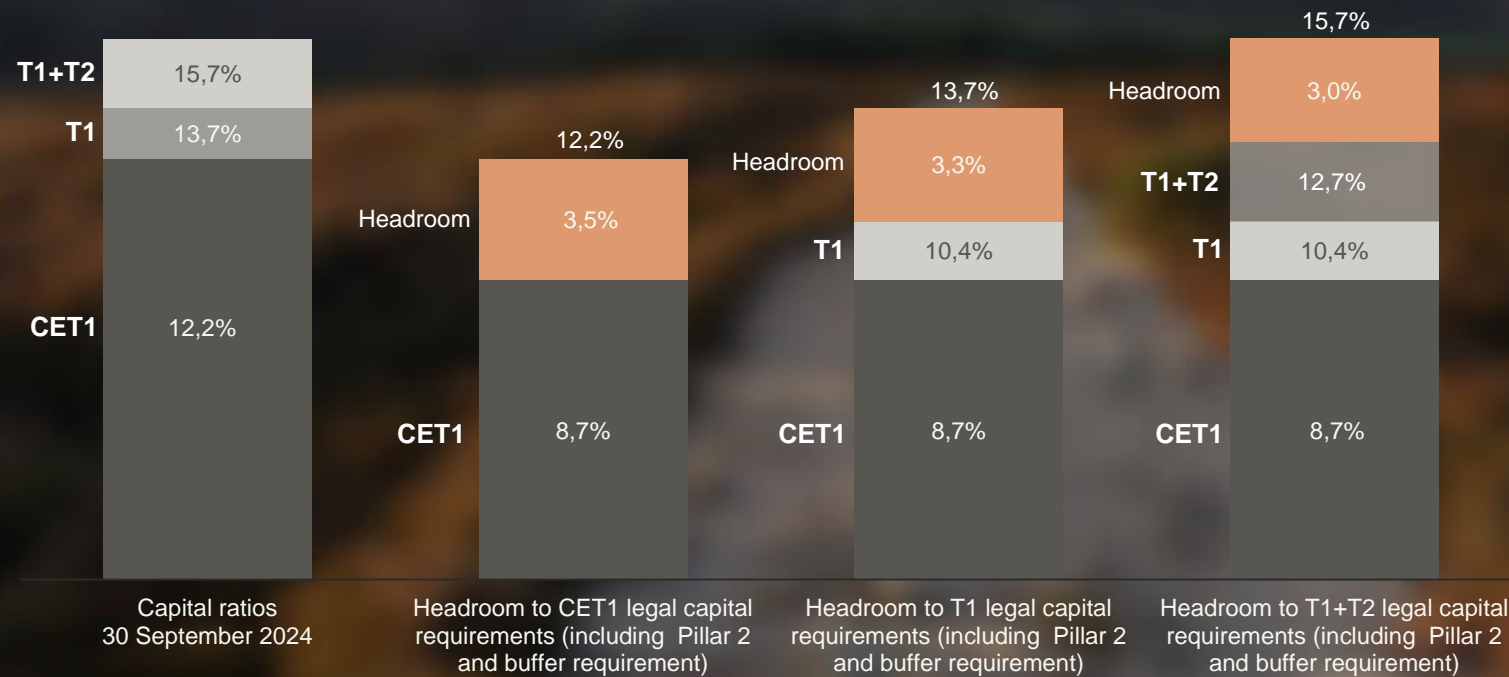


- **Retail deposits in Europe**
  - Germany (SEK 17.2 billion)
  - New markets (SEK 2.7 billion)
  - Nordics (SEK 0.8 billion)
  - Fixed-term deposits: 57%
- **Liquidity reserve: 20% of deposits**
  - Treasury bills 2.1 billion\*
  - Other HQLA 0.3 billion\*\*
  - Other available liquidity 1.7 billion

\* EU-commission, Sweden, Norway, Finland and the Netherlands with a remaining term to maturity of up to 12 months

\*\* Norway government bonds with maturity date 2026-02-19 and Swedish municipalities expiring in October 2024

# CAPITAL SITUATION



- Stable capital ratios in Q3-2024
- NPL backstop regulations impacts own funds (SEK -92 million)
- Optimised capital situation and comfortable headroom to legal requirements

# LOOKING AHEAD



- Continue the transformation towards becoming more of a European credit and payment platform
- Launching credit card product in Italy and digital payment solutions in Germany during the third quarter
- Investigating future structure on handling NPLs
- Kick-start in July for German credit cards due to seasonal effects, growth of approx. 5-6 MEUR
- New financial targets to be communicated during H2 2024



# Q&A Session



# Appendix

# CORPORATE PROFILE

## Our Products

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

## Our DNA

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

## Our Geographical footprint

We serve customers in the Nordics, Germany, Austria, Spain, the Baltics, Poland, Ireland and the Netherlands.

## The investment case

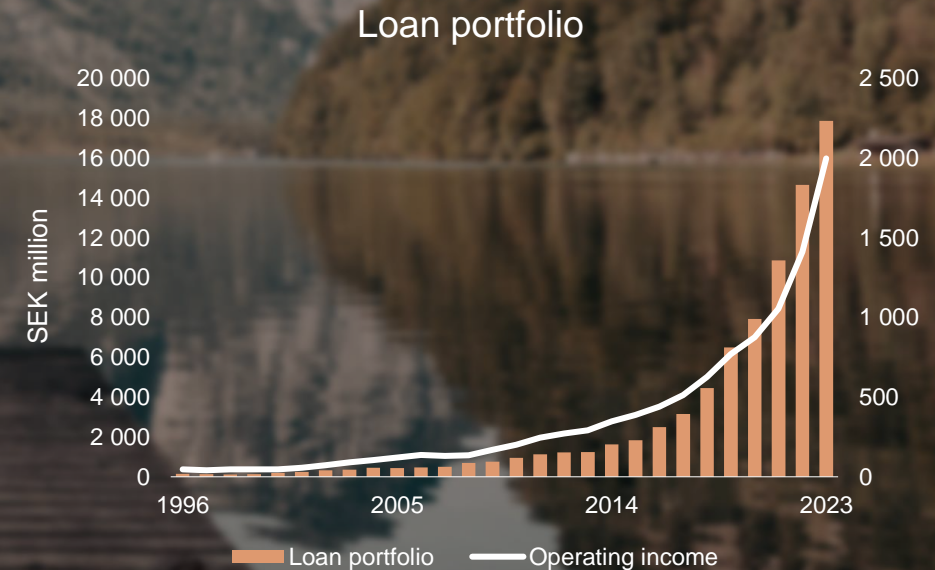
We operate in carefully selected niches where we can leverage on our platform and expertise to deliver attractive and sustainable risk adjusted growing returns

# LONG TRACK RECORD OF PROFITABLE GROWTH

## Long experience and proven business model

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

## Strong track record on growth and profitability



# Board of Directors



**John Brehmer**  
*Chairman of the Board since 2020*  
*Board member since 2010*  
**Current commitments:**  
**Chairman:** Mederion AB, Tiberon AB, Zebware AB  
**Board member:** Consortio Invest AB, Consortio Business Center AB  
**Holdings in company:** 3 371 791 shares



**Arti Zeighami**  
*Board member since 2023*  
**Current commitments:**  
**Partner & Director, Senior advisor**  
**AI@scale:** Boston Consulting Group (BCG X)  
**Holdings in company:** 0 shares



**Sara Mindus**  
*Board member since 2020*  
**Current commitments:**  
**Board member:** Styrelseledamot: Besqab AB (publ), K-Fast Holding AB (publ), Dreams AB, Colibri Ventures AB, Faboss Invest AB och Duco Förvaltning AB. Board member and CEO: Sara Mindus AB  
**Holdings in company:** 25 000 shares



**Michael Lindengren**  
*Board member since 2021*  
**Current commitments:**  
**Chairman:** Acrap AB, Simplicity Stiftelsestjänst AB  
**Board member:** Simplicity AB, Sparbanksstiftelsen Sjuhärad and Sparbanken Sjuhärad (publ)  
**Holdings in company:** 5 000 shares



**Niklas Johansson**  
*Board member since 2022*  
**Current commitments:**  
**Chairman:** AREIM AB, Nordisk Renting AB  
**Board member:** Livförsäkringsbolaget Skandia, Trustly AB, Euroclear Sweden AB  
**Holdings in company:** 439 shares



**Fredrik Oweson**  
*Board member since 2022*  
**Current commitments:**  
**Chairman:** Scope Capital SA, MaiScope ApS, Woffel SA  
**Board member:** Swedish Bra Holding AB, Swedish Bra AB, Klättermusen Aktiebolag  
**Holdings in company:** 0 shares

# Executive Directors



**Joakim Jansson**<sup>1,2</sup>  
*CEO*

**Education:** PhD in Economics, Uppsala University.  
At TF Bank since 2023 as CEO. Has previously held leading positions within Swedbank and Handelsbanken.  
**Current commitments:** Avarda AB (Chairman)  
**Holdings in company:** 5 000 shares



**Mikael Meomuttel**<sup>1,2</sup>  
*CFO, Deputy CEO and Head of Investor Relations*

**Education:** MSc, Business/Economics and Finance, University of Borås/University of Gothenburg.  
At TF Bank since 2009, 2014 Deputy CEO and from 2018 also the Group's Head of IR. Previously, among other things, been Financial Controller at Consortio Fashion Group AB (CFG).  
**Current commitments:** Torhamnsskär Holding AB (Chairman), Avarda AB (Board member)  
**Holdings in company:** 31 000 shares



**Espen Johannesen**<sup>1,2</sup>  
*COO*

**Education:** Executive M.B.A Management control Norwegian School of Economics (NHH), Bachelor of economics, Business BI Norwegian School of Management  
At TF Bank since 2015, as CEO of BB Bank 2015-2020 (now branch TF Bank Norway), Country Manager Germany 2020-2021 and from 2021 COO for the Group.  
**Holdings in company:** 34 193 shares

<sup>1</sup>Executive Directors: As stipulated by the Swedish Companies Act (ABL).

<sup>2</sup>Corporate committee: Follow-up of risk management routines and for in-depth discussions regarding the Bank's overall risk situation and reports prior to Board meetings.

# Group management team



**Vilma Sool<sup>2</sup>**  
*Chief Corporate Officer*

**Education:** LL.M (Master in Law), Tallinn University

At TF Bank since 2014 as Head of Estonia and afterwards Head of Baltic. Since October 2023 appointed as Chief Corporate Officer. Previous experience as Business developer and responsible for Deposits at Bigbank.

**Current commitments:** Core Concept OÜ (board member)

**Holdings in company:** 6 320 shares



**Rasmus Rolén<sup>2</sup>**  
*CEO Avarda & Head of Corporate Development*

**Education:** MSc Finance & Accounting, Lund University

At TF Bank as CEO for the subsidiary Avarda AB since 2023. Previously held leading positions at Klarna in Finance and Analytics.

**Holdings in company:** 1 000 shares



**Claudia Wiese<sup>2</sup>**  
*Head of Card Products & Operations*

**Education:** State-qualified banker and real estate clerk, OSZ Banken, Immobilien und Versicherungen. B.Sc. Business Psychology, FOM Hochschule für Ökonomie & Management

At TF Bank since October 2023, responsible for the German and Polish branches of TF Bank. Responsible for the Card Product Business Team and Card Operations.

**Holdings in company:** 500 shares



**Krzysztof Blach<sup>2</sup>**  
*Head of Risk & Decision Analytics (CCRO)*

**Education:** Executive MBA, Business School, Warsaw University of Technology and MA in Management, major in Operations Research, Poznan University of Economics

At TF Bank since 2015 as Chief Credit Risk Officer. Has previously held managerial positions within GE Money Bank and KBC Consumer Finance.

**Holdings in company:** 0 shares



**Ermelin Hanøy<sup>2</sup>**  
*Acting Head of Savings*

**Education:** Executive MBA Management Control Norwegian School of Economics (NHH), Economics, University of Bergen (UiB)

At TF Bank since 2015 in various positions, Head of Cards Norway in 2020-2022.

**Holdings in company:** 1 983 shares



**Stefan Görling<sup>2</sup>**  
*CPIO*

**Education:** Phd in Industrial Engineering and Management. Kungliga Tekniska Högskolan

At TF Bank since 2023 as CPIO. Has previously worked with financial technology in companies such as Mastercard, PayEx, Folksam and SEQR mobile payments.

**Holdings in company:** 1 000 shares

<sup>2</sup>Corporate committee: Follow-up of risk management routines and for in-depth discussions regarding the Bank's overall risk situation and reports prior to Board meetings.

# Contact

## Investor relations

Mikael Meomuttel

+46 706 26 95 33

[ir@tfbank.se](mailto:ir@tfbank.se)

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