



January – March 2026

Interim Report

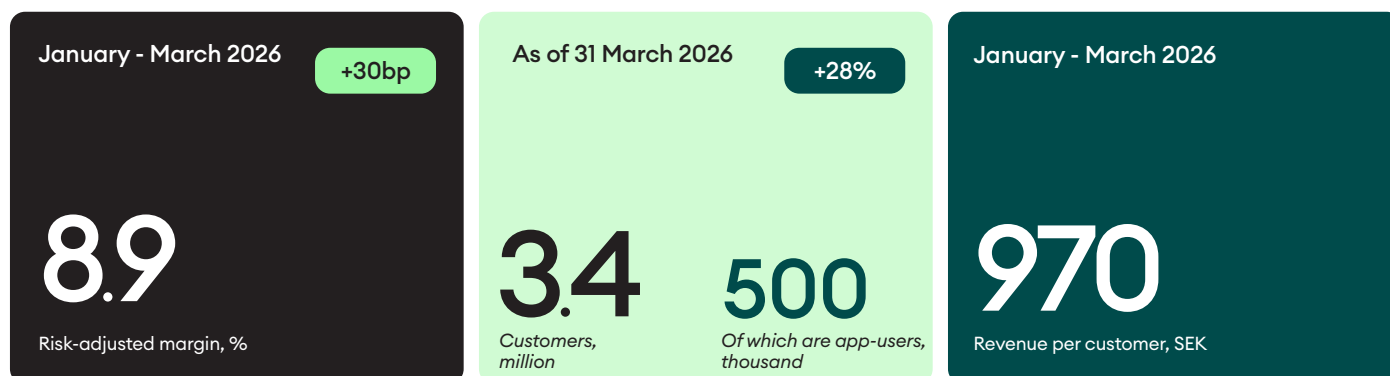
avarda

Avarda Clarifies the Company's Structure and Offering for the Future

January - March 2026

Compared to January - March 2025

- Loans to the public amounted to SEK 24,549 million, compared to March 2025 the increase in local currencies was 20%
- Operating profit increased by 30% to SEK 244.6 million
- Earnings per share increased by 47% to SEK 3.17
- Adjusted earnings per share increased by 32% to SEK 2.89
- Cost/income ratio improved to 35.3% (37.3)
- Return on equity amounted to 26.1% (21.5)
- Adjusted return on equity amounted to 23.8% (21.8)
- Total capital ratio increased to 16.3% (16.1) since year-end



Key Takeaways

- As of 9 April 2026, TF Bank AB has formally changed its company name to Avarda Bank AB.
- Avarda Group has revised its segment reporting to two segments as of 2026. The segments Credit Cards and Ecommerce Solutions are jointly reported in the Everyday Finance segment and the Consumer Lending segment remains unchanged.
- Everyday Finance had an organic loan portfolio growth of 35% to SEK 15,309 million and a significantly improved operating profit of 61% to SEK 167 million.

"Our promise to our shareholders remains clear—we will combine high customer value with strong growth and sustainable profitability across multiple markets, thereby creating long-term value."

Joakim Jansson, Group CEO

We Move Customers and Investments Forward - Towards New Opportunities

Avarda Group simplifies how customers across Europe manage their personal finances. We have been listed on Nasdaq Stockholm since 2016. Born in a small Swedish town, we combine a pragmatic and disciplined business mindset, with cutting-edge technology and innovation, always with a strong focus on cost-efficiency and profitability. Our self-developed, scalable platform and infrastructure enable efficient expansion across multiple markets.

For individual customers, we provide access to payments, savings and lending, that adapts to their lives and needs.

For business partners, we remove friction, helping them stay in control, build consumer loyalty and expand into new markets.

For investors, we create a system where value never stands still, ensuring long-term profitability, growth and progress.

We move customers, partners and ourselves forward – towards new opportunities and evolving needs.

Forward. Avarda.

As of 31 March 2026

24,549

+21%

Loan portfolio, SEK million

January - March 2026

26.1

Return on equity, %

As of 31 March 2026

16.3

Total capital ratio, %

Financial targets

Maintained financial targets, with Avarda Group expected to generate:

- Loan portfolio of SEK 35 billion by H2 2027 at the latest.
- Maintain a return on equity well above 20%.
- Capital ratios of at least 2.5% above regulatory requirements.

Reasons to Invest in Avarda

Avarda is a digital provider of financial services to individuals in Europe. With innovation and technology at the forefront, Avarda is continuously available with customer-tailored payments, savings, and lending solutions—whenever customers need them.

Through credit cards, payment solutions, and loans, Avarda serves both consumers and business partners by fostering long-term customer relationships rather than focusing on one-off transactions. The business model combines a proprietary, scalable platform with disciplined lending and bank-grade risk management, enabling profitable growth and stable risk-adjusted returns across multiple markets.

- High-yield lending model with a focus on stable loan losses and robust risk-adjusted margins
- Scalable digital platform enabling profitable growth across European markets
- Strong exposure to structural growth within payments and financing
- Recurring customer relationships driving lifetime value and predictable revenues
- Technology-driven scalability combined with bank-grade risk management and strong capital position

Highlights Recent Years

2026 – Scalable and technology-driven product platform

- Customer-driven growth as the primary value creation engine.
- Risk-adjusted returns demonstrating quality at scale.
- Clear repositioning from a niche bank to a modern financial ecosystem.
- “Combining platform scalability with bank-grade risk management”.

2025 – Profitable growth with disciplined risk management

- Operational leverage through automation and digital processes.
- Development of a shared platform enables scalable infrastructure.
- “A scalable, technology-driven consumer banking model”.

2024 – Strengthened European presence

- Strategic focus on active customers and long-term value creation.
- Clear ambition to broaden the narrative beyond traditional lending.
- “From lending growth to customer economics”.

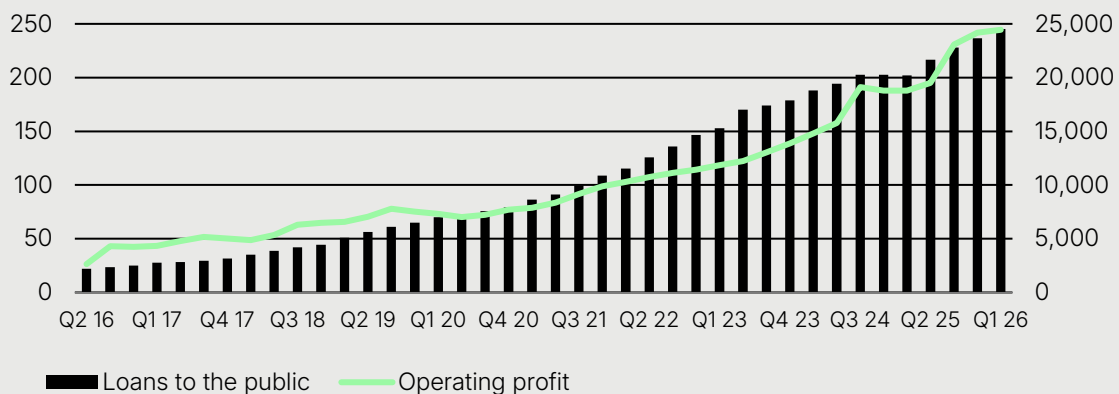
2023 – Efficient balance sheet structure and strong capital base

- Increased share of recurring customers.
- Enhanced credit analytics and increased automation.
- “Profitable growth without compromising on risk”.

2022 – High-performing niche bank

- Recognised for high return on equity and disciplined credit underwriting.
- Increased resilience in a macroeconomically uncertain environment.
- “Industry-leading profitability in consumer lending”.

Profitable growth since IPO in 2016 (SEK million)



Group Key Financials

TSEK	Jan-Mar 2026	Jan-Mar 2025	Δ	Jan-Dec 2025
Income statement				
Operating income	826,807	668,495	24%	2,904,504
Operating expenses	-292,172	-249,040	17%	-1,052,892
Net loan losses	-290,000	-231,598	25%	-995,804
Operating profit	244,635	187,857	30%	855,808
Profit for the period	210,769	145,472	45%	667,046
Earnings per share, SEK	3.17	2.15	47%	9.92
Balance sheet				
Loans to the public	24,548,898	20,220,380	21%	23,678,282
Deposits from the public	25,193,075	21,164,520	19%	24,856,055
Transaction volume	11,870,270	9,246,274	28%	45,728,510
Key figures				
Operating income margin, %	13.7	13.2		13.2
Net loan loss ratio, %	4.8	4.6		4.5
Risk-adjusted margin, %	8.9	8.6		8.7
Cost/Income ratio, %	35.3	37.3		36.3
Return on equity, %	26.1	21.5		23.1
Return on loans to the public, %	3.4	2.7		2.9
CET1 capital ratio, %	13.2	14.3		13.0
Tier 1 capital ratio, %	14.4	15.8		14.2
Total capital ratio, %	16.3	17.7		16.1
Employees (FTE)	497	443	12%	471
Adjusted key financials				
Income statement				
Profit for the period	210,769	145,472	45%	667,046
Items affecting comparability ¹	-21,637	2,251		2,251
Provision for tax surcharge	4,000	-		-
Adjusted profit for the period	193,132	147,723	31%	669,297
Adjusted profit for the period attributable to the shareholders of the Parent Company	187,146	141,299	32%	643,459
Adjusted earnings per share, SEK	2.89	2.19	32%	9.95
Key figures				
Adjusted return on equity, %	23.8	21.8		23.1
Adjusted return on loans to the public, %	3.1	2.8		2.9

¹ Adjustments for items affecting comparability are related to transactions according to the Share Purchase Agreement with Alektum Holding AB and Erik Selin Fastigheter AB regarding the divestment of the shares in the former subsidiary Rediem Capital AB.

See separate section with definitions and reconciliation tables, page 41-42.

Avarda - Forward towards continuous expansion



During the first quarter, we have taken important steps in the Group's development. Besides changing the Group's name to Avarda the Company's structure and offering for the future is clarified.

To us, the name Avarda is closely associated with development, broadening, and expansion, which well reflects the Group's forward momentum. The name change signifies a clear direction forward: to be continuously available to our customers with customer-tailored payment, savings, and lending solutions - whenever they need them.

Our commitment to our shareholders remains clear – we will combine high customer value with strong growth and sustainable profitability across multiple markets, thereby creating long-term value. This is the core of our strategy and what guides our continued development.

Continued strong financial performance

The first quarter was characterised by continued strong financial performance. We delivered a return on equity of 26%, while the loan portfolio grew by 20% in local currencies, demonstrating our ability to combine growth with high profitability. Transaction volume increased by 28% compared to the same period last year, with the credit card business in Germany as the primary driver. Earnings per share increased by 47% compared to the first quarter of 2025.

Divestment of Rediem shares

In January, the remaining 19.9% of the shares in the former subsidiary Rediem Capital were divested. In return, we received a minority stake in Myntro – a credit market company with the status of a specialised debt restructuring company. The transaction resulted in a positive one-off effect on the Group's profit before tax of SEK 22 million during the quarter.

Positioning for continued expansion

Historically, we have been perceived as a niche bank that has consistently delivered high return on equity through disciplined lending – a position of strength we are proud of. Today, our operations have changed significantly – towards a more integrated offering and, consequently, a more customer-centric business, while maintaining a strong focus on profitability.

"Our promise to our shareholders remains clear—we will combine high customer value with strong growth and sustainable profitability across multiple markets, thereby creating long-term value."

To clarify our strategic transformation, we are therefore placing greater emphasis in our financial reporting on how value per customer is created over time. We are complementing our key metrics with the number of app-users and revenue per customer.

Our app is becoming an increasingly important point of interaction for our customers and for our business development. All business areas are increasingly driven through a shared platform, strengthening our ability to be present in customers' daily financial lives. Against this background, we are changing our segment reporting from a product-based structure to one that better reflects how customers use our services. This entails a clearer division between the Everyday Finance segment, where we build long-term and continuous relationships linked to customers' everyday finances, and the Consumer Lending segment, which addresses customers' credit needs on a specific occasion.

Everyday Finance – customer-driven growth

The Everyday Finance segment accounts for the Group's primary growth. The segment represents 74% of total income and 62% of the loan portfolio. During the first quarter, the loan portfolio grew by 4% in local currencies. The German loan portfolio is driving both volume growth and profitability. Operating profit amounted to SEK 167 million during the quarter, corresponding to an increase of 61% compared to the previous year. The underlying business in the segment continues to demonstrate strong scalability, highlighting the strength of our business model. We see good growth opportunities going forward, both in Germany and in other European markets.

Consumer Lending – risk-adjusted discipline

The Consumer Lending segment continues to develop with strong margins. The transfer of the Nordic operations to TF Bank Nordic AB further contributes to streamlining operations and creating a clear focus on Consumer Lending, while an increasing share of the Group's operations is conducted within Everyday Finance. During the first quarter, the loan portfolio decreased by 2% in local currencies. The segment's focus is on credit quality and risk-adjusted margins rather than rapid volume growth, ensuring sustainable and profitable development.

Structural growth

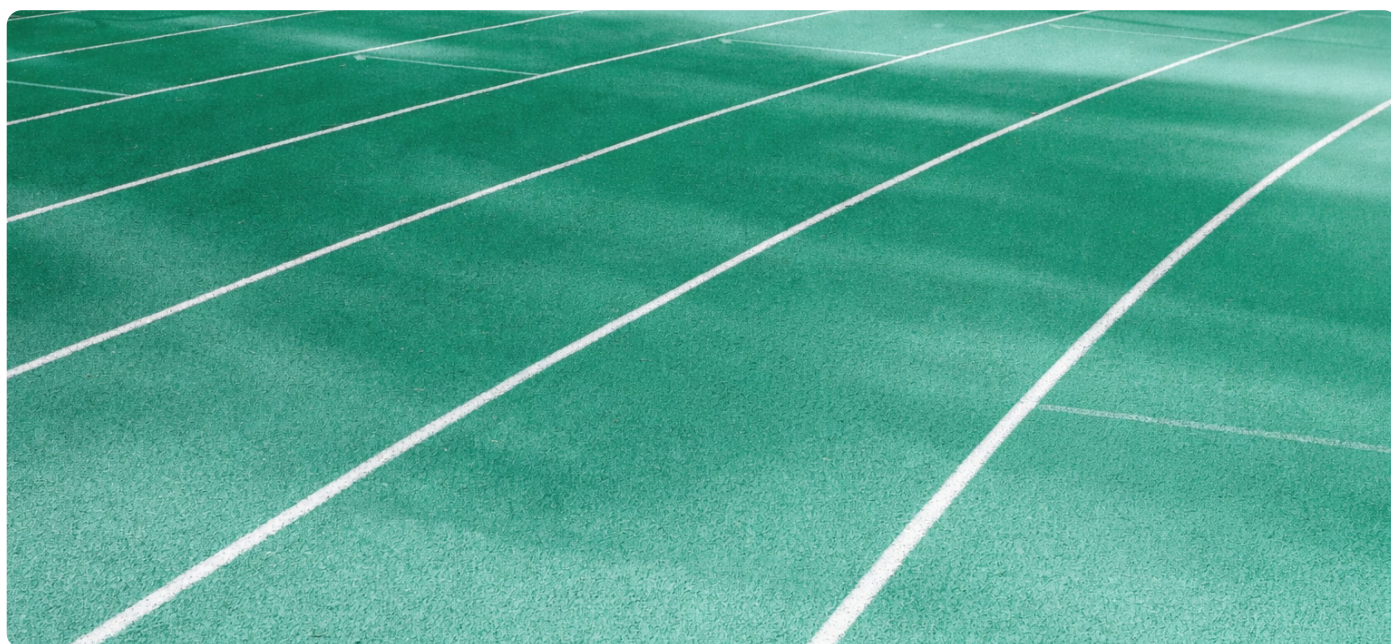
The first quarter of the year shows that we are delivering in line with our strategy: customer-centric and profitable growth with stable risk-adjusted margin.

We are building a business characterised by forward momentum, where high returns are the result of a scalable and efficient business model. We are financially strong, operationally focused, and strategically clear.

Forward. Avarda.



Joakim Jansson, Group CEO



Everyday Finance



Everyday Finance is a segment where we build long-term and continuous relationships linked to the customer's daily finances with a customer promise to be available whenever customers need us. Relationships are built both directly through the Company's own channels and through its business partners. The segment primarily includes credit cards and digital checkout solutions, offered through a modern user interface with a high degree of flexibility. The offering is built on Avarda's proprietary platform, where integrated customer journeys and data-driven decision-making enable rapid development and efficient achievement of economies of scale across multiple markets.

At the end of the quarter, the number of app-users, which is equated with the number of active credit cards, amounted to 499,808, corresponding to a growth of 28% compared with the previous year. The number of newly issued credit cards during the quarter amounted to 70,400 (53,815). The transaction volume within the segment increased by 34% to SEK 10,498 million (7,823).

Loan portfolio

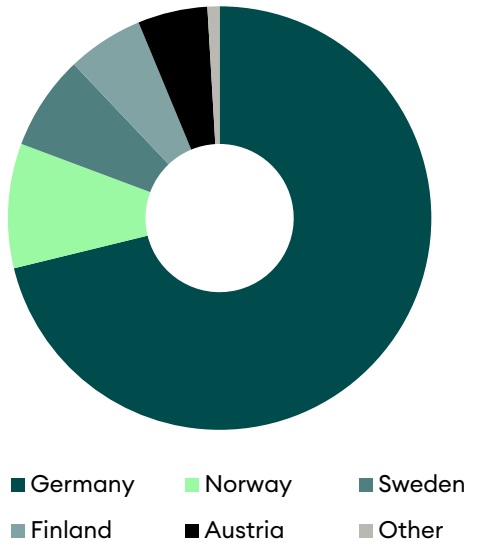
The total loan portfolio amounted to SEK 15,309 million (11,249). An increase of 35% in local currencies compared with March 2025. Positive currency effects impacted development by 1%. Growth is primarily attributable to the credit card business in Germany. The loan portfolios in Germany and Austria increased by a total of 49% to EUR 1,068 million (716) over the past year. The Nordic loan portfolio amounted to SEK 3,446 million (3,062), an increase of 11% in local currencies compared with March 2025. In the new markets of Spain and Italy, the loan portfolio amounted to a total of EUR 5 million (3).

Results

Operating profit amounted to SEK 167.3 million (104.1), an increase of 61%. The improvement was primarily driven by higher income from the growing credit card portfolio in Germany and continued economies of scale in the business model. Operating income increased by 33% to SEK 608.6 million (457.6) and the operating income margin amounted to 16.3% (16.3). The operating expenses increased by 23% to SEK 225.5 million (183.9) and is mainly affected by a higher inflow of customers. Loan losses amounted to SEK 215.8 million (169.6). The loan loss level improved to 5.8% (6.0).



Share of loan portfolio by country



Consumer Lending



Consumer Lending addresses the customer’s credit needs at a specific point in time. The segment mainly consists of the Bank’s offering of unsecured consumer loans to creditworthy individuals. The offering is adapted to local market conditions, where the product range varies between different markets.

The Nordic share of the loan portfolio amounted to 63% at the end of the quarter. During the autumn 2025, new lending in Sweden resumed on a limited scale. The loan portfolio outside the Nordic region accounted for 37% of the segment, with the majority in the Baltics. During 2025, lending was also launched in Germany.

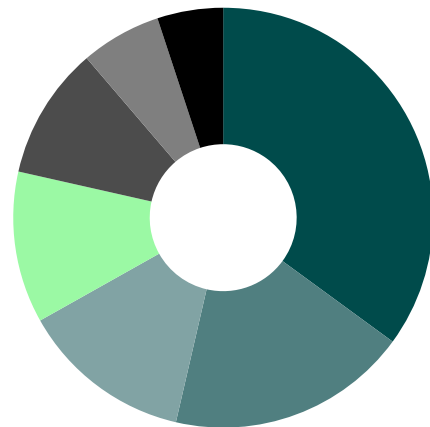
Loan portfolio

The loan portfolio amounted to SEK 9,240 million (8,971), corresponding to an increase of 2% in local currencies compared with March 2025. Positive currency effects impacted growth by 1%. New lending decreased by 4% to SEK 1,372 million (1,423). The Nordic loan portfolio amounted to SEK 5,794 million (5,686), an increase of 2% in local currencies compared to March 2025. The loan portfolio in the Baltics increased by 8% to EUR 297 million (276) over the past year.

Results

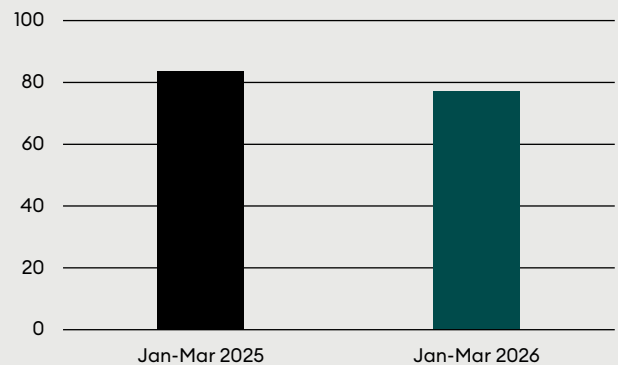
Operating profit amounted to SEK 77.3 million (83.7), a decrease of 8%. The decrease is primarily due to higher loan losses. Operating income increased by 3% to SEK 218.2 million (210.9), and the operating income margin amounted to 9.5% (9.3). Operating expenses increased by 2% to SEK 66.7 million (65.1), and the cost/income ratio improved to 30.6% (30.9). Loan losses increased by 20% to SEK 74.2 million (62.0), as a result of a decreased credit quality in the Nordic region. The loan loss level amounted to 3.2% (2.8).

Share of loan portfolio by country



- Norway
- Finland
- Latvia
- Lithuania
- Estonia
- Denmark
- Other

Operating profit (SEK million)



Meet Avarda Group's Chief Commercial Officer – Vilma Sool



After more than a decade within the organisation, I've had the privilege of closely following Avarda Group's development. When I joined in 2014, we were a small, entrepreneurial team based in Borås, with around 40 employees and a primary focus on the Nordic region. The culture was characterised by strong ownership, fast decision-making, and close collaboration, where everyone had good insight into the business. Today, Avarda Group has grown into a scalable, technology-driven company with a broader product offering and a presence across several European markets.

What is most remarkable, however, is how we have grown without losing our core values of discipline, cost-awareness, flexibility, and a hands-on, operational approach.

In my role as Chief Commercial Officer, I build on a deep understanding of our business, both commercially and culturally. My background in lending and product development has given me experience in scaling the business while maintaining control over risk and profitability. I am driven by a solution-oriented mindset and a constant ambition to develop the business further.

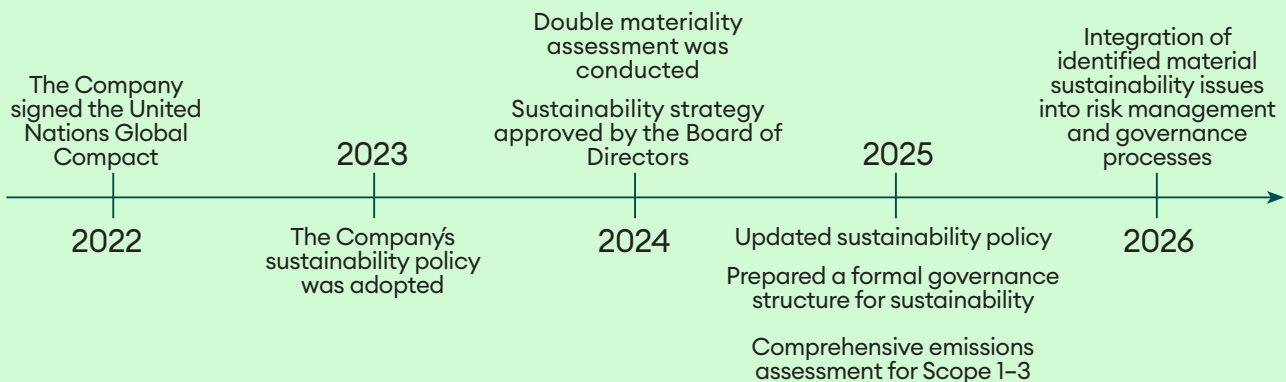
"I am driven by a solution-oriented mindset and a constant ambition to develop the business further."

Looking ahead, our ambition to grow the portfolio to SEK 35 billion provides a clear direction. To achieve this, we are focusing on local market adaptation, increased scalability, and automation. At the same time, profitable growth remains essential, with metrics such as revenue per customer helping us maintain a strong return on equity in our day-to-day operations.

Sustainability - Responsible Lending

In a well-functioning economy, responsible lending plays a vital role by providing individuals with access to essential financial services in a safe, transparent, and sustainable manner. At Avarda Group, we actively work to continuously strengthen our sustainability efforts and thereby support the United Nations Sustainable Development Goals (UN SDGs).

We integrate environmental, social, and governance (ESG) aspects into our business model, risk management, and decision-making processes. This is achieved through responsible lending practices, transparent customer dialogue, and a long-term approach to value creation.



The timeline above presents the most significant sustainability-related initiatives during the period 2022 - 2026.

Group Performance

January - March 2026

Compared to January - March 2025

Operating profit

Operating profit increased by 30% to SEK 244.6 million (187.9). The risk-adjusted margin improved to 8.9% (8.6) and has, together with the growing loan portfolio, contributed to the increasing operating profit. Adjusted earnings per share increased by 32% to SEK 2.89 (2.19) and the adjusted return on equity amounted to 23.8% (21.8).

Operating income

The operating income increased by 24% to SEK 826.8 million (668.5). The increase is related to the growing loan portfolio and geographically it was primarily Germany that had higher operating income.

The operating income margin improved to 13.7% (13.2). Revenue per customer annualised amounted to SEK 970 (954), which has been a significant contributing factor to the improved risk-adjusted margin. The operating income comprises 93% of net interest income and 7% of net fee and commission income.

Interest income increased by 18% to SEK 969.0 million (819.3), which is primarily due to a growing loan portfolio.

The interest expenses decreased to SEK 202.2 million (202.5) despite increased deposit balances. This is mainly explained by lower interest rates on newly received deposits.

Net fee and commission income increased by 13% to SEK 58.7 million (52.1). The increase is mainly attributable to higher insurance premiums and higher transaction volumes in the Everyday Finance segment. During the year, 42% of the 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 17% to SEK 292.2 million (249.0). The increase is mainly explained by higher sales-related expenses due to an increase in number of customers and more employees. The C/I ratio improved to 35.3% (37.3), mainly due to continued economies of scale in the Everyday Finance segment.

Loan losses

The net loan losses increased by 25% to SEK 290.0 million (231.6) which is primarily explained by the growing loan portfolio in the Everyday Finance segment. The net loan loss ratio amounted to 4.8% (4.6).

Tax expenses

The tax expenses increased by 38% to SEK 55.5 million (40.1). The increase in the tax expenses is primarily related to a higher operating profit.

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

Compared to 31 December 2025

(unless otherwise stated)

Loans to the public

The loan portfolio amounted to SEK 24,549 million (20,220), an increase in local currencies of 20% compared to March 2025. Positive currency effects impacted the loan portfolio growth by 1%. The growth is primarily driven by the number of customers that increased by 23% to 3.4 million (2.8). Transaction volume increased by 28% to SEK 11,870 million (9,246) compared to the first quarter 2025. The increase is mainly attributable to increased transaction volumes within the Everyday Finance segment.

Avarda Group's loan portfolio is well-diversified with relatively small exposures in several different geographic markets. At the end of the quarter, the exposure towards the three largest countries was Germany at 45%, Norway at 19% and Finland at 11%.

Deposits from the public

Deposits from the public amounted to SEK 25,193 million (21,165), an increase of 18% in local currencies compared to March 2025. Positive currency effects have impacted the deposit balance by 1%. At the end of the quarter, deposits were geographically distributed between Germany 74%, the Netherlands 17% and other countries 9%.

The increased deposit balance over the past year is mainly attributable to Germany and the Netherlands. At the end of the quarter, accounts with a fixed term comprised of 45% (44) of Avarda Group's total deposits.

Cash and cash equivalents

Cash and cash equivalents increased to SEK 4,671 million (4,660) during the quarter. At the end of the quarter, the available liquidity reserve amounted to 17% (17)¹ of deposits from the public.

Capital adequacy

The capital ratios have increased slightly and at the end of first quarter the CET1 capital ratio was 13.2% (13.0), the Tier 1 capital ratio was 14.4% (14.2) and the total capital ratio was 16.3% (16.1). During the first quarter, the capital ratios were positively affected by the sale of the remaining Rediem shares and the associated repayment of corporate loans amounting to SEK 366 million. All capital ratios are impacted by deductions for foreseeable dividend payments included in the capital base.

At the end of the first quarter, Avarda Group's statutory CET1 capital requirement was 8.8%, the Tier 1 capital requirement was 10.6% and the total capital requirement was 12.9%.

Other Information



Overview

Avarda Group simplifies how customers across Europe manage their personal finances. We have been listed on Nasdaq Stockholm since 2016. Born in a small Swedish town, we combine a pragmatic and disciplined business mindset, with cutting-edge technology and innovation, always with a strong focus on cost-efficiency and profitability. Our self-developed, scalable platform and infrastructure enable efficient expansion across multiple markets.

Accounting policies

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

The parent company's financial statements have been prepared in accordance with the Swedish Annual Accounts Act for Credit Institutions and Securities Companies (1995:1559), RFR 2 issued by the Swedish Sustainability and Financial Reporting Board, and the regulations of the Swedish Financial Supervisory Authority (FFFS 2008:25).

Avarda Group's accounting policies, calculation methods and presentation are, in all material respects, unchanged compared with the 2025 annual report. However, during the period, reclassifications have been made within the balance sheet affecting the items Other assets, Prepaid expenses and accrued income, Deposits and borrowings from the public, Other liabilities, and Accrued expenses and deferred income.

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 Group assesses credit risks, liquidity risks and operational risks to be the most significant risks. To limit and control risk-taking within the business, the Board of Directors, which holds ultimate responsibility for internal control, has established policies and instructions governing lending and other activities.

Banking operations are subject to extensive regulations concerning capital adequacy and liquidity requirements, 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 designed to be variable over time and that are dependent on the presence of cyclical and structural systemic risks. The Company must, at all times, comply with the specified capital and liquidity requirements and maintain adequate capital and access to liquidity. Avarda Group monitors changes in to capital and liquidity requirements and takes these into consideration regarding the financial targets.

More information regarding the Group's credit risks and capital adequacy can be found in notes 2 and 9 and on page 43 in the interim report. For a more detailed description of financial risks and the use of financial instruments, as well as capital adequacy, see notes G3 and G34 of the Annual report 2025.

Parent Company

The Parent Company Avarda Bank AB (publ) is headquartered in Borås. Operating income in the Parent Company increased by 11% to SEK 738.9 million (664.0), which is mainly explained by the growing loan portfolio within the Everyday Finance segment. Operating profit increased by 31% to SEK 237.6 million (181.1).

Geopolitical and macroeconomic uncertainty

The evolving external environment, characterised by both geopolitical tensions and macroeconomic uncertainty, may affect Avarda Group's operations. The geopolitical situation remains uncertain in parts of Europe, which also contributes to more volatile macroeconomic developments. Taken together, these factors may impact both the demand for credit and customers' repayment capacity. It cannot therefore be ruled out that Avarda Group's operations, new lending, and loan losses may be negatively affected going forward by geopolitical and macroeconomic events.

Significant events during the period

On 18 March 2026, the Company's Nomination Committee presented its proposal regarding the composition of the Board of Directors for decision at the Annual General Meeting on 5 May 2026.

On 20 March 2026, the Company published its Annual and Sustainability Report for 2025.

On 27 March 2026, the Company's Board of Directors resolved to convene the Annual General Meeting on Tuesday, 5 May 2026.

On 27 March 2026, the UK subsidiary, TFBN Services Ltd, was granted authorisation by the supervisory authority (Financial Conduct Authority) to conduct consumer credit activities and provide payment services in the United Kingdom.

Significant events after the period

As of 9 April 2026, TF Bank AB has formally changed its company name to Avarda Bank AB. At the same time, the Company announced an updated segment reporting structure effective from the 2026 financial year. The previous segments Credit Cards and Ecommerce Solutions will be reported jointly under the Everyday Finance segment, while the Consumer Lending segment remains unchanged. Everyday Finance is a segment in which the Company builds long-term, continuous relationships linked to customers' daily finances, whereas the Consumer Lending segment addresses customers' credit needs on a single occasion.

Transactions with related parties

Transactions between group companies relate to the invoicing of services provided by subsidiaries. Transactions with other related parties refer to transactions between Avarda Group and companies that, to a large extent, have the same owners as Avarda Group's largest shareholder, TFB Holding AB, with company registration number 556705-2997. All transactions are carried out on market terms.

The share

Avarda Group was listed at Nasdaq Stockholm in the Mid Cap segment on 14 June 2016. The share was traded up to and including 9 April 2026 under the ticker name TFBANK, with ISIN code SE0025666969. From 10 April 2026, in connection with the name change to Avarda Bank AB, the share is traded under a new ticker: AVARDA, with an unchanged ISIN code SE0025666969.

As of 31 March 2026, the number of shares amounted to 64,650,000. The closing price as of 31 March 2026 was SEK 165.14, and the number of shareholders amounted to 5,576.

Shareholder

Ownership of Avarda Bank AB as of 31 March 2026	
Shareholder	%
TFB Holding AB	29.54
Tiberon AB	15.00
Erik Selin Fastigheter AB	12.53
Proventus Aktieföretag	4.17
Maud Umberg Weil	3.91
Carnegie Fonder AB	3.64
Nordnet Pensionsförsäkring AB	3.64
Goldman Sachs International	2.33
Försäkringsbolaget Avanza Pension	1.35
Amidak AB	1.24
Other shareholders	22.65
Total	100,00

Source: Euroclear

Financial targets

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

- **Growth** – Avarda Banks aim is to achieve a loan portfolio of SEK 35 billion by second half of 2027.
- **Profitability** – Avarda Banks aim is to maintain a return on equity well above 20%.
- **Capital structure** – Avarda Banks aim is that all capital ratios should exceed the regulatory requirement (including Pillar 2 and buffer requirements) by at least 2.5 percentage points.

Dividend

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

The Board of Directors proposes to the Annual General Meeting 2026 a dividend of SEK 5 per share for the 2025 financial year. The proposed dividend to shareholders amounts to approximately SEK 323 million.

The Board of Directors

The Board of Directors in Avarda Bank AB (publ) consists of Chairman John Brehmer and Board members Niklas Johansson, Michael Lindengren, Sara Mindus, Fredrik Oweson and Arti Zeighami.

Executive Directors

The Executive Directors in Avarda Bank AB (publ) consist of Group CEO Joakim Jansson, Group CFO Mikael Meomuttel and CCO Vilma Sool.

Employees

The average number of full-time employees (FTEs) in the Group during the period 1 January – 31 March 2026 was 497 (443), of which 48% were women and 52% men.

Nomination committee

On 1 December 2025, Avarda Bank AB (previously TF Bank) announced that the Company's largest shareholders had appointed a Nomination Committee for the 2026 Annual General Meeting. The Committee, appointed in accordance with the principles adopted at the 2021 Annual General Meeting, is based on the ownership structure as of 31 August 2025 and consists of the following members:

Paul Källenius, representing TFB Holding AB, Eriks Selin, representing Erik Selin Fastigheter AB, Jonas Weil, representing Proventus Aktiebolag och John Brehmer, Chairman of the Board of Avarda Bank. Paul Källenius has been appointed Chairman of the Nomination Committee.

Annual General Meeting 2026

The 2026 Annual General Meeting will be held at 14:00 on Tuesday, 5 May 2026, at Avarda Group's head office, Lilla Brogatan 6, SE-503 30 Borås. Notice of the Annual General Meeting was published on Wednesday, 27 March 2026. More information about the Annual General Meeting is available on the Company's website, group.avarda.com.

Assurance by the Board of Directors and the CEO

The Board of Directors and the CEO certify that the interim report gives a true and fair overview of the development of the operations, financial position and result of the Parent Company and the Group and describes the material risks and uncertainties that the Parent Company and the Group faces.

Borås, 13 April 2026

John Brehmer
Chairman

Niklas Johansson

Michael Lindengren

Sara Mindus

Fredrik Oweson

Arti Zeighami

Joakim Jansson
Group CEO

Presentation for investors, analysts and media

A conference call will be held on Tuesday, April 14, 2026, at 08:15 CEST, during which Group CEO and President Joakim Jansson and Group CFO Mikael Meomuttel will present the interim report for the first quarter. Following the presentation, there will also be an opportunity to ask questions about the interim report, including the updated segment reporting. The presentation will be in English, while the conference call will be conducted in Swedish.

To listen and ask questions, please dial +46 (0)8 5053 9728 and enter the meeting code 853 0914 5395. International investors will also have the opportunity to ask questions in English during the final Q&A session. A recording of the conference call and the presentation materials will be made available afterwards on the Company's website, group.avarda.com.

Financial Calendar

5 May 2026

Annual General Meeting 2026

10 July 2026

Interim Report,
January - June 2026

14 October 2026

Interim Report,
January - September 2026

For more information,
please contact

Group CEO

Joakim Jansson
joakim.jansson@avarda.com

Group CFO

Mikael Meomuttel
mikael.meomuttel@avarda.com

Registered office

Lilla Brogatan 6, SE-503 30 Borås
Phone: +46 33 722 35 00
group.avarda.com

This report has not been reviewed by the Company's auditors.

This information is such information that Avarda Bank is required to disclose pursuant to the EU Market Abuse Regulation. The information was submitted for publication on 14 April 2026 at 07:00 CEST.

Group Financial Statements

Income Statement, Consolidated

SEK thousand	Note	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Operating income				
Interest income		969,014	819,349	3,487,581
Interest expense		-202,178	-202,537	-808,621
Net interest income		766,836	616,812	2,678,960
Fee and commission income		117,629	105,359	441,994
Fee and commission expense		-58,970	-53,239	-220,139
Net fee and commission income		58,659	52,120	221,855
Net results from financial transactions		1,312	-437	3,689
Total operating income		826,807	668,495	2,904,504
Operating expenses				
General administrative expenses		-258,834	-215,445	-917,765
Depreciation and amortisation of tangible and intangible assets		-17,152	-17,203	-70,467
Other operating expenses		-16,186	-16,392	-64,660
Total operating expenses		-292,172	-249,040	-1,052,892
Profit before loan losses		534,635	419,455	1,851,612
Net loan losses	4	-290,000	-231,598	-995,804
Operating profit		244,635	187,857	855,808
Items affecting comparability		21,637	-2,251	-2,251
Income tax for the period		-55,503	-40,134	-186,511
Profit for the period		210,769	145,472	667,046
<i>Profit for the period attributable to:</i>				
Shareholders of the Parent Company		204,783	139,048	641,208
Parent Company holders of additional Tier 1 capital instruments		5,986	6,424	25,838
<i>Basic earnings per share (SEK)</i>		3.17	2.15	9.92
<i>Diluted earnings per share (SEK)</i>		3.17	2.15	9.92

Statement of Comprehensive Income, Consolidated

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Profit for the period	210,769	145,472	667,046
Other comprehensive income			
Items that may subsequently be reclassified to the income statement			
Gross exchange rate differences	-656	-118	-6,296
Tax on exchange rate differences in the period	-	-	-15,668
Other comprehensive income for the period	-656	-118	-21,964
Total comprehensive income for the period	210,113	145,354	645,082
<i>Comprehensive income for the year attributable to:</i>			
Shareholders of the Parent Company	204,127	138,930	619,244
Parent Company holders of additional Tier 1 capital holders	5,986	6,424	25,838

Balance Sheet, Consolidated

SEK thousand	Note	31 Mar 2026	31 Dec 2025
Assets			
Cash and balances with central banks		13,166	17,576
Treasury bills eligible for refinancing		2,941,197	2,489,437
Loans to credit institutions		1,789,910	2,236,407
Loans to the public	3,7	24,548,898	23,678,282
Shares		139,398	117,267
Goodwill		20,011	20,011
Intangible assets		77,593	82,703
Tangible assets		69,412	75,182
Other assets		148,808	176,311
Current tax assets		-	4,368
Deferred tax assets		132,243	86,129
Prepaid expenses and accrued income		59,653	90,188
Total assets		29,940,289	29,073,861
Liabilities and equity			
Liabilities			
Deposits and borrowings from the public	8	25,193,075	24,856,055
Other liabilities		499,113	228,496
Current tax liabilities		89,231	81,100
Accrued expenses and prepaid income		269,612	220,660
Deferred tax liabilities		13	1,120
Provisions		1,919	3,589
Subordinated liabilities	11	394,790	394,844
Total liabilities		26,447,753	25,785,864
Equity			
Share capital		107,750	107,750
Foreign currency reserve		-20,426	-19,770
Retained earnings including the profit of the period		3,155,212	2,950,017
Total equity attributable to the shareholders of the Parent Company		3,242,536	3,037,997
Tier 1 capital instrument		250,000	250,000
Total equity attributable to the owners of the Parent Company		3,492,536	3,287,997
Total liabilities and equity		29,940,289	29,073,861

Statement of Changes in Equity, Consolidated

SEK thousand	Share capital ¹	Foreign currency reserve	Retained earnings including the year's results	Tier 1 capital instrument ²	Total equity
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
Dividend to shareholders	-	-	-107,750	-	-107,750
Interest Tier 1 capital instrument	-	-	-25,838	-	-25,838
Share based remunerations	-	-	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
Equity as at 1 Jan 2026	107,750	-19,770	2,950,017	250,000	3,287,997
Profit for the period	-	-	210,769	-	210,769
Other comprehensive income for the period	-	-656	-	-	-656
<i>Total comprehensive income for the period</i>	-	-656	210,769	-	210,113
<i>Transactions with owners of the Parent Company</i>					
<i>Contributions from and value transfers to owners of the Parent Company</i>					
Interest Tier 1 capital instrument	-	-	-5,986	-	-5,986
Share based remuneration	-	-	412	-	412
<i>Total transactions with owners of the Parent Company</i>	-	-	-5,574	-	-5,574
Equity as at 31 Mar 2026	107,750	-20,426	3,155,212	250,000	3,492,536

¹ Share capital comprises of 64,650,000 shares of SEK 1.67 each.

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

Cash Flow Statement, Consolidated

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Operating activities			
Operating profit	244,635	187,857	855,808
<i>Adjustment for items not included in cash flow</i>			
Depreciation and amortisation of tangible and intangible assets	17,152	17,203	70,467
Accrued interest income and expense	-38,878	-28,344	-76,630
Other non-cash items	77	1,482	-2,043
Paid income tax	-43,004	-67,929	-188,622
Cash flows from operations before changes in working capital	179,982	110,269	658,980
Increase/decrease in loans to the public	-870,616	45,078	-3,412,824
Increase/decrease in other short-term receivables	-96,309	137,287	87,259
Increase/decrease in deposits and borrowings from the public	337,020	-33,461	3,658,074
Increase/decrease in other short-term liabilities	355,506	-27,172	-115,997
Change in restricted bank deposits	10,596	433	-71,549
Cash flow from operating activities	-83,821	232,434	803,943
Investing activities			
Investments in tangible assets	-554	-1,879	-7,281
Investments in intangible assets	-5,207	-3,766	-34,566
Changes in investments in associates	21,637	-2,251	-2,251
Cash flow from investing activities	15,876	-7,896	-44,098
Financing activities			
Paid interest on lease debt	-375	-398	-1,345
Amortisation of lease debt	-4,645	-4,251	-17,619
New share issue	-	250	250
Redemption of Tier 2 capital instrument	-	-	-100,000
Issue of Tier 2 capital instrument	-	-	150,000
Interest on Tier 1 capital instrument	-5,986	-6,424	-25,838
Dividend to shareholders	-	-	-107,750
Cash flow from financing activities	-11,006	-10,823	-102,302
Cash flow for the period	-78,951	213,715	657,543
Cash and cash equivalents at the beginning of period	4,659,646	4,246,859	4,246,859
Exchange rate difference in cash and cash equivalents	90,400	-147,153	-244,756
Cash and cash equivalents at the end of period	4,671,095	4,313,421	4,659,646
<i>Cash flow from operating activities includes interest expenses paid and interest payments received</i>			
Interest expenses paid	-240,892	-230,842	-884,412
Interest payments received	901,801	789,509	3,390,106
Components of cash and cash equivalents			
Cash and balances with central banks	13,166	17,729	17,576
Treasury bills eligible for refinancing, etc.	2,941,197	2,000,712	2,489,437
Loans to credit institutions	1,789,910	2,306,772	2,236,407
Restricted bank deposits	-73,178	-11,792	-83,774
Total cash and cash equivalents	4,671,095	4,313,421	4,659,646

Note 1 General Information

Avarda Bank AB, org.nr. 556158-1041, is a limited company with its registered office in Borås, Sweden, which has a license to conduct banking operations. The Company conducts lending and/or deposit activities to private individuals in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy by subsidiary, branch or cross-border banking with the support of the Swedish banking license.

Company Structure

Company	Reg.nr
Parent Company	
Avarda Bank AB	556158-1041
Branches	
TF Bank AB, branch Finland	2594352-3
TF Bank AB, branch Poland	PL9571076774
TF Bank AB, branch Estonia	14304235
TF Bank AB, branch Norway	923 194 592
TF Bank AB, branch Latvia	50203334311
TF Bank AB, branch Lithuania	306989111
TF Bank AB, branch Spain	W0298854A
Subsidiaries	
TF Bank Nordic AB	559476-6379
TF Bank Nordic AB NUF, branch Norway	935 301 734
TF Bank Nordic AB, branch 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.

Ownership of Avarda Bank AB as at 31 March 2026

Shareholder	%
TFB Holding AB	29.54
Tiberon AB	15.00
Erik Selin Fastigheter AB	12.53
Proventus Aktiefbolag	4.17
Maud Umberg Weil	3.91
Carnegie Fonder AB	3.64
Nordnet Pensionsförsäkring AB	3.64
Goldman Sachs International	2.33
Försäkringsbolaget Avanza Pension	1.35
Amidak AB	1.24
Other shareholders	22.65
Total	100.00

Source: Euroclear

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

Note 2 Credit Risk

Financial risks

Through its operations, Avarda Group is exposed to a variety of financial risks: credit risk, market risk (including currency risk and interest rate risk) and liquidity risk, but also operational risk and other operating risks such as business risks, economic risks, and reputational risks. Avarda Group 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 Company's financial results. The Board establishes written policies with regards to both the overall risk management and for the specific areas.

Credit risk is the risk that a counterparty causes Avarda Group a financial loss by not fulfilling its contractual obligations to the Company. 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 Avarda Group. Credit risks may even arise through placement of liquidity and derivative instruments. Credit risk is monitored closely by the responsible functions. The Board of Directors has ultimate responsibility and has established the framework for the Company's lending activities in a specific credit policy. A credit committee continuously monitors the development of the risk level in each loan portfolio and decides on and implements changes to Avarda Group's lending activities within the established policy, as well as proposing amendments to this policy to the Board of Directors. The development is reported at each regular Board meeting.

Avarda Group's credit approval process maintains high standards regarding ethics, quality and control. The proportion of past due receivables in Stage 3 is affected by the fact that past due receivables are continuously sold on the markets where the price level is such that the Board deems it favourable for the Company's development and risk profile. The Company's loans to the public consist primarily of unsecured consumer loans. As a result, Avarda Group does not list credit risk exposures in a separate table as there are limited assets pledged as security.

Credit risk may even arise through placement of liquidity and derivative instruments with a positive value. By setting limits for the maximum exposure to each counterparty, the credit risk of liquidity placement becomes limited. According to the Company's financial policy, the maximum amount of Tier 1 capital that may be placed with Avarda Group's permitted counterparties is 15%, with the exception of larger institutions for which the permitted amount is 85% of Tier 1 capital. Treasury bills, government bonds and balances with central banks, as well as exposure to subsidiaries, are exempted from both limits.

Note 3 Operating Segments

The business is divided into two operating segments: Everyday Finance and Consumer Lending. In the Everyday Finance segment, Avarda Group offers credit cards and digital payment solutions, and in Consumer Lending, consumer loans is offered without collateral. The target group for all services is creditworthy private individuals.

Jan-Mar 2026 Income statement, SEK thousand	Everyday Finance	Consumer Lending	Group
Net interest income	563,826	203,010	766,836
Net fee and commission income	43,996	14,663	58,659
Net results from financial transactions	791	521	1,312
Total operating income	608,613	218,194	826,807
General administrative expenses	-197,909	-60,925	-258,834
Depreciation and amortisation of tangible and intangible assets	-14,297	-2,855	-17,152
Other operating expenses	-13,292	-2,894	-16,186
Total operating expenses	-225,498	-66,674	-292,172
Profit before loan losses	383,115	151,520	534,635
Net loan losses	-215,769	-74,231	-290,000
Operating profit	167,346	77,289	244,635

31 Mar 2026 Balance sheet, SEK thousand	Everyday Finance	Consumer Lending	Group
Loans to the public			
Household sector	15,289,090	9,219,455	24,508,545
Corporate sector ¹	19,410	20,943	40,353
Total loans to the public	15,308,500	9,240,398	24,548,898
Household sector			
Stage 1, net	14,132,049	8,516,798	22,648,847
Stage 2, net	459,371	452,432	911,803
Stage 3, net ²	697,670	250,225	947,895
Total household sector	15,289,090	9,219,455	24,508,545

Jan-Mar 2026 Key figures ³	Everyday Finance	Consumer Lending	Group
Operating income margin, %	16.3	9.5	13.7
Net loan loss ratio, %	5.8	3.2	4.8
Risk-adjusted margin, %	10.5	6.3	8.9
Cost/Income ratio, %	37.1	30.6	35.3
Return on loans to the public, %	3.5	2.6	3.4
Transaction volume, SEK thousand	10,498,211	1,372,059	11,870,270

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

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

³ See separate section with definitions and reconciliation tables, pages 41-42.

Jan-Mar 2025 Income statement, SEK thousand	Everyday Finance	Consumer Lending	Group
Net interest income	421,047	195,765	616,812
Net fee and commission income	36,793	15,327	52,120
Net results from financial transactions	-240	-197	-437
Total operating income	457,600	210,895	668,495
General administrative expenses	-156,345	-59,100	-215,445
Depreciation and amortisation of tangible and intangible assets	-13,856	-3,347	-17,203
Other operating expenses	-13,732	-2,660	-16,392
Total operating expenses	-183,933	-65,107	-249,040
Profit before loan losses	273,667	145,788	419,455
Net loan losses	-169,555	-62,043	-231,598
Operating profit	104,112	83,745	187,857

31 Mar 2025 Balance sheet, SEK thousand	Everyday Finance	Consumer Lending	Group
Loans to the public			
Household sector	11,042,910	8,703,417	19,746,327
Corporate sector ¹	205,986	268,067	474,053
Total loans to the public	11,248,896	8,971,484	20,220,380
Household sector			
Stage 1, net	10,473,444	8,190,894	18,664,338
Stage 2, net	396,082	434,974	831,056
Stage 3, net ²	173,384	77,549	250,933
Total household sector	11,042,910	8,703,417	19,746,327

Jan-Mar 2025 Key figures ³	Everyday Finance	Consumer Lending	Group
Operating income margin, %	16.3	9.3	13.2
Net loan loss ratio, %	6.0	2.8	4.6
Risk-adjusted margin, %	10.3	6.5	8.6
Cost/Income ratio, %	40.2	30.9	37.3
Return on loans to the public, %	2.9	2.9	2.7
Transaction volume, SEK thousand	7,823,394	1,422,880	9,246,274

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

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

³ See separate section with definitions and reconciliation tables, pages 41-42.

Jan-Dec 2025 Income statement, SEK thousand	Everyday Finance	Consumer Lending	Group
Net interest income	1,886,011	792,949	2,678,960
Net fee and commission income	158,688	63,167	221,855
Net results from financial transactions	2,140	1,549	3,689
Total operating income	2,046,839	857,665	2,904,504
General administrative expenses	-664,674	-253,091	-917,765
Depreciation and amortisation of tangible and intangible assets	-58,498	-11,969	-70,467
Other operating expenses	-53,835	-10,825	-64,660
Total operating expenses	-777,007	-275,885	-1,052,892
Profit before loan losses	1,269,832	581,780	1,851,612
Net loan losses	-752,090	-243,714	-995,804
Operating profit	517,742	338,066	855,808

31 Dec 2025 Balance sheet, SEK thousand	Everyday Finance	Consumer Lending	Group
Loans to the public			
Household sector	14,327,554	8,925,694	23,253,248
Corporate sector ¹	228,864	196,170	425,034
Total loans to the public	14,556,418	9,121,864	23,678,282
Household sector			
Stage 1, net	13,330,532	8,281,790	21,612,322
Stage 2, net	437,335	429,732	867,067
Stage 3, net ²	559,687	214,172	773,859
Total household sector	14,327,554	8,925,694	23,253,248

Jan-Dec 2025 Key figures ³	Everyday Finance	Consumer Lending	Group
Operating income margin, %	15.9	9.4	13.2
Net loan loss ratio, %	5.8	2.7	4.5
Risk-adjusted margin, %	10.1	6.7	8.7
Cost/Income ratio, %	38.0	32.2	36.3
Return on loans to the public, %	3.0	2.8	2.9
Transaction volume, SEK thousand	40,192,284	5,536,226	45,728,510

Note 4 Net Loan Losses

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Change in provision for sold past due receivables	-24,065	-48,699	-109,272
Realised loan losses	-27,841	-7,153	-28,404
Recovered from previous realised loan losses	106	98	1,225
Change in provision for expected loan losses, Stage 1-3	-238,200	-175,844	-859,353
Net loan losses	-290,000	-231,598	-995,804

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

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

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

³ See separate section with definitions and reconciliation tables, page 41-42.

Note 5 Classification of Financial Assets and Liabilities

31 Mar 2026 SEK thousand	Financial instruments at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Derivatives used for hedge accounting	Non-financial assets and liabilities	Total
	Compulsory					
Assets						
Cash and balances with central banks	-	-	13,166	-	-	13,166
Treasury bills eligible for refinancing	-	-	2,941,197	-	-	2,941,197
Loans to credit institutions	-	-	1,789,910	-	-	1,789,910
Loans to the public	-	-	24,548,898	-	-	24,548,898
Shares	139,398	-	-	-	-	139,398
Derivatives	-	-	-	-	-	-
Other assets	-	-	-	-	507,720	507,720
Total assets	139,398	-	29,293,171	-	507,720	29,940,289
Liabilities						
Deposits and borrowings from the public	-	-	25,193,075	-	-	25,193,075
Subordinated liabilities	-	-	394,790	-	-	394,790
Derivatives	248,792	-	-	39	-	248,831
Other liabilities	-	-	-	-	611,057	611,057
Total liabilities	248,792	-	25,587,865	39	611,057	26,447,753

31 Dec 2025 SEK thousand	Financial instruments at fair value through profit or loss	Fair value through other comprehensive income	Amortised cost	Derivatives used for hedge accounting	Non-financial assets and liabilities	Total
	Compulsory					
Assets						
Cash and balances with central banks	-	-	17,576	-	-	17,576
Treasury bills eligible for refinancing	-	-	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	52,874	-	-	-	-	52,874
Other assets	-	-	-	-	482,018	482,018
Total assets	170,141	-	28,421,702	-	482,018	29,073,861
Liabilities						
Deposits and borrowings from the public	-	-	24,856,055	-	-	24,856,055
Subordinated liabilities	-	-	394,844	-	-	394,844
Derivatives	48,435	-	-	92	-	48,527
Other liabilities	-	-	-	-	486,438	486,438
Total liabilities	48,435	-	25,250,899	92	486,438	25,785,864

Note 6 Financial Assets and Liabilities Measured at Fair Value

Fair value

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

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

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

31 Mar 2026 SEK thousand	Level 1	Level 2	Level 3	Total
Assets				
Cash and balances with central banks	-	13,166	-	13,166
Treasury bills eligible for refinancing	2,939,509	-	-	2,939,509
Loans to credit institutions	-	1,789,910	-	1,789,910
Loans to the public	-	-	24,548,898	24,548,898
Shares	-	139,398	-	139,398
Derivatives	-	-	-	-
Total assets	2,939,509	1,942,474	24,548,898	29,430,881
Liabilities				
Deposits and borrowings from the public	-	-	25,193,075	25,193,075
Subordinated liabilities	-	394,790	-	394,790
Derivatives	-	248,831	-	248,831
Total liabilities	-	643,621	25,193,075	25,836,696

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	-	-	23,678,282	23,678,282
Shares	-	117,267	-	117,267
Derivatives	-	52,874	-	52,874
Total assets	2,489,169	2,424,124	23,678,282	28,551,248
Liabilities				
Deposits and borrowings from the public	-	-	24,856,055	24,856,055
Subordinated liabilities	-	394,844	-	394,844
Derivatives	-	48,527	-	48,527
Total liabilities	-	443,371	24,856,055	25,299,426

The fair value of financial instruments not traded in an active market (e.g. OTC derivatives) is determined using various valuation techniques. These valuation techniques use observable market data where available and rely as little as possible on entity specific estimates.

Specific valuation techniques used to measure financial instruments include:

- Quoted market prices or dealer quotes for similar instruments.
- Fair value of currency swap contracts is determined using exchange rates at the balance sheet date.

Loans to the public consist predominantly of receivables bearing variable interest rates and with relatively short maturities. Against this background, the carrying amount is considered to represent a reasonable approximation of the assets' fair value at the end of the reporting period.

31 Mar 2026 SEK thousand	Carrying amount	Fair value	Fair value gain (+)/ Fair value loss (-)
Assets			
Cash and balances with central banks	13,166	13,166	-
Treasury bills eligible for refinancing	2,941,197	2,939,509	-1,688
Loans to credit institutions	1,789,910	1,789,910	-
Loans to the public	24,548,898	24,548,898	-
Shares	139,398	139,398	-
Derivatives	-	-	-
Total assets	29,432,569	29,430,881	-1,688
Liabilities			
Deposits from the public	25,193,075	25,193,075	-
Subordinated liabilities	394,790	394,790	-
Derivatives	248,831	248,831	-
Total liabilities	25,836,696	25,836,696	-

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	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	52,874	52,874	-
Total assets	28,591,843	28,591,575	-268
Liabilities			
Deposits from the public	24,856,055	24,856,055	-
Subordinated liabilities	394,844	394,844	-
Derivatives	48,527	48,527	-
Total liabilities	25,299,426	25,299,426	-

Note 7 Loans to the Public

SEK thousand	31 Mar 2026	31 Dec 2025
Loans to the household sector	24,508,545	23,253,248
Loans to the corporate sector ¹	40,353	425,034
Total loans to the public	24,548,898	23,678,282
Loans to the household sector, gross		
Stage 1, gross	23,121,635	22,059,400
Stage 2, gross	1,171,252	1,109,745
Stage 3, gross ²	2,085,396	1,637,391
Total loans to the household sector, gross	26,378,283	24,806,536
Provisions for expected loan losses, household sector		
Stage 1	-472,788	-447,078
Stage 2	-259,449	-242,678
Stage 3 ²	-1,137,501	-863,532
Total provisions for expected loan losses, household sector	-1,869,738	-1,553,288
Loans to the household sector, net		
Stage 1, net	22,648,847	21,612,322
Stage 2, net	911,803	867,067
Stage 3, net ²	947,895	773,859
Total loans to the household sector, net	24,508,545	23,253,248
Loans to the corporate sector		
Loans, net	40,353	425,034
Total loans to the corporate sector, net	40,353	425,034
<i>Geographic distribution of net loans</i>		
Germany	11,017,620	9,989,603
Norway	4,698,959	4,448,229
Finland	2,608,570	2,765,592
Sweden	1,374,472	1,834,039
Latvia	1,228,680	1,206,803
Lithuania	1,082,153	1,067,036
Estonia	969,134	962,077
Austria	813,995	705,694
Denmark	574,953	499,540
Poland	84,982	108,241
Spain	68,230	75,605
Italy	27,150	15,823
Total loans to the public	24,548,898	23,678,282

Change in provision for net loan losses

SEK thousand	31 Mar 2026	31 Dec 2025
Opening balance	-1,553,288	-798,192
Change in provision for sold loans	-24,064	-109,272
Reversal of provision for sold loans	24,064	109,272
Change in provision for expected loan losses in Stage 1	-17,806	-101,764
Change in provision for expected loan losses in Stage 2	-12,148	-29,848
Change in provision for expected loan losses in Stage 3	-211,798	-728,388
Exchange rate differences	-74,698	104,904
Closing balance	-1,869,738	-1,553,288

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

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

Note 8 Deposits and Borrowings from the Public

SEK thousand	31 Mar 2026	31 Dec 2025
Germany	18,751,198	17,551,177
Netherlands	4,315,850	4,861,195
Ireland	804,735	840,053
Spain	765,996	1,031,658
Finland	268,668	286,491
Sweden	167,541	170,667
Norway	119,087	114,814
Total deposits and borrowings from the public	25,193,075	24,856,055

Deposits from the public only occur in the household sector and 99 % (99) is covered by a deposit guarantee scheme. Deposits in Finland are payable on demand. Other countries' deposits are payable on demand and on maturity. Deposits with maturity amounts to 45 % (44) of total deposits from the public.

Changes in deposits and borrowings from the public

SEK thousand	31 Mar 2026	31 Dec 2025
Opening balance	24,856,055	21,197,981
Change	46,502	5,173,182
Exchange rate differences	290,518	-1,515,108
Closing balance	25,193,075	24,856,055

Note 9 Capital Adequacy

Background

Information about the Company's capital adequacy in this document includes information in accordance with Chapter 6, Sections 3-4 of the Swedish Financial Supervisory Authority's (Swedish FSA) regulations and general guidelines (FFFS 2008:25) on the 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). Avarada Bank AB is the responsible institution and is under the supervision of the Swedish FSA. As a result, the Company is subject to the rules governing credit institutions in Sweden. Avarada Bank AB is a listed company and as such, the stock exchange rules are also applicable. Avarada Bank is classified as a small and non-complex institution in accordance with article 4.1.145 of Regulation (EU) No 575/2013. The Company's statutory capital requirements are governed by the Swedish Act on Special Supervision of Credit Institutions and Investment Firms Act (2014:968), Regulation (EU) No 575/2013, the Act on Capital Buffers (2014:966) and the Swedish FSA's regulations and general recommendations on regulatory requirements and capital buffers (FFFS 2014:12).

Own funds

Avarada Bank's own funds consist of equity attributable to the shareholders and issued bonds. Shareholders' equity after regulatory adjustments constitutes common equity Tier 1 capital. Issued bonds constitute Additional Tier 1 capital or Tier 2 capital. The bonds are subordinated to the Company's other creditors and bonds that constitute Additional Tier 1 capital can under certain conditions be converted into share capital. The Swedish FSA approved Avarada Bank's application to include the interim profit in the capital base on 12 March 2026.

Risk exposure amount

Avarada Bank's risk exposure amount mainly consists of credit risk and operational risk. The risk exposure amount for credit risk is calculated according to the standardised method and the Company's exposures are weighted based on various percentages specified in Regulation (EU) No. 575/2013. The risk exposure amount for operational risk is calculated using the alternative standardised method in accordance with paragraph 4, Article 314, Regulation (EU) No. 575/2013.

Capital requirements and Pillar 2 Guidance

The regulatory capital requirement in Pillar 1 means that total own funds must amount to at least 8% of the risk-weighted exposure amount for credit risk, credit valuation adjustment risk, market risk, and operational risk. After that, additional capital requirements are added for the risks that are not covered via Pillar 1, which include, for example, concentration risk, currency risk, and interest rate risk. The capital requirements for these risks are covered via Pillar 2. In addition to this, additional capital is allocated for a capital conservation buffer of 2.5% of the risk-weighted exposure amount as well as an institution-specific countercyclical capital buffer that is weighted based on geographical exposures. As of 31 March 2026, Avarada Group's countercyclical buffer requirement of 1.1% is related to 2.5% for exposures in Norway and Denmark, 2.0% for exposures in Sweden, 1.5% for exposures in Estonia, 1.0% for exposures in Latvia, Lithuania and Poland, and 0.75% for exposures in Germany as well as 0.5% for exposures in Spain. The Group's previously internally assessed capital requirement has been established, and the Swedish FSA has decided on a Pillar 2 guidance of 0% of the total risk-weighted exposure amount and 0.5% of the total exposure amount for the leverage ratio.

Internally assessed capital requirement

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

The Group's capital situation¹

SEK thousand	31 Mar 2026	31 Dec 2025
Common Equity Tier 1 capital (CET1)	2,767,226	2,670,000
Tier 1 capital instruments	250,000	250,000
Tier 2 capital instruments	394,790	394,844
Own funds	3,412,016	3,314,844
Risk exposure amount	20,971,225	20,601,319
- of which: credit risk	19,583,353	19,209,888
- of which: credit valuation adjustment risk	70,856	74,415
- of which: operational risk	1,317,016	1,317,016
Capital ratios		
CET1 capital ratio, %	13.2	13.0
Tier 1 capital ratio, %	14.4	14.2
Total capital ratio, %	16.3	16.1

¹ In accordance with (EU) 2021/637 Avarada Bank discloses the information about capital adequacy and other information as per the template "EU KM1" on page 43.

The Group's capital requirements and Pillar 2 guidance

SEK thousand	31 Mar 2026		31 Dec 2025	
	Amount	Percent ¹	Amount	Percent ¹
Capital requirement under Pillar 1				
CET1 capital	943,705	4.5	927,059	4.5
Tier 1 capital	1,258,274	6.0	1,236,079	6.0
Total capital	1,677,698	8.0	1,648,106	8.0
Capital requirement under Pillar 2				
CET1 capital	145,095	0.7	142,536	0.7
Tier 1 capital	193,460	0.9	190,048	0.9
Total capital	257,946	1.2	253,397	1.2
- of which, concentration risk	199,227	1.0	195,713	1.0
- of which, market risk	58,719	0.3	57,684	0.3
Total capital requirement under Pillar 1 and Pillar 2				
CET1 capital	1,088,800	5.2	1,069,595	5.2
Tier 1 capital	1,451,733	6.9	1,426,127	6.9
Total capital	1,935,644	9.2	1,901,503	9.2
Institution-specific buffer requirement				
Total buffer requirement	761,256	3.6	758,129	3.7
- of which, capital conservation buffer	524,281	2.5	515,033	2.5
- of which, countercyclical buffer	236,975	1.1	243,096	1.2
Total capital requirement including buffer requirement				
CET1 capital	1,850,055	8.8	1,827,724	8.9
Tier 1 capital	2,212,989	10.6	2,184,256	10.6
Total capital	2,696,900	12.9	2,659,631	12.9
Pillar 2 Guidance				
CET1 capital	0	0.0	0	0.0
Total need for capital including Pillar 2 Guidance				
CET1 capital	1,850,055	8.8	1,827,724	8.9
Tier 1 capital	2,212,989	10.6	2,184,256	10.6
Total capital	2,696,900	12.9	2,659,631	12.9

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

The Group's own funds

SEK thousand	31 Mar 2026	31 Dec 2025
CET1 capital		
Share capital	107,750	107,750
Other reserves	-20,426	-19,771
Retained earnings including net profit for the period reviewed by the auditor	3,155,212	2,950,018
CET1 capital before regulatory adjustments	3,242,536	3,037,997
Regulatory adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-425,438	-323,250
- Intangible assets ²	-18,589	-11,893
- Goodwill	-20,011	-20,011
- Insufficient coverage for non-performing exposures ³	-11,272	-12,843
Total regulatory adjustments to CET1 capital	-475,310	-367,997
Total CET1 capital	2,767,226	2,670,000
Tier 1 capital instruments		
Perpetual subordinated loan	250,000	250,000
Tier 2 capital instruments		
Fixed term subordinated loans	394,790	394,844
Own funds	3,412,016	3,314,844

The Group's specification of risk exposure amount and capital requirement

SEK thousand	31 Mar 2026		31 Dec 2025	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
Credit risk under the standardised approach				
Corporate exposures	40,353	3,228	420,843	33,667
Household exposures	17,648,569	1,411,886	16,839,859	1,347,189
Exposures secured by mortgages on immovable property	5,845	468	6,087	487
Exposures in default	947,896	75,832	773,859	61,909
Exposures to institutions	362,552	29,004	492,305	39,384
Equity exposures	181,217	14,497	293,084	23,447
Other items	396,921	31,754	383,851	30,708
Total	19,583,353	1,566,668	19,209,888	1,536,791
Credit valuation adjustment				
Simplified approach	70,856	5,668	74,415	5,953
Total	70,856	5,668	74,415	5,953
Market risk				
Foreign exchange rate risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Alternative Standardised Approach	1,317,016	105,361	1,317,016	105,361
Total	1,317,016	105,361	1,317,016	105,361
Total risk exposure amount and total capital requirement	20,971,225	1,677,698	20,601,319	1,648,106

¹ Deduction of dividends have been made in accordance with the Board of Directors' proposal to the Annual General Meeting and the dividend policy for interim results.

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

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

Note 10 Liquidity Coverage

Background

Information about the Company'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. Avarða Bank's available liquidity reserve consists of treasury bills, government bonds, cash at central banks and loans to credit institutions. Only amounts that are available the following day are counted in the available liquidity reserve.

Sources of financing

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

The Group's liquidity position

SEK thousand	31 Mar 2026	31 Dec 2025
Liquidity reserve¹		
Treasury bills eligible for refinancing - EU-commission ²	981,222	806,639
Treasury bills eligible for refinancing - Finland ²	815,466	215,104
Treasury bills eligible for refinancing - Sweden ²	617,781	272,804
Treasury bills and government securities eligible for refinancing - Norway ²	526,728	764,682
Treasury bills eligible for refinancing - Netherlands ²	-	430,208
Total liquidity reserve	2,941,197	2,489,437
Other available liquidity reserve		
Cash and balances with central banks ³	13,166	6,096
Loans to credit institutions ³	1,252,428	1,834,953
Total other available liquidity reserve	1,265,594	1,841,049
Total available liquidity reserve	4,206,791	4,330,486
Sources of financing		
Deposits from the public	25,193,075	24,856,055
Subordinated liabilities	394,790	394,844
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	3,242,536	3,037,997
Total sources of financing	29,080,401	28,538,896
Key figures		
Available liquidity reserve / Deposits from the public	17	17
Liquidity coverage ratio, %	213	222
Net stable funding ratio, %	117	115
Regulatory liquidity requirements		
Key figures		
Liquidity coverage ratio, %	100	100
Net stable funding ratio, %	100	100

¹ According to definition in FFFS 2010:7.

² Remaining term are up to 12 month.

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

Note 11 Subordinated Liabilities

SEK thousand	31 Mar 2026	31 Dec 2025
Fixed-term subordinated liabilities	394,790	394,844
Total	394,790	394,844

Subordinated loans are subordinated to other liabilities. The table below shows the terms for each bond. The prospectus' are available on the Company's website, group.avarda.com.

Issuing date	Nominal amount (SEK thousand)	Interest rate terms	Maturity date
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 12 Pledged Assets, Contingent Liabilities and Commitments

SEK thousand	31 Mar 2026	31 Dec 2025
Pledged assets		
Restricted bank deposits ¹	73,178	83,774
Total	73,178	83,774

SEK thousand	31 Mar 2026	31 Dec 2025
Commitments		
Unutilised credit limits	15,454,859	13,999,381
Total	15,454,859	13,999,381

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

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

Note 13 Transactions with Related Parties

Transactions between group companies relate to the invoicing of services provided by subsidiaries. Transactions with other related parties in the table below refer to transactions between Avarda Group and companies that, to a large extent, have the same owner as Avarda Group's largest shareholder TFB Holding AB, corporate identity number 556705-2997, or where Avarda Bank AB owns a minor stake. All transactions are carried out on market terms.

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
<i>The following transactions have been made between companies within the Group:</i>			
General administrative expenses	-2,830	-1,808	-7,112
Total	-2,830	-1,808	-7,112
<i>The following transactions have been made with other related parties:</i>			
Interest income (transaction costs)	-8,463	-8,742	-34,615
Fee and commission income	757	727	2,045
General administrative expenses	-427	-420	-1,434
Net loan losses	-	-23,552	-23,552
Total	-8,133	-31,987	-57,556
<i>Acquisition of assets and liabilities from other related parties:</i>			
Everyday Finance	106,769	114,053	459,777
Total	106,769	114,053	459,777
<i>Sale of assets and liabilities to other related parties:</i>			
Non-performing loans	-	87,559	87,559
Total	-	87,559	87,559

SEK thousand	31 Mar 2026	31 Dec 2025
<i>Assets and liabilities at the end of the period as a result of transactions with other related parties:</i>		
Other assets	34	405
Other liabilities	3,334	931

Financial Statements

January - March 2026

General information

Avarda Bank AB, org.nr. 556158-1041, is a limited company with its registered office in Borås, Sweden, which has a license to conduct banking operations. The Company conducts lending and/or deposit activities to private individuals in Sweden, Finland, Norway, Denmark, Estonia, Latvia, Lithuania, Poland, Germany, Austria, Spain, Ireland, the Netherlands and Italy by subsidiary, branch or cross-border banking with the support of the Swedish banking license.

Compared to January - March 2025

Operating profit

Operating profit increased by 31% to SEK 237.6 million (181.1). The result has been positively affected by an improved scalability in the business model.

Operating income

The operating income increased by 11% to SEK 738.9 million (664.0). The increase is mainly explained increased interest income due to the growing loan portfolio.

Operating expenses

The operating expenses increased by 2% to SEK 257.5 million (251.3).

Loan losses

The net loan losses increased by 5% to SEK 243.8 million (231.6). The increase is primarily explained by the growing loan portfolio.

Tax expense

The tax expenses increased to SEK 48.7 million (40.1). The increased tax expense is attributable to a higher operating profit.

Compared to 31 December 2025

Loans to the public

Loans to the public increased by 4% and amounted to SEK 18,762 million (18,074), which is primarily driven by an increase in the number of customers.

Deposits from the public

Deposits from the public decreased to SEK 24,285 million (24,300).

Loans to credit institutions

Loans to credit institutions amounted to SEK 5,947 million (6,720) at the end of the quarter. The Company's lending primarily includes a credit facility to its subsidiary TF Bank Nordic AB and accounts without fixed terms at several Nordic banks.

Shares in subsidiaries

Shares in subsidiaries amounted to SEK 872 million (859) at the end of the quarter and have been affected by a new share issue in the subsidiary TFBN Services Ltd.

Capital adequacy

The capital ratios have marginally changed during the quarter and at the end of the first quarter 2026 the Parent Company's total capital ratio was 18.7% (18.8), the Tier 1 capital ratio was 16.5% (16.5) and the Common Equity Tier 1 capital ratio was 15.2% (15.1).

Income Statement

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Operating income			
Interest income	865,071	819,340	3,452,826
Interest expense	-197,598	-204,015	-808,084
Net interest income	667,473	615,325	2,644,742
Fee and commission income	100,029	105,359	435,984
Fee and commission expense	-54,298	-53,239	-218,663
Net fee and commission income	45,731	52,120	217,321
Net results from financial transactions	25,659	-3,451	703
Total operating income	738,863	663,994	2,862,766
Operating expenses			
General administrative expenses	-227,823	-221,007	-900,867
Depreciation and amortisation of tangible and intangible assets	-13,486	-13,946	-57,549
Other operating expenses	-16,186	-16,392	-64,660
Total operating expenses	-257,495	-251,345	-1,023,076
Profit before loan losses	481,368	412,649	1,839,690
Net loan losses	-243,757	-231,598	-983,410
Operating profit	237,611	181,051	856,280
Appropriations	0	-	-18,500
Income tax for the period	-48,697	-40,073	-181,795
Profit for the period	188,914	140,978	655,985

Statement of Other Comprehensive Income

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Profit for the period	188,914	140,978	655,985
Other comprehensive income			
Items that may subsequently be reclassified to the income statement			
Gross exchange rate differences	-2,841	1,498	-4,385
Tax on exchange rate differences in the period	-	-	-15,668
Other comprehensive income for the period	-2,841	1,498	-20,053
Total comprehensive income for the period	186,073	142,476	635,932

Balance Sheet

SEK thousand	31 Mar 2026	31 Dec 2025
Assets		
Cash and balances with central banks	13,166	17,576
Treasury bills eligible for refinancing	2,724,890	2,177,053
Loans to credit institutions	5,946,908	6,720,692
Loans to the public	18,762,133	18,074,416
Shares	139,398	117,267
Shares in subsidiaries	871,532	859,365
Goodwill	19,228	20,465
Intangible assets	77,593	82,703
Tangible assets	6,790	7,219
Other assets	147,113	169,472
Deferred tax assets	124,761	80,451
Prepaid expenses and accrued income	47,101	79,597
Total assets	28,880,613	28,406,276
Liabilities and equity		
Liabilities		
Deposits and borrowings from the public	24,285,860	24,300,167
Other liabilities	419,976	154,930
Current tax liabilities	84,430	78,544
Accrued expenses and prepaid income	228,154	188,662
Provisions	1,364	3,589
Subordinated liabilities	394,790	394,844
Total liabilities	25,414,574	25,120,736
Equity		
Restricted equity		
Share capital	107,750	107,750
Statutory reserve	1,000	1,000
Development costs fund	77,593	82,703
Total restricted equity	186,343	191,453
Non-restricted equity		
Tier 1 capital instrument	250,000	250,000
Foreign currency reserve	-24,121	-21,280
Retained earnings	2,864,903	2,209,382
Profit for the period	188,914	655,985
Total non-restricted equity	3,279,696	3,094,087
Total equity	3,466,039	3,285,540
Total liabilities and equity	28,880,613	28,406,276

Note 14 Capital Adequacy

The Parent Company's capital situation

SEK thousand	31 Mar 2026	31 Dec 2025
Common Equity Tier 1 capital (CET1)	2,741,512	2,667,594
Tier 1 capital instruments	250,000	250,000
Tier 2 capital instruments	394,790	394,844
Own funds	3,386,302	3,312,438
Risk exposure amount	18,092,866	17,651,029
- of which: credit risk	17,074,988	16,630,664
- of which: credit valuation adjustment risk	64,662	67,149
- of which: operational risk	953,216	953,216
Capital ratios		
CET1 capital ratio, %	15.2	15.1
Tier 1 capital ratio, %	16.5	16.5
Total capital ratio, %	18.7	18.8

The Parent Company's capital requirements and Pillar 2 guidance

SEK thousand	31 Mar 2026		31 Dec 2025	
	Amount	Percent ¹	Amount	Percent ¹
Capital requirement under Pillar 1				
CET1 capital	814,179	4.5	794,296	4.5
Tier 1 capital	1,085,572	6.0	1,059,062	6.0
Total capital	1,447,429	8.0	1,412,082	8.0
Capital requirement under Pillar 2				
CET1 capital	125,180	0.7	122,123	0.7
Tier 1 capital	166,907	0.9	162,831	0.9
Total capital	222,542	1.2	217,108	1.2
- of which, concentration risk	171,882	0.9	167,685	1.0
- of which, market risk	50,660	0.3	49,423	0.3
Total capital requirement under Pillar 1 and Pillar 2				
CET1 capital	939,359	5.2	916,420	5.2
Tier 1 capital	1,252,478	6.9	1,221,893	6.9
Total capital	1,669,971	9.2	1,629,190	9.2
Institution-specific buffer requirement				
Total buffer requirement	653,153	3.6	642,498	3.6
- of which, capital conservation buffer	452,322	2.5	441,276	2.5
- of which, countercyclical buffer	200,831	1.1	201,222	1.1
Total capital requirement including buffer requirement				
CET1 capital	1,592,511	8.8	1,558,917	8.8
Tier 1 capital	1,905,631	10.5	1,864,390	10.6
Total capital	2,323,124	12.8	2,271,688	12.9
Pillar 2 Guidance				
CET1 capital	0	0.0	0	0.0
Total need for capital including Pillar 2 Guidance				
CET1 capital	1,592,511	8.8	1,558,917	8.8
Tier 1 capital	1,905,631	10.5	1,864,390	10.6
Total capital	2,323,124	12.8	2,271,688	12.9

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

The Parent Company's own funds

SEK thousand	31 Mar 2026	31 Dec 2025
CET1 capital		
Share capital	107,750	107,750
Other reserves	54,472	68,393
Retained earnings including net profit for the period reviewed by the auditor	3,053,817	2,859,397
CET1 capital before regulatory adjustments	3,216,039	3,035,540
Adjustments to CET1 capital:		
- Deduction of foreseeable costs and dividends ¹	-425,438	-323,250
- Intangible assets ²	-18,589	-11,893
- Goodwill	-19,228	-20,465
- Insufficient coverage for non-performing exposures ³	-11,272	-12,338
Total regulatory adjustments to CET1 capital	-474,527	-367,946
Total CET1 capital	2,741,512	2,667,594
Tier 1 capital instruments		
Perpetual subordinated loan	250,000	250,000
Tier 2 capital instruments		
Fixed term subordinated loans	394,790	394,844
Own funds	3,386,302	3,312,438

The Parent Company's specification of risk exposure amount and capital requirement

SEK thousand	31 Mar 2026		31 Dec 2025	
	Risk exposure amount	Capital requirement 8 %	Risk exposure amount	Capital requirement 8 %
Credit risk under the standardised approach				
Corporate exposures	22,432	1,795	387,549	31,004
Household exposures	13,463,535	1,077,083	12,774,563	1,021,965
Exposures secured by mortgages on immovable property	5,845	468	6,087	487
Exposures in default	759,097	60,728	623,681	49,894
Exposures to institutions	1,189,816	95,185	1,382,497	110,600
Equity exposures	1,314,210	105,137	1,152,447	92,196
Other items	320,053	25,604	303,840	24,307
Total	17,074,988	1,365,999	16,630,664	1,330,453
Credit valuation adjustment				
Simplified approach	64,662	5,173	67,149	5,372
Total	64,662	5,173	67,149	5,372
Market risk				
Foreign exchange rate risk	-	-	-	-
Total	-	-	-	-
Operational risk				
Alternative Standardised Approach	953,216	76,257	953,216	76,257
Total	953,216	76,257	953,216	76,257
Total risk exposure amount and total capital requirement	18,092,866	1,447,429	17,651,029	1,412,082

¹ Deduction of dividends have been made in accordance with the Board of Directors' proposal to the Annual General Meeting and the dividend policy for interim results.

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

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

Note 15 Liquidity Coverage

The Parent Company's liquidity position

SEK thousand	31 Mar 2026	31 Dec 2025
Liquidity reserve¹		
Treasury bills eligible for refinancing - Finland ²	815,466	215,104
Treasury bills eligible for refinancing - EU-commission ²	764,915	593,869
Treasury bills eligible for refinancing - Sweden ²	617,781	173,190
Treasury bills and government securities eligible for refinancing - Norway ²	526,728	764,682
Treasury bills eligible for refinancing - Netherlands ²	-	430,208
Summa likviditetsreserv	2,724,890	2,177,053
Other available liquidity reserve		
Cash and balances with central banks ³	13,166	6,096
Loans to credit institutions ³	1,090,326	1,694,047
Total other available liquidity reserve	1,103,492	1,700,143
Total available liquidity reserve	3,828,382	3,877,196
Sources of financing		
Deposits from the public	24,285,860	24,300,167
Subordinated liabilities	394,790	394,844
Tier 1 capital instrument	250,000	250,000
Equity attributable to shareholders	3,216,039	3,035,540
Total sources of financing	28,146,689	27,980,551
Key figures		
Available liquidity reserve / Deposits from the public	16	16
Liquidity coverage ratio, %	159	152
Net stable funding ratio, %	116	112
Regulatory liquidity requirements		
Key figures		
Liquidity coverage ratio, %	100	100
Net stable funding ratio, %	100	100

¹ According to definition in FFFS 2010:7.

² Remaining term are up to 12 month.

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

Definitions

Avarda Group 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 Group's financial performance among readers of the financial statements. Alternative Performance Measures may be calculated in different ways and do not need to be comparable with similar key ratios used by other companies. Avarda Group definitions of the Alternative Performance Measures are shown below.

Adjusted earnings per share

Adjusted earnings for the period attributable to the Parent Company's shareholders divided by the average number of outstanding shares.

Adjusted return on equity

Adjusted profit for the period attributable to Parent Company's shareholders divided by average equity attributable to Parent Company's shareholders.

Adjusted return on loans to the public

Adjusted earnings for the period attributable to Parent Company shareholders divided by average loans to the public.

CET1 capital ratio

CET1 capital as a percentage of total risk exposure amount.

Cost/income (C/I) ratio

Operating expenses divided by operating income.

Earnings per share

Net profit for the period attributable to the shareholders of the Parent Company divided by the average number of outstanding shares.

Employees (FTE)

Average number of full-time employees.

Liquidity coverage ratio

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

Net loan loss ratio

Net loan losses for the period divided by average loans to the public.

New lending

New loans (the cash flow) in the period.

Net stable funding ratio

Total available stable funding divided by total stable funding requirements.

Number of active credit cards

All issued cards at the last day of the period with balance above zero or transaction in last twelve months prior to reporting date.

Number of app-users

Number of app-users is equated with the number of active credit cards.

Operating income margin

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

Return on equity

Net profit for the period attributable to the shareholders of the Parent Company as a percentage of equity attributable to the shareholders of the Parent Company.

Return on loans to the public

Net profit for the period attributable to the shareholders of the Parent Company divided by average loans to the public. For the segments, net profit is calculated using a standard deduction for interest on Tier 1 capital instruments and a standard tax rate.

Revenue per customer

Total operating income divided by the average number of customers during the period.

Risk-adjusted margin

Operating income margin subtracted by net loan loss ratio.

Tier 1 capital ratio

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

Total capital ratio

Own funds as a percentage of the total risk exposure amount.

Transaction volume

The sum of all purchases made through Avarda Group's platform as well as new lending within the Consumer Lending segment.

Reconciliation Tables

Key figures ¹

SEK thousand	Jan-Mar 2026	Jan-Mar 2025	Jan-Dec 2025
Income statement			
<i>Earnings per share, SEK</i>	3.17	2.15	9.92
Net profit for the period attributable to the shareholders of the Parent Company	204,783	139,048	641,208
Average number of outstanding shares, thousands	64,650	64,599	64,638
Key figures ²			
<i>Operating income margin, %</i>	13.7	13.2	13.2
Total operating income, annualised	3,307,228	2,673,980	2,904,504
Average loans to the public	24,113,590	20,242,919	21,971,870
<i>Net loan loss ratio, %</i>	4.8	4.6	4.5
Net loan losses, annualised	1,160,000	926,392	995,804
Average loans to the public	24,113,590	20,242,919	21,971,870
<i>Cost/Income ratio, %</i>	35.3	37.3	36.3
Total operating expenses	292,172	249,040	1,052,892
Total operating income	826,807	668,495	2,904,504
<i>Return on equity, %</i>	26.1	21.5	23.1
Net profit for the period attributable to the shareholders of the Parent Company, annualised	819,132	556,192	641,208
Average equity attributable to the shareholders of the Parent Company	3,140,267	2,592,576	2,780,339
<i>Return on loans to the public, %</i>	3.4	2.7	2.9
Net profit for the period attributable to the shareholders of the Parent Company, annualised	819,132	556,192	641,208
Average loans to the public	24,113,590	20,242,919	21,971,870
<i>Revenue per customer</i>	970	954	938
Total operating income, annualised	3,307,228	2,673,980	2,904,504
Total number of customers, thousands	3,410	2,803	3,097
Adjusted income statement ³			
<i>Adjusted earnings per share, SEK</i>	2.89	2.19	9.95
Adjusted profit for the period attributable to the shareholders of the Parent Company, annualised	187,146	141,299	643,459
Average number of outstanding shares, thousands	64,650	64,599	64,633
Adjusted key figures ³			
<i>Adjusted return on equity, %</i>	23.8	21.8	23.1
Adjusted profit for the period attributable to the shareholders of the Parent Company, annualised	748,584	565,196	643,459
Average equity attributable to the shareholder's of the Parent Company	3,140,267	2,592,576	2,780,339
<i>Adjusted return on loans to the public, %</i>	3.1	2.8	2.9
Adjusted profit for the period attributable to the shareholders of the Parent Company, annualised	748,584	565,196	643,459
Average loans to the public	24,113,590	20,242,919	21,971,870

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

² Calculation of capital ratios is shown in Note 9.

³ Adjustments for items affecting comparability are related to transactions according to the Share Purchase Agreement with Alektum Holding AB and Erik Selin Fastigheter AB regarding the divestment of the shares in the former 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	31 Mar 2026	31 Dec 2025
Available own funds		
1 Common Equity Tier 1 capital (CET1)	2,767,226	2,670,000
2 Tier 1 capital	3,017,226	2,920,000
3 Total capital	3,412,016	3,314,844
Risk-weighted exposure amount		
4 Total risk exposure amount	20,971,225	20,601,319
Capital ratios (% of risk-weighted exposure amount)		
5 Common Equity Tier 1 ratio, %	13.2	13.0
6 Tier 1 ratio, %	14.4	14.2
7 Total capital ratio, %	16.3	16.1
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	1.2
EU 7b - of which, to be made up of CET1 capital, %	0.7	0.7
EU 7c - of which, to be made up of Tier 1 capital, %	0.9	0.9
EU 7d Total SREP own funds requirements, %	9.2	9.2
Combined buffer and overall capital requirement (% of risk-weighted exposure amount)		
8 Capital conservation buffer, %	2.5	2.5
EU 8a Conservation buffer due to macro-prudential or systemic risk identified at the level of a Member State, %	E/T	N/A
9 Institution specific countercyclical capital buffer, %	1.1	1.2
EU 9a Systemic risk buffer, %	E/T	N/A
10 Global Systemically Important Institution buffer, %	E/T	N/A
EU 10a Other Systemically Important Institution buffer, %	E/T	N/A
11 Combined buffer requirement, %	3.6	3.7
EU 11a Overall capital requirements, %	12.9	12.9
12 CET1 available after meeting the total SREP own funds requirements, %	7.0	6.9
Leverage ratio		
13 Total exposure measure	31,376,015	30,447,061
14 Leverage ratio, %	9.6	9.6
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, %	E/T	N/A
EU 14b - of which, to be made up of CET1 capital, %	E/T	N/A
EU 14c Total SREP leverage ratio requirements, %	3.0	3.0
Leverage ratio buffer and overall leverage ratio requirement (% of total exposure measure)		
EU 14d Total SREP leverage ratio requirements, %	E/T	N/A
EU 14e Overall leverage ratio requirements, %	3.0	3.0
Liquidity coverage ratio		
15 Total high-quality liquid assets (Weighted value – average)	2,954,363	2,495,533
EU 16a Cash outflows – Total weighted value	2,887,745	3,307,619
EU 16b Cash inflows – Total weighted value	1,498,054	2,184,023
16 Total net cash outflows (adjusted value)	1,389,691	1,123,596
17 Liquidity coverage ratio, %	213	222
Net stable funding ratio		
18 Total available stable funding	21,918,808	21,045,436
19 Total required stable funding	18,672,131	18,340,719
20 Net stable funding ratio, %	117	115

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