

Periodic Information Q3 2024 on Liquidity

1. Introduction

1.1 Purpose and frequency of disclosure

The report provides information about liquidity as of 30th of September 2024 for the consolidated situation (the “**Financial Group**”) of Bluestep Bank AB (publ) (“**BBAB**” or the “**Bank**”). The information disclosed satisfies the regulatory requirements for disclosure, and allows market participants, including analysts, partner banks, investors, and customers, to assess the Bank from a liquidity perspective. The report is published on the Bank’s website <http://www.bluestepbank.com>.

1.2 Regulatory context

The report complies with the disclosure requirements for credit institutions set out in the Swedish Financial Supervisory Authority (the “**SFSA**”) Regulations (FFFS 2010:7) regarding management of liquidity risk in credit institutions and investment firms.

1.3 Scope of application

Bluestep Holding AB is the ultimate parent company of the Financial Group, and the information disclosed in the report is therefore on the basis of Bluestep Holding AB’s consolidated situation. The Bank has a Norwegian branch Bluestep Bank AB (publ), filial Oslo and a Finnish branch Bluestep Bank AB (publ), filial i Finland. The following companies are included in the Financial Group: BBAB, Bluestep Finans Funding No 1 AB, Bluestep Mortgage Securities No 3 DAC¹, and Bluestep Mortgage Securities No 4 DAC². All entities are subject to full consolidation.

The disclosures should be read on the basis that the Bank and the Financial Group is classified as a “small and non-complex institution” in accordance with point 145 of Article 4(1) of the CRR.

For information on the legal structure, see the Interim Report 2024 and the corporate website <http://www.bluestepbank.com>.

¹ Since May 2020, Bluestep Mortgage Securities No 3 DAC is a dormant company with no activity and is under liquidation.

² Since May 2022, Bluestep Mortgage Securities No 4 DAC is a dormant company with no activity and is under liquidation.

2. Liquidity

The section addresses the liquidity situation, and the size and composition of the external funding sources.

2.1 Liquidity situation

The liquidity coverage ratio (“LCR”) is shown in the table below.

Table 2.1 Liquidity coverage ratio

| Liquidity Coverage Ratio (MSEK) | 30-Sep-24 | 31-Dec-23 |
|---|----------------|----------------|
| Liquidity Coverage Ratio | 757.52% | 696.89% |
| High quality liquid assets | 3 155 | 2 554 |
| Total Outflows | 1 666 | 1 466 |
| Outflows from retail deposits | 828 | 116 |
| Other outflows | 838 | 350 |
| Total inflows (Max 75% of total outflows) | 1 249 | 1 100 |
| Inflows from retail customers, lending activities | 330 | 349 |
| Other inflows | 1576 | 1555 |
| Net outflows | 416 | 367 |

The composition of the liquidity reserve is shown in the table below.

Table 2.2 Liquidity reserve

| Liquidity Reserve (MSEK) | 30-Sep-24 | 31-Dec-23 |
|---|--------------|--------------|
| Cash and balances with central banks | 1 764 | 1 045 |
| Deposits in other banks | 1 541 | 1 504 |
| Securities issued or guaranteed by sovereigns, central banks or multinational development banks | 1 249 | 1 040 |
| Covered bonds | 193 | 664 |
| Total | 4 747 | 4 254 |

The net stable funding ratio (“NSFR”) with available and required stable funding is shown in the table below.

Table 2.3 Net stable funding ratio

| Net stable funding ratio (M SEK) | 30-Sep-24 | 31-Dec-23 |
|----------------------------------|----------------|----------------|
| Net stable funding ratio | 140.45% | 132.98% |
| Available stable funding | 29 081 | 26 243 |
| Required stable funding | 20 705 | 19 735 |

The average LCR, average liquidity outflows, inflows and net outflows, and average total liquid assets after applying the relevant haircuts based on end-of-month observations over the preceding 12 months, are shown in the table below.

Table 2.4 Average liquidity coverage ratio and average liquidity outflows, inflows and net liquidity outflows

| Liquidity coverage ratio averages over the preceding 12 months (M SEK) | |
|--|----------------|
| Liquidity coverage ratio | 692.43% |
| Total liquid assets (after haircuts) | 2 695 |
| Net liquidity outflows | 403 |
| liquidity outflows | 162 |
| liquidity inflows (before cap, max 75% of outflows) | 1879 |

2.2 External funding sources

The aim is to have a diversified funding structure in order to limit refinancing risks. The external funding sources, volumes and relative shares are shown in the table below.

Table 2.5 External funding sources, volumes and relative shares

| External funding sources (M SEK) | 30-Sep-24 | Share (%) |
|----------------------------------|---------------|-------------|
| Senior unsecured bonds | 2 820 | 9% |
| Covered bonds | 5 279 | 17% |
| T2 | 361 | 1% |
| Deposits from the public | 22 107 | 72% |
| Total | 30 568 | 100% |