

Periodic Information Q1 2024 on Liquidity

Bluestep Bank AB (publ)

1. Introduction

1.1 Purpose

The report provides information about liquidity as of 31st of March 2024 for the consolidated situation (“Financial Group”) of Bluestep Bank AB (publ) (“Bank”). The information disclosed satisfies the regulatory requirements for disclosure, and allows market participants, including analysts, investors, and customers, to assess the Bank from a liquidity perspective. The report is published on the Bank’s website 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 (“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 consolidated situation, 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 consolidated situation: Bluestep Bank AB, Bank2 ASA, 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.

For further information on the legal structure, see the Annual Report 2023 and the corporate website www.bluestepbank.com.

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)	31-Mar-24	31-Dec-23
Liquidity Coverage Ratio	514.75%	696.89%
High quality liquid assets	3 733	2 554
Total Outflows	2 901	1 466
Outflows from retail deposits	894	1 116
Other outflows	2 007	350
Total inflows (Max 75% of total outflows)	2 175	1 100
Inflows from retail customers, lending activities	386	349
Other inflows	1 903	1 555
Net outflows	725	367

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

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.

Table 2.2 Liquidity reserve

Liquidity Reserve (MSEK)	31-Mar-24	31-Dec-23
Cash and balances with central banks	2 224	1 045
Deposits in other banks	1 690	1 504
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	1 041	1 040
Covered bonds	567	664
Total	5 522	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)	31-Mar-24	31-Dec-23
Net stable funding ratio	141.27%	132.98%
Available stable funding	29 137	26 243
Required stable funding	20 625	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)	31-Mar-24
Liquidity coverage ratio	519.65%
Total liquid assets (after haircuts)	1 957
Net liquidity outflows	371
liquidity outflows	1 483
liquidity inflows (before cap, max 75% of outflows)	1 849

The LCR is well above the regulatory minimum LCR requirement of 100%.

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)	31-Mar-24	Share (%)
Senior unsecured bonds	4 176	14%
Covered bonds	5 091	17%
T2	60	0%
Deposits from the public	21 211	69%
Total	30 537	100%