

# Periodic Information Q3 2022

## on Liquidity

### 1 Introduction

#### 1.1. Purpose of disclosure

The report provides information about liquidity as of 30<sup>th</sup> of September 2022 for the consolidated situation (the “**Financial Group**”) of Bluestep Bank AB (publ) (“**BBAB**” or the “**Bank**”).

The report is published on the Bank’s website [www.bluestepbank.com](http://www.bluestepbank.com).

#### 1.2. Regulatory context

The information disclosed satisfies the regulatory requirements of disclosure for credit institutions set out in the Swedish Financial Supervisory Authority (the “**SFSA**”) Regulations (FFFS 2010:7) regarding management of liquidity risks in credit institutions and investment firms, and allows market participants, including analysts, partner banks, investors, and customers, to assess the Financial Group and the Bank.

#### 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 following companies are included in the Financial Group: BBAB, Bluestep Servicing AB, Bluestep Finans Funding No 1 AB, Bluestep Mortgage Securities No 2 DAC<sup>1</sup>, Bluestep Mortgage Securities No 3 DAC<sup>2</sup>, and Bluestep Mortgage Securities No 4 DAC<sup>3</sup>. All entities are subject to full consolidation.

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

### 2. Liquidity

The section addresses the liquidity situation of the Financial Group.

Table 2.1 Liquidity coverage ratio

Liquidity Coverage Ratio (MSEK)	30-Sep-22	31-Dec-21
<b>Liquidity Coverage Ratio</b>	<b>337%</b>	<b>496%</b>
High quality liquid assets	949	1 140
Total Outflows	1 127	919
Outflows from retail deposits	706	761
Other outflows	421	157
Total inflows (Max 75% of total outflows)	845	689
Inflows from retail customers, lending activities	222	180
Other inflows	833	1 027

<sup>1</sup> Since February 2019, Bluestep Mortgage Securities No 2 DAC is a dormant company with no activity and is under liquidation.

<sup>2</sup> Since May 2020, Bluestep Mortgage Securities No 3 DAC is a dormant company with no activity and is under liquidation.

<sup>3</sup> Since May 2022, Bluestep Mortgage Securities No 4 DAC is a dormant company with no activity and is under liquidation.

The table below shows the composition of the liquidity reserve.

Table 2.2 Liquidity reserve

Liquidity Reserve (MSEK)	30-Sep-22	31-Dec-21
Cash and balances with central banks	160	356
Deposits in other banks	527	1 164
Securities issued or guaranteed by sovereigns, central banks or multinational development banks	635	552
Covered bonds	206	284
Issued by other institutions	206	284
Securities issued by financial corporates (excl. Covered bonds)	-	-
<b>Total</b>	<b>1 529</b>	<b>2 356</b>

The table below shows the net stable funding ratio ("NSFR") with available and required stable funding.

Table 2.3 Net stable funding ratio

Net stable funding ratio (MSEK)	30-Sep-22	31-Dec-21
<b>Net stable funding ratio</b>	<b>127.1%</b>	<b>129.6%</b>
Available stable funding	18 566	18 227
Required stable funding	14 612	14 068

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

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 (MSEK)	
<b>Liquidity coverage ratio</b>	<b>439.2%</b>
Total liquid assets (after haircuts)	1 166
Net liquidity outflows	293
liquidity outflows	1 173
liquidity inflows (before cap, max 75% of outflows)	1 412

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

### 3. External funding sources

The section addresses the size and composition of the Financial Group's external funding sources.

The Financial Group aims to have a diversified funding structure in order to limit refinancing risks.

Table 3.1 External funding sources, volumes and relative shares

External funding sources (M SEK)	30-Sep-22	Share (%)
Senior unsecured bonds	1 633	9%
Covered bonds	6 020	32%
Deposits from the public	11 370	60%
<b>Total</b>	<b>19 023</b>	<b>100%</b>