Qliro AB's publication of information regarding capital adequacy and liquidity management

Qliro AB (556962-2441) is a credit market institution. All information is presented as of September 30, 2020 in accordance with Regulation (EU) 575/2013 and the Swedish Financial Supervisory Authority's (FI) regulations and general guidelines (FFFS 2014:12). All amounts are stated in thousands of Swedish kronor.

Own funds	Qliro AB
Common Equity Tier 1 capital	408,663
Additional Tier 1 capital	-
Tier 2 capital	100,000
Total capital	508,663

Risk exposure amount	Qliro AB
Credit risk according to standardized approach, of which	1,765,144
exposure to households	1,584,790
exposure to corporates	32,437
exposures in default	120,148
exposure to institutions	12,156
exposure covered bonds	-
exposure equity	50.00
other exposures	15,562
Market risk	-
Operational risk according to alternative standardised approach	107,253
Total risk exposure amount	1,872,397

Capital requirement	Qliro AB
Pillar 1 requirement (Total minimum capital requirement)	149,792
Pillar 2 requirement, incl. capital planning buffer	25,630
Combined buffer requirement	47,694
Total capital requirements, excl. combined buffer requirement	175,422
Total capital requirements, incl. combined buffer requirement	223,116
Total capital requirement ratio, incl. combined buffer requirement	11.9%

Capital adequacy analysis	Qliro AB
Common Equity Tier 1 capital ratio	21.8%
Tier 1 capital ratio	21.8%
Total capital ratio	27.2%
Leverage ratio	15.0%
Combined buffer requirement	2.5%
of which: capital conservation buffer requirement	2.5%
of which: countercyclical buffer requirement	0.0%
Capital planning buffer	0.0%

Funding

Qliro AB's net lending to the public amounted to SEK 2,201 (1,815) million at the end of the quarter. The lending was financed by the amount of SEK 128 (255) million via a secured contracted credit facility and SEK 1,958 (1,523) million through deposits from the public (savings accounts) in Sweden and Germany, of which 99.7 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 55 percent on demand with variable rate and 45 percent fixed interest rate with a duration of 191 days as of September 30, 2020 (initially 6-month fixed rate and 1-year fixed rate). 22 percent of the deposit from the public is invested in liquid financial assets and placed in Nordic banks.

Liquidity

Qliro AB's total liquidity as of September 30, 2020 amounted to SEK 436 million, consisting of:

- Investments in debt securities*: SEK 375 million
- Bank balances in Nordic Banks: SEK 60.8 million

In addition to the financial investments, Qliro AB had as of September 30, 2020 SEK 672 million in back up liquidity via undrawn funding in a secured committed credit facility.

As of September 30, 2020, the liquidity coverage ratio amounted to 554 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 275 million, related to net outflows of SEK 49.7 million over a thirty-day period under stressed market conditions.

**Investments in debt securities consist of Swedish municipal bonds. Average rating of debt securities investments was AA+ with an average maturity of 50 days.*

Disclosure of information regarding capital in accordance with Regulation (EU) 1423/2013 Annex IV.

	Common Equity Tier 1 (CET1) capital	Qliro AB
Instruments and reserves		
1	Capital Instruments and the related shared premium accounts	50,324
2	Retained earnings	550,936
3	Accumulated other comprehensive income (and other reserves)	0
5a	Independently reviewed interim profits net of any foreseeable charge or dividend	0
6	Common Equity Tier 1 (CET1) capital before regulatory adjustment	601,261
Regulatory adjustments		
7	Additional value adjustments	-375
8	Intangible assets (net of related tax liability)	-165,066
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences	-27,156
20a	Exposure amount of the following items which qualify for a RW of 1250 %, where the institution opts for the deduction alternative	0
20b	of which: qualifying holdings outside the financial sector	0
21	Deferred tax assets arising from temporary differences	0
28	Total regulatory adjustments to Common Equity Tier 1 (CET1)	-192,598
29	Common Equity Tier 1 (CET1) capital	408,663
45	Tier 1 capital (T1 = CET1 + AT1)	408,663
	Tier 2 (T2) capital	
Instruments and provisions		
46	Capital instruments and the related share premium accounts	100,000
48	Qualifying own funds instruments included in consolidated T2 capital issued by subsidiaries and held by third party	0
51	Tier 2 (T2) capital before regulatory adjustments	100,000
Regulatory adjustments		
57	Total regulatory adjustments to Tier 2 (T2) capital	0
58	Tier 2 (T2) capital	100,000
59	Total capital (TC= T1 + T2)	508,663
60	Total risk weighted assets	1,872,397
	Capital ratios and buffers	
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	21.8%
62	Tier 1 (as a percentage of total risk exposure amount)	21.8%
63	Total capital (as a percentage of total risk exposure amount)	27.2%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92(1)(a) plus capital conservation and countercyclical buffer requirements)	7.0%
65	of which: capital conservation buffer requirement	2.5%
66	of which: countercyclical buffer requirement	0.0%
68	Common Equity Tier 1 available to meet buffers (as a percentage of REA)	14.8%