

### 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 December 31, 2020 in accordance with Regulation (EU) 575/2013 and the Swedish Financial Supervisory Authority's (FI) regulations and general guidelines (FFFS 2019:6).

Own funds	Qliro AB
Common Equity Tier 1 capital	498 713
Additional Tier 1 capital	-
Tier 2 capital	100 000
Total capital	598 713

Risk exposure amount	Qliro AB
Credit risk according to standardized approach, of which	2 084 123
exposure to households	1 779 363
exposure to corporates	40 034
exposures in default	117 178
exposure to institutions	30 498
exposure covered bonds	-
exposure equity	50,00
other exposures	117 001
Market risk	-
Operational risk according to alternative standardized approach	146 872
Total risk exposure amount	2 230 998

Capital requirement	Qliro AB
Pillar 1 requirement (Total minimum capital requirement)	178 480
Pillar 2 requirement, incl. capital planning buffer	26 443
Combined buffer requirement	56 880
Total capital requirements, excl. combined buffer requirement	204 922
Total capital requirements, incl. combined buffer requirement	261 803
Total capital requirement ratio, incl. combined buffer requirement	11,7%

Capital adequacy analysis	Qliro AB
Common Equity Tier 1 capital ratio	22,4%
Tier 1 capital ratio	22,4%
Total capital ratio	26,8%
Leverage ratio	16,1%
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 2,460 (2,070) million at the end of the quarter. The lending was financed by the amount of SEK 215 (292) million via a secured contracted credit facility and SEK 2,113 (1,819) million through deposits from the public (savings accounts) in Sweden and Germany, of which 99.6 percent are protected by the deposit insurance scheme in Sweden. Deposits from the public were divided into 54 percent on demand with variable rate and 46 percent fixed interest rate with a duration of 185 days as of December 31, 2020 (initially 6-month fixed rate and 1-year fixed rate). 21 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 December 31, 2020 amounted to SEK 443 million, consisting of:

- Investments in debt securities\*: SEK 290 million
- Bank balances in Nordic Banks: SEK 152.5 million

In addition to the financial investments, Qliro AB had as of December 31, 2020 SEK 585 million in back up liquidity via undrawn funding in a secured committed credit facility.

As of December 31, 2020, the liquidity coverage ratio amounted to 448 percent for Qliro AB, to be compared with the regulatory requirement of 100 percent. The liquidity coverage ratio measures a liquidity buffer of SEK 250 million, related to net outflows of SEK 55.8 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 65 days.

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

Common Equity Tier 1 (CET1) capital		Qliro AB
<b>Instruments and reserves</b>		
1	Capital Instruments and the related shared premium accounts	50 324
2	Retained earnings	537 980
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	588 305
<b>Regulatory adjustments</b>		
7	Additional value adjustments	-290
8	Intangible assets (net of related tax liability)	-60 728
10	Deferred tax assets that rely on future profitability excluding those arising from temporary differences	-28 573
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)	-89 592
29	Common Equity Tier 1 (CET1) capital	498 713
45	Tier 1 capital (T1 = CET1 + AT1)	498 713
<b>Tier 2 (T2) capital</b>		
<b>Instruments and provisions</b>		
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
<b>Regulatory adjustments</b>		
57	Total regulatory adjustments to Tier 2 (T2) capital	0
58	Tier 2 (T2) capital	100 000
59	Total capital (TC= T1 + T2)	598 713
60	Total risk weighted assets	2 230 633
<b>Capital ratios and buffers</b>		
61	Common Equity Tier 1 (as a percentage of total risk exposure amount)	22,4%
62	Tier 1 (as a percentage of total risk exposure amount)	22,4%
63	Total capital (as a percentage of total risk exposure amount)	26,8%
64	Institution specific buffer requirement (CET1 requirement in accordance with article 92(1)(a) plus capital conservation and countercyclical buffer requirements)	7,1%
65	of which: capital conservation buffer requirement	2,5%
66	of which: countercyclical buffer requirement	0,1%
68	Common Equity Tier 1 available to meet buffers (as a percentage of REA)	15,3%