

Risk Report: 31. May 2025

Asset Coverage Test	Amount
Loan Pool (A)	367,421
Collateral Reserve Account (B)	0
Liquidity Reserve Account (C)	5,508
Customer Deposits (W)	0
Total (A + B + C - W)	372,929
Outstanding Covered Bonds	302,487
Over Collateralization	70,442
Over Collateralization [%]	23.3%

As is outlined in the prospectus, the Asset Coverage Test (ACT) must be passed.

Interest Rate Sensitivity	Nominal	Base Case	Up100bp	Down100bp
Outstanding Covered Bonds	302,487	297,891	290,179	306,101
Loan Pool	367,421	472,434	420,481	535,896
Bank Account	5,508	5,508	5,508	5,508
Over Collateralization	70,442	180,051	135,810	235,303
Over Collateralization [%]	23.3%	60.4%	46.8%	76.9%

The Mark-To-Market (MTM) value of the underlying loan pool must exceed the MTM value of the Covered Bonds issuance. Furthermore, the program must withstand a parallel shift in the risk free interest curve.

Foreign Exchange Sensitivity	Nominal	Base Case	10% ISK Depreciation	10 % ISK Appreciation
Outstanding Covered Bonds	302,487	297,891	308,580	287,202
Loan Pool	367,421	472,434	472,434	472,434
Bank Account	5,508	5,508	5,595	5,420
Over Collateralization	70,442	180,051	169,449	190,652
Over Collateralization [%]	23.3%	60.4%	54.9%	66.4%

The Mark-To-Market (MTM) value of the underlying loan pool must exceed the MTM value of the Covered Bonds issuance. Furthermore, the program must withstand a 10% foreign exchange depreciation/appreciation with respect to net MTM value.

# Arion Banki Covered Bonds



Risk Report: 31. May 2025

Cashflow Projection	May 2025	Jun 2025	Jul 2025	Aug 2025	Sep 2025	Oct 2025	Nov 2025	Dec 2025	Jan 2026	Feb 2026	Mar 2026	Apr 2026	May 2026
Bank Account:	5,508												
Covered Bonds:		733	954		598	1,626	482	733	404		598	1,590	482
Loans in Default:		9	9	9	9	9	9	9	9	9	10	10	10
Performing Loans:		1,744	2,321	2,308	2,320	2,325	2,329	2,332	2,336	2,338	2,340	2,341	2,343
Cumulative Balance:	5,508	6,519	7,886	10,194	11,916	12,615	14,461	16,061	17,992	20,330	22,073	22,824	24,685

The cashflow coverage measures the ability of the underlying loan pool to service the programs debt obligation on its own. Ignoring both infusion of cash and new loans it is a snapshot view of the debt servicing capability of the pool.

Indexation Balance	Indexed	Other	Total
Covered Assets	210,138	162,791	372,929
Covered Bonds Issuance	-144,263	-158,224	-302,487
Net	65,875	4,567	70,442