

## Stabelo Fund 1 AB (publ)

Bloomberg: STABLAB SS

Inception date: 2018-01-03

Swedish prime residential mortgages with maximum loan-to-value of 60% at origination

Key portfolio information	30 Jun 2020	31 Mar 2020	Yield development	Full quarter Q2, 2020	Jun 2020	May 2020	Apr 2020	Full quarter Q1, 2020
Number of borrowers	11 808	10 986	%					
Number of properties financed	7 656	7 125	<b>Gross Mortgage yield</b>	<b>1.35%</b>	<b>1.35%</b>	<b>1.35%</b>	<b>1.35%</b>	<b>1.30 %</b>
Average loan per property, SEK	1 404 642	1 402 979	Provision charge for expected credit loss	0.00%	0.00%	0.00%	0.00%	0.00 %
			Fund costs and fees	-0.26%	-0.29%	-0.25%	-0.25%	-0.23 %
			<b>Running yield</b>	<b>1.09%</b>	<b>1.06%</b>	<b>1.11%</b>	<b>1.11%</b>	<b>1.07 %</b>
Weighted average loan-to-value	44.3%	44.4%	Temporary effect of newly purchased loans	0.00%				0.00%
Proportion of amortising loans	64.6%	64.6%	Timing differences due to delayed receipts	0.00%				0.00%
Proportion of 3-month floating loans	79.5%	80.9%	Effect of Fund cash balances	0.00%				-0.01%
Modified duration of mortgages, years:			Allocated Income yield for the quarter	1.08%				1.06%
- last 3-months' rolling average	0.477	0.488						
- at period-end	0.544	0.545	Average mortgage book in period, MSEK	10 508.2	10 803.0	10 488.7	10 233.0	9 858.0
			Average invested funds in period, MSEK	10 569.0	10 876.2	10 545.4	10 285.6	9 938.7
Fund assets and liabilities	30 Jun 2020	31 Mar 2020	Fund income and costs	Full quarter Q2, 2020	Jun 2020	May 2020	Apr 2020	Full quarter Q1, 2020
MSEK			MSEK					
<b>Mortgages, at gross book value</b>	<b>10 753.9</b>	<b>9 996.2</b>	Mortgage income received	35.5	12.2	11.8	11.6	32.0
Provision for expected credit loss	0.0	0.0	Other income received	0.0	0.0	0.0	0.0	0.0
Valuation adjustment	3.4	3.4	<b>Gross income received</b>	<b>35.5</b>	<b>12.2</b>	<b>11.8</b>	<b>11.6</b>	<b>32.0</b>
<b>Mortgages, at fair value</b>	<b>10 757.4</b>	<b>9 999.6</b>	Provision charge for expected credit loss	-0.0	0.0	-0.0	0.0	-0.0
Bank and other assets	162.0	195.9	Fund costs and fees	-6.9	-2.6	-2.2	-2.1	-5.6
Funds from issue of new debentures	220.1	130.1	<b>Allocated Income for the quarter</b>	<b>28.6</b>	<b>9.6</b>	<b>9.6</b>	<b>9.4</b>	<b>26.3</b>
Fund liabilities and equity	- 40.6	- 37.2						
<b>Fund Assets under Management</b>	<b>11 098.9</b>	<b>10 288.4</b>						
Closing number of issued debentures	11 092	10 282						
<b>Net Asset Value per debenture, %</b>	<b>100.0622%</b>	<b>100.0618%</b>						
Debenture primary issue price <sup>†</sup>	30 Jun 2020	31 Mar 2020						
% of debenture base amount								
<b>Portfolio value per debenture, %</b>	<b>100.0622%</b>	<b>100.0618%</b>						
Interest compensation per debenture, %	0.0000%	0.0000%						
<b>Primary issue price per debenture, %</b>	<b>100.0622%</b>	<b>100.0618%</b>						

### Quarterly commentary

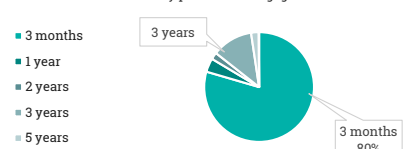
Stabelo Fund 1 assets under management passed above SEK 11 billion in Q2, 2020, growing by 7.9 percent in the quarter and 44.6 percent compared to Q2, 2019. Strong growth shows the value in Stabelo's fund-based business model, and it is gratifying that some eleven thousand borrowers have chosen Stabelo for financing their own homes.

The coronavirus pandemic continues as the dominant focus in 2020. While lockdown measures are gradually eased, considerable uncertainty remains, regarding progress against the virus as well as consequent social and economic impacts. Stabelo seeks a steady course, securing resilience in its own operations while being accessible for customers with the service and support they need in times of economic stress, and thereby making a contribution to wider financial stability.

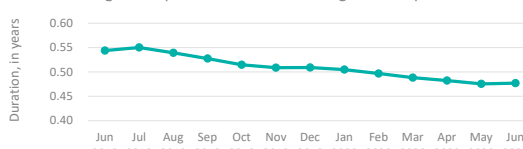
Financially, the impact so far of the coronavirus pandemic on the Fund has been limited. While initial volatility was seen in Swedish kronor interest rates when the pandemic emerged, interest rates subsequently stabilised towards pre-corona levels, assisted by government measures. Swedish Riksbanken is providing support for recovery in the economy including, among other interventions, the purchase of banks' mortgage covered bonds. Stabelo has responded to requests from a number of customers to suspend loan amortisation payments, in accordance with Finansinspektionen's guidance. Payment arrears performance, however, has remained at normal levels during the quarter with no emergence of loan impairment.

With a longer-term concern, Stabelo is a signatory to the UN Principles for Responsible Investment and supports UN's view that incorporating environmental social and governance (ESG) principles in the investment process will enhance returns and enable better management of risks. Stabelo has adopted its own ESG strategy, in support of the UN 2030 Agenda for Sustainable Development goals.

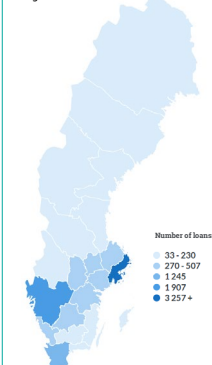
Interest rate maturity profile of mortgages



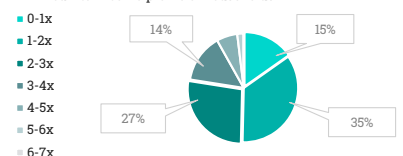
Average Fund portfolio duration - rolling 3 month periods



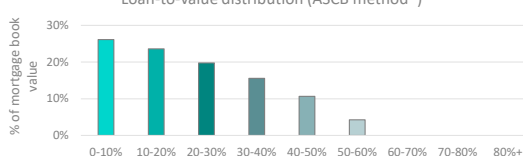
Regional distribution



Loan-to-income profile of households



Loan-to-value distribution (ASCB method\*)



### Notes:

<sup>†</sup> Portfolio value and primary issue price are stated prior to new subscriptions in process at the month end.

\* ASCB method follows Association of Swedish Covered Bond Issuers (ASCB); each loan exposure is allocated across loan-to-value buckets based on available collateral value for the respective loan.

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## Stabelo Fund 1 AB (publ)

Swedish prime residential mortgages with maximum loan-to-value of 60% at origination

Fund Manager:	Stabelo Asset Management AB
Fund Owner:	Stabelo Asset Management AB
Legal structure	Alternative Investment Fund issuing participating debentures regulated under Swedish law (2013:561) on Management of Alternative Investment Funds
Supervisory authority:	Swedish Financial Supervisory Authority
Assets:	Swedish prime residential mortgages with a maximum loan-to-value of 60% at origination
Currency:	SEK
Dividend:	Quarterly participation in net Fund income less deduction for credit loss, sourcing and servicing cost and management fees
Date of inception:	2018-01-03
Debenture listing:	NGM Nordic Growth Market Main Regulated

### Portfolio distribution 30 June 2020

Assets under management	MSEK at fair value	MSEK at book value	%
<b>Mortgage loans</b>	<b>10 757.4</b>	<b>10 753.9</b>	<b>97%</b>
Bank and other assets	162.0	162.0	1%
Funds from issue of new debentures	220.1	220.1	2%
Fund liabilities and equity	- 40.6	- 40.6	0%
<b>Fund Assets under Management</b>	<b>11 098.9</b>	<b>11 095.5</b>	<b>100%</b>

Regional distribution	MSEK	%
Greater Stockholm	4 190.1	39%
East Sweden	1 609.7	15%
Greater Gothenburg	1 799.9	17%
West Sweden	564.0	5%
Greater Malmö	851.1	8%
South Sweden	410.4	4%
Småland & the Islands	472.8	4%
Northern Middle Sweden	449.3	4%
Middle Norrland	161.1	1%
Upper Norrland	245.5	2%
<b>Mortgage loans</b>	<b>10 753.9</b>	<b>100%</b>

Repayments	MSEK	%
Amortizing	6 944.5	65%
Interest only	3 809.4	35%
<b>Mortgage loans</b>	<b>10 753.9</b>	<b>100%</b>

Original interest maturity	MSEK	%
3 months	8 551.7	79.5%
1 year	435.6	4.1%
2 years	219.2	2.0%
3 years	1 294.3	12.0%
5 years	241.5	2.2%
10 years	11.5	0.11%
<b>Mortgage loans</b>	<b>10 753.9</b>	<b>100%</b>

Residual interest maturity to interest fixing date	0-3M	3-6M	6-9M	9M-1Y	1-2Y	2-3Y	3-4Y	4-5Y	5-10Y	Sum
Mortgage loans, MSEK	8 636.5	98.5	79.3	300.6	1 066.4	329.9	112.5	118.7	11.5	10 753.9
Loan volume, %	80%	1%	1%	3%	10%	3%	1%	1%	0%	100%

Residual contractual maturity to principal repayment date including planned customer amortisations	0-2Y	2-4Y	4-6Y	6-8Y	8-10Y	10-15Y	15-20Y	20-25Y	25-30Y	Sum
Mortgage loans, MSEK	317.2	318.1	308.8	652.8	273.8	626.3	555.4	493.4	7 208.1	10 753.9
Loan volume, %	3%	3%	3%	6%	3%	6%	5%	5%	67%	100%

Seasoning profile	0-1Y	1-2Y	2-3Y	3-5Y	5Y -	Sum
Number of months since loan origination						
Mortgage loans, MSEK	3 816.2	5 424.0	1 513.7	-	-	10 753.9
Loan volume, %	35%	50%	14%	0%	0%	100%

Loan-to-Value (LTV) of mortgage loans using ASCB methodology	0-10%	10-20%	20-30%	30-40%	40-50%	50-60%	60-70%	70-80%	80%+	Sum
<b>Weighted average LTV</b>	<b>44.3%</b>									
Loans by LTV bucket, MSEK	2 810.3	2 538.6	2 125.9	1 674.2	1 146.4	458.5	-	-	-	10 753.9 *
LTV distribution, %	26%	24%	20%	16%	11%	4%	0%	0%	0%	100%

\* book value of mortgages

### All volume figures are at book value unless otherwise stated

Fund items		Number of borrowers servicing each loan	
Number of borrowers	11 808	1 borrower	45%
Number of properties	7 656	2 borrowers	55%
		>2 borrowers	0%

Mortgage loan collateral - type of property	Number of properties	Collateral valuation, MSEK	Mortgage loan amount, MSEK	% of loan amount
Single-family housing	4 377	18 101.3	6 587.0	61%
Tenant owner rights	3 279	10 353.6	4 167.0	39%
Multi-family housing	-	-	-	0%
<b>Total</b>	<b>7 656</b>	<b>28 454.9</b>	<b>10 753.9</b>	<b>100%</b>

Mortgage loan collateral - valuation methodology	Number of properties	Collateral valuation, MSEK	Mortgage loan amount, MSEK	% of loan amount
Statistical valuation	6 999	26 194.5	9 531.1	89%
Independent appraisal	655	2 252.2	1 218.6	11%
Acquisition price	2	8.3	4.3	0%
<b>Total</b>	<b>7 656</b>	<b>28 454.9</b>	<b>10 753.9</b>	<b>100%</b>

Modified duration of mortgage portfolio	
- at period end	0.544 years
- average last 3 months	0.477 years

## Swedish prime residential mortgages with maximum loan-to-value of 60% at origination

Portfolio credit risk		30 Jun 2020							
SEK m									
Credit exposure	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Mortgage loans, at gross book value	10 753.9	10 440.6	10 173.1	9 996.2	9 758.8	9 645.7	9 440.3	9 226.5	8 862.2
Valuation adjustment on mortgages	3.4	3.0	3.4	3.4	- 1.8	- 2.5	3.2	3.2	6.0
Bank and other assets	162.0	133.4	125.8	195.9	148.4	140.6	177.2	199.9	138.6
Bank - incoming funds from issue of new debentures	220.1	330.8	260.4	130.1	270.5	110.1	190.1	180.4	420.8
Total credit exposure	11 139.5	10 907.8	10 562.8	10 325.5	10 175.9	9 894.0	9 810.9	9 610.1	9 427.6
SEK m									
Loan principal where any part of the loan is past due for	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
31-60 days	-	-	-	-	-	-	-	-	-
61-89 days	-	-	-	-	-	-	-	-	-
90-120 days	-	-	-	-	-	-	-	-	-
>120 days	-	-	-	-	-	-	-	-	-
SEK m									
Forborne loans	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Forborne loans	-	-	-	-	-	-	-	-	-
SEK m									
Impaired loans and reserves	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Individually assessed loans									
Impaired loans, gross	-	-	-	-	-	-	-	-	-
Impaired loans gross / Lending	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%	0.00%
Specific reserves	-	-	-	-	-	-	-	-	-
Specific reserve ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Collectively assessed loans									
Collective reserves	-	-	-	-	-	-	-	-	-
Collective reserve ratio	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Total reserve ratio	-	-	-	-	-	-	-	-	-
Details of impaired loans									
	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Number of impaired loans	-	-	-	-	-	-	-	-	-
of which single family houses	-	-	-	-	-	-	-	-	-
of which tenant owned appartments	-	-	-	-	-	-	-	-	-
Average LTV of impaired loans	-	-	-	-	-	-	-	-	-
Single family houses	-	-	-	-	-	-	-	-	-
Tenant owned appartments	-	-	-	-	-	-	-	-	-
No. of impaired loans with LTV >100%	-	-	-	-	-	-	-	-	-
of which single family houses	-	-	-	-	-	-	-	-	-
of which tenant owned appartments	-	-	-	-	-	-	-	-	-
Volume of NPL with LTV >100%, SEKm	-	-	-	-	-	-	-	-	-
of which provided for, %	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
SEK m									
Regional distribution of impaired loans	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Greater Stockholm	-	-	-	-	-	-	-	-	-
East Sweden	-	-	-	-	-	-	-	-	-
Greater Gothenburg	-	-	-	-	-	-	-	-	-
West Sweden	-	-	-	-	-	-	-	-	-
Greater Malmö	-	-	-	-	-	-	-	-	-
South Sweden	-	-	-	-	-	-	-	-	-
Småland & the Islands	-	-	-	-	-	-	-	-	-
Northern Middle Sweden	-	-	-	-	-	-	-	-	-
Middle Norrland	-	-	-	-	-	-	-	-	-
Upper Norrland	-	-	-	-	-	-	-	-	-
Impaired loans / Lending									
	30 Jun	31 May	30 Apr	31 Mar	29 Feb	31 Jan	31 Dec	30 Nov	31 Oct
Greater Stockholm	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
East Sweden	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Greater Gothenburg	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
West Sweden	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Greater Malmö	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
South Sweden	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Småland & the Islands	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Northern Middle Sweden	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Middle Norrland	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Upper Norrland	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%