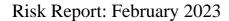
Arion Bank Covered Bonds





| Stress Test: Asset Coverage Test | | | | | | |
|----------------------------------|-----------------|---|--|--|--|--|
| Element | Amount | Description | | | | |
| A | 312.262.681.627 | Loan Pool | | | | |
| В | 2.791.893.277 | Cash | | | | |
| C | 16.943.775.936 | Collateral Reserve Account | | | | |
| D | 4.164.017.700 | Liquidity Reserve Ledgers | | | | |
| W | 0 | Customer Deposits | | | | |
| Sum | 336.162.368.540 | A + B + C + D - W | | | | |
| СВ | 291.214.595.577 | Principal Amount Outstanding of the Covered Bonds | | | | |
| Surplus/Gap | 44.947.772.963 | Sum - CB | | | | |
| OC | 15,4% | Over Collateralization | | | | |
| Passed | 1 | Is Test Passed? (1=Yes/0=No) | | | | |

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

| Stress Test: Interest Rate Sensitivity | | | | | | |
|--|---------|-----------|-----------|-------------|--|--|
| Description | Nominal | Base Case | Up 100 bp | Down 100 bp | | |
| Covered Bonds Issuance | 291.215 | 288.385 | 278.460 | 298.920 | | |
| Underlying Loan Pool | 312.263 | 349.091 | 309.404 | 397.484 | | |
| Bank Account | 23.900 | 23.900 | 23.900 | 23.900 | | |
| Over Collateralization | 44.948 | 84.605 | 54.844 | 122.464 | | |
| Over Collateralization % | 15,4% | 29,3% | 19,7% | 41,0% | | |

As is outlined in the prospectus, 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 with respect to net MTM value. The Base Case shows MTM values for the current environment, the next column shows an upward parallel shift of a 100 basis points and the third column similarly shows a parallel 100 bp downward shift.

| Cashflow Projection | | | | | | | | | | | | | |
|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|----------|-------------|-------------|-------------|-------------|
| Description | Feb 2023 | Mar 2023 | Apr 2023 | May 2023 | Jun 2023 | Jul 2023 | Aug 2023 | Sep 2023 | Oct 2023 | Nov 2023 | Dec 2023 | Jan 2024 | Feb 2024 |
| Bank Account | 23.899,7 | | | | | | | | | | | | |
| Covered Bonds: | | | 2.552,5 | | 642,4 | 969,1 | | | 2.590,6 | | 642,4 | 1.090,2 | |
| Loans in Default: | | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,0 | 9,1 | 9,1 |
| Performing Loans: | | 248,6 | 1.765,9 | 1.765,8 | 1.766,0 | 1.783,1 | 1.766,2 | 1.767,4 | 1.769,5 | 1.774,2 | 1.805,3 | 1.786,3 | 1.793,3 |
| Cumulative Balance: | 23.899,7 | 24.148,3 | 23.361,7 | 25.127,5 | 26.251,0 | 27.065,0 | 28.831,2 | 30.598,6 | 29.777,5 | 31.551,7 | 32.714,6 | 33.410,7 | 35.204,0 |

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. Cashflow from mortgages in default (30 days or more) is ignored. The cumulative Balance shows how cash is accumulated or drained from the Covered Bond account.

| Indexation Balance | | | | | | |
|------------------------|----------|-------------|----------|--|--|--|
| Description | Indexed | Non-Indexed | Total | | | |
| Underlying Loans | 123.239 | 189.023 | 312.263 | | | |
| Covered Bonds Issuance | -120.879 | -55.912 | -177.543 | | | |
| Net | 2.360 | 133.111 | 134.720 | | | |

| Arion Bank strives to keep a balance between index | ed loans and liabilities and non-indexed l | oans and liabilities. A part of this effort is to keep the ba | alance of |
|---|--|---|-----------|
| loans higher than liabilities for both indexed and no | n-indexed products. | | |
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