

Investor information on covered bond programmes

30 September 2022

Oma Savings Bank Plc publishes a quarterly disclosure report on the company's covered bonds. The report contains the information required by the Act on Mortgage Credit Banks and Covered Bonds (151/2022) as an issuer's disclosure obligation.

Covered bonds

The company's covered bonds and their collateral values are shown below:

Covered bond ISIN	MEUR	Cur	Issue date	Maturity	Coupon	Fix/FRN
FI4000292669	350,00	EUR	12 Dec 2017	12 Dec 2022	0.13%	Fix
FI4000378674	350,00	EUR	28 Mar 2019	3 Apr 2024	0.13%	Fix
FI4000425830	250,00	EUR	1 Apr 2020	6 Apr 2023	0.13%	Fix
FI4000466412	400,00	EUR	18 Nov 2020	25 Nov 2027	0.01%	Fix
FI4000522974	350,00	EUR	18 May 2022	18 Dec 2026	1.50%	Fix
Outstanding covered bonds total	1,650,00					

Cover pool assets	MEUR	Overcollateralisation **)
Total	2,145,03	Current value based
Of which		Legal minimum
Loans (up to LTV limit) *)	2,145,03	Bond program, minimum
Substitute assets	0,00	OmaSp's actual
Other	0,00	Net present value based
Of which		Legal minimum
Eligible assets (*)	1,998,09	Bond program, minimum
Other eligible assets	0,00	OmaSp's actual

*) Based on the old Mortgage Credit Bank Act (688/2010) currently applied by Oma Savings Bank Plc, where loans from residential mortgage-backed loans are accepted up to LTV 100%, but loans are recoverable in the pool up to LTV 70%. The new Mortgage Credit Bank Act (151/2022) raises the limit to LTV 80%.

**) Oma Savings Bank Plc has not yet moved to apply the new Mortgage Bank Act (151/2022) to its issued bonds. In the new Mortgage Credit Bank Act, the nominal value-based calculation method must be applied if it produces a lower overcollateralisation level than the present value method.



Pursuant to the Final Terms 4 of each Covered Bond Issued, if the Issuer notifies the Issuer's Agent that it will not redeem a series of Covered Bonds in full on or within two business days thereafter, the maturity of the remaining nominal amount of the Covered Bonds will automatically be extended to an extended Final Maturity Date, which is 12 months with all issued Covered Bonds. In that case, the interest rate of the covered bonds and the interest periods and interest payment dates will change from the interest rate applied up to the maturity date, and the issuer may redeem the remaining nominal amount of the covered bonds in whole or in part on the interest payment date that falls within the month following the maturity date until the extended final maturity date, all in accordance with 4.1 of the final terms of each issued covered bond.

Assets in covered pool

The table below shows the geographical distribution of the residential real estate collateral of credit receivables in the cover pool, as well as the distribution of credit receivables by customer type. Oma Savings Bank's collateral pool does not include loans that meet the criteria for insolvency or that have not been paid for principal or interest for at least 90 days.

Regional distribution	MEUR	%	Distribution by customer type	MEUR	%
Ahvenanmaa	0,00	0.00%	Home loans, of which	2,145,03	100%
Central Finland	202,9	4.08%	Natural persons	1,888,67	88.05%
Central Ostrobothnia	14,08	0.28%	Housing corporations	215,92	10.07%
Etelä-Savo	159,50	3.21%	Other housing associations	40,44	1.89%
Kainuu	7,43	0.15%	Commercial real estate loans	0,00	0.00%
Kanta-Häme	246,91	4.96%	Public sector loans	0,00	0.00%
Kymenlaakso	342,66	6.89%		2,145,03	100%
Lapland	49,15	0.99%			
North Karelia	117,98	2.37%			
North Ostrobothnia	122,08	2.45%			
Ostrobothnia	45,87	0.92%			
Päijät-Häme	156,40	3.14%			
Pirkanmaa	713,91	14.35%			
Pohjois-Savo	69,47	1.40%			
Satakunta	431,49	8.68%			
South Karelia	533,00	10.72%			
South Ostrobothnia	1,008,73	20.28%			
Uusimaa	569,86	11.46%			
Varsinais-Suomi	182,35	3.67%			
Total	4,973,77	100%			

The average credit receivable in the collateral pool is 72,344 euros. In the table below, the information on loan amounts of credit receivables is presented in more detail.



Capital	Nominal value MEUR	Number of loans
0 – 25,000	128,50	11,218
25,000 – 50,000	211,53	5,778
50,000 – 100,000	443,45	6,148
100,000 – 150,000	380,02	3,108
150,000 – 200,000	262,38	1,520
200,000 – 250,000	185,442	830
250,000 – 300,000	108,03	396
300,000 – 9,999,999	409,23	651

Risks relating to covered bonds

The company carries out the valuation of creditable real estate collateral independently of the credit process, using diverse data held by the company and the available statistical data. The monitoring of the development of the market values of real estate collateral and the revaluation of the collateral are carried out in the company on a quarterly basis.

Oma Savings Bank Plc considers the following to be the most significant risk factors for covered bonds (Oma Savings Bank Plc Bond Programme Prospectus 6.5.2022):

- The cover asset pool may not fully cover all claims of the holders of covered bonds.
- The terms of covered bonds do not include terms related to the issuer's insolvency, for example to speed up the loan. If the collateral pool does not meet the covered bond matching requirements with respect to its receivables payment obligations, holders of the covered bonds may receive payments on a schedule that differs from the schedule set forth in the terms of that covered bond.
- Default of the assets in the cover asset pool may jeopardise payment on the covered bonds.
- Transfer of covered bonds and the cover asset pool in bankruptcy.
- No market for collateral after an insolvency of the issuer.
- Liquidity post issuer bankruptcy.
- Defaults under the mortgage loans and defaults by borrowers may result in the issuer's license for mortgage bank activity to be withdrawn.
- Limited information is available to holders of covered bonds, especially in relation to the assets in the cover asset pool.
- Obligations related to the extended maturity in accordance with the terms of the covered bond.



The Act on Mortgage Banking (688/2010) and the Act on Mortgage Banks and Covered Bonds (151/2022), which entered into force on 8 July 2021, introduce conditions and restrictions to minimise the risks associated with covered bonds.

The market risk of covered bonds can be caused by, for example, the effect of a general unfavorable market situation or the weakening of economic cycles on the bond market, the weak development of the secondary market for the company's covered bonds or their weakening, or the weakening of the company's business and/or financial position. The interest rate risk related to the covered bond is limited by the law's requirement that the total amount of collateral in the collateral pool must exceed the total present value of the payment obligations arising from the covered bonds by 2 percentage points, which Oma Savings Bank Plc also ensures with stress testing, taking into account various future interest rate scenarios. The company's lending takes place in Finland and in euros, so there is no exchange rate risk associated with mortgage banking.

Only credit receivables defined by law and assessed by the company to be of good quality are accepted into the collateral pool of covered bonds. Oma Savings Bank Plc's covered bonds are currently covered by the old law (688/2010) regulating mortgage banking, so the credit receivable is included in the collateral pool at a maximum value of 70 percent compared to the fair value of the housing collateral. The company constantly maintains a sufficient level of overcollateralization in the collateral pool, and the company is committed to keeping the quality of the covered bond collateral pool and the level of overcollateralization of the collateral pool, which enables the credit rating of the covered bonds issued by the company in the best credit category.

The law safeguards the rights of the holders of covered bonds in the event of a possible liquidation or bankruptcy of the company, so that the holders of the covered bonds are paid the payments according to the contract terms of the bond from the funds registered in the cover pool before other receivables from the company. As Oma Savings Bank Plc moves to apply new legislation (151/2022) to covered bonds, the company will include in the cover pool an amount of funds that will continuously cover the maximum outflow related to covered bonds in the coming 180-day period. In addition, the company performs stress tests to ensure that the liquidity is sufficient to ensure that the company's liquidity is maintained even in various stress scenarios that threaten the liquidity.

