

As a result of the divestments of Catella Bank's operations, the entire Banking business area has been reported as a disposal group held for sale in accordance with IFRS 5. This means that in the Consolidated Income Statement, Banking's net profit (after tax) is reported on a separate line under period profit from disposal group held for sale.

April - June 2020

- Total income SEK 523 M (688)
- Net sales SEK 499 M (677)
- Operating profit/loss SEK 39 M (164)
- Profit/loss before tax SEK 21 M (157)
- Profit for the period from remaining operations SEK -73 M (114)
- Profit/loss for the period from disposal group held for sale SEK -76 M (-49)
- Profit/loss for the period SEK -149 M (64), of which SEK -147 M (38) attributable to shareholders of the Parent Company
- Earnings per share* SEK -1.66 (0.44)

January - June 2020

- Total income SEK 1 027 M (1,142)
- Net sales SEK 948 M (1,124)
- Operating profit/loss SEK 111 M (226)
- Profit/loss before tax SEK 67 M (203)
- Profit for the period from remaining operations SEK -49 M (-136)
- Profit/loss for the period from disposal group held for sale SEK -89 M (61)
- Profit/loss for the period SEK -139 M (197), of which SEK -147 M (149) attributable to shareholders of the Parent Company
- Earnings per share* SEK -1.67 (1.72)
- Equity* SEK 1,381 M (1,544)
- Equity per share* SEK 15.63 (17.89)
- Assets under management SEK 148.6 Bn (174.9****)
- Variable earnings** in Systematic Funds levied at year-end totalled SEK 0 M at the end of the period.

ASSETS UNDER MANAGEMENT ***

SEK 149 Bn

End of period

TOTAL INCOME***

SEK 2,305 M

Last 12 months

OPERATING PROFIT/LOSS***

SEK 307 M

Last 12 months

EQUITY

SEK 1,584 M

End of period

* Attributable to shareholders of the Parent Company. Includes disposal group held for sale. ** Variable earnings calculated on Systematic Macros' performance-based management fee. In order for the performance-based management fee to be settled at year end, and recognized for profit/loss, returns must be higher than comparative indices and the most recent level settled (High watermark). *** Remaining operations. **** Adjusted for the product Systematic Equity.

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Invitation to presentation of the Interim Report

Catella will be presenting the interim Report and answering questions in a teleconference today 21 August 2020 at 9 a.m. CET. The presentation will be in English and will be made by Catella's Acting CEO and President Johan Claesson. To participate in the teleconference, go to www.catella.com or call +46 (0)8 566 42 695.

“The refinement towards properties continues”

Refinement of Catella as a company more focused on products and services associated with the Property Investment Management and Corporate Finance business areas continued in the second quarter. We made the decision to complete the wind-down of operations in Catella Bank, and divested 70% of Catella Fondförvaltning AB (Mutual Funds) to Athanase Industrial Partners. We also implemented a number of organisational changes to reduce costs. In the future, Catella's capital and resources will increasingly be focused on Property Investment Management, Corporate Finance and development projects. IPM Informed Portfolio Management AB (Systematic Funds) will remain an independent company with limited synergies with other Catella operations. The most significant changes include that we will sharpen our focus on ensuring a clearer strategy in asset management and property funds, and create selective funds in segments such as residential property, logistics, development projects, hotels, workout facilities etc. This means that Catella will gradually strengthen its competences and focus in project development both independently and in collaboration with partners, with the aim of creating more value at the early stages of projects. The ultimate goal is to transfer the assets to funds created and managed by Catella. Several initiatives are underway in Germany, where a few thousand properties are being planned, while a number of logistics projects are planned in Sweden. The aim is to transfer these buildings to new fund structures. In June 2020, Catella decided to construct a logistics facility of 70,000 m² in Norrköping alongside a partner. When complete, the building will be rented by Postnord over a long contract. Several similar initiatives are underway with the aim of creating a Swedish logistics fund for these properties.

Other more opportune initiatives are also being planned in Catella and alongside partners. In the future, it will be important for Catella to co-invest alongside its partners in order to ensure credibility and show our investors that we have a shared interest in the ventures when raising capital.

In the quarter, we strengthened liquidity by SEK 100 M by borrowing within the framework of some countries' national borrowing programs introduced as a result of the pandemic. The borrowing will ensure that the subsidiaries have access to good liquidity over the coming quarters.

In the quarter, Catella signed an agreement regarding the divestment of 70% of the shares in Catella Fondförvaltning AB (Mutual Funds) for a cash purchase consideration of SEK 126–154 M. The transaction is expected to be completed in the third quarter 2020 following customary approval by the Swedish Financial Supervisory Authority and

CSSF in Luxembourg. At the same time, we entered into a strategic partnership with the buyer, Athanase Industrial Partner, relating to development and improvements of the customer offering.

During the spring, Catella reviewed costs at Group level. For example, we closed the Hong Kong office, and terminated other Group-wide roles. Looking ahead, we will continue to reduce costs at Group level, and the full effect of cost savings will be felt from next year onwards. Catella has limited Group contribution rights, which contributes to high tax over time. We will be reviewing our tax situation, but this will take some time.

Profit attributable to Parent Company shareholders amounted to SEK -147 M, including write-downs of Group deferred tax assets of SEK 70 M relating to the divestment of Catella Fondförvaltning AB, and provisions for costs totalling SEK 55 M from the winding down of Catella Bank's operations. Excluding this write-down and provisions, profit was very weak which means that we need to speed up product development and review our cost base. Cashflow from continuing operations in the second quarter was positive and amounted to SEK 61 M, of which Catella Bank represented SEK -71 M.

Due to the above-mentioned investments in operating activities and future investments as well as the uncertainty due to the pandemic, the Board intends not to convene an Extraordinary General Meeting during the second half of 2020 to address the issue of dividend.

Property Investment Management

The pandemic has had limited impact on Property Investment Management in the second quarter. Assets under management decreased slightly in SEK terms, although measured in EUR, assets under management increased by some 5% in the quarter.

A large proportion of the business area's assets under management are classed as defensive assets, with 41% residential properties, 37% offices, 14% retail premises and 8% other. The assets are geographically diverse and are located in Germany 34%, the UK 18%, France 15%, the Netherlands 12% and other countries 21%. Pricing of residential and logistics properties remained stable, although office and government tenants with long rental contracts are also attractive and have proven resilient during the spring. A majority of Catella's retail mandate relates to legacy assets where Catella's assignment from lenders and other parties includes securing good tenants, improving and selling the assets in the near future. As part of the strategy, Catella had already positioned itself towards legacy assets in retailing before the pandemic, a segment that is expected to grow during the year and become even more relevant looking ahead. In general, hotel and retail properties have been negatively affected, although there are also assets in this category that are performing well. Catella's hotel operations in France won a management mandate relating to hotel properties in the quarter.

Existing products in the business area generate stable returns, and our ambition is to continue to develop new funds focused on geographical regions and/or property types that are attractive to national and international investors alike. We are currently working towards launching new fund structures in the Nordics focused on areas such as logistics properties and a systematic property equity fund.

We do not perceive any significant impact of the pandemic on business area income and profit in the third quarter 2020 in year-on-year terms.

Corporate Finance

The pandemic has generated uncertainty affecting the pricing of some property types, which increased the distance between buyers and sellers compared to previous quarters. This led to decreased transaction activity in the market during the second quarter 2020.

Germany is Europe's largest property market and Catella has not succeeded in establishing a strong position on this market. A strong market position in Germany would increase Catella's credibility in both Corporate Finance and Property Investment Management. Catella intends to continue to allocate resources to strengthen the German Corporate Finance operations.

Within Corporate Finance, Catella has deep knowledge in property and is in constant contact with investors, which creates high credibility for the entire Catella Group.

Our pipeline remains strong, and the organization is working hard to complete existing mandates while simultaneously working to secure new mandates. Our assessment is that a majority of transaction volumes will be deferred to the latter part of the second half-year, which means that we anticipate fewer market transactions in the third quarter 2020. This is expected to impact business area income and profit negatively year-on-year.

Equity, Hedge and Fixed Income Funds

The earlier negative trend in Equity, Hedge and Fixed Income Funds continued in the quarter, with a reduction in assets under management. The performance in our funds both regarding Mutual Funds and Systematic Funds has been unsatisfactory.

Unfortunately we have not succeeded as owners of Catella Fondförvaltning (Mutual Funds) due to unsatisfactory management and insufficient product innovation and adaptation to market demand. Catella Fondförvaltning has many competent employees and with a new ownership structure and management, the company will become a dynamic and innovative player on the Swedish mutual funds market.

Catella's future 30% stake in Catella Fondförvaltning AB ensures our ambition to create property funds with a range of strategies and focuses. These funds will be managed through subsidiaries in the Catella Group.

In the quarter, we made some minor changes to the management model relating to Systematic Macro and in the second half-year we will introduce further improvements

to ensure increased returns to our customers. We're allocating resources to develop a new product at the same time as we have adapted the cost base in remaining operations in the quarter and will continue to do so over coming quarters. Systematic Macro recovered some of the downturn year-to-date in July, but due to lower assets under management the result in the third quarter is expected to be down significantly on the previous year.

Principal investments and co-investments

Catella intends to invest in the early phase of projects where the concept and framework is determined with the aim of divesting projects before or under the construction phase alternatively when the projects are completed. Up until end of June 2020, Catella had invested a total of SEK 531 M in three residential development projects in Germany and one in Denmark, with the objective of generating minimum IRR of 20% over time. One of these is the Grand Central property development project in Düsseldorf which was divested in August 2020 with a positive effect on profit after tax of some SEK 170 M, of which SEK 155 M will be recognized in the third quarter 2020. The blueprint for the Seestadt projects, located in Mönchengladbach, has been published and we expect the final decision to be announced in September 2020. The blueprint for the Düsseldorf Terrassen project, located in Erkrath, will be published shortly with the ensuing decision expected this autumn. We started construction on the Danish project Kaktus in the third quarter 2019, with the aim of maximising the potential for Catella. We are seeing good demand for residential properties from investors, and expect projects to be divested before or in connection with completion to external investors but preferably to own funds.

In the second quarter 2020, alongside the previous owners of Royal Design, Catella entered an agreement to acquire a land parcel of 170,000 m² with the aim of completing a logistics property of some 70,000 m². The property has been fully let to Postnord TPL AB and the rental agreement spans 10 years. The total investment amounted to SEK 500 M, of which Catella's share was 50%.

The goal is for a majority of existing and future projects to be managed within the framework of fund structures created for our customers. By broadening our product offering we can generate attractive returns for our customers in areas such as the residential and logistics segments. It is important to demonstrate to the market that Catella has the competences to manage this type of assets, which is why the investments have initially been completed on our own Balance Sheet.

Some customers require that Catella enter as co-investor under a management mandate, which has occurred over time. In order for Catella to remain successful, it is necessary to co-invest alongside our customers in order to increase assets under management, primarily in Property Asset Management.

Catella Bank

Unfortunately I am not satisfied with our handling of the winding down of Catella Bank which has led to the matter dragging on. We made significant changes to the bank's management in the spring in order to improve control, give us a clearer view of the process and speed up the wind down of operations. This is expected to be concluded in the first half of 2021, when we will submit an application to return the banking license to the financial supervisory authority CSSF. The winding down of Catella Bank requires considerable time and energy from Group management and the Board, with the aim of exiting the consolidated financial situation that has created an extensive regulatory framework and an inefficient capital structure for the entire Group. Personally, I am now more optimistic than previously about being able to deliver according to plan as a result of the increased control.

Sales revenue for the banking operations were in line with forecast values while costs will be higher as the wind-down has taken longer than anticipated. Expected equity for the bank (disposal group held for sale) is some SEK 460 M including shareholder contributions of SEK 220 M. Once the banking license has been returned, we expect SEK 400 M is made available in the form of cash and cash equivalents and Visa shares which are currently tied to the bank due to the regulatory framework.

Although the above outlines significant challenges, there are many positive things happening in Catella. Catella has an excellent European platform for property investments that we will continue to focus and capitalise on. Catella's European organisation has access to excellent competences, and we have considerable potential to expand further over the coming years. New initiatives will tie up more capital, but with good prospects of ensuring attractive returns. With improved cost control, and a simpler and clearer management structure, we will be able to execute on these and achieve profitable growth for Catella.

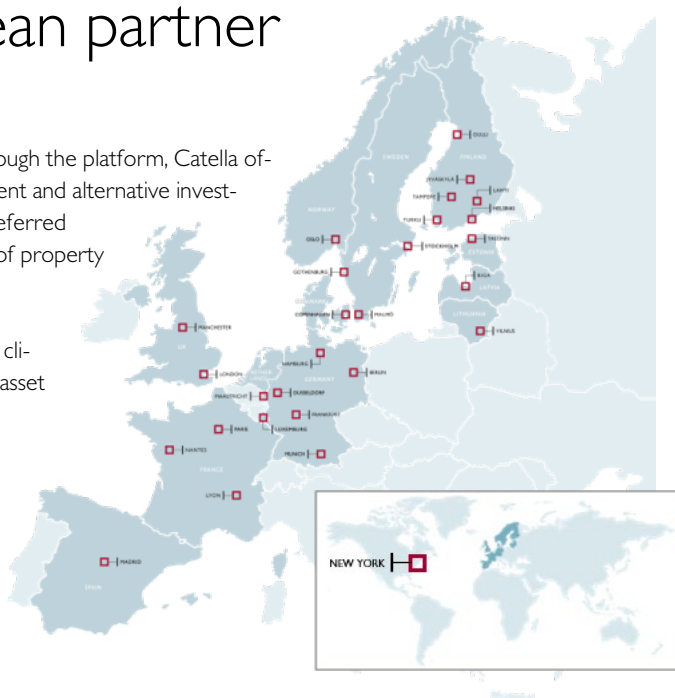
JOHAN CLAESSION
Acting CEO and President

“The preferred European partner for investors”

Catella has built a pan-European platform with global reach. Through the platform, Catella offers local expertise and tailor-made services in property investment and alternative investments aimed at professional investors. Our vision is to be the preferred European partner for investors—together we shape the future of property investments and alternative investments.

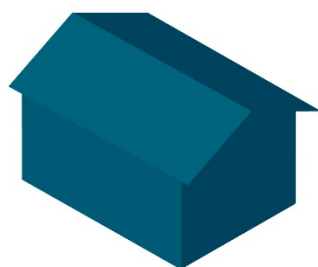
Our geographical spread and broad offering targeted at multiple client groups reduces Catella’s exposure to individual markets and asset classes. This builds stable earnings over time.

The Group manages total assets of some SEK 150 Bn and Catella is listed in the Mid Cap segment on Nasdaq Stockholm.



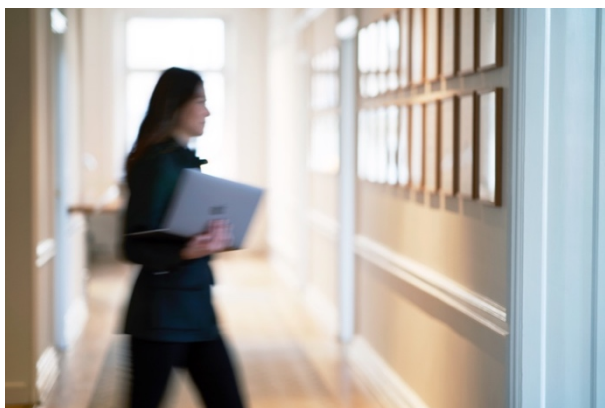
A focused Catella

Catella is the link between the property and financial markets. We create value for our stakeholders by working towards a clear vision together. The various parts of our strategy are like building blocks in a house—all the parts are important and necessary for achieving long-term success.



Our segments and business areas

Remaining operations in Catella comprise three business areas which reports two segments: Corporate Finance and Asset Management, where the latter includes Property Investment Management and Equity, Hedge and Fixed Income Funds.*



Corporate Finance

Catella provides quality capital markets services to property owners and advisory services for all types of property-related transactions to various categories of property owners and investors. Operations are carried out on ten markets and offer local expertise about the property markets in combination with European reach.

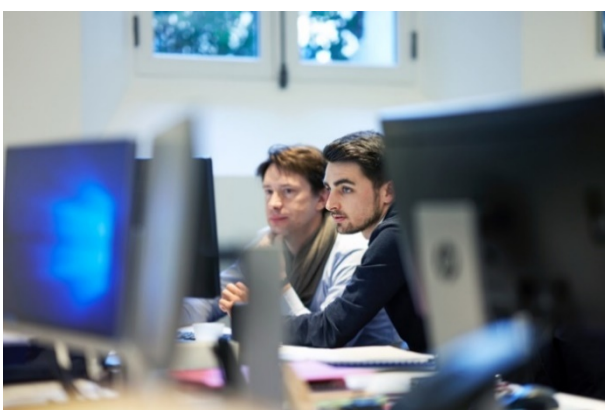
For more information about the business area, see page 11.



Property Investment Management

Catella is a market leader in property investments with a presence on ten markets around Europe. Professional investors are offered attractive, risk-adjusted returns through regulated property funds, asset management services and project management in the early phase of property development projects.

For more information about the business area, see page 12.



Equity, Hedge and Fixed Income Funds

Catella is an active and alternative asset manager. For private and institutional investors, Catella offers funds with active management and a Nordic investment focus. Catella also offer systematic management for institutional investors with a global focus.

For more information about the business area, see page 13.

*Catella has four business areas (operating segments under IFRS 8), of which Banking is reported as a disposal group held for sale (see Note 8), which are aggregated into two reportable segments that Catella terms Operating Segments. IFRS 8 permits that two or more operating segments may be aggregated to one, providing that they have similar accounting characteristics, and are also similar in terms of the character of products and services, the nature of production process, customer categories, distribution, and the extent to which operations, where applicable, are affected by various regulatory structures and risks. On this basis, Catella has defined Corporate Finance (consisting of the Corporate Finance operating segment) and Asset Management (consisting of the combined Property Investment Management, Equity, Hedge and Fixed Income Funds, and Banking operating segments), as the Group's reportable segments.

Comments on the Group's progress

Amounts are in SEK M unless otherwise indicated. Figures in tables and comments may be rounded.

Disposal group held for sale

The Banking business area is being wound down and has been reported as a disposal group held for sale in accordance with IFRS 5 from 30 September 2018. This means that in the Consolidated Income Statement, Banking's net profit (after tax) is reported on a separate line under period profit from disposal group held for sale. See Note 7 for more information on the disposal group held for sale.

Comparative figures for previous years for the Banking business area have been reported in a corresponding manner in the Consolidated Income Statement.

Net sales and results of operations

Second quarter 2020

The Group's total income for remaining operations was SEK 523 M (688) and net sales for remaining operations totalled SEK 499 M (677), of which SEK 104 M (165) related to Corporate Finance and SEK 398 M (514) to Asset Management. The reduction in income in Asset Management was derived from the Equity Hedge and Fixed Income Funds business area in its entirety, where fixed income more than halved year-on-year. Income in the Property Investment Management business area was in line with the previous year. Income from shares in associated companies amounted to SEK 11 M (5) in the quarter.

The Group's operating profit for remaining operations was SEK 39 M (164). The reduction in profit was derived from the Equity Hedge and Fixed Income Funds business area in its entirety. Comments on the progress of each business area can be found on pages 11-13.

The Group's net financial income/expense was SEK -17 M (-6), of which interest income was SEK 1 M (6) and interest expenses SEK 12 M (13). Net financial income also included realized losses of SEK 4 M (0) attributable to the divestment of shares in IPM Systematic Macro Fund and

realized profit of SEK 4 M (-5) from terminated currency forwards. Exchange rate differences for the period recognized in the Income Statement totalled SEK -5 M (10).

The Group's operating profit before tax for remaining operations was SEK 21 M (157).

Tax for the period was SEK -94 M (-44), and includes write-down of deferred tax assets of SEK 70 M. The write-down was due to more limited opportunities for tax offset in the Swedish operations as a result of the previously communicated divestment of 70% of the shares in the subsidiary Catella Fondförvaltning.

Profit for the period (after tax) from disposal group held for sale was SEK -76 M (-49) and related to the Banking business area. Profit was burdened by expected termination costs totalling SEK 55 M for the period until the process has been completed, a direct result of Catella's decision to conclude the operations of Catella Bank.

Profit in the period for the Group's total operations was SEK -149 M (64), of which SEK -147 M (38) was attributable to parent company shareholders. This corresponds to Earnings per share of SEK -1.66 (0.44).

First half-year 2020

Total income in the first half-year was SEK 1,027 M (1,142), and the Group's net sales were SEK 948 M (1,124). Other operating income include performance-based income of SEK 35 M derived from exiting a mandate in the Property Asset Management service area in the UK. Operating profit for remaining operations was SEK 111 M (226).

The Group's net financial income and expense was SEK -44 M (-23), of which interest income was SEK 3 M (11) and interest expenses SEK 24 M (25).

The valuation of long-term securities holdings and short-term investments at fair value resulted in a value adjustment of SEK -21 M (-1). Realised profit/loss from long-

term securities holdings and short-term investments totalled SEK -4 M (-1). In addition, realised profit/loss from terminated currency forwards intended to reduce exchange rate exposure amounted to SEK -1 M (-10). Exchange rate differences in the period totalled SEK 5 M (4).

Profit (after tax) from disposal group held for sale was SEK -89 M (61) in the first half-year 2020. The figure includes the final element of the additional purchase consideration from Advanzia Bank of SEK 30 M. In the previous year, the figure included income from the transfer of the Bank's Wealth Management operations, and fixed purchase consideration from the transfer of the card issuing operations to Advanzia Bank, totalling SEK 256 M.

Profit for the period for the Group's total operations was SEK -139 M (197), of which SEK -147 M (149) was attributable to Parent Company shareholders. This corresponds to Earnings per share of SEK -1.67 (1.72).

Significant events in the quarter

Impact of Covid-19

The outbreak of Covid-19 affects Catella negatively, and there is a risk of a significant financial impact on the Group. Given the uncertain situation, it is currently not possible to estimate the full potential impact on the Group over the coming quarters. We proceed from the assumption that the third quarter of 2020 will be characterized by significant uncertainty, affecting investor appetite for completing transactions and capital investments.

Catella revokes proposed dividend

Against the background of the coronavirus pandemic, the Board of Catella AB (publ) has decided to revoke the proposed dividend of SEK 0.90 per share, and proposes to the Annual General Meeting that no dividend be paid. The ambition was to convene an extraordinary general meeting during the second half of 2020 to address the matter of dividend.

Due to the future investments in the operating activities and future investments

as well as the uncertainty due to the pandemic, the Board intends not to convene an Extraordinary General Meeting during the second half of 2020 to address the matters of dividend.

Changes to Catella AB's (publ) Board and management

As of 11 May 2020, Johan Claesson was appointed interim CEO, Eva Bång interim CFO and Jan Roxendal interim Chairman. In June, Eva Bång announced her resignation from her position at her own request. She will remain in the role until 18 September. Eva Bång has worked as a consultant at Catella since March 2020.

Report from Annual General Meeting in Catella AB (publ)

Resolutions at Catella AB (publ)'s Annual General Meeting included:

- To adopt the Income Statement and Balance Sheet for the Parent Company and the consolidated Income Statement and consolidated Balance Sheet for 2019.
- Retained profits and net profit for the year to be carried forward.
- No dividend will be paid.
- Discharge Board members and the CEO from liability.
- The number of Board members shall be six (6) and no deputy board members are to be elected, and that one Auditor shall be elected.
- Directors' fees shall total SEK 2,370,000 (previous year SEK 2,370,000),
 - of which the Chairman shall receive SEK 570,000 (SEK 570,000) and other board members SEK 350,000 (SEK 350,000) each.
 - of which fees to the Chairman of the Audit Committee shall be SEK 130,000 (130,000) and SEK 100,000 (100,000) each to the other two members of the committee.
 - of which fees to the Chairman of the Remuneration Committee shall be SEK 40,000 (40,000) and SEK 30,000 (30,000) to the other member of the committee.
- the audit fee shall be payable in accordance with the approved invoice.

- Re-election of all existing Board members, Johan Claesson, Johan Damne, Joachim Gahm, Anna Ramel and Jan Roxendal [and election of Tobias Alsborger. Jan Roxendal was elected Chairman of the Board.
- PricewaterhouseCoopers AB was re-elected as the company's Auditor for a new term from the end of the AGM 2020 to the end of the AGM 2021.
- To adopt the Nomination Committee's proposals regarding principles for the Nomination Committee for the AGM 2021.
- To approve a resolution proposed by the Board regarding guidelines for remuneration to senior executives.

Termination of Catella's banking operations to be concluded

The Board of Catella AB (publ) decided to conclude the termination of operations in Catella Bank and aims to return the banking license to the supervisory authority in the first half of 2021. In the second quarter 2020, provisions of SEK 55 M were made to cover expected liquidation costs in the period until the process has been completed.

Catella enters partnership with Athanase which is acquiring a majority of Catella Fondförvaltning AB

Catella AB (publ) has entered a strategic partnership with Athanase Industrial Partner ("Athanase") with the aim of developing and improving the customer offering through Catella Fondförvaltning AB. Athanase is acquiring 70% of the shares in Catella Fondförvaltning AB ("CFF") for a cash purchase consideration of SEK 126-154 M depending on CFF's progress up until the completion of the transaction. The completion of the transaction is conditional on customary approvals from the Swedish Financial Supervisory Authority and CSSF in Luxembourg, which are expected to be received in the second half of 2020.

Write-down of deferred tax assets

In the second quarter 2020, Catella effected write-downs of deferred tax assets totalling SEK 70 M. The write-down was due to more limited opportunities for tax offset in the Swedish operations as a result

of the previously communicated divestment of 70% of the shares in the subsidiary Catella Fondförvaltning.

Catella invests in development of logistics properties in Norrköping

Catella is planning to invest just over SEK 500 M in the development of logistics properties in the municipality of Norrköping, alongside previous owners Royal Design. Catella's share of the investment amounts to SEK 250 M. The transaction should be viewed against the background of Catella's intention to create mutual fund products in areas such as logistics properties. The transaction is conditional on planning permission being granted.

Significant events after the end of the quarter

Catella completes transaction relating to Grand Central development project

As previously communicated, through its associated companies Catella has signed an agreement with the German property developer Consus RE AG (formerly known as CG Gruppe AG) regarding the divestment of the property development project Grand Central in Düsseldorf, Germany. The transaction was completed in August 2020, and will have a positive effect on profit after tax of some SEK 155 M in the third quarter 2020.

The total effect on profit after tax amounts to some SEK 170 M, of which SEK 15 M was recognized in the fourth quarter 2019.

New Chief Financial Officer appointed

Christoffer Abramson has been appointed Chief Financial Officer and member of Group Management at Catella AB (publ). Christoffer most recently comes from a role as CFO at EF Real Estate Holdings in Boston.

In his role within the EF Group, Christoffer has been involved in building a global Real Estate group based in the USA. Prior to that, he worked as an operating executive for various Private Equity-funds in London and Paris. Christoffer started his career at General Electric where he worked for 10 years in various roles, most recently as CFO of GE Real Estate in London.

Income Statement for remaining operations by operating segment in summary

SEK M	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
CORPORATE FINANCE						
Total income	105	166	214	270	653	709
Operating profit/loss	-3	15	-16	3	-43	62
Operating margin, %	-3	9	-7	1	7	9
ASSET MANAGEMENT						
Total income	408	520	798	871	1,616	1,689
Operating profit/loss	45	160	143	247	289	392
Operating margin, %	11	31	18	28	18	23
Equity-, Hedge and Fixed Income Funds						
Total income *	101	215	261	425	655	818
Operating profit/loss	-31	94	26	181	133	288
Operating margin, %	-30	44	10	43	20	35
Property Investment Management						
Total income *	308	305	537	446	961	871
Operating profit/loss	76	66	117	66	156	104
Operating margin, %	25	22	22	15	16	12
OTHER **						
Total income	10	1	15	1	36	22
Operating profit/loss	-4	-12	-16	-23	-25	-32
GROUP						
Total income	523	688	1,027	1,142	2,305	2,420
Operating profit/loss	39	164	111	226	307	422
Operating margin, %	7	24	11	20	13	17

* Includes internal income.
** Includes eliminations.

See Note 7 for information on the disposal group held for sale.

Selected key figures for remaining operations by operating segment

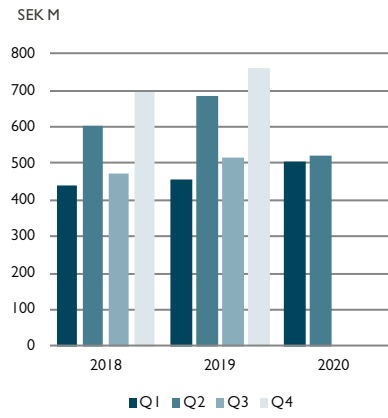
GROUP	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
Profit margin, %	-14	17	-5	12	-2	6
Return on equity, % *	-	-	-8	12	-	7
Equity/Asset ratio, %	-	-	34	40	-	36
Equity, SEK M *	-	-	884	948	-	943
No. of employees, at end of period	-	-	578	551	-	582
Earnings per share, SEK *	-0.81	1.01	-0.65	1.02	-0.87	0.79
Equity per share, SEK *	-	-	10.01	10.98	-	10.93
CORPORATE FINANCE						
Profit margin, %	-7	6	-11	-2	1	3
Return on equity, % *	-	-	14	21	-	70
Equity/Asset ratio, %	-	-	10	11	-	15
Equity, SEK M *	-	-	34	27	-	57
No. of employees, at end of period	-	-	209	216	-	214
Property transaction volume for the period, SEK Bn	4.5	10.2	15.4	15.3	50.8	50.7
ASSET MANAGEMENT						
Profit margin, %	6	21	11	19	11	15
Return on equity, % *	-	-	20	20	-	18
Equity/Asset ratio, %	-	-	63	61	-	60
Equity, SEK M *	-	-	1,004	983	-	967
No. of employees, at end of period	-	-	348	315	-	344
Asset under management at end of period, SEK Bn	-	-	148.6	202.2	-	171.3
net in-(+) and outflow(-) during the period, mdkr	-2.5	2.7	-15.2	3.3	-51.5	-33.0

* Attributable to shareholders of the Parent Company.

For more information about selected Key Performance Indicators that include disposal group held for sale, see Application of key performance indicators not defined by IFRS at the end of this document.

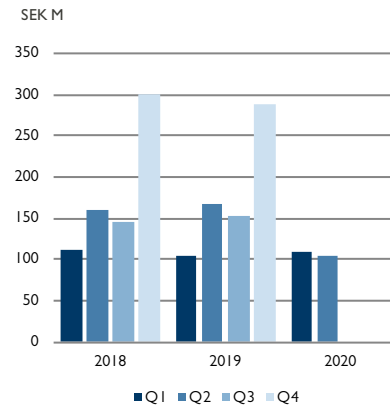
Group*

TOTAL INCOME



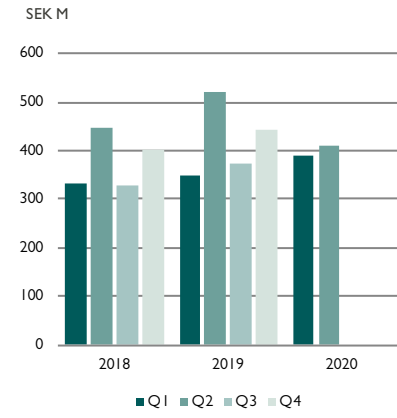
Corporate Finance

TOTAL INCOME

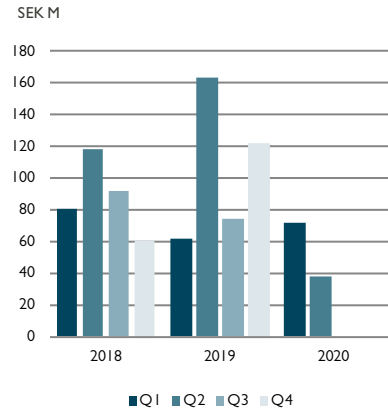


Asset Management*

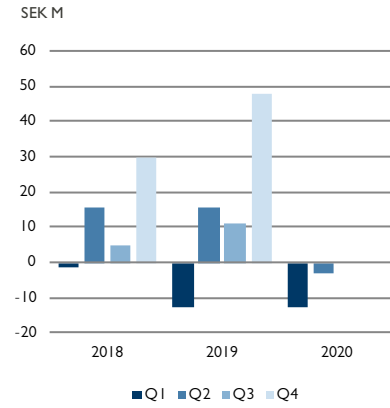
TOTAL INCOME



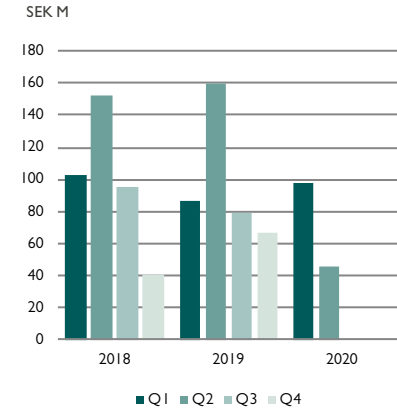
OPERATING INCOME



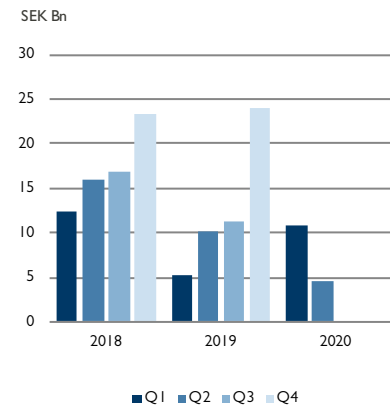
OPERATING INCOME



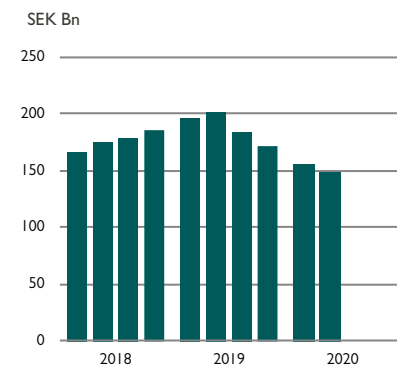
OPERATING INCOME



CATELLA'S PROPERTY TRANSACTION VOLUMES



CATELLA'S ASSETS UNDER MANAGEMENT



*Remaining operations

Corporate Finance

Second quarter 2020

The total transaction market for commercial property in Europe, excluding the UK, totalled EUR 40.6 Bn (62.0) in the quarter, which is a decrease of 35% year-on-year.

Property transactions where Catella served as advisor totalled SEK 5.0 Bn (15.4) in the quarter. Of the total transaction volumes in the quarter, France provided SEK 3.0 Bn (6.5), Sweden 2.0 Bn (6.4), Germany 0.1 Bn (1.1) and Denmark 0.0 Bn (0.0).

Total income was SEK 105 M (166), and total income, adjusted for assignment

costs, decreased by SEK 55 M and operating profit amounted to SEK -3 M (15), a decrease by SEK 18 M year-on-year.

Operating costs decreased by SEK 37 M, mainly due to lower variable personnel costs and personnel-related costs.

The Nordics recorded a weak quarter in year-on-year terms, with Sweden responsible for the majority of the reduction in income and profit. In Continental Europe, Germany and Spain provided the majority of the decrease in income and earnings in year-on-year terms. France recorded an increase in operating profit.

Catella's assessment is that transaction volumes will be deferred to the latter part

of the second half-year, which means that fewer market transactions are expected in the third quarter 2020. This is expected to impact business area income and profit negatively year-on-year.

First half-year 2020

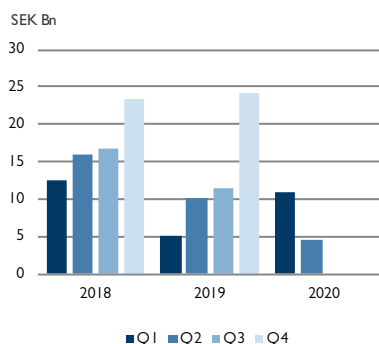
Transaction volumes in Europe, excluding the UK, totalled EUR 98.7 Bn (107.4) in the period, a reduction of 8% year-on-year. Catella's transaction volume in the period was SEK 17.0 bn (22.3).

Total income was SEK 214 M (270), and operating profit for the year was SEK -16 M (3) in the period.

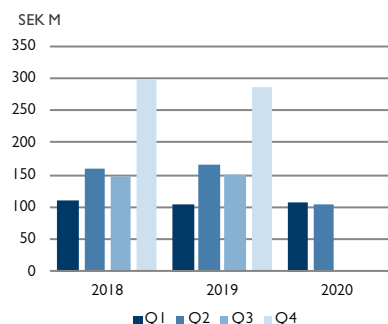
SEK M	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
INCOME STATEMENT—CONDENSED						
Nordic *	28	69	81	103	203	225
Continental Europe *	77	97	131	166	447	482
Total income	105	166	214	270	653	709
Assignment expenses and commission	-11	-17	-20	-26	-49	-55
Operating expenses	-97	-134	-209	-240	-561	-592
Operating profit/loss	-3	15	-16	3	43	62
KEY FIGURES						
Operating margin, %	-3	9	-7	1	7	9
Property transaction volume for the period, SEK Bn	5.0	15.4	17.0	22.3	64.9	70.2
of which Nordic	1.9	7.5	9.7	10.2	26.6	27.1
of which Continental Europe	3.1	7.9	7.4	12.1	38.4	43.1
No. of employees, at end of period	-	-	209	216	-	214

* Includes internal revenue between business areas. Internal revenue has been eliminated in the service area for the current period and for the corresponding period in 2019.

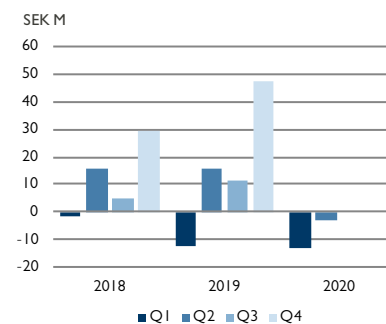
CATELLA'S PROPERTY TRANSACTION VOLUMES



TOTAL INCOME



OPERATING INCOME



Property Investment Management

Second quarter 2020

Assets under management increased by SEK 11.6 bn compared to the corresponding period of the previous year. The decrease on the previous quarter was SEK 2.0 Bn, net flows were SEK 4.4 Bn in the quarter. Assets under management measured in EUR increased by some 5% in the quarter.

Total income was SEK 308 M (305), and income after assignment costs amounted to SEK 240 M (216) in the quarter.

Property Funds' income was in line with the corresponding period of the previous year. This year too, Catella European Residential fund exceeded the levels required to receive performance-based fees, which SEK M

are shared with third parties. The lower assignment costs are partly due to Catella receiving a higher proportion of the performance-based fees compared to the previous year.

Property Asset Management's income increased by SEK 11 M year-on-year, mainly attributable to Property Asset Management's German operations, which exited a mandate. Income growth was dampened by more limited invoicing by Project Management compared to the previous year.

Operating costs were affected by increased personnel costs related to aggressive initiatives implemented in the business area.

Operating profit was SEK 76 M (66), mainly driven by Property Funds.

We do not perceive any significant impact of the pandemic on business area income and profit in the third quarter 2020 in year-on-year terms.

First half-year 2020

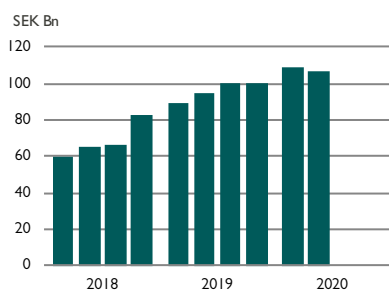
Catella's assets under management in the business area increased by SEK 6.1 Bn in the period, totalling SEK 106.5 Bn at the end of the period.

Total income was SEK 537 M (446), and operating profit for the year was SEK 117 M (66).

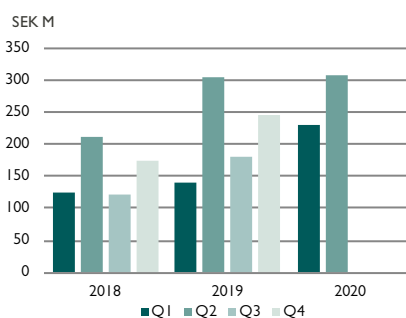
INCOME STATEMENT—CONDENSED	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
Property Funds *	240	237	384	342	656	613
Property Asset Management *	91	80	191	127	370	306
Total income	308	305	537	446	961	871
Assignment expenses and commission	-68	-89	-103	-121	-171	-189
Operating expenses	-164	-150	-316	-259	-635	-577
Operating profit/loss	76	66	117	66	156	104
KEY FIGURES						
Operating margin, %	25	22	22	15	16	12
Asset under management at end of period, SEK Bn	-	-	106.5	94.9	-	100.5
net in-(+) and outflow(-) during the period, mdkr	4.4	4.7	7.1	9.1	10.5	12.5
of which Property Funds	-	-	66.3	55.1	-	61.5
net in-(+) and outflow(-) during the period, mdkr	1.8	2.4	3.9	5.1	9.7	10.8
of which Property Asset Management	-	-	40.2	39.8	-	39.0
net in-(+) and outflow(-) during the period, mdkr	2.5	2.3	3.2	4.1	0.8	1.7
No. of employees, at end of period	-	-	256	222	-	251

* Includes internal revenue between business areas. Internal revenue has been eliminated in the service area for the current period and for the corresponding period in 2019.

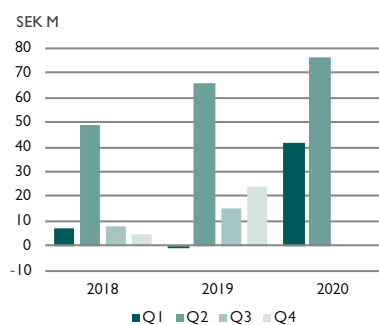
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING INCOME



Equity, Hedge and Fixed Income Funds

Second quarter 2020

During the second quarter 2020, Catella entered into a strategic partnership to divest 70 percent of the shares in Catella Fondförvaltning AB (Mutual Funds).

The business area's assets under management decreased by SEK 37.9 Bn, adjusted for the product Systematic Equity, in year-on-year terms. The decrease on the previous quarter was SEK 5.7 Bn. In the quarter, net flows were SEK -2.4 bn in Mutual Funds and SEK -4.4 bn in Systematic Funds. The Covid-19 outbreak affects Catella negatively by fund withdrawals. Catella has ensured that products remain liquid and has not needed to close any funds to date. SEK M

Total income was SEK 101 M (215) in the quarter, a decrease of SEK 114 M in year-on-year terms, driven by lower fixed income, mainly in Systematic Funds. Total income in the quarter solely comprised fixed income.

Assignment costs and commission decreased due to lower fixed income in the business area.

Operating costs increased year-on-year, mainly driven by increased variable personnel and consultancy costs, and costs associated with the divestment of Mutual Funds.

Operating profit was SEK -31 M (94).

As a result of lower assets under management, business area income and profit

is expected to decrease significantly in the third quarter 2020 compared to the previous year.

First half-year 2020

Catella's assets under management in the business area decreased by SEK 28.8 Bn in the period, totalling SEK 42.1 Bn at the end of the period.

Total income was SEK 261 M (425), and operating profit for the year was SEK 26 M (181).

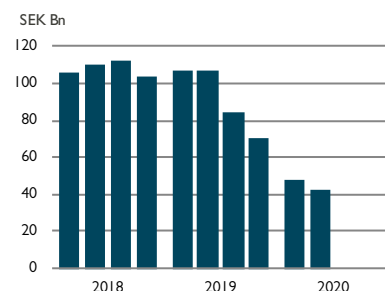
Variable earnings** in Systematic Funds totalled SEK 0 M at the end of the period.

INCOME STATEMENT—CONDENSED	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
Mutual Funds *	41	64	101	123	221	243
Systematic Funds *	60	151	160	302	434	576
Total income	101	215	261	425	655	818
Assignment expenses and commission	-21	-33	-47	-69	-113	-135
Operating expenses	-110	-88	-187	-174	-409	-395
Operating profit/loss	-31	94	26	181	133	288
KEY FIGURES						
Operating margin, %	-30	44	10	43	20	35
Asset under management at end of period, SEK Bn	-	-	42.1	107.3	-	70.8
net in-(+) and outflow(-) during the period, mdkr	-6.9	-2.0	-22.3	-5.8	-61.9	-45.5
of which Mutual Funds	-	-	20.0	29.2	-	29.0
net in-(+) and outflow(-) during the period, mdkr	-2.4	-1.2	-6.7	-2.4	-8.3	-4.1
of which Systematic Funds	-	-	22.1	78.1	-	41.9
net in-(+) and outflow(-) during the period, mdkr	-4.4	-0.7	-15.6	-3.4	-53.6	-41.4
No. of employees, at end of period	92	93	92	93	-	93

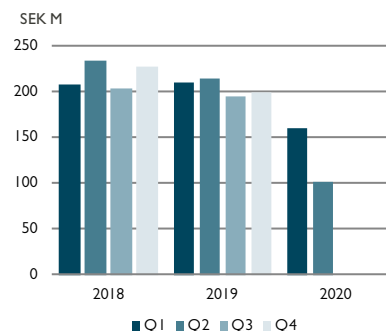
* Includes internal revenue between business areas. Internal revenue has been eliminated in the service area for the current period and for the corresponding period in 2019.

**From 1 January 2018, Systematic Funds has transferred to annual settlement for all products, which means that variable earnings can only be settled and recognized at year end. Variable earnings calculated on Systematic Macros' performance-based management fee. In order for the performance-based management fee to be settled at year end, and recognized for profit/loss, returns must be higher than comparative indices and the most recent level settled (High watermark).

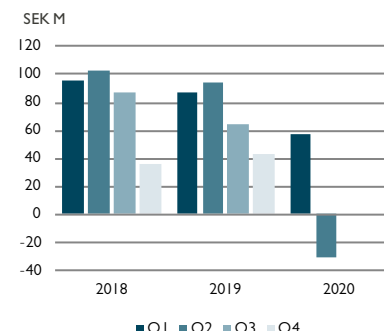
ASSETS UNDER MANAGEMENT



TOTAL INCOME



OPERATING INCOME



Other financial information

The Group's financial position

In June 2020, Catella entered and agreement with Athanase Industrial Partner regarding the transfer of 70% of the shares in Catella Fondförvaltning AB. The transaction, which is subject to approval from the authorities, is expected to be completed in the second half-year 2020. From 30 June 2020, Catella Fondförvaltning reports according to IFRS 5, which means that the subsidiary's assets and liabilities are recognized on separate lines under Assets held for sale and Liabilities held for sale. Comparative figures from earlier years relating to the fund's assets and liabilities have not been reclassified in this way.

In the second quarter, the Group's total assets decreased by SEK 158 M and amounted to SEK 3,891 M as of 30 June 2020. Exchange rate fluctuations in EUR/SEK and GBP/SEK were particularly significant in the period, which had a substantial impact on the consolidated Balance Sheet. For example, the Group's intangible assets decreased by SEK 26 M as a result of a stronger SEK against the EUR and GBP.

According to IAS 12, "Income Taxes", deferred tax assets relating to tax loss carry-forwards are recognised to the extent it is probable that future taxable profits will be available. In accordance with this standard, Catella recognized a deferred tax asset of SEK 1 M as of 30 June 2020 (SEK 78 M as of 31 March 2020) from remaining operations. The decrease of SEK 77 M in the second quarter was mainly due to the write-down of SEK 70 M resulting from limited opportunities for tax offset in the Swedish operations due to the previously communicated divestment of 70% of the shares in the subsidiary Catella Fondförvaltning. The Group had total loss carry-forwards amounting to SEK some 1,210 M.

Catella has issued a total of SEK 750 M in unsecured bonds which accrue variable interest of 3-month STIBOR plus 400 b.p. The loan matures in June 2022.

As a result of Covid-19, and the negative financial impact the pandemic is having on a majority of businesses, the Group's

French and Spanish subsidiaries have been granted government-guaranteed loans from credit institutions on favourable terms. As of 30 June 2020, these loans totalled SEK 101 M and were recognized under Long-term borrowing from credit institutions.

The Group also has an overdraft facility of SEK 30 M, of which SEK 30 M was utilized as of as of 30 June 2020.

In the second quarter, the Group's equity decreased by SEK 218 M, amounting to SEK 1,584 M as of 30 June 2020. Consolidated equity was also driven by losses in the period of SEK 149 M, negative exchange rate differences of SEK 63 M, and by positive fair value changes in financial assets, recorded in 'Other comprehensive income' of SEK 10 M. In addition, Equity in the second quarter was affected by transactions with non-controlling holdings of SEK 16 M, of which SEK 15 M related to dividend and the remaining amount share of profit for the period. As of 30 June 2020, the Group's equity/assets ratio was 41% (45% as of 31 March 2020).

Consolidated cash flow

The comments below relate to total Group operations, remaining operations and disposal group held for sale, unless otherwise indicated. Assets held for sale and Liabilities held for sale have been included in remaining operations.

Second quarter 2020

Consolidated cash flow from operating activities before changes in working capital amounted to SEK -16 M (33), of which SEK 14 M was attributable to remaining operations and SEK -30 M to the Banking operations. Tax paid totalled SEK 15 M (107) in the period.

Consolidated cash flow from operating activities was SEK 61 M (267), of which changes in working capital comprised SEK 77 M (234) in the period. Of the changes in working capital, SEK -41 M (180) was attributable to banking operations and SEK 118 M (54) to other operations.

Cash flow from investing activities amounted to SEK -40 M (-37) and included additional investments in Kaktus, totalling SEK 67 M. Furthermore, IPM completed new investments totalling SEK 23 M in Catella's proprietary IPM Systematic Macro Fund, while earlier investments in the fund totalling SEK 35 M were divested. Terminated currency forwards generated outflows of SEK 5 M in the period.

Cash flow from financing activities amounted to SEK 109 M (-150), of which SEK 101 M related to government-guaranteed Covid-19 loans from credit institutions on favourable terms raised by the Group's French and Spanish subsidiaries. In addition, the subsidiary Kaktus I TopCo raised a further SEK 35 loan for its property development project. Amortisation of lease liabilities totalled SEK 13 M and dividend to non-controlling holdings was SEK 15 M.

Cash flow for the period amounted to SEK 131 M (80), of which cash flow from remaining operations was SEK 202 M (-34) and cash flow from disposal group held for sale was SEK -71 M (114).

Cash and cash equivalents at the end of the period were SEK 1,565 M (1,372), of which cash and cash equivalents relating to remaining operations were SEK 1,040 M (677) and cash and cash equivalents reported under Assets in disposal group held for sale were SEK 469 M (695) and cash and cash equivalents reported under Assets held for sale amounted to SEK 55 M (-).

First half-year 2020

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 7 M (-14), of which SEK 67 M was attributable to remaining operations and SEK -60 M to the Banking operations. Tax paid totalled SEK 48 M (174) in the period.

Consolidated cash flow from operating activities was SEK -22 M (-1,972), of which changes in working capital comprised SEK -30 M (-1,958) in the period. Of the changes in working capital, SEK -101 M

was (-2,044) attributable to banking operations and SEK 71 M (86) to other operations. The sharp decrease in the bank's working capital in the previous year was due to transfers of the Wealth Management operations in Luxembourg and Sweden.

Cash flow from investing activities was SEK 27 M (192) and include payment of the full additional purchase consideration from Advanzia Bank of SEK 135 M and commission of SEK 4 M. Furthermore, additional investments in Kaktus amounted to SEK 107 M. Terminated currency forwards generated inflows of SEK 5 M in the period.

Cash flow from financing activities amounted to SEK 186 M (-155), of which Covid-19 loans raised totalled SEK 101 M and loans raised for the Kaktus property development project were SEK 116 M. Amortisation of lease liabilities totalled SEK 28 M and dividend to non-controlling holdings was SEK 15 M. Cash flow from financing activities also included payment received of SEK 15 M from warrant holders for the subscription of new Class B shares in Catella AB, and a payment of SEK 1 M relating to the re-purchase of warrants.

Cash flow for the period amounted to SEK 190 M (-1,934), of which cash flow from remaining operations was SEK 220 M (-23) and cash flow from disposal group held for sale was SEK -30 M (-1,911).

Parent Company

First quarter 2020

Catella AB (publ) is the Parent Company of the Group. Group Management and other central Group functions are gathered into the Parent Company.

The Parent Company recognised income of SEK 12.0 M (4.6) and operating profit/loss for the quarter of SEK -10.2 M (-15.7). The improved operating profit was due to internal invoicing of legal and consulting costs attributable to concluded and current projects, while profit was simultaneously burdened by redundancy costs.

The Parent Company's net financial income/expense totalled SEK 14.7 M (-26.0), of which SEK -26.2 M (0) related to

unrealized positive value changes on derivatives, and SEK -3.8 M (17.7) related to realized losses on derivatives. In May 2018,

the Parent Company started currency hedging using derivatives. The purpose of the hedging of EUR 60 M was to reduce the exchange rate risk in Catella's exposure in EUR. Net financial income/expense also include interest and arrangement costs for bond loans totalling SEK 9.0 M (8.2)

Profit/loss before tax and profit/loss for the period was SEK 4.5 M (-41.8).

Cash and cash equivalents in Catella's transaction account in the Group's cash pool with a Swedish credit institute are reported as Current receivables with Group companies. On the reporting date, this item totalled SEK 93.1 M.

At the end of the period, there were 13 (12) employees in the Parent Company, expressed as full-time equivalents.

First half-year 2020

Total income was SEK 16.7 M (9.2), and operating profit for the year was SEK -26.7 M (-24.9) in the period. Financial items amounted to SEK -11.9 M (-40.3), and profit before tax and also profit for the period was SEK -38.5 M (-65.3).

Employees

The number of employees in remaining units, expressed as full-time equivalents, was 578 (551), of which 209 (216) were employed in the Corporate Finance operating segment, 348 (315) in the Asset Management operating segment and 21 (20) in other functions.

The number of employees in the disposal group held for sale (Banking) was 28 (96) at period end.

At the end of the period, there were 605 (646) employees, expressed as full-time equivalents.

Share capital

As of 30 June 2020, Catella's registered share capital was SEK 177 M (173), divided between 88,348,572 shares (86 281 905). The quotient value per share is 2. Share capital is divided between two share classes with different voting rights. 2,530,555 Class A shares with 5 votes per share, and 85 818 017 Class B shares with 1 vote per share.

In March 2020, warrant holders exercised 2,066,667 warrants to subscribe for an equal number of new shares at a price of SEK 7.20 per share. The new Class B shares were registered with the Swedish

Companies Registration Office on 6 May 2020. In March, Catella repurchased 100,000 warrants from a key person and 266,667 warrants held in treasury expired without being utilised.

There were no remaining warrants in Catella AB as of 30 June 2020.

Shares

Catella is listed on Mid Cap on Nasdaq Stockholm, trading under the ticker symbols CAT A and CAT B. The price of Catella's Class B share was SEK 20.50 (26.05) as of 30 June 2020. Total market capitalization at the end of the period was SEK 1,816 M (2,251).

Shareholders

Catella had 8,710 (7,269) shareholders registered at the end of the period. The principal shareholder on 30 June 2020 was the Claesson & Anderzén Group with 49.4% (48.3) of the capital and 48.8% (47.8) of the votes, followed by Strawberry Capital with 5.2% (4.2) of the capital and 5.3% (4.4) of the votes.

Dividend

Catella's aim is to transfer the Group's profit after tax to shareholders to the extent it is not considered necessary for developing the Group's operating activities and considering the company's strategy and financial position. Adjusted for profit-related unrealized value increases, at least 50% of the Group's profit after tax will be transferred to shareholders over time.

Against the background of the coronavirus pandemic, the Board of Catella AB (publ) has decided to revoke the proposed dividend of SEK 0.90 per share, and proposes to the Annual General Meeting that no dividend be paid. Due to the future investments in the operating activities and future investments as well as the uncertainty due to the pandemic, the Board intends not to convene an Extraordinary General Meeting during the second half of 2020 to address the matter of dividend.

Risks and uncertainties

Catella is affected by progress on the financial markets. The Corporate Finance operation is affected by the market's willingness to execute transactions, which in turn, is determined by the macroeconomic

environment and the availability of debt financing.

Asset Management is affected by market progress on Nordic stock exchanges and progress on the property market.

The outbreak of Covid-19 affects Catella negatively, and there is a risk of a significant financial impact on the Group. Given the uncertain situation, it is currently not possible to estimate the full potential impact on the Group over the coming quarters. Group management assumes that the third quarter of 2020 will be characterized by significant uncertainty, affecting investor appetite for completing transactions and capital investments.

A number of companies in the Catella Group conduct operations that are under the supervision of regulatory financial authorities on their respective domestic markets. Existing regulatory frameworks and rapid regulatory changes are complex in general, and specifically with regard to banking operations. These regulatory framework place stringent, and in future even more stringent, demands on the routines and procedures, and liquidity and capital reserves, of the operations under supervision. Compliance with these regulatory frameworks is a pre-condition for conducting operations subject to supervision. Catella continuously seeks to ensure compliance with existing regulatory frameworks and to prepare for future compliance with coming regulatory changes.

The preparation of financial statements requires the Board of Directors and Group management to make estimates and judgements of the value of loan portfolios, goodwill, trademarks and brands, as well as assumptions concerning revenue recognition. Estimates and judgements affect the Group's Income Statement and financial position, as well as disclosures regarding contingent liabilities, for example. See Note 4 in the Annual Report 2019 for significant estimates and judgements. Actual outcomes may differ from these estimates and judgements, due to other circumstances or changed conditions.

Catella has investments in property development projects in Germany, Denmark and France. Investments primarily take place through associated companies but also through subsidiaries. The projects are run by Catella's German, Danish and

French subsidiaries. Catella intends to invest and complete projects with the aim of investing in future fund structures created by Catella. The investments include the risk that associated companies are forced to choose between continuing to invest in late stages of projects, run the projects to completion or leaving the project and losing the invested capital.

During 2019, Catella decided to initiate the construction phase for the Danish project Kaktus, and complete the project in order to realize the maximum potential for Catella's shareholders. The decision implies an increased investment commitment from Catella and has implied a re-classification of the holding in the property development company Kaktus 1 TopCo ApS from a holding in an associated company to shares in a subsidiary with full consolidation of Kaktus's Income Statement and Balance Sheet. The aforementioned risks apply to all property development projects that Catella invests in (see Note 3).

Seasonal variations

Within the Corporate Finance operating segment, seasonal variations are significant. This means that sales and results of operations vary during the year. In Corporate Finance, transaction volumes are usually highest in the fourth quarter, followed by the second quarter, the third quarter and finally the first quarter.

Accounting principles

This Interim Report has been prepared in compliance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The Consolidated Financial Statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as endorsed by the EU, the Annual Accounts Act and RFR 1 Complementary Accounting Rules for Groups issued by RFR, the Swedish Financial Reporting Board.

The Parent Company's financial statements were prepared in accordance with the Swedish Annual Accounts Act and Recommendation RFR 2 Accounting for legal entities, issued by RFR, the Swedish Financial Reporting Board.

In June 2020, Catella entered and agreement with Athanase Industrial Partner regarding the transfer of 70% of the shares

in Catella Fondförvaltning. The transaction, which is subject to approval from the authorities, is expected to be completed in the second half-year 2020. Accordingly, from 30 June 2020, Catella Fondförvaltning reports according to IFRS 5, which means that the subsidiary's assets and liabilities are recognized on separate lines under Assets held for sale and Liabilities held for sale. Comparative figures from earlier years relating to the fund's assets and liabilities have not been reclassified in this way. Reporting is based on the mutual funds company not comprising a significant operational area for the Group. The Income Statement of the mutual fund is not subject to separate disclosure requirements and is included in the Consolidated Income Statement until the buyer takes possession of the shares.

The information provided in Note 8 regarding the consolidated situation, relating to parts of Catella's operations, has been prepared in accordance with the Group's accounting policies and the Annual Accounts for Credit Institutions and Securities Companies Act.

The Group's and Parent Company's key accounting principles are presented in Catella's Annual Report for 2019. Figures in tables and comments may be rounded.

Related party transactions

Catella holds shares in associated companies Nordic Seeding GmbH and Grand Central Beteiligungs GmbH, whose other owners are the Claesson & Anderzén group and the management of Catella Project Management GmbH. Catella's total net investment in both companies amounted to SEK 85 M as of 30 June 2020. For more information, see Note 3 of this report and Notes 20 and 37 in the Annual Report 2019.

Catella's German subsidiary Catella Project Management GmbH operated the property development projects within associated companies Nordic Seeding GmbH and Grand Central Beteiligungs GmbH. Furthermore, Catella's French subsidiary Catella Logistic Europe SAS (CLE) operates property development projects through a number of associated companies. No part of the fees levied for services rendered that CPM and CLE invoice associated companies have been eliminated in Catella's Consolidated Income Statement

as associated companies fall outside Catella's associated enterprises.

Stockholm, Sweden, 21 August 2020
Catella AB (publ)

Forecast

Catella does not publish forecasts.

Financial calendar

Interim Report January–September 2020

12 November 2020

Year-end Report 2020

25 February 2021

Jan Roxendal, Board Chairman

For further information, contact

Johan Claesson, interim CEO and President

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Johan Damne, Board member

More information on Catella and all financial reports are available at catella.com.

The information in this report is mandatory for Catella AB to publish in accordance with EU's Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted to the market, through the agency of the below contact, for publication on 21 August 2020 at 07:00 a.m. CET.

Joachim Gahm Board member

Anna Ramel, Board member

The undersigned certify that this Interim Report provides a fair overview of the performance of the Parent Company's and the Group's operations, financial position and results of operations, and describe the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Tobias Alsborger, Board member

Johan Claesson, Acting CEO and President

Consolidated Income Statement

SEK M	Note	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	2019 Jan-Dec
Net sales		499	677	948	1,124	2,353
Other operating income		24	11	78	18	67
Total income		523	688	1,027	1,142	2,420
Assignment expenses and commission		-100	-136	-170	-213	-372
Other external expenses		-95	-107	-208	-208	-451
Personnel costs		-252	-252	-471	-441	-1,043
Depreciation		-26	-30	-51	-57	-128
Other operating expenses		-12	1	-15	3	-4
Operating profit/loss		39	164	111	226	422
Interest income		1	6	3	11	13
Interest expenses		-12	-13	-24	-25	-49
Other financial items		-6	1	-23	-10	-103
Financial items—net		-17	-6	-44	-23	-138
Profit/loss before tax		21	157	67	203	284
Tax		-94	-44	-117	-67	-135
Profit for the period from continuing operations		-73	114	-49	136	148
Operations held for sale:						
Profit for the period from divestment group held for sale	7	-76	-49	-89	61	45
Net profit/loss for the period		-149	64	-139	197	193
Profit/loss attributable to:						
Shareholders of the Parent Company		-147	38	-147	149	113
Non-controlling interests		-2	27	9	49	80
		-149	64	-139	197	193
Earnings per share attributable to shareholders of the Parent Company, SEK						
Continuing operations						
- before dilution		-0.81	1.01	-0.65	1.02	0.79
- after dilution		-0.81	0.99	-0.65	0.99	0.77
Divestment groups held for sale						
- before dilution		-0.86	-0.57	-1.01	0.71	0.52
- after dilution		-0.86	-0.56	-1.01	0.69	0.51
Total operations						
- before dilution		-1.66	0.44	-1.67	1.72	1.31
- after dilution		-1.66	0.43	-1.67	1.68	1.28
No. of shares at end of the period		88,348,572	86,281,905	88,348,572	86,281,905	86,281,905
Average weighted number of shares after dilution		88,348,572	87,996,972	88,424,995	88,718,244	88,382,173

Consolidated Statement of Comprehensive Income

SEK M	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	2019 Jan-Dec
Net profit/loss for the period	-149	64	-139	197	193
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Value change in defined benefit pension plans	0	0	0	0	1
Items that will be reclassified subsequently to profit or loss:					
Fair value changes in financial assets through other comprehensive income	10	7	4	19	26
Hedging of net investment	31	-9	0	-14	-7
Translation differences	-94	7	-11	40	40
Other comprehensive income for the period, net after tax	-53	5	-8	45	59
Total comprehensive income/loss for the period	-201	70	-146	242	252
Profit/loss attributable to:					
Shareholders of the Parent Company	-197	43	-155	193	171
Non-controlling interests	-5	27	8	50	81
	-201	70	-146	242	252

Information on Income Statement by operating segment is in Note 1.

Consolidated Statement of Financial Position - condensed

SEK M	Note	2020 30 Jun	2019 30 Jun	2019 31 Dec
ASSETS				
Non-current assets				
Intangible assets		600	648	627
Contract assets		173	266	183
Property, plant and equipment		25	28	25
Holdings in associated companies	3	112	157	92
Other non-current securities	3, 4, 5	227	345	261
Deferred tax receivables		1	81	78
Other non-current receivables		6	6	6
		1,143	1,530	1,272
Current assets				
Development and project properties		444	0	336
Accounts receivable and other receivables		428	651	684
Current investments	3, 4, 5	67	133	124
Cash and cash equivalents *		1,040	677	881
		1,980	1,461	2,026
Assets held for sale				
Assets in divestment groups held for sale	7	139	-	-
		629	959	759
		2,748	2,420	2,785
Total assets		3,891	3,950	4,057
EQUITY AND LIABILITIES				
Equity				
Share capital		177	173	173
Other contributed capital		289	280	280
Reserves		53	48	61
Profit brought forward including net profit for the period		862	1,044	1,009
Equity attributable to shareholders of the Parent Company		1,381	1,544	1,522
Non-controlling interests		204	228	214
Total equity		1,584	1,772	1,736
Liabilities				
Non-current liabilities				
Borrowings from credit institutions		429	1	213
Bond issue		749	745	747
Contract liabilities		134	267	138
Deferred tax liabilities		24	29	27
Other provisions		54	52	61
		1,389	1,094	1,186
Current liabilities				
Contract liabilities		45	0	52
Accounts payable and other liabilities		575	569	772
Tax liabilities		40	49	22
		660	617	846
Liabilities held for sale				
Liabilities in disposal groups held for sale	7	59	-	-
		198	467	289
		918	1,084	1,135
Total liabilities		2,306	2,178	2,321
Total equity and liabilities		3,891	3,950	4,057
* Of which pledged and blocked liquid funds		50	98	97

Information on Income Financial Position by operating segment is in Note 2.

Consolidated Statement of Cash Flows

SEK M	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	2019 Jan-Dec
Cash flow from operating activities					
Profit/loss before tax	-55	98	-20	297	385
Reclassification and adjustments for non-cash items:					
Wind down expenses	55	0	56	42	24
Other financial items	-6	4	-6	-233	-203
Depreciation	27	31	52	58	130
Impairment / reversal of impairment of current receivables	0	7	3	10	8
Change in provisions	-9	-1	-8	-1	8
Reported interest income from loan portfolios	-1	-4	-2	-9	-11
Profit/loss from participations in associated companies	-10	-5	-19	-7	-25
Personnel costs not affecting cash flow	-2	10	-1	3	32
Paid income tax	-15	-107	-48	-174	-277
Cash flow from operating activities before changes in working capital	-16	33	7	-14	71
Cash flow from changes in working capital					
Increase (-)/decrease (+) of operating receivables	122	450	358	1,542	1,511
Increase (+) / decrease (-) in operating liabilities	-45	-216	-388	-3,500	-3,416
Cash flow from operating activities	61	267	-22	-1,972	-1,834
Cash flow from investing activities					
Purchase of property, plant and equipment	-4	-1	-5	-3	-5
Divestment of tangible fixed assets	0	1	0	1	1
Purchase of intangible assets	-3	-3	-3	-6	-16
Business transfers net of advisory costs	1	-2	132	247	245
Purchase of and additional investments in associated companies	0	-26	-	-29	-34
Investments in development and project properties	-40	0	-107	-	-45
Purchase of financial assets	-25	-34	-34	-45	-101
Sale of financial assets	30	24	43	20	74
Cash flow from loan portfolios	-0	4	-0	6	28
Cash flow from investing activities	-40	-37	27	192	148
Cash flow from financing activities					
Re-purchase of share warrants	0	0	-1	-4	-4
New share issue	0	0	15	18	18
Borrowings	138	-4	218	-4	1
Amortisation of leasing debt	-13	-14	-28	-31	-53
Dividend	-15	-104	-18	-104	-104
Transactions with, and payments to, non-controlling interests	0	-28	-	-31	-103
Cash flow from financing activities	109	-150	186	-155	-245
Cash flow for the period	131	80	190	-1,934	-1,931
Cash and cash equivalents at beginning of period	1,494	1,261	1,378	3,234	3,234
Exchange rate differences in cash and cash equivalents	-60	31	-4	72	75
Cash and cash equivalents at end of the period * **	1,565	1,372	1,565	1,372	1,378
Of which cash flow from divestment groups held for sale:					
Cash flow from operating activities	-71	95	-161	-2,180	-2,381
Cash flow from investing activities	-0	19	131	268	266
Cash flow from financing activities	0	0	0	0	0
Cash flow for the period from divestment groups held for sale	-71	114	-30	-1,911	-2,115
* Of which cash and cash equivalents recognised in Assets in disposal groups held for sale	469	695	469	695	497
** Of which cash and cash equivalents recognised in Assets held for sale	55	-	55	-	-

SEK 469 M of the Group's cash and cash equivalents is related to Catella Bank, and pursuant to the regulations and rules Catella Bank is regulated by, the rest of Catella Group does not have access to Catella Bank's liquidity.

Consolidated Statement of Changes in Equity

SEK M	Equity attributable to shareholders of the Parent Company							
	Share capital	Other contributed capital *	Fair value reserve	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests **	Total equity
Opening balance at 1 January 2020	173	280	48	13	1,009	1,522	214	1,736
Comprehensive income for January - June 2020:								
Net profit/loss for the period					-147	-147	9	-139
Other comprehensive income, net of tax			4	-11		-7	0	-8
Comprehensive income/loss for the period			4	-11	-147	-155	8	-146
Transactions with shareholders:								
Transactions with non-controlling interests					0	0	-19	-19
Re-purchase of warrants issued		-1				-1		-1
New share issue during registration	4	11				15		15
Closing balance at 30 June 2020	177	289	51	2	862	1,381	204	1,584

* Other capital contributed pertains to reserve funds in the Parent Company.

** Holdings in non-controlling interests are attributable to minority holdings in subsidiaries in Systematic Funds and Property Funds, and several subsidiaries in Property Asset Management and Corporate Finance.

In the first quarter 2020, 2,066,667 warrants were utilised to subscribe for an equal number of Class B shares in Catella AB at a price of SEK 7.20 per share, and 100,000 warrants were repurchased from a key person. In addition, 266,667 warrants held in treasury expired without being utilised. There were no outstanding warrants remaining in Catella AB after these transactions. In the Consolidated Accounts, the repurchase of share warrants is reported under other contributed capital to the extent it consists of non-restricted equity, and the remainder against retained earnings.

SEK M	Equity attributable to shareholders of the Parent Company							
	Share capital	Other contributed capital *	Fair value reserve	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests **	Total equity
Opening balance at 1 January 2019	168	270	22	-19	1,000	1,442	205	1,647
Comprehensive income for January - June 2019:								
Net profit/loss for the period					149	149	49	197
Other comprehensive income, net of tax			19	25		44	1	45
Comprehensive income/loss for the period			19	25	149	193	50	242
Transactions with shareholders:								
Transactions with non-controlling interests					-2	-2	-27	-29
Re-purchase of warrants issued		-4				-4		-4
New share issue during registration	4	14				18		18
Dividend					-104	-104		-104
Closing balance at 30 June 2019	173	280	41	6	1,044	1,544	228	1,772

* Other capital contributed pertains to reserve funds in the Parent Company.

** Holdings in non-controlling interests are attributable to minority holdings in subsidiaries in Systematic Funds and Property Funds, and several subsidiaries in Property Asset Management and Corporate Finance.

In March 2019, warrant holders exercised 2,166,667 warrants to subscribe for an equal number of new shares at a price of SEK 8.40 per share. The new Class B shares were issued on 8 April 2019 by registration with the Swedish Companies Registration Office. In the first quarter, 200,000 warrants were re-purchased due to Group Management changes in Catella AB. In the Consolidated Accounts, the repurchase of share warrants is reported under other contributed capital to the extent it consists of non-restricted equity, and the remainder against retained earnings. No warrant transactions took place in the second quarter. As of 30 June 2019, the parent company had a total of 2,333,334 warrants outstanding, of which 166,667 in treasury.

Note I Income Statement by Operating Segment

SEK M	Note	Corporate Finance		Asset Management		Other		Group	
		2020	2019	2020	2019	2020	2019	2020	2019
		Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun	Apr-Jun
Net sales		104	165	398	514	-2	-3	499	677
Other operating income		1	1	10	6	12	4	24	11
Total income		105	166	408	520	10	1	523	688
Assignment expenses and commission		-11	-17	-89	-122	0	3	-100	-136
Other external expenses		-26	-40	-62	-68	-8	1	-95	-107
Personnel costs		-67	-90	-174	-148	-10	-14	-252	-252
Depreciation		-6	-5	-17	-22	-3	-4	-26	-30
Other operating expenses		2	1	-21	-0	7	1	-12	1
Operating profit/loss		-3	15	45	160	-4	-12	39	164
Interest income		0	1	0	0	1	5	1	6
Interest expenses		-3	-2	-2	-4	-7	-7	-12	-13
Other financial items		-1	0	2	-3	-8	3	-6	1
Financial items—net		-3	-1	-0	-6	-14	1	-17	-6
Profit/loss before tax		-6	14	45	154	-18	-11	21	157
Tax		-1	-3	-21	-42	-72	2	-94	-44
Profit for the period from continuing operations		-7	11	24	112	-90	-9	-73	114
Operations held for sale:									
Profit for the period from divestment group held for sale	7	0	0	-76	-49	0	-0	-76	-49
Net profit/loss for the period		-7	11	-52	63	-90	-9	-149	64
Profit/loss attributable to shareholders of the Parent Company		-8	11	-49	36	-90	-9	-147	38

SEK M	Note	Corporate Finance			Asset Management			Other			Group		
		2020	2019	2019	2020	2019	2019	2020	2019	2019	2020	2019	2019
		Jan-Jun	Jan-Jun	Jan-Dec	Jan-Jun	Jan-Jun	Jan-Dec	Jan-Jun	Jan-Jun	Jan-Dec	Jan-Jun	Jan-Jun	Jan-Dec
Net sales		211	268	704	743	861	1,660	-5	-5	-11	948	1,124	2,353
Other operating income		3	2	5	55	10	29	21	6	34	78	18	67
Total income		214	270	709	798	871	1,689	15	1	22	1,027	1,142	2,420
Assignment expenses and commission		-20	-26	-55	-151	-190	-324	0	3	7	-170	-213	-372
Other external expenses		-60	-77	-152	-133	-130	-296	-14	-1	-3	-208	-208	-451
Personnel costs		-137	-156	-413	-316	-264	-591	-19	-20	-39	-471	-441	-1,043
Depreciation		-12	-9	-26	-31	-40	-80	-7	-8	-22	-51	-57	-128
Other operating expenses		0	2	-1	-24	0	-6	8	1	3	-15	3	-4
Operating profit/loss		-16	3	62	143	247	392	-16	-23	-32	111	226	422
Interest income		1	1	2	0	0	1	2	10	10	3	11	13
Interest expenses		-5	-4	-11	-4	-8	-9	-15	-13	-28	-24	-25	-49
Other financial items		0	-0	-0	-12	-13	-23	-11	4	-80	-23	-10	-103
Financial items—net		-4	-3	-9	-16	-21	-31	-24	0	-98	-44	-23	-138
Profit/loss before tax		-20	-0	52	128	226	361	-40	-23	-130	67	203	284
Tax		-3	-6	-29	-44	-64	-107	-70	3	1	-117	-67	-135
Profit for the period from continuing operations		-23	-6	23	84	162	253	-110	-20	-128	-49	136	148
Operations held for sale:													
Profit for the period from divestment group held for sale	7	0	0	0	-89	61	44	0	1	1	-89	61	45
Net profit/loss for the period		-23	-6	23	-5	223	298	-110	-19	-128	-139	197	193
Profit/loss attributable to shareholders of the Parent Company		-24	-6	23	-13	174	218	-110	-19	-128	-147	149	113

The operating segments reported above, Corporate Finance and Asset Management and Banking, are consistent with internal reporting submitted to management and the Board of Directors and thus represent the Group's operating segments in accordance with IFRS 8, Operating Segments. The Parent Company, other holding companies and the Group's investment management are recognised in the "Other" category. Acquisition and financing costs and Catella's trademark are also recognised in this category. "Other" also includes the elimination of intra-group transactions between the various operating segments. Transactions between the operating segments are limited and relate mainly to financial transactions and certain re-invoicing of expenses. Any transactions are conducted on an arm's length basis.

Historical earnings trend by quarter and operating segment

SEK M	Corporate Finance							
	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep
Net sales	104	107	286	150	165	102	299	145
Other operating income	1	2	1	1	1	1	1	1
Total income	105	109	287	152	166	103	299	146
Assignment expenses and commission	-11	-9	-18	-11	-17	-9	-50	-22
Other external expenses	-26	-35	-42	-32	-40	-37	-58	-38
Personnel costs	-67	-70	-169	-88	-90	-66	-163	-82
Depreciation	-6	-6	-7	-10	-5	-5	-1	-1
Other operating expenses	2	-2	-4	1	1	1	3	2
Operating profit/loss	-3	-13	48	11	15	-12	30	5
Interest income	0	1	1	1	1	0	0	1
Interest expenses	-3	-3	-3	-4	-2	-2	-1	-1
Other financial items	-1	1	-0	0	0	-0	0	-0
Financial items—net	-3	-1	-3	-3	-1	-2	-0	0
Profit/loss before tax	-6	-14	45	8	14	-14	29	5
Tax	-1	-2	-18	-6	-3	-2	-18	-4
Periodens resultat	-7	-16	27	2	11	-16	11	1
Profit/loss attributable to shareholders of the Parent Company	-8	-16	27	2	11	-16	12	1

SEK M	Asset Management							
	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep
Net sales	398	345	438	361	514	347	390	323
Other operating income	10	44	7	12	6	4	12	5
Total income	408	389	445	374	520	351	401	328
Assignment expenses and commission	-89	-61	-65	-68	-122	-68	-51	-66
Other external expenses	-62	-71	-88	-78	-68	-63	-89	-61
Personnel costs	-174	-142	-198	-129	-148	-116	-209	-100
Depreciation	-17	-14	-18	-22	-22	-18	-8	-4
Other operating expenses	-21	-3	-8	2	-0	0	-4	-2
Operating profit/loss	45	98	67	79	160	86	41	95
Interest income	0	0	1	0	0	-0	0	0
Interest expenses	-2	-2	-3	1	-4	-4	-1	-1
Other financial items	2	-14	7	-17	-3	-11	4	-8
Financial items—net	-0	-16	5	-16	-6	-14	3	-8
Profit/loss before tax	45	82	72	63	154	72	44	87
Tax	-21	-23	-20	-23	-42	-22	-18	-22
Profit for the period from continuing operations	24	60	51	40	112	50	26	65
Operations held for sale:								
Profit for the period from divestment group held for sale	-76	-14	-7	-10	-49	110	-150	-34
Net profit/loss for the period	-52	46	45	30	63	160	-123	31
Profit/loss attributable to shareholders of the Parent Company	-49	36	27	17	36	138	-137	6

Note 2. Financial position by operating segment - condensed

SEK M	Corporate Finance			Asset Management			Other			Group		
	2020 30 Jun	2019 30 Jun	2019 31 Dec	2020 30 Jun	2019 30 Jun	2019 31 Dec	2020 30 Jun	2019 30 Jun	2019 31 Dec	2020 30 Jun	2019 30 Jun	2019 31 Dec
ASSETS												
Non-current assets												
Intangible assets	66	66	67	480	524	507	53	58	53	600	648	627
Contract assets	70	48	79	96	197	90	7	20	14	173	266	183
Property, plant and equipment	8	10	9	17	17	16	0	0	0	25	28	25
Holdings in associated companies	-0	0	-0	11	16	11	101	141	81	112	157	92
Other non-current securities	0	0	0	120	145	149	107	200	111	227	345	261
Deferred tax receivables	0	0	0	0	11	7	0	70	70	1	81	78
Other non-current receivables	16	18	17	2	2	2	-12	-13	-13	6	6	6
	160	142	171	726	912	783	257	476	318	1,143	1,530	1,272
Current assets												
Development and project properties	0	0	0	0	0	0	444	0	336	444	0	336
Accounts receivable and other receivables	150	162	189	246	415	460	32	74	36	428	651	684
Current investments	0	0	0	0	51	51	67	81	74	67	133	124
Cash and cash equivalents	216	118	176	763	571	608	61	-12	97	1,040	677	881
	366	281	364	1,009	1,037	1,118	604	143	543	1,980	1,461	2,026
Assets held for sale	0	0	0	139	0	0	-0	0	0	139	0	0
Assets in divestment groups held for sale	0	0	0	706	1,034	835	-77	-75	-76	629	959	759
	366	281	364	1,854	2,071	1,953	527	68	467	2,748	2,420	2,785
Total assets	526	423	536	2,581	2,983	2,736	784	543	785	3,891	3,950	4,057
EQUITY AND LIABILITIES												
Equity												
Equity attributable to shareholders of the Parent Company	34	27	57	1,500	1,578	1,545	-153	-62	-80	1,381	1,543	1,522
Non-controlling interests	19	19	26	179	210	182	5	-0	5	203	228	214
Total equity	53	46	83	1,679	1,788	1,727	-148	-62	-75	1,584	1,772	1,736
Liabilities												
Non-current liabilities												
Borrowings from credit institutions	81	1	0	20	0	0	328	0	213	429	1	213
Bond issue	0	0	0	0	0	0	749	745	747	749	745	747
Contract liabilities	57	49	65	76	201	73	0	17	0	134	267	138
Other non-current liabilities	107	105	105	11	13	12	-118	-118	-118	0	0	0
Deferred tax liabilities	0	0	0	14	18	17	10	11	10	24	29	27
Other provisions	1	0	1	53	52	59	0	0	1	54	52	61
	246	155	171	174	284	162	969	655	854	1,389	1,094	1,186
Current liabilities												
Contract liabilities	16	0	17	22	0	21	7	0	15	45	0	52
Accounts payable and other liabilities	207	216	259	446	432	555	-77	-79	-42	575	569	772
Tax liabilities	4	6	7	35	43	15	0	0	0	40	49	22
	227	222	282	503	474	591	-70	-79	-27	660	617	846
Liabilities held for sale	0	0	0	61	0	0	-2	0	0	59	0	0
Liabilities in disposal groups held for sale	0	0	0	163	437	256	35	30	33	198	467	289
	227	222	282	727	912	847	-37	-49	6	918	1,084	1,135
Total liabilities	473	377	453	901	1,195	1,009	932	606	860	2,306	2,178	2,321
Total equity and liabilities	526	423	536	2,581	2,983	2,736	784	543	785	3,891	3,950	4,057

Note 3 Catella's principal investments

From an international perspective, it is important that, in specific circumstances, Catella is able to carry out investments alongside its customers in order to attract capital for the projects and products Catella is working with. Over the coming years, Catella intends to set aside capital for these investments, which are primarily in the property sphere.

Catella perceives significant potential in various projects and dedicated property products where Catella's active participation will contribute to growth and credibility in addition to generating positive

returns. The goal is for investments to generate minimum returns (IRR) of 20% over time.

Catella has investments in property development projects in Germany and Denmark (for description of the projects, see below). The investments are made through subsidiaries and associated companies. The projects are run by Catella's German and Danish subsidiaries. Catella intends to invest in the early phases of projects where the concept and framework is to subsequently divest projects before or during construction or when projects are completed.

In order to structure its principal investment and support new property products, Catella has established an investment committee whose task is to evaluate the respective investments or divestments of assets.

For more information about Catella's principal investments under the 'Other' category, classified in the same way as the Group's financial position: Holdings in associated companies, Other non-current securities, Properties held for development and project properties and Current investments, see below.

OTHER, SEK M	Holdings in associated companies	Other non-current securities	Development and project properties	Current investments	Total
Property Development Projects *	87	-	444	-	531
Loan portfolios	-	63	-	52	115
Other holdings	14	44	-	15	73
Total	101	107	444	67	719
Investment commitments					23

* The investments include the risk that Catella is obliged to choose between continuing to invest in late stages of projects, run the projects to completion or leave the project and lose the invested capital.

Comments on Catella's principal investments in the second quarter 2020

Catella's principal investments are reported under the 'Other' category in the Consolidated Income Statement and Statement of Financial Position, see Notes 1 and 2. As of 30 June 2020, the principal investments totalled SEK 719 M, an increase of SEK 18 M on the previous quarter. In the period, Catella made additional investments in the Kaktus property development project totalling SEK 40 M, at the same time as exchange rate fluctuations in the EUR/SEK and DKK/SEK had a SEK 41 M negative impact on Catella's principal investments. Furthermore, results from holdings in associated companies increased values by SEK 11 M and unrealised value changes on derivatives increased asset values by SEK 9 M.

Property development projects

Grand Central

Residential property development project with a total expected transaction volume, finalized project, of some EUR 500 M located adjacent to central Station in Düsseldorf. The project consists of 1,000

apartments on a land area totalling 40,000 m². The project started in 2015 and Catella has held planning approval to construct buildings on the land from the outset.

As previously communicated, in October 2019 Catella signed an agreement relating to the divestment of the project. The transaction was completed in August 2020, which will have a positive effect on profit after tax of some SEK 155 M in the third quarter 2020.

The total profit effect of the transaction is some SEK 170 M, of which SEK 15 M was recognized in the fourth quarter 2019.

Seestadt MG+

Residential property development project with a total expected transaction volume, finalized project, of some EUR 700 M located adjacent to the central station in Mönchengladbach. The project consists of 1,500-2,000 apartments on a land area totalling 140,000 m². The project started in 2017 and Catella acquired the first land parcel in 2019. Catella is working on producing blueprints for the site and finalising an urbanisation agreement.

Düssel-Terrassen

Residential property development project with a total expected transaction volume, finalized project, of some EUR 250 M located in a suburb of Düsseldorf. The project consists of 800 apartments on a land area totalling 75,000 m². The project started in 2018 and Catella acquired the first land parcel in 2018. Catella is working on producing blueprints for the site and finalising an urbanisation agreement.

Kaktus

Student housing development project with a total expected transaction volume, finalized project, of some EUR 130 M located in central Copenhagen. The project consists of 25,000 m² including 495 apartments. The blueprint was approved in 2017 and planning approval obtained in 2019.

As previously communicated, for the Kaktus project, Catella has decided to initiate the construction phase and complete the project in order to realize the maximum potential for Catella's shareholders.

The decision implies an increased investment commitment from Catella and has implied a re-classification of the holding in the property development company Kaktus I TopCo ApS from a holding in an associated company to shares in a subsidiary with full consolidation of Kaktus's Income Statement and Balance Sheet. The change means that a new Balance Sheet item, Properties held for development and project properties, has been included in

the Group's financial position from 30 September 2019 onwards.

Loan portfolios

The loan portfolios comprise securitised European loans with primary exposure in housing. The performance of the loan portfolios is closely monitored and revaluations are made on a continuous basis. Forecasts are conducted by the French investment advisor Cartesia S.A.S. The book value in Catella's Consolidated Accounts is

determined based on the projected discounted cash flows mainly comprising interest payments but also amortisation.

A summary of Catella's loan portfolio as well as actual and forecast cash flows are presented in the relevant Note below.

Other holdings

Other holdings mainly consist of listed and unlisted shares in Swedish limited companies.

Summary of Catella's loan portfolios

SEK M		Forecast undiscounted cash flow *	Share of undiscounted cash flow	Forecast discounted cash flow	Share of discounted cash flow	Discount rate	Duration, years
Loan portfolio	Country						
Pastor 2	Spain	51.5	25.0%	50.8	45.0%	5.6%	0.3
Pastor 3 **	Spain	-	-	-	-	-	-
Pastor 4	Spain	25.2	12.2%	11.0	9.7%	10.6%	8.3
Pastor 5 **	Spain	-	-	-	-	-	-
Lusitano 4 **	Portugal	-	-	-	-	-	-
Lusitano 5	Portugal	129.2	62.8%	51.0	45.3%	30.0%	4.1
Sestante 2 **	Italy	-	-	-	-	-	-
Sestante 3 **	Italy	-	-	-	-	-	-
Sestante 4 **	Italy	-	-	-	-	-	-
Total cash flow ***		205.9	100.0%	112.8	100%	1.7%	3.7
Accrued interest				2.2			
Carrying amount in consolidated balance sheet				114.9			

* The forecast was produced by investment advisor Cartesia S.A.S.

** These investments were assigned a value of SEK 0.

*** The discount rate recognised in the line "Total cash flow" is the weighted average interest of the total discounted cash flow.

Method and assumptions for cash flow projections and discount rates.

The cash flow for each loan portfolio is presented in the table on the next page and the discount rates by portfolio are stated above. More information about the loan portfolio can be found on the following page and in Catella's annual report 2019.

Cash flow projections

The portfolio is measured according to the fair-value method, according to the definition in IFRS. In the absence of a functioning and sufficiently liquid market for essentially all investments, as well as for comparable subordinated investments, the measurement is performed by using the 'mark-to-model' approach. This approach is based on forecasting cash flow until maturity for each investment on the basis of market-based credit assumptions. Projected cash flows have been produced by external investment advisor Cartesia. The credit assumptions produced by Cartesia are based on historical performance of the individual investments and a broad selection of comparable transactions. In the projected cash flows, an assumption is made of the potential weakening of the credit variables. These do not include the full effect of a scenario, with low probability and high potential negative impact, such as the dissolution of the Eurozone, where one of the

countries in which EETI has its underlying investments, leaves the European monetary union or similar scenarios. Adjustments of cash flows impact the value and are presented in a sensitivity analysis on Catella's website.

Discount rates

The discount rates applied are set internally and are based on a rolling 24-month index of non-investment grade European corporate bonds as underlying assets (iTraxx). The discount rates per portfolio were also determined relative to other assets in the absence of market prices for the assets held by EETI. Each quarter, the Board of EETI evaluates forecast cash flows and assumptions in combination with market pricing of other assets, in order to make potential adjustments to discount rates in addition to index variations. Adjustments to discount rates affect this value and are stated in a sensitivity analysis on Catella's website.

Risks and uncertainties relating to loan portfolios

Most of the investments consist of holdings in and/or financial exposure to securities that are subordinate in terms of payment and are ranked lower than securities that are secured or represent ownership of the same asset class. Some investments also include structural features by which more

highly ranked securities that are secured or represented by ownership of the same asset class are prioritized in instances of default or if the loss exceeds predetermined levels. This could lead to interruptions in Catella's expected revenue flow from its investment portfolio. For more information, see Note 23 in the Annual Report for 2019.

Clean-up call

A clean-up call affects all sub-portfolios and constitutes an option held by the issuer that enables the repurchase of the sub-portfolio when the outstanding loans have been repaid and are less than 10% of the issued amount. The administration of the portfolio is frequently unprofitable when it falls below 10% of the issued amount, and this structure allows the issuer to avoid these additional costs. The design also means that the investor avoids ending up with small, long-term cash flows until the portfolio has been repaid.

Time call

The time call affects sub-portfolio 5 and constitutes an option held by the issuer that enables the repurchase of the sub-portfolio at a specific point in time, and from time to time subsequently.

Actual and forecast cash flows from the loan portfolio*

SEK M		Spain				Portugal		Italy	Netherlands		Germany		France	UK			
Loan portfolio		Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Memphis **	Shield **	Gems **	Semper **	Minotaure **	Ludgate **	Outcome	Forecast	Diff
Outcome																	
Full year	2009	4.6	-	-	-	0.4	0.8	-	0.9	1.7	0.2	1.6	2.2	0.0	12.4	7.7	4.7
Full year	2010	7.8	-	-	-	2.7	0.0	-	3.3	6.1	0.7	5.8	8.8	0.5	35.6	35.7	-0.1
Full year	2011	9.8	-	-	-	11.1	0.0	0.6	3.3	4.4	0.9	5.7	6.9	0.4	43.1	28.4	14.7
Full year	2012	4.5	-	-	-	10.2	0.0	0.5	0.8	-	0.7	5.2	3.7	0.1	25.8	30.1	-4.3
Full year	2013	0.2	-	-	-	2.7	0.0	0.4	-	-	0.4	1.2	-	0.2	5.0	7.5	-2.5
Full year	2014	0.3	-	-	-	6.7	0.0	0.4	-	-	0.4	-	-	13.1	20.9	12.8	8.1
Full year	2015	0.1	-	-	-	3.7	0.0	0.5	-	-	0.3	-	-	16.9	21.5	23.2	-1.6
Q1	2016	-	-	-	-	1.7	-	0.1	-	-	46.7	-	-	3.9	52.4	51.3	1.1
Q2	2016	0.1	-	-	-	2.0	-	0.1	-	-	-	-	-	4.0	6.2	5.4	0.9
Q3	2016	-	-	-	-	0.9	-	0.1	-	-	-	-	-	3.4	4.5	5.0	-0.5
Q4	2016	-	-	-	-	3.7	-	0.1	-	-	-	-	-	3.4	7.2	5.2	2.1
Q1	2017	-	-	-	-	1.5	-	-	-	-	-	-	-	2.6	4.1	5.0	-0.9
Q2	2017	-	-	-	-	1.9	-	-	-	-	-	-	-	3.5	5.5	5.6	-0.1
Q3	2017	-	-	-	-	1.8	-	-	-	-	-	-	-	4.6	6.4	5.0	1.4
Q4	2017	0.0	-	-	-	3.8	-	-	-	-	-	-	-	2.7	6.5	4.8	1.7
Q1	2018	0.0	-	-	-	3.1	-	-	-	-	-	-	-	-	3.1	2.6	0.5
Q2	2018	0.0	-	-	-	2.4	-	-	-	-	-	-	-	-	2.4	2.7	-0.3
Q3	2018	0.0	-	-	-	2.1	-	-	-	-	-	-	-	-	2.2	2.2	-0.1
Q4	2018	-	-	-	-	3.6	-	-	-	-	-	-	-	-	3.6	2.3	1.3
Q1	2019	0.0	-	-	-	1.9	-	-	-	-	-	-	-	-	1.9	2.2	-0.3
Q2	2019	0.0	-	-	-	4.3	-	-	-	-	-	-	-	-	4.3	2.3	2.0
Q3	2019	0.0	-	-	-	3.2	-	-	-	-	-	-	-	-	3.2	2.4	0.9
Q4	2019	-	-	-	-	16.8	-	-	-	-	-	-	-	-	16.8	16.1	0.7
Q1	2020	0.0	-	-	-	0.3	-	-	-	-	-	-	-	-	0.3	0.0	0.3
Q2	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-0.0
Total		27.2	0.0	0.0	0.0	92.5	0.8	2.9	8.4	12.2	50.4	19.4	21.7	59.3	294.8	265.3	29.4

Forecast																
														Quarter/ Year	Acc.	
Q3	2020	51.5	-	-	-	-	-	-	-	-	-	-	-	-	51.5	51.5
Q4	2020	-	-	-	-	-	-	-	-	-	-	-	-	0.0	51.5	
Full year	2021	-	-	-	-	0.9	-	-	-	-	-	-	-	0.9	52.4	
Full year	2022	-	-	-	-	33.1	-	-	-	-	-	-	-	33.1	85.5	
Full year	2023	-	-	-	-	21.3	-	-	-	-	-	-	-	21.3	106.8	
Full year	2024	-	-	-	-	20.8	-	-	-	-	-	-	-	20.8	127.6	
Full year	2025	-	-	-	-	20.4	-	-	-	-	-	-	-	20.4	148.0	
Full year	2026	-	-	-	-	14.7	-	-	-	-	-	-	-	14.7	162.7	
Full year	2027	-	-	-	-	18.0	-	-	-	-	-	-	-	18.0	180.7	
Full year	2028	-	-	25.2	-	-	-	-	-	-	-	-	-	25.2	205.9	
Total		51.5	0.0	25.2	0.0	0.0	129.2	0.0	0.0	0.0	0.0	0.0	0.0	0.0	205.9	

* The forecast was produced by investment advisor Cartesia S.A.S.

** Shield was divested in Q4 2011, Memphis in Q2 2012 and Semper in Q2 2013. Gems was re-purchased in Q1 2016 by the issuer. Ludgate and Minotaure were divested Q1 2018.

Pastor 2

According to the earlier forecast, the issuer would exercise its clean-up call in the third quarter 2019, which has not occurred. As of the third quarter 2019, the value of the underlying loan falls below 10% implying that Catella judges that a re-purchase will take place in the third quarter 2020.

Lusitano 5

The forecast cash flows for the sub-portfolio Lusitano 5, assume that the issuer will not utilise its time call. However, the discount rate has been increased to reflect the probability that the issuer will exercise its option to repurchase Lusitano 5 at the nominal value of some EUR 3.3 M. This

probability is expected to increase in the second quarter 2021, and in the event that the issuer exercises the option, this would imply impairment of the value of some EUR 2 M.

Catella continuously monitors the issuing bank in order to evaluate the probability of the option being exercised.

Note 4 Short and long-term investments

SEK M	30 June 2020
Loan portfolios	115
Operation-related investments	179
Other securities	0
Total *	294

* of which short-term investments SEK 67 M and long-term investments SEK 227 M.

Note 5 The Group's assets and liabilities measured at fair value

In accordance with IFRS 7, financial instruments are recognized on the basis of fair value hierarchically with three different levels. Classification is based on the input data used for measuring instruments. Quoted prices on an active market on the reporting date are applied for level 1. Ob-

servable market data for the asset or liability other than quoted prices are used in level 2. Fair value is determined with the aid of valuation techniques. For level 3, fair value is determined on the basis of valuation techniques based on non-observable market data. Specific valuation techniques used for level 3 are the measurement of

discounted cash flows to determine the fair value of financial instruments. For more information, see Note 3 in the Annual Report 2019.

The Group's assets and liabilities measured at fair value as of 30 June 2020 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
ASSETS				
Derivative instruments		9		9
Financial assets measured at fair value through profit or loss	6	100	178	285
Total assets	6	110	178	294
LIABILITIES				
Derivative instruments		0		0
Total liabilities	0	0	0	0

No changes between levels occurred the previous year.

CHANGE ANALYSIS, FINANCIAL ASSETS, LEVEL 3 IN THE FIRST HALF YEAR 2020

	2020
as of 1 January	221
Purchases	7
Disposals	-12
Amortisation	0
Gains and losses recognised through profit or loss	-9
Reclassification to Assets held for sale	-28
Exchange rate differences	-1
At 30 June	178

Note 6 Pledged assets and contingent liabilities

Pledged assets

SEK M	2020 30 Jun	2019 30 Jun	2019 31 Dec
Cash and cash equivalents	50	98	97
Other pledged assets	20	19	19
	70	117	116
Of which pledged assets related to divestment groups held for sale:			
Cash and cash equivalents	0	54	53
Other pledged assets	20	19	19
	20	73	72

Cash and cash equivalents include pledged cash funds. These funds are used as collateral in the Asset Management operating segment for ongoing transactions.

Cash and cash equivalents also include cash funds in accordance with minimum retention requirements, funds that are to be made available at all times for regulatory

reasons as well as frozen funds for other purposes.

Contingent liabilities

SEK M	2,020 30 Jun	2,019 30 Jun	2019 31 Dec
Client funds managed on behalf of clients	0	9	0
Other contingent liabilities	342	6	341
	342	15	341
Of which contingent liabilities related to divestment groups held for sale:			
Client funds managed on behalf of clients	0	9	0
Other contingent liabilities	4	5	5
	4	14	5

Other contingent liabilities mainly relate to Catella AB's guarantee to credit institutes as collateral for approved credit lines to subsidiary Kaktus I HoldCo ApS. Other

contingent liabilities also relate to guarantees which were provided for rental contracts with landlords.

Commitments

SEK M	2,020 30 Jun	2,019 30 Jun	2019 31 Dec
Unutilised credit facilities, granted by Catella Bank	0	65	0
Investment commitments	23	87	24
Other commitments	0	0	0
	23	152	24
Of which commitments related to divestment groups held for sale:			
Unutilised credit facilities, granted by Catella Bank	0	65	0
Investment commitments	0	0	0
Other commitments	0	0	0
	0	65	0

Investment commitments mainly relate to the unlisted holding in Pamica 2 AB and to a lesser extent the associated companies Nordic Seeding GmbH and Grand Central Beteiligungs BmbH.

Unutilised credit facilities mainly related to credit commitments issued by Catella Bank to credit card clients. A majority of these commitments were transferred to Advanzia Bank as of 1 April 2019 and remaining

commitments gradually terminated during 2019.

Note 7 Disposal group held for sale

The Banking business area is reported as a disposal group held for sale in the Consolidated Income Statement. Comparative figures from previous years have been reported in a corresponding manner. The condensed Income Statement and Statement of Financial Position for the Banking business area presented below excludes eliminations between Banking and the business area Corporate Finance and Asset Management.

In the first quarter 2019, Catella Bank divested its Wealth Management operations in Sweden and Luxembourg and its card issuing operations. The migration of card customers to Advanzia Bank was completed in the first quarter 2020.

In May 2020 the Board of Catella AB (publ) decided to conclude the liquidation of operations in Catella Bank with the aim of returning the banking license to the supervisory authority in the first half of 2021.

Second quarter 2020

Total income was SEK 0 M (16), and profit/loss for the period was SEK -76 M (-49). Profit was burdened by anticipated termination costs of SEK 55 M for future periods until liquidation has been completed. The final cost of winding down the banking operations is difficult to estimate and may be higher than the provisions made as of 30 June 2020.

First half-year 2020

Total income was SEK 7 M (49), and profit/loss for the period was SEK -89 M (61).

Profit/loss for the period includes the final element of the additional purchase

consideration from Advanzia Bank of SEK 30 M, and commission expenses of SEK 4 M. In the previous year, the figure included income from the transfer of the Bank's Wealth Management operations, and fixed purchase consideration from the transfer of the card issuing operations to Advanzia Bank, totalling SEK 256 M.

SEK M	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
INCOME STATEMENT—CONDENSED						
Total income	0	16	7	49	15	58
Other expenses	-89	-72	-124	-199	-223	-298
Financial items—net	13	-3	30	244	126	340
Profit/loss before tax	-75	-59	-87	95	-82	101
Tax	0	9	-2	-34	-24	-56
Net profit/loss for the period	-76	-49	-89	61	-106	44
FINANCIAL POSITION - CONDENSED						
Assets			2020 30 Jun	2019 30 Jun		2019 31 Dec
Loan receivables	-	-	0	48	-	0
Cash and cash equivalents	-	-	469	695	-	497
Other assets	-	-	236	291	-	337
Assets in divestment groups held for sale	-	-	706	1,034	-	834
Equity						
Equity attributable to shareholders of the Parent Company	-	-	497	597	-	579
Non-controlling interests	-	-	0	0	-	0
Total equity	-	-	497	597	-	579
Liabilities						
Borrowings and loan liabilities	-	-	39	213	-	71
Other liabilities	-	-	170	223	-	185
Liabilities in disposal groups held for sale	-	-	209	437	-	256
Total equity and liabilities	-	-	706	1,034	-	835

Note 8 Capital adequacy—consolidated financial situation

Catella AB and the subsidiaries that conduct operations regulated by Swedish or foreign financial supervisory authorities comprise a financial corporate Group, known as a consolidated financial situation. The consolidated financial situation is under the supervision of the Luxembourg supervisory authority, CSSF. Catella Bank S.A is the reporting entity and responsible institute. Group companies included in/excluded from the consolidated financial situation are shown in Note 20 of Catella's Annual Report 2019.

Discussions are underway with CSSF regarding the reporting and other matters that apply to the consolidated financial situation.

The consolidated financial situation is obliged to adhere to the European Parliament's regulation (EU) 575/32013 (CRR).

The Annual Accounts for Credit Institutions and Investment Firms Act (1995:1559), ÅRKL, stipulates that consolidated accounts shall be prepared for a consolidated financial situation. Catella complies

with this requirement by supplying the information contained in this Note on the consolidated financial situation's accounts in accordance with ÅRKL. The accounting principles indicated in Other financial information have been applied when preparing these financial statements and are consistent with ÅRKL. Otherwise, please refer to Catella AB's consolidated accounts.

The following tables present extracts from the accounts of the consolidated financial situation.

Income Statement—condensed, consolidated financial situation

SEK M	2020	2019	2019
	Jan-Jun	Jan-Jun	Jan-Dec
Net sales	614	756	1,390
Other operating income	11	9	19
Total income	625	764	1,409
Assignment expenses & commission	-271	-297	-492
Income excl. direct assignment costs and commission	355	467	917
Operating expenses	-324	-291	-640
Operating profit/loss	31	177	276
Financial items—net	-22	-4	-109
Profit/loss before tax	8	172	167
Appropriations	0	0	11
Tax	-88	-42	-81
Profit for the period from continuing operations	-80	130	97
Operations held for sale:			
Profit for the period from divestment group held for sale	-89	61	45
Net profit/loss for the period	-170	191	142
Profit/loss attributable to:			
Shareholders of the Parent Company	-176	143	64
Non-controlling interests	7	48	78
	-170	191	142
Employees at end of period	218	294	260

Financial position—condensed, consolidated financial situation

SEK M	2020 30 Jun	2019 30 Jun	2019 31 Dec
Non-current assets	1,080	1,326	1,196
Current assets	1,069	1,158	1,282
Assets in divestment groups held for sale	768	959	759
Total assets	2,917	3,442	3,236
Equity	1,517	1,783	1,673
Liabilities	1,142	1,192	1,274
Liabilities in disposal groups held for sale	258	467	289
Total equity and liabilities	2,917	3,442	3,236

Capital adequacy—consolidated financial situation

The company Catella AB is a parent financial holding company in the Catella Group and accordingly publishes disclosures on capital adequacy for the consolidated financial situation.

SEK M	2020 30 Jun	2019 30 Jun	2019 31 Dec
Common Equity Tier 1 capital	780	1,033	892
Additional Tier 1 capital	0	0	0
Tier 2 capital	0	0	0
Own funds	780	1,033	892
Total risk exposure amount	3,709	4,209	3,922
OWN FUNDS AND BUFFERS			
Own funds requirements Pillar 1	297	337	314
<i>of which own funds requirements for credit risk</i>	118	142	130
<i>of which own funds requirements for market risk</i>	11	24	12
<i>of which own funds requirements for operational risk</i>	168	171	171
<i>of which own funds requirements for credit valuation adjustment risk</i>	0	0	0
Own funds requirements Pillar 2	111	126	118
Institution-specific buffer requirements	94	149	153
Internal buffer	37	42	39
Total own funds and buffer requirements	539	654	623
Capital surplus after own funds and buffer requirements	241	379	269
Capital surplus after regulatory required own funds and buffer requirements	278	421	308
CAPITAL RATIOS, % OF TOTAL RISK EXPOSURE AMOUNT			
Common Equity Tier 1 capital ratio	21.0	24.5	22.8
Tier 1 capital ratio	21.0	24.5	22.8
Total capital ratio	21.0	24.5	22.8
OWB FUNDS AND BUFFERS, % OF TOTAL RISK EXPOSURE AMOUNT			
Own funds requirements Pillar 1	8.0	8.0	8.0
Own funds requirements Pillar 2	3.0	3.0	3.0
Institution-specific buffer requirements	2.5	3.5	3.9
<i>of which requirement for capital conservation buffer</i>	2.5	2.5	2.5
<i>of which requirement for countercyclical capital buffer</i>	0.0	1.0	1.4
Internal buffer	1.0	1.0	1.0
Total own funds and buffer requirements	14.5	15.5	15.9
Capital surplus after own funds and buffer requirements	6.5	9.0	6.9
Capital surplus after regulatory required own funds and buffer requirements	7.5	10.0	7.9

Catella AB's consolidated financial situation is in compliance with minimum capital base requirements. The capital base includes reviewed profit/loss for the full year 2019 and proposed dividend for the financial year 2019.

	2020	2019	2019
Own funds, SEK M	30 Jun	30 Jun	31 Dec
<i>Common Equity Tier 1 capital</i>			
Share capital and share premium reserve	455	440	440
Retained earnings and other reserves	1,062	1,343	1,233
<i>Less:</i>			
Intangible assets	-271	-287	-274
Price adjustments	-15	-26	-15
Deferred tax receivables	-8	-93	-72
Qualifying holdings outside the financial sector	-212	-154	-186
Proposed or foreseeable dividend	-80	-	-80
Other deductions	-151	-191	-153
Total Common Equity Tier 1 capital	780	1,033	892
Additional Tier 1 capital	-	-	-
Tier 2 capital	-	-	-
Own funds	780	1,033	892

Specification of risk-weighted exposure amounts and own funds requirements Pillar I, SEK M	2020		2019		2019	
	30 Jun		30 Jun		31 Dec	
	Risk-weighted exp.amount	Own funds requirements Pillar I	Risk-weighted exp.amount	Own funds requirements Pillar I	Risk-weighted exp.amount	Own funds requirements Pillar I
<i>Credit risk according to Standardised Approach</i>						
Exposures to institutions	239	19	181	14	211	17
Exposures to corporates	10	1	21	2	11	1
Exposures to retail	0	0	2	0	3	0
Exposures secured by mortgages on immovable property	0	0	20	2	0	0
Exposures in default	103	8	200	16	108	9
Items associated with particular high risk	150	12	179	14	178	14
Exposures in the form of covered bonds	0	0	3	0	0	0
Exposures to collective investment undertakings (funds)	29	2	1	0	33	3
Equity exposures	497	40	550	44	517	41
Other items	447	36	612	49	565	45
	1,476	118	1,771	142	1,625	130
<i>Market risk</i>						
Interest risk	0	0	0	0	0	0
Share price risk	0	0	0	0	0	0
Foreign exchange risk	136	11	294	24	154	12
	136	11	294	24	154	12
<i>Operational risk according to the Basic Indicator Approach</i>						
Credit valuation adjustment risk	2,097	168	2,143	171	2,143	171
	0	0	1	0	0	0
Total	3,709	297	4,209	337	3,922	314

Parent Company Income Statement

SEK M	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	2019 Jan-Dec
Net sales	4.2	4.6	8.9	9.2	17.6
Other operating income	7.8	0.0	7.8	0.0	0.3
Total income	12.0	4.6	16.7	9.2	17.8
Other external expenses	-13.0	-13.8	-26.6	-21.1	-31.3
Personnel costs *	-8.9	-6.6	-16.3	-13.0	-30.0
Depreciation	-0.3	-0.0	-0.4	-0.0	-0.4
Other operating expenses	-0.0	0.0	-0.0	0.0	-0.0
Operating profit/loss	-10.2	-15.7	-26.7	-24.9	-43.9
Profit/loss from participations in group companies	0.0	0.0	0.0	0.0	22.0
Interest income and similar profit/loss items	-3.6	0.0	5.8	0.0	0.0
Interest expenses and similar profit/loss items	18.3	-26.0	-17.7	-40.3	-54.7
Financial items	14.7	-26.0	-11.9	-40.3	-32.7
Profit/loss before tax	4.5	-41.8	-38.5	-65.3	-76.6
Appropriations	0.0	0.0	0.0	0.0	63.7
Tax on net profit for the year	0.0	0.0	0.0	0.0	0.0
Net profit/loss for the period	4.5	-41.8	-38.5	-65.3	-13.0

* Personnel costs include directors' fees

Parent Company Statement of Comprehensive Income

SEK M	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	2019 Jan-Dec
Net profit/loss for the period	4.5	-41.8	-38.5	-65.3	-13.0
Other comprehensive income					
Other comprehensive income for the period, net after tax	0.0	0.0	0.0	0.0	0.0
Total comprehensive income/loss for the period	4.5	-41.8	-38.5	-65.3	-13.0

Parent Company Balance Sheet—condensed

SEK M	2020 30 Jun	2019 30 Jun	2019 31 Dec
Intangible assets	3.3	2.6	3.3
Property, plant and equipment	0.1	0.1	0.1
Participations in Group companies	1,052.6	1,052.6	1,052.6
Current receivables from Group companies	238.4	202.1	246.6
Other current receivables	11.5	9.8	27.5
Cash and cash equivalents	0.2	5.9	0.3
Total assets	1,306.0	1,273.3	1,330.4
Equity	532.6	504.0	556.3
Bond issue	748.6	745.3	746.6
Current liabilities to Group companies	0.0	0.0	0.3
Other current liabilities	24.8	24.0	27.2
Total equity and liabilities	1,306.0	1,273.3	1,330.4

Catella AB has issued a guarantee to a credit institute of SEK 337.5 M as security for approved credit lines to subsidiary Kaktus I HoldCo ApS.

Application of key performance indicators not defined by IFRS

The Consolidated Accounts of Catella are prepared in accordance with IFRS. See above for more information regarding accounting principles. IFRS defines only a limited number of performance measures. From the second quarter 2016, Catella applies the European Securities and Markets Authority's (ESMA) new guidelines for alternative performance measures. In summary, an alternative performance measure is a financial measure of historical or future

profit progress, financial position or cash flow not defined by or specified in IFRS. In order to assist corporate management and other stakeholders in their analysis of Group progress, Catella presents certain performance measures not defined under IFRS. Corporate management considers that this information facilitates the analysis of the Group's performance. This additional information is complementary to the information provided by IFRS and does

not replace performance measures defined in IFRS. Catella's definitions of measures not defined under IFRS may differ from other companies' definitions. All of Catella's definitions are presented below. The calculation of all performance measures corresponds to items in the Income Statement and Balance Sheet.

Definitions

Non-IFRS performance measure	Description	Reason for using the measure
Equity per share attributable to parent company shareholders*	Equity attributable to parent company shareholders divided by the number of shares at the end of the period.	Provides investors with a view of equity as represented by a single share.
Return on equity*	Total profit in the period attributable to parent company shareholders for the most recent four quarters divided by average equity attributable to parent company shareholders in the most recent five quarters.	The company considers that the performance measure provides investors with a better understanding of return on equity.
Adjusted return on equity*	Total profit in the period attributable to the parent company share adjusted for items affecting comparability for the most recent four quarters divided by average equity attributable to parent company shareholders in the most recent five quarters.	The company considers that the performance measure provides investors with a better understanding of return on equity when making comparisons with earlier periods.
Equity/asset ratio*	Equity divided by total assets.	Catella considers the measure to be relevant to investors and other stakeholders wishing to assess Catella's financial stability and long-term viability.
Dividend per share	Dividend divided by the number of shares.	Provides investors with a view of the company's dividend over time.
Profit margin*	Profit for the period divided by total income for the period.	The measure illustrates profitability regardless of the rate of corporation tax.
Adjusted profit margin*	Profit for the period adjusted for items affecting comparability divided by total income for the period.	The measure illustrates profitability regardless of the rate of corporation tax when making comparisons with earlier periods.
Property transaction volumes in the period	Property transaction volumes in the period constitute the value of underlying properties at the transaction dates.	An element of Catella's income in Corporate Finance is agreed with customers on the basis of the underlying property value of the relevant assignments. Provides investors with a view of what drives an element of Catella's income.
Assets under management at year end	Assets under management constitutes the value of Catella's customers' deposited/invested capital.	An element of Catella's income in Asset Management and Banking is agreed with customers on the basis of the value of the underlying invested capital. Provides investors with a view of what drives an element of Catella's income.
Card and payment volumes	Card and payment volumes are the value of the underlying card transactions processed by Catella.	Card and payment volumes are value drivers for Catella's income in Card & Payment Solutions. Provides investors with a view of what drives an element of Catella's income.
Earnings per share	Profit for the period attributable to parent company shareholders divided by the number of shares.	Provides investors with a view of the company's Earnings per share when making comparisons with earlier periods.

* See next page for basis of calculation

KPI, all operations (excl. Banking business area)

Calculation of performance measures for the Group

GROUP	3 Months		6 Months		12 Months	
	2020	2019	2020	2019	Rolling	2019
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	12 Months	Jan-Dec
Net profit/loss for the period, SEK M	-73	114	-49	136	-37	148
Total income, SEK M	523	688	1,027	1,142	2,305	2,420
Profit margin, %	-14	17	-5	12	-2	6
Equity, SEK M	-	-	1,088	1,176	-	1,157
Total assets, SEK M	-	-	3,185	2,915	-	3,222
Equity/Asset ratio, %	-	-	34	40	-	36
Net profit/loss for the period, SEK M *	-71	87	-58	88	-77	68
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905	88,348,572	86,281,905
Earnings per share, SEK *	-0.81	1.01	-0.65	1.02	-0.87	0.79
Equity, SEK M *	-	-	884	948	-	943
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905	88,348,572	86,281,905
Equity per share, SEK *	-	-	10.01	10.98	-	10.93

GROUP	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017	2017	2016
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	-71	13	54	-73	87	1	9	25	50	43	114	60	37	34	32
Equity, SEK M *	884	990	943	893	948	973	940	1,141	1,118	1,133	1,236	1,106	1,050	1,092	1,063
Return on equity, %	-8	9	7	2	12	8	11	20	24	23	22				

Calculation of performance measures for the Corporate Finance operating segment

CORPORATE FINANCE	3 Months		6 Months		12 Months	
	2020	2019	2020	2019	Rolling	2019
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	12 Months	Jan-Dec
Net profit/loss for the period, SEK M	-7	11	-23	-6	6	23
Total income, SEK M	105	166	214	270	653	709
Profit margin, %	-7	6	-11	-2	1	3
Equity, SEK M	-	-	53	46	-	83
Total assets, SEK M	-	-	526	423	-	536
Equity/Asset ratio, %	-	-	10	11	-	15

CORPORATE FINANCE	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017	2017	2016
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	-8	-16	27	2	11	-16	12	1	7	-5	29	15	0	-1	11
Equity, SEK M *	34	39	57	29	27	17	35	44	42	115	120	90	78	177	254
Return on equity, %	14	69	70	25	21	8	21	40	52	34	30				

* Attributable to shareholders of the Parent Company.

Calculation of performance measures for the Asset Management operating segment

ASSET MANAGEMENT	3 Months		6 Months		12 Months	
	2020	2019	2020	2019	Rolling	2019
	Apr-Jun	Apr-Jun	Jan-Jun	Jan-Jun	12 Months	Jan-Dec
Net profit/loss for the period, SEK M	24	112	84	162	175	253
Total income, SEK M	408	520	798	871	1,616	1,689
Profit margin, %	6	21	11	19	11	15
Equity, SEK M	-	-	1,183	1,192	-	1,149
Total assets, SEK M	-	-	1,875	1,949	-	1,901
Equity/Asset ratio, %	-	-	63	61	-	60

* Attributable to shareholders of the Parent Company.

** Return on equity, %: Sum of profit after tax for the four most recent quarters divided by average equity for the five most recent quarters.

ASSET MANAGEMENT	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017	2017	2016
	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec
Net profit/loss for the period, SEK M *	27	50	34	26	85	28	12	41	79	55	79	52	49	37	37
Equity, SEK M *	1,004	1,036	967	940	983	937	887	656	626	530	438	445	414	393	418
Return on equity, %	14	20	18	17	20	22	30	47	54	53	51				

* Attributable to shareholders of the Parent Company.

KPI, all operations (incl. Banking business area)

Selected KPIs per operating segment

	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
GROUP						
Profit margin, %	-28	9	-13	17	-6	8
Return on equity, % *	-	-	-12	0	-	7
Equity/Asset ratio, %	-	-	41	45	-	43
Equity, SEK M *	-	-	1,381	1,543	-	1,522
No. of employees, at end of period	-	-	605	646	-	649
Earnings per share, SEK *	-1.66	0.44	-1.67	1.72	-2.08	1.31
Equity per share, SEK *	-	-	15.63	17.89	-	17.64
CORPORATE FINANCE						
Profit margin, %	-7	6	-11	-2	1	3
Return on equity, % *	-	-	14	21	-	70
Equity/Asset ratio, %	-	-	10	11	-	15
Equity, SEK M *	-	-	34	27	-	57
No. of employees, at end of period	-	-	209	216	-	214
Property transaction volume for the period, SEK Bn	4.5	10.2	15.4	15.3	50.8	50.7
ASSET MANAGEMENT AND BANKING						
Profit margin, %	-13	12	-1	24	4	17
Return on equity, % *	-	-	7	3	-	14
Equity/Asset ratio, %	-	-	65	60	-	63
Equity, SEK M *	-	-	1,500	1,578	-	1,545
No. of employees, at end of period	-	-	376	411	-	412
Asset under management at end of period, SEK Bn <i>net in-(+) and outflow(-) during the period, mdkr</i>	-	-	157.1	202.4	-	179.8
Card and payment volumes, SEK Bn	0.0	0.0	0.0	0.0	0.0	0.0

* Attributable to shareholders of the Parent Company.

Calculation of performance measures for the Group

	3 Months		6 Months		12 Months											
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec										
GROUP																
Net profit/loss for the period, SEK M	-149	64	-139	197	-143	193										
Total income, SEK M	524	701	1,033	1,188	2,320	2,474										
Profit margin, %	-28	9	-13	17	-6	8										
Equity, SEK M	-	-	1,584	1,772	-	1,736										
Total assets, SEK M	-	-	3,891	3,949	-	4,057										
Equity/Asset ratio, %	-	-	41	45	-	43										
Net profit/loss for the period, SEK M *	-147	38	-147	149	-183	113										
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905	88,348,572	86,281,905										
Earnings per share, SEK *	-1.66	0.44	-1.67	1.72	-2.07	1.31										
Equity, SEK M *	-	-	1,381	1,543	-	1,522										
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905	88,348,572	86,281,905										
Equity per share, SEK *	-	-	15.63	17.89	-	17.64										
GROUP																
	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2019 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2017 Apr-Jun	2017 Jan-Mar	2017 Oct-Dec	2016 Oct-Dec
Net profit/loss for the period, SEK M *	-147	0	47	-83	38	111	-133	-13	13	22	67	59	33	33	37	
Equity, SEK M *	1,381	1,577	1,522	1,487	1,543	1,603	1,442	1,578	1,587	1,625	1,729	1,628	1,578	1,597	1,563	
Return on equity, %	-12	0	7	-4	0	-1	-7	5	10	11	12					

Calculation of performance measures for the Corporate Finance operating segment

	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
CORPORATE FINANCE						
Net profit/loss for the period, SEK M	-7	11	-23	-6	6	23
Total income, SEK M	105	166	214	270	653	709
Profit margin, %	-7	6	-11	-2	1	3
Equity, SEK M	-	-	53	46	-	83
Total assets, SEK M	-	-	526	423	-	536
Equity/Asset ratio, %	-	-	10	11	-	15

	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2017 Oct-Dec	2017 Jul-Sep	2017 Apr-Jun	2017 Jan-Mar	2016 Oct-Dec
CORPORATE FINANCE															
Net profit/loss for the period, SEK M *	-8	-16	27	2	11	-16	12	1	7	-5	29	15	0	-1	11
Equity, SEK M *	34	39	57	29	27	17	35	44	42	115	120	90	78	177	254
Return on equity, %	14	69	70	25	21	8	21	40	52	34	30				

* Attributable to shareholders of the Parent Company.

Calculation of performance measures for the Asset Management and Banking operating segment

	3 Months		6 Months		12 Months	
	2020 Apr-Jun	2019 Apr-Jun	2020 Jan-Jun	2019 Jan-Jun	Rolling 12 Months	2019 Jan-Dec
ASSET MANAGEMENT AND BANKING						
Net profit/loss for the period, SEK M	-52	63	-5	223	70	298
Total income, SEK M	409	536	805	920	1,631	1,747
Profit margin, %	-13	12	-1	24	4	17
Equity, SEK M	-	-	1,679	1,788	-	1,727
Total assets, SEK M	-	-	2,581	2,983	-	2,736
Equity/Asset ratio, %	-	-	65	60	-	63

	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2017 Oct-Dec	2017 Jul-Sep	2017 Apr-Jun	2017 Jan-Mar	2016 Oct-Dec
ASSET MANAGEMENT															
Net profit/loss for the period, SEK M *	-49	36	27	17	36	138	-137	6	43	33	30	51	49	39	43
Equity, SEK M *	1,500	1,624	1,545	1,533	1,578	1,568	1,389	1,093	1,095	1,022	931	968	941	898	918
Return on equity, %	2	7	14	4	3	4	-5	11	16	17	18				

* Attributable to shareholders of the Parent Company.



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