

“Catella’s core real estate operations made positive progress and we continued to improve profitability and make strategic advances. Underlying income and operating profit are progressing in line with expectations. Principal Investments sale of Grand Central contributed SEK 229 M to operating profit in the third quarter last year. Adjusting for this sale, profit before items affecting comparability increased by 85 percent to SEK 48 M.”

Christoffer Abramson, CEO and President

July – September 2021

	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep
Total income, SEK M	376	744	1 173	1 771
Total income before items affecting comparability, SEK M *	375	639	1 138	1 376
Operating profit/loss, SEK M	51	259	-2	370
Operating profit/loss before items affecting comparability, SEK M *	48	255	153	345
Earnings per share, SEK **	0,39	2,49	0,90	0,82
Earnings per share before items affecting comparability, SEK *	0,37	2,34	2,29	1,71

ASSETS UNDER MANAGEMENT \*\*\*

SEK 111,9 Bn

End of period

TOTAL INCOME\*\*\*

SEK 1,684 M

Last 12 months

OPERATING PROFIT/LOSS\*\*\*

SEK 194 M

Last 12 months

EQUITY

SEK 1,689 M

End of period

\* Items affecting comparability relate to operations being wound down and divested and the exclusion of Catella Asset Management SAS. \*\* Attributable to shareholders of the Parent Company. Includes disposal group held for sale. \*\*\* Remaining operations.

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The information in this report is mandatory for Catella AB to publish in accordance with EU's Market Abuse Regulation. This information was submitted to the market, through the agency of the above contact, for publication on 11 November 2021 at 07:00 a.m. CET.

**Invitation to presentation of the Interim Report**

Catella will be presenting the Interim Report and answering questions in a teleconference today 11 November 2021 at 10 a.m. CET. The presentation will be in English and will be made by Catella's CEO and President Christoffer Abramson and Catella's CFO Mattias Brodin. To participate in the teleconference, go to [www.catella.com](http://www.catella.com) or call +46 (0)8 505 583 58.

## CEO's COMMENT

# “A seasonally normal quarter with continued focus on organizational and product development”

Catella's core real estate operations made positive progress and we continued to improve profitability and make strategic advances. Investor interest in Catella's property funds remained strong in the quarter, Principal Investments continued to develop its business and Corporate Finance acted as a highly-regarded adviser on a seasonally more quiet property transaction market. Underlying income and operating profit are progressing in line with our expectations. Principal Investments sale of Grand Central contributed SEK 262 M in income and SEK 229 M to operating profit in the third quarter last year. Adjusting for this sale, profit before items affecting comparability increased by 85 percent to SEK 48 M.

Catella continued to see growing interest in its Property Investment Management offering. Despite strong inflow of funds, assets under management remained unchanged compared to the previous quarter, largely due to the termination of a couple of management agreements with low profitability, and a successful divestment in the UK. Principal Investments invested some SEK 100 M in ongoing projects. Furthermore, the business area divested a logistics property in France in the quarter, which contributed to Principal Investments' operating profit of SEK 7 M. The third quarter is normally weak for Corporate Finance, and 2021 was no exception, although the Swedish M&A market and residential transactions in France remained strong.

Operating profit for the remaining operations was SEK 51 M (259). Here too, the difference was due to the positive contribution from Principal Investments sale of Grand Central in the third quarter 2020.

### Significant interest in investments in Property Investment Management's funds

Assets under management increased to SEK 112 Bn, up by nearly SEK 10 Bn year-on-year, adjusted for the divestment of CAM France and unchanged on the previous quarter. Two management mandates in Sweden and France totalling SEK 3.8 Bn were terminated in the quarter. This only had a marginal impact on operating profit and strengthens operating margin looking ahead. In the UK, APAM divested asset management mandates totalling SEK

1.3 Bn, generating some SEK 10 M in variable income. Total inflows amounted to SEK 5.7 Bn, mainly attributable to capital raisings in the new fund Catella European Residential III and in Catella Wohnen Europe.

Operating profit for the quarter totalled SEK 57 M, down SEK 35 M year-on-year as PIM realized SEK 85 M in income and SEK 53 M in operating profit in connection with Principal Investments sale of Grand Central. Adjusted for this, operating profit in PIM increased from SEK 39 M to SEK 57 M driven by sustained strong development of fixed management fees, which where up by 7 percent.

### Increase in principal investments

In Principal Investments, portfolio companies' total investments in development projects amounted to SEK 3.1 Bn at the end of the quarter, of which Catella's invested capital was SEK 0.8 Bn. This corresponded to an increase of some SEK 0.4 Bn and SEK 0.1 Bn on the previous quarter.

We completed a logistics property in France in the quarter (Moussey II), generating profit of SEK 5 M. In the fourth quarter, full profit recognition is expected to contribute to IRR of over 70 percent and a multiple on equity of approximately 1.7x for the project. This is well above Catella's target of average IRR of 20 percent in the business area.

We are pleased with the development in Catella's latest business area, last year's larger sale of Grand Central and also Moussey II during this quarter is proof that we, together with well-established partners, are developing attractive and profitable projects across Europe.

Current projects in Principal Investments are proceeding as planned, and in the coming quarters the divestment of the largest logistics property in the Infrahubs portfolio is planned. The 70,000 m<sup>2</sup> plus property in Norrköping is the Nordic's largest solar cell-powered facility. The tenant is Postnord TPL, with a contract that spans 10 years.

After the end of the quarter, Catella established a part-owned development company in Poland, where Catella intends to develop modern and sustainable rental properties alongside experienced partners. As a first step, student housing and rental properties are planned in one or several major cities over the coming two years.

### A quieter quarter on the transaction market

As usual, the third quarter was weak for property transactions and Catella Corporate Finance returned stable profit in the circumstances. Income decreased to SEK 107 M (148) and operating profit decreased by SEK 9 M to SEK -3 M.

In the Nordics, income increased driven by a broader offering, as well as a major capital raising to Gladshiem Fastigheter in Sweden where we remain leading in the market. Income decreased in continental Europe, mainly driven by lower activity on the transaction market for commercial properties. It is pleasing that our broader offering

in the residential segment, as a debt advisor and in connection with IPOs, continues to yield results even in a quieter quarter.

### **Outlook**

In the quarter, the fund Catella European Residential III was the first to be classified as "dark green" under article 9 of SFDR, which we are proud of. The classification means that the fund's investments have a direct positive impact on the environment and society, and do not negatively affect any other sustainability targets. We have noted strong interest in sustainable investments, which is in line with Catella's goals and continued journey towards becoming a leading sustainable partner linking property and finance.

Our UK operations, APAM, was after the quarter selected for the prestigious investment management mandate as part of Greater Manchester Pension Fund's SEK 9,3 Bn UK property portfolio. This shows that we are a long-term and attractive partner on the European property and investment market. Interest in asset management in PIM remains strong and future committed capital amounts to SEK 15.5 Bn, ensuring strong growth.

Principal Investments continued to invest in projects that meet our return requirements. Over the coming quarters, we will also realize some of the projects in the portfolio.

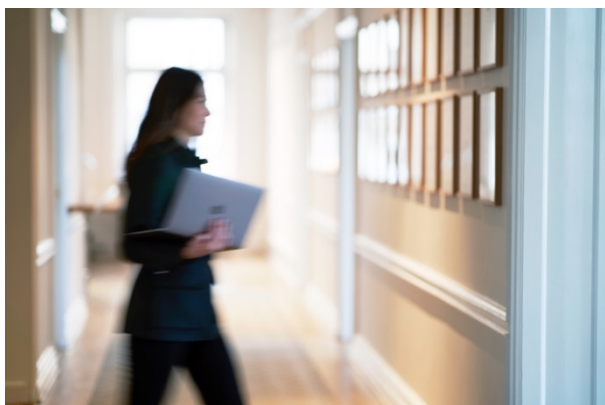
The fourth quarter is normally the most transaction-intensive for Corporate Finance and we have a strong pipeline, mainly on the Swedish and French markets.

At the end of the quarter, the financial position remained strong at SEK 1.7 Bn in cash and cash equivalents, and an equity ratio of 35 percent, which supports continued profitable growth.

Christoffer Abramson, CEO and President  
Stockholm, Sweden, 11 November 2021

## Our operating segments

At the beginning of 2021, Catella continued its new strategic focus on properties and expansion on new geographical markets, property types and risk categories. Catella is also broadening its operations further through principal investments and co-investments alongside partners. The operations in the former business area Equity, Hedge and Fixed Income Funds is being wound down (see Note 7). The changes to the operational structure has elicited a review of the Group' operating segments (according to IFRS 8). From the second quarter 2021, Catella's remaining operations comprise the operating segments *Corporate Finance*, *Property Investment Management* and *Principal Investments*.



### 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 7.*



### 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 8-9.*



### Principal Investments

Through Principal Investments, Catella carries out principal property investments alongside partners and external investors. Catella currently invests in offices, residential units and logistics properties on five geographical markets. Investments are made through subsidiaries and associated companies with the aim of generating average IRR of 20% as well as strategic advantages for Catella and other operating segments.

*For more information about the business area, see page 10-11.*

# Comments on the Group's progress

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

## New operating segments

From the second quarter 2021, Catella's remaining operations comprise the operating segments Corporate Finance, Property Investment Management and Principal Investments. The former business area Equity, Hedge and Fixed Income Funds is recognized alongside the Parent Company and other holding companies under the 'Other' category. The 'Other' category includes Catella Bank, which is recognized as a disposal group held for sale in accordance with IFRS 5. This means that in the Group's Income Statement, Catella Bank's net profit (after tax) is reported on a separate line under period profit from disposal group held for sale. See Note 8 for more information.

Comparative figures from previous years have been reported in a corresponding manner.

## Net sales and results of operations

### Third quarter 2021

The Group's total income from remaining operations was SEK 376 M (744), and net sales for remaining operations totalled SEK 361 M (565), of which SEK 105 M (148) related to Corporate Finance and SEK 256 M (349) to Property Investment Management. The decreased income in Corporate Finance was mainly attributable to the French and Danish operations but was offset slightly by increased income in the Swedish operations. The decreased income in Property Investment Management was attributable to the service area Property Asset Management which received substantial variable income from the divestment of the property development project Grand

Central in Düsseldorf, Germany in the third quarter 2020. The decreased income in Property Investment Management was also attributable to the divestment of Catella Asset Management SAS in January 2021. Principal Investments recognized income of SEK 8 M (176) in the period, of which SEK 5 m relates to profit from the sale of the French property development project Moussey Logistique II. Last year's profit included income of SEK 176 M from the divestment of the property development project Grand Central.

The Group's operating profit for remaining operations was SEK 51 M (259). Of the profit decrease of SEK 208 M, SEK 229 M is attributable to Grand Central. Comments on the progress of each operating segment can be found on pages 7-11.

The Group's net financial income/expense was SEK -1 M (-13), of which interest expenses and loan arrangement fees were SEK 20 M (12) and positive exchange rate differences SEK 10 M (3).

The Group's profit/loss before tax for remaining operations was SEK 50 M (246).

Profit/loss for the period (after tax) from disposal group held for sale was SEK -1 M (5) and related to Catella Bank.

Profit/loss in the period for the Group's total operations was SEK 36 M (220), of which SEK 34 M (220) was attributable to Parent Company shareholders. This corresponded to Earnings per share of SEK 0.39 (2.49).

### Nine-month period 2021

The Group's total income in the nine-month period was SEK 1,173 M (1,771), and the Group's net sales was SEK 1,131 M (1,513). The Group's decreased income was attributable to

divested operations (SEK -188M), operations being wound down (SEK -172 M) and the project Grand Central (-262 M). Operating profit/loss for remaining operations was SEK -2 M (370).

The Group's net financial income/expense was SEK 84 M (-56), and includes profit from the divestment of the subsidiary Catella Asset Management SAS of SEK 130 M. Interest income amounted to SEK 13 M (5), and interest expenses and loan arrangement fees were SEK 61 M

(39), of which SEK 8 M related to non-recurring expenses for the repurchase and early redemption of an existing bond. The divestment of shares in IPM Systematic Macro realized further losses of SEK 13 M. Net financial income/expense also included positive exchange rate differences of SEK 11 M (8).

Profit (after tax) from disposal group held for sale was SEK -8 M (-85) in the nine-month period 2021.

Profit/loss for the period for the Group's total operations was SEK 31 M (81), of which SEK 79 M (73) was attributable to Parent Company shareholders. This corresponds to Earnings per share of SEK 0.90 (0.82).

## Significant events in the quarter

- Catella completed a fourth investment in logistics properties in Ljungby through the Infrahubs Group.
- Andreas Wesner was appointed new CEO of Catella's German fund manager Catella Real Estate AG.

## Significant events after the end of the quarter

There were no significant events after the end of the quarter.

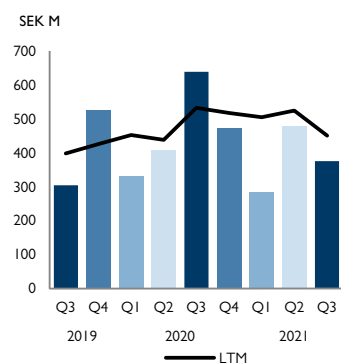
## Remaining operations in summary\*

SEK M	3 Months		9 Months		12 Months	
	2021	2020	2021	2020	Rolling	2020
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12 Months	Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>						
Total income	375	639	1 138	1 376	1 610	1 848
Assignment expenses and commission	-56	-49	-146	-172	-209	-236
Operating expenses	-271	-334	-839	-859	-1 207	-1 227
Operating profit/loss	48	255	153	345	194	386
Operating margin, %	13	40	13	25	12	21
Financial items—net	-2	-17	96	-45	34	-106
Profit/loss before tax	46	238	249	300	228	279
Tax	-13	-31	-44	-146	-47	-149
Profit for the period from continuing operations	33	207	205	154	181	130

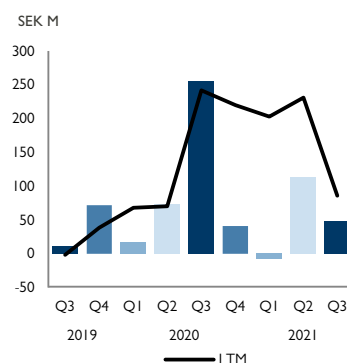
KEY FIGURES	3 Months		9 Months		12 Months	
	2021	2020	2021	2020	Rolling	2020
	Jul-Sep	Jul-Sep	Jan-Sep	Jan-Sep	12 Months	Jan-Dec
Profit margin, %	10	29	3	9	1	6
Return on equity, %**	-	-	5	20	-	13
Equity, SEK M	-	-	1 128	1 273	-	1 247
Total assets, SEK M	-	-	4 269	3 445	-	3 615
Equity/Asset ratio, %	-	-	26	37	-	35
Net profit/loss for the period, SEK M**	35	215	87	157	59	129
Earnings per share, SEK**	0,40	2,44	0,99	1,78	0,66	1,46
Equity, SEK M**	-	-	1 025	1 100	-	1 062
Equity per share, SEK**	-	-	11,60	12,45	-	12,02
No. of shares at end of the period	88 348 572	88 348 572	88 348 572	88 348 572	88 348 572	88 348 572
No. of employees, at end of period	-	-	520	562	-	566
Property transaction volume for the period, SEK Bn	7,0	9,7	30,3	26,7	48,6	45,0
Assets under management at end of period, SEK Bn	-	-	111,9	116,5	-	115,6
<i>net in-(+) and outflow(-) during the period, SEK Bn</i>	-1,5	8,8	-7,8	15,9	-2,5	21,2

INCOME AND RESULT PER QUARTER	2021	2021	2021	2020	2020	2020	2020
	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar
Total income, SEK M	375	478	285	472	639	408	330
Operating profit/loss, SEK M	48	113	-8	41	255	73	17

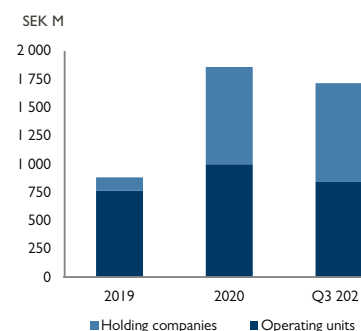
TOTAL INCOME



OPERATING PROFIT/LOSS



CASH AND CASH EQUIVALENTS\*\*\*



\* Remaining operations comprise the business segments Corporate Finance, Property Investment Management and Principal Investments and Parent Company Catella AB (publ) and other holding companies. Divested operations (Catella Asset Management SAS - January 2021 and Catella Fondförvaltning AB - September 2020), operations in the process of being wound down (IPM) and disposal group held for sale (Catella Bank) have not been included in the above summary. For information about operations in the process of being wound down and disposal group held for sale, See Note 7 and 8.

\*\* Attributable to shareholders of the Parent Company. \*\*\* Cash and cash equivalents attributable to Catella Bank have been classified as being included in the Group's Swedish holding company in the table.

# Corporate Finance

## Third quarter 2021

The total transaction market for commercial property in Europe, excluding the UK, totalled EUR 468 Bn (428) in the quarter, which is an increase of 9% year-on-year.

Property transactions where Catella acted as advisor totalled SEK 7.0 Bn (9.7) in the quarter. Of the total transaction volumes in the quarter, Sweden provided SEK 3.1 Bn (1.4), France 2.6 Bn (2.1), Finland 0.8 Bn (1.3) and Denmark 0.1 Bn (4.5).

Total income was SEK 107 M (148), and total income, adjusted for assignment costs, decreased by SEK 27 M attributable

to continental Europe. The Group's operating profit totalled SEK -3 M (6), a decrease of SEK 9 M year-on-year.

Operating costs decreased by SEK 19 M, mainly due to lower performance based personnel costs.

In the Nordics, income after assignment costs and operating profit/loss were higher year-on-year, mainly driven by Sweden, which saw more transactions and capital markets related services.

In continental Europe, operating profit/loss decreased in France and Germany year-on-year, while Spain remained unchanged year-on-year.

## Nine-month period 2021

Transaction volumes in Europe, excluding the UK, totalled EUR 1,530 Bn (1,555) in the period, a decrease of 2% year-on-year. Catella's transaction volume in the period was SEK 30.3 Bn (26.7).

Total income was SEK 383 M (362), and operating profit/loss was SEK 14 M (-10) in the period.

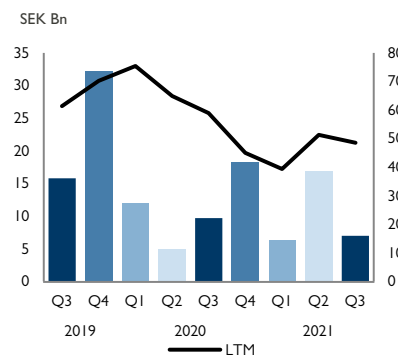
SEK M	3 Months		9 Months		12 Months	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Rolling 12 Months	2020 Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>						
Nordic *	49	45	167	126	263	222
Continental Europe *	59	103	217	234	383	400
Total income	107	148	383	362	644	623
Assignment expenses and commission	-8	-22	-35	-42	-68	-75
Operating expenses	-102	-121	-334	-330	-524	-520
Operating profit/loss	-3	6	14	-10	52	29
<b>KEY FIGURES</b>						
Operating margin, %	-3	4	4	-3	8	5
Equity, SEK M **	-	-	29	34	-	98
Property transaction volume for the period, SEK Bn	7,0	9,7	30,3	26,7	48,6	45,0
of which Nordic	4,0	7,2	20,7	16,9	33,1	29,3
of which Continental Europe	3,0	2,5	9,6	9,8	15,5	15,7
No. of employees, at end of period	-	-	202	210	-	208

\* 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 2020.

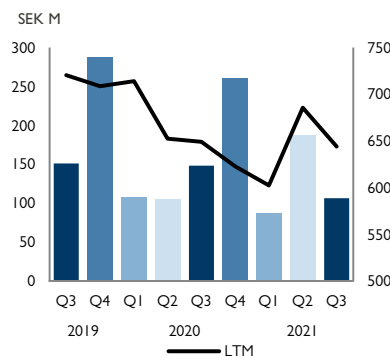
\*\* Attributable to shareholders of the Parent Company.

INCOME AND RESULT PER QUARTER	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar
Total income, SEK M	107	188	88	261	148	105	109
Operating profit/loss, SEK M	-3	43	-26	38	6	-3	-13

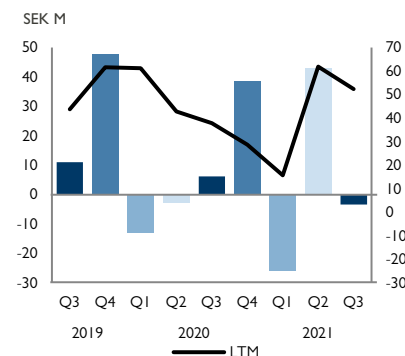
## TRANSACTION VOLUMES



## TOTAL INCOME



## OPERATING PROFIT/LOSS



# Property Investment Management

## Third quarter 2021

Total income was SEK 260 M (349), and income after assignment costs amounted to SEK 213 M (319) in the quarter.

Property Funds' income after assignment costs increased by SEK 17 M year-on-year, driven by fixed income.

Property Asset Management's income decreased by SEK 88 M, adjusted for sale of the French operations, year-on-year. The decrease in income was mainly due to

the divestment of the property development project Grand Central in Düsseldorf through Catella Project Management in the previous year.

Operating costs decreased mainly due to lower variable personnel expenses.

Operating profit/loss was SEK 57 M (92), of which Property Funds increased by SEK 5 M mainly driven by growth in assets under management. Property Asset

Management decreased by SEK 40 M year-on-year.

## Nine-month period 2021

Catella's assets under management in the business area increased by SEK 10.5 Bn in the period, totalling SEK 111.9 Bn at the end of the period, adjusted for France.

Total income was SEK 755 M (886), and operating profit/loss was SEK 168 M (209).

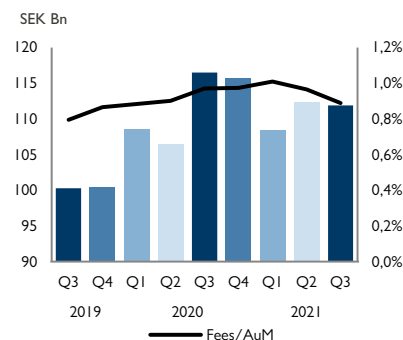
	3 Months		9 Months		12 Months	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Rolling 12 Months	2020 Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>						
Property Funds *	202	197	606	582	773	749
Property Asset Management *	82	200	204	391	306	493
Total income	260	349	755	886	995	1 126
Assignment expenses and commission	-47	-30	-119	-134	-150	-164
Operating expenses	-156	-226	-467	-543	-648	-723
Operating profit/loss	57	92	168	209	198	239
<b>KEY FIGURES</b>						
Operating margin, %	22	26	22	24	20	21
Equity, SEK M **	-	-	897,1	651,7	-	616,8
Assets under management at end of period, SEK Bn	-	-	111,9	116,5	-	115,6
net in-(+) and outflow(-) during the period, SEK Bn	-1,5	8,8	-7,8	15,9	-2,5	21,2
of which Property Funds	-	-	81,6	69,3	-	69,1
net in-(+) and outflow(-) during the period, SEK Bn	3,9	2,2	9,3	6,2	11,7	8,6
of which Property Asset Management	-	-	30,3	47,2	-	46,5
net in-(+) and outflow(-) during the period, SEK Bn	-5,4	6,6	-17,1	9,8	-14,1	12,7
No. of employees, at end of period	-	-	270	266	-	273

\* 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 2020.

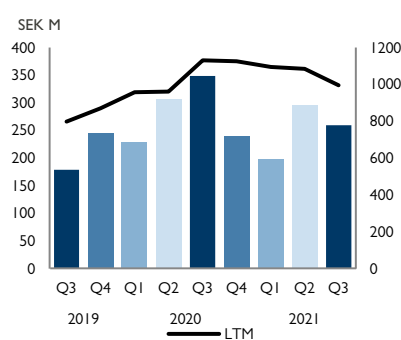
\*\* Attributable to shareholders of the Parent Company.

	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar
<b>INCOME AND RESULT PER QUARTER</b>							
Total income, SEK M	260	297	199	240	349	308	229
Operating profit/loss, SEK M	57	84	28	29	92	76	41

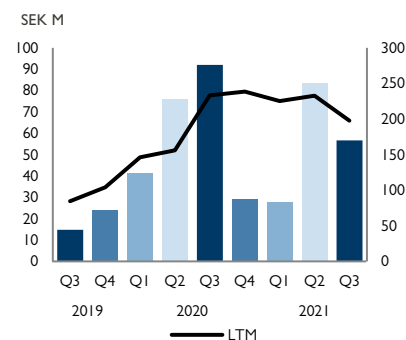
## ASSETS UNDER MANAGEMENT



## TOTAL INCOME



## OPERATING PROFIT/LOSS





# Property Investment Management

## Assets under management by service area and country

Catella is a leading specialist in property investments in Europe that offers institutional and other professional investors attractive, risk-adjusted returns through two service areas: Property Funds and Property Asset Management.

Property Funds offers specialized funds with different investment strategies in terms of risk and return, type of property and location. Through over 20 open specialized

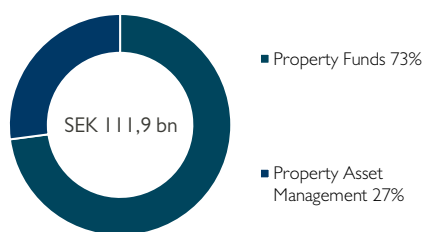
property funds investors gain access to fund management and efficient allocation between different European markets.

Catella's Property Asset Management business area provides asset management services to property funds, other institutions and family offices. Project Management, which is reported under the Property Asset Management service area, offers early-stage investment opportunities in development projects. Catella identifies development po-

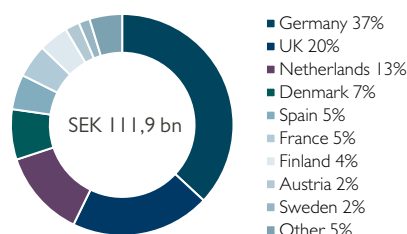
tential for land parcels and properties, arranges project financing, participates in co-financing and completes the sale once planning permission has been granted.

Assets under management amounted to SEK 81.6 Bn in Property Funds and SEK 30.3 Bn in Property Asset Management at the end of the period, of which some 73 percent are invested in Catella's property funds.

ASSETS UNDER MANAGEMENT BY SERVICE AREA



ASSETS UNDER MANAGEMENT BY COUNTRY



## Change in assets under management

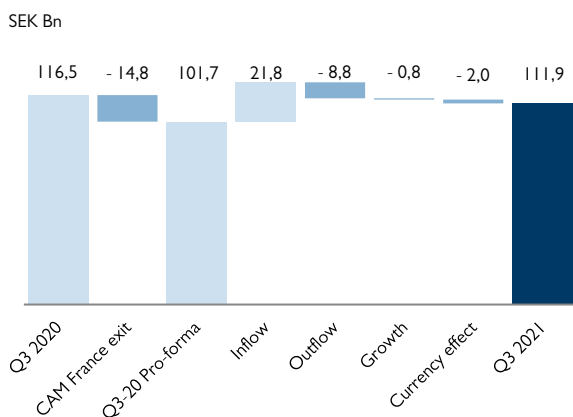
Assets under management increased from SEK 101.7 Bn to SEK 111.9 Bn in the last 12-month period, adjusted for the divestment of the French subsidiary Catella Asset Management SAS. The increase of SEK 10.2 Bn was mainly driven by an inflow to residential funds Catella Wohnen Europa, Catella Modernes Wohnen and Catella

European Residential III, and two new mandates in Property Asset Management in the UK in retailing, e.g. shopping centres.

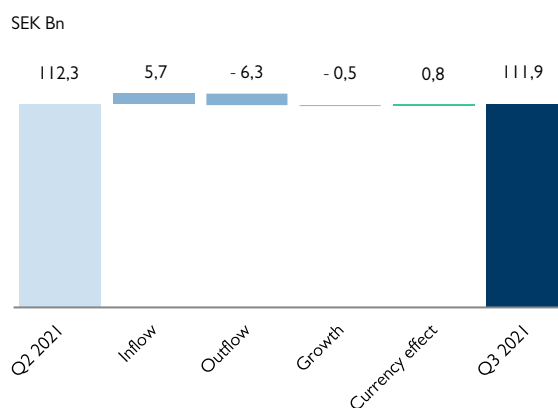
Assets under management decreased by SEK 0.4 Bn to SEK 111.9 Bn in the quarter. Inflows of SEK 5.7 Bn were mainly driven by acquisitions of residential properties in areas such as Hamburg, Dortmund, Århus and Seville through Catella Property Funds. Management of the properties will be handled

locally by Catella's Asset Management operations, which contributes to additional income for the Property Investment Management business area. Outflows of SEK 6.3 Bn were mainly due to concluded mandates in Catella Asset Management Sweden and Catella Hospitality Europé.

Assets under management, last 12 months, SEK Bn



Assets under management, in the quarter, SEK Bn



# Principal Investments

In Principal Investments, Catella makes own real estate investments together with partners and external investors. The target of the investments is to generate an IRR of 20 percent on average and create strategic benefits for Catella's other business areas.

## Third quarter 2021

Total income was SEK 8 M (176) in the third quarter, of which SEK 5 m relates to profit from the sale of the French property development project Mousseuy

Logistique II. Last year's profit included income of SEK 176 M from the divestment of the property development project Grand Central. In the third quarter, Catella extended its investment portfolio through joint venture Infrahubs with two development projects comprising investments in Matsmart Scandinavia AB's new central warehouse facility in Örebro and a new logistics property for PostNord TPL AB in Ljungby. The total development cost is ex-

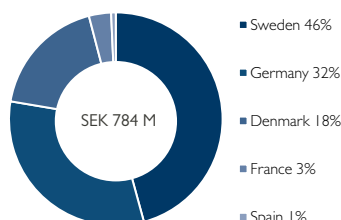
pected to amount to SEK 184 M for Örebro and SEK 178 M for Ljungby, where Catella's ownership stakes represent 50 percent and 40 percent respectively.

## Nine-month period 2021

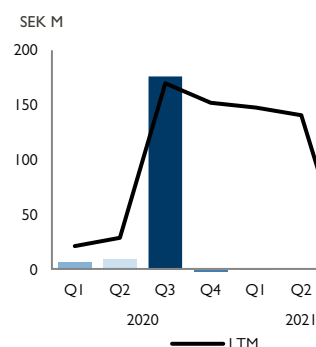
In the nine-month period Catella invested SEK 571 M in residential, logistics and office projects throughout Europe.

SEK M INCOME STATEMENT—CONDENSED	3 Months		9 Months		12 Months	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Rolling 12 Months	2020 Jan-Dec
Total income	8	176	10	192	8	190
Assignment expenses and commission	0	0	0	0	-1	-1
Operating expenses	-1	0	-2	-1	-2	-1
Operating profit/loss	7	176	8	191	5	188
<b>FINANCIAL POSITION - CONDENSED</b>			2021	2020		2020
<i>Non-current assets</i>			30 Sep	30 Sep		31 Dec
Holdings in associated companies	-	-	106	90	-	84
Other non-current assets	-	-	188	9	-	3
Total non-current assets	-	-	295	99	-	88
<i>Current assets</i>						
Development and project properties	-	-	1 510	511	-	634
Receivables from associated companies	-	-	81	29	-	26
Accounts receivable and other receivables	-	-	38	5	-	8
Cash and cash equivalents	-	-	46	87	-	-15
Total current assets	-	-	1 675	631	-	653
Total assets	-	-	1 970	730	-	741
<i>Equity</i>						
Equity attributable to shareholders of the Parent Company	-	-	174	178	-	156
Non-controlling interests	-	-	5	5	-	5
Total equity	-	-	178	183	-	161
<i>Liabilities</i>						
Non-current liabilities	-	-	966	390	-	454
Current liabilities	-	-	825	157	-	125
Total liabilities	-	-	1 791	547	-	580
Total equity and liabilities	-	-	1 970	730	-	741

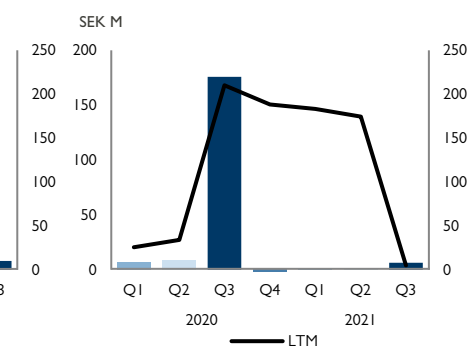
## INVESTED CAPITAL PER COUNTRY\*



## TOTAL INCOME



## OPERATING PROFIT/LOSS



\* The figures indicate the share of Principal Investments' total investment

# Principal Investments

The following table shows ongoing property development projects and investment status as of 30 September 2021. Other property development projects relate to securing land etc. ahead of the start-up of future projects.

Property Development Projects	Country	Investment type	Project start	Estimated completion	Catella capital share, %	Project company's total investment, SEK M	Total Catella Equity Invested, SEK M ***
Seestadt MG+ *	Germany	Residential	Q1 2019	2030+	45	326	50
Düffel-Terrassen *	Germany	Residential	Q4 2018	2030+	45	111	18
Königsallee 106 *	Germany	Office	Q2 2021	Q4 2024	23	825	182
Total Catella Project Capital						1 262	250
Roye Logistique *	France	Logistics	Q2 2019	Q4 2021	65	152	2
Mer Logistique *	France	Logistics	Q1 2020	Q2 2022	65	136	24
Barcelona Logistics *	Spain	Logistics	Q4 2020	Q3 2022	100	6	6
Total Catella Logistic Europé						293	32
Norrköping **	Sweden	Logistics	Q4 2020	Q1 2022	50	453	222
Ljungby **	Sweden	Logistics	Q2 2021	Q3 2022	40	11	11
Örebro **	Sweden	Logistics	Q2 2021	Q2 2022	50	86	86
Vaggeryd *	Sweden	Logistics	Q3 2021	Q3 2022	50	37	21
Other *	Sweden	Logistics				35	19
Total Infrahubs						622	359
Kaktus **	Denmark	Residential	Q2 2017	Q3 2022	93	934	143
<b>Total</b>						<b>3 110</b>	<b>784</b>

\* The project is consolidated as an associated company according to the equity method

\*\* The project is consolidated as a subsidiary with full consolidation

\*\*\* Refers to both capital injections and loans provided

## SELECTION OF CATELLA'S ONGOING DEVELOPMENT PROJECTS

**Nyligen lanserade projekt:**

**Infrahubs:**  
Vaggeryd (280 mkr\*), Ljungby (178 mkr\*)

**Catella Logistics Europe:**  
Metz (380 mkr\*)

**Infrahubs, Örebro**  
184 mkr \*

**Infrahubs, Norrköping**  
512 mkr \*

**Kaktus Towers, Köpenhamn**  
1 334 mkr \*

**Barcelona, Spanien**  
170 mkr \*

**Mer, Frankrike**  
312 mkr \*

**Roye, Frankrike**  
242 mkr \*

**Königsallee, Düsseldorf**  
1 984 mkr \*

**Düffel-Terrassen, Düsseldorf**  
920 mkr \* (Etapp 1 – 333 enheter)

**Seestadt mg+, Düsseldorf**  
2 021 mkr \* (Etapp 1 – 63 000 kvm BTA)

\* Total utvecklingskostnad

## Other financial information

### The Group's financial position

In the third quarter, the Group's total assets increased by SEK 298 M and amounted to SEK 4,843 M as of 30 September 2021. The increase is mainly due to continued investments in property development projects in Principal Investments.

In the third quarter, Group equity increased by SEK 22 M, amounting to SEK 1,689 M as of 30 September 2021. In addition to profit for the period of SEK 36 M and negative translation differences of SEK 2 M, equity was also affected by dividends to non-controlling holdings of SEK 17 M. Equity was also affected by profit for the period attributable to non-controlling holdings of SEK 4 M and recognised as personnel expenses and tax in the Group's Income Statement. As of 30 September 2021, the Group's equity/assets ratio was 35% (37% as of 30 June 2021).

### Group cash flow

#### Third quarter 2021

Group cash flow from operating activities before changes in working capital amounted to SEK 6 M (63), of which SEK 39 M was attributable to remaining operations and SEK -33 M to Catella Bank. Tax paid totalled SEK 27 M (28) in the period.

Group cash flow from operating activities was SEK 79 M (101), of which changes in working capital comprised SEK 73 M (38) in the period. Of the changes in working capital, SEK 71 M (50) was attributable to remaining operations and SEK 2 M (-12) to Catella Bank.

Cash flow from investing activities totalled SEK -395 M (199) and included additional investments of SEK 314 M in the property development project Kaktus, Infrahubs Norrköping and Infrahubs Örebro, and new investments of SEK 66 M in projects including Infrahubs Vaggeryd and Infrahubs Ljungby.

Cash flow from financing activities amounted to SEK 220 M (6), of which SEK 150 M related to new bank financing to In-

frahubs Norrköping, and SEK 100 M to extended credit to Kaktus for ongoing property development projects. Furthermore, dividends of SEK 17 M were paid to non-controlling interests.

Cash flow for the period amounted to SEK -96 M (306), of which cash flow from remaining operations was SEK -65 M (352) and cash flow from disposal group held for sale was SEK -31 M (-46).

Cash and cash equivalents at the end of the period was SEK 1,712 M (1,880), of which cash and cash equivalents relating to remaining operations totalled SEK 1,288 M (1,454), cash and cash equivalents attributable to the Group's Swedish holding company amounted to SEK 448 M (535). Cash and cash equivalents recognized in Assets in disposal group held for sale totalled SEK 424 M (426).

#### Nine-month period 2021

Consolidated cash flow from operating activities before changes in working capital amounted to SEK -4 M (70), of which SEK 52 M was attributable to remaining operations and SEK -56 M to Catella Bank. Tax paid totalled SEK 73 M (76) in the period. Consolidated cash flow from operating activities was SEK -39 M (78), of which changes in working capital comprised SEK -35 M (8) in the period. Of the changes in working capital, SEK -47 M (121) was attributable to remaining operations and SEK 12 M (-113) to Catella Bank.

Cash flow from investing activities totalled SEK -864 M (226) and includes investments in property development projects, through subsidiaries and associated companies, totalling SEK 1,111 M. In addition, Catella acquired shares in non-controlling holdings in Catella Residential in France of SEK 54 M. The divestment of the subsidiary Catella Asset Management SAS generated cashflow, after deductions for divested cash and cash equivalents, of SEK 109 M. Sales of all the shares in IPM Systematic Macro Fund and IPM Systematic Commodities Fund generated net inflows of SEK 80 M and Visa Class A shares were divested for a total of SEK 87 M.

Cash flow from financing operations amounted to SEK 740 M (192), of which SEK 480 M related to Catella AB's issue of a new senior unsecured bond after repurchase/early redemption of an older bond net of expenses. In addition, the subsidiary Kaktus TopCo raised loans of an additional SEK 289 M for ongoing property development projects, and Infrahubs Örebro received new bank financing of SEK 150 M. ?? Amortization of Covid-19 loans and the Group's leasing liabilities amounted to SEK 32 M and SEK 48 M respectively. Dividends paid to Parent Company shareholders and to non-controlling holdings amounted to SEK 80 M and SEK 25 M respectively.

Cash flow for the period amounted to SEK -163 M (496), of which cash flow from remaining operations was SEK -206 M (572) and cash flow from disposal group held for sale was SEK 43 M (-76).

### Parent Company

#### Third quarter 2021

The Parent Company recognised income of SEK 4.3 M (6.3) and operating profit/loss was SEK -9.9 M (-8.3). Personnel expenses increased by SEK 3.8 M at the same time as consultancy costs decreased by SEK 3.1 M in the period due to recruitment of new staff. The number of employees at the end of the period was 18 (12).

The Parent Company's net financial income/expense totalled SEK -15.3 M (-3.7), of which interest and arrangement fees for bond loans amounted to SEK 15.8 M (8.8). The previous year's net financial income/expense also included realized and unrealized profit from derivatives of SEK 5.3 M.

Profit/loss before tax and profit/loss for the period was SEK -25.2 M (-12.0).

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 544.3 M (81.1).

### **Nine-month period 2021**

Total income was SEK 10.4 M (23.0), and operating profit for the year was SEK -38.6 M (-35.0) in the period.

Financial items amounted to SEK -40.9 M (-15.5), of which interest and arrangement fees for bond loans totalled SEK 49.4 M (26.5). The amount includes non-recurring costs totalling SEK 8 M as a result of the repurchase and early redemption of an existing older bond loan at 101.3 percent of the nominal amount. Net financial income/expense also includes profit from derivatives of SEK 8.1 M (11.0). 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 net assets in EUR. The derivative matured in February 2021 when the position was closed. Group management evaluates the need for hedging of the Group's translation risk on an ongoing basis. Profit/loss before tax and profit/loss for the period was SEK -79.5 M (-50.5).

### **Employees**

At the end of the period, there were 520 (562) employees in remaining operations, expressed as full-time equivalents.

### **Shareholders**

Catella had 8,780 (9,501) shareholders registered at the end of the period. The principal shareholders on 30 September 2021 was the Claesson & Anderzén Group with 49.4% (49.4) of the capital and 48.8% (48.8) of the votes, followed by Alcur Fonder with 6.2% (4.2) of the capital and 5.6% (3.8) of the votes.

### **Dividend**

Catella's target is to distribute 50 percent of the Group's profit after tax adjusted for unrealized value growth to shareholders each year.

### **Risks and uncertainties**

A few companies in the Catella Group conduct operations that are under the supervision of regulatory financial authorities on their respective domestic markets. In addition, Catella's consolidated financial situation has been under the supervision of CSSF in Luxembourg since 31 March 2016. Catella continuously seeks to ensure com-

pliance with existing regulatory frameworks and to prepare for future compliance with coming regulatory changes. In connection with Catella Bank returning the license, however, the compliance demands will decrease.

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. Actual outcomes may differ from these estimates and judgements, due to other circumstances or changed conditions. See Note 4 in the Annual Report 2020 for significant estimates and judgements.

Catella invests large amounts in property development projects, mainly through associated companies but also through subsidiaries. Catella's primary intention is to invest in the early phase of projects and divest the holding as soon as it is commercially advantageous. The investments include the risk that Catella 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.

### **Seasonal variations**

Within the Corporate Finance operating segment, seasonal variations are significant. Transaction volumes and income have historically been the highest in the fourth 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 I Complementary Accounting Rules for Groups issued by RFR, the Swedish Financial Reporting Board.

Catella applies gradual revenue recognition for property development projects where sales agreements have been entered into with an external party in accordance with IFRS 15 Revenue from

contracts with customers. Property projects where no sales agreement has been

signed with an external party are recognized according to IAS 2 at the lower of cost and net sales value. Cost comprises acquisition costs, development expenses and cost of borrowing.

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.

The information provided in Note 8 regarding the consolidated financial 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 2020. Figures in tables and comments may be rounded.

### **Related party transactions**

In November 2020, Catella acquired shares in the subsidiary Infrahubs Fastighet 2 AB, which is constructing a logistics property in Norrköping which has been fully let to Postnord TPL AB. As of 30 September 2021, Catella had invested SEK 222 M in the company. Catella guarantees the fulfilment of the rental agreement in relation to Postnord. Catella's main owner CA Fastigheter AB has presented an unconditional commitment, without compensation, to invest the requisite capital in Infrahubs Fastighet 2 AB in exchange for shares in the company corresponding to the investment. The guarantee may be utilized to the extent other financing cannot be obtained for the project. In the third quarter 2021, Catella obtained external bank financing and the guarantee is currently not expected to be utilized.

Catella holds shares in the associated company Catella Project Capital GmbH, whose other owners are the Claesson & Anderzén group and the management of Catella Project Management GmbH. For more information, see Principal Investments of this report and Notes 20 and 38 in the Annual Report 2020.

Catella's German subsidiary Catella Project Management GmbH (CPM) operates

the property development projects within associated company Catella Project Capital 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.

***Interim Report January–March 2022***

6 May 2022

***Annual General Meeting 2022***

24 May 2022

**Forecast**

Catella does not publish forecasts.

**Financial calendar**

***Year-end Report 2021***

25 February 2022

***Annual Report 2021***

11 April 2021

**For further information, contact**

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Tel. +46 (0) 8-463 33 10

More information on Catella and all financial reports are available at

[catella.com](http://catella.com).

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.

This Report has been subject to review by the Company's Auditors.

Stockholm, Sweden, 11 November 2021  
Catella AB (publ)

Johan Claesson  
Chairman of the Board

Tobias Alsborger  
Board member

Jan Roxendal  
Board member

Johan Damne  
Board member

Anneli Jansson  
Board member

Joachim Gahm  
Board member

Christoffer Abramson  
CEO and President

Report of review of interim financial information

Auditor's review report for interim financial information in summary (Interim Report) prepared in accordance with IAS 34 and Chapter 9 of the Swedish Annual Accounts Act.

### **Introduction**

We have reviewed the condensed interim financial information (Interim Report) of Catella AB (corporate ID no. 556079-1419) as of 30 September 2021 and the nine-month period then ended. The Board of Directors and CEO are responsible for the preparation and presentation of this Interim Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on the Interim Report based on our review.

### **Scope of review**

We have conducted our review in accordance with the International Standard on Review Engagements ISRE 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review consists of making inquiries, primarily of

persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review has a different focus and is significantly limited in scope compared to the focus and scope of an audit conducted in accordance with the International Standards on Auditing and generally accepted auditing standards generally. The procedures performed in a review do not allow us to obtain a level of assurance that would make us aware of all significant matters that might have been identified in an audit. Therefore, the conclusion expressed based on a review does not provide the same level of assurance as a conclusion expressed on the basis of an audit.

### **Conclusion**

Based on our review, nothing has come to our attention that causes us to believe that the Interim Report has not been prepared, in all material respects, for the Group in accordance with IAS 34 and the Swedish Annual Accounts Act and for the parent company in accordance with the Annual Accounts Act.

Stockholm, Sweden, 11 November 2021

PricewaterhouseCoopers AB

*Daniel Algotsson*

Authorized Public Accountant

## Consolidated Income Statement

SEK M	Note	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net sales		361	565	1 131	1 513	2 047
Other operating income		15	179	42	257	265
Total income		376	744	1 173	1 771	2 312
Assignment expenses and commission		-56	-65	-147	-235	-300
Other external expenses		-65	-91	-266	-298	-395
Personnel costs		-182	-304	-654	-775	-1 079
Depreciation		-19	-23	-100	-73	-110
Other operating expenses		-3	-3	-8	-18	-34
Operating profit/loss		51	259	-2	370	393
Interest income		6	2	13	5	6
Interest expenses		-19	-11	-54	-36	-47
Other financial items		12	-3	125	-26	-64
Financial items—net		-1	-13	84	-56	-105
Profit/loss before tax		50	246	83	314	289
Tax		-12	-31	-44	-148	-151
Profit for the period from continuing operations		37	215	39	166	138
Operations held for sale:						
Profit for the period from divestment group held for sale	8	-1	5	-8	-85	-64
Net profit/loss for the period		36	220	31	81	74
Profit/loss attributable to:						
Shareholders of the Parent Company		34	220	79	73	65
Non-controlling interests		2	-0	-49	8	9
		36	220	31	81	74
Earnings per share attributable to shareholders of the Parent Company, SEK						
Continuing operations						
- before dilution		0,40	2,44	0,99	1,78	1,46
- after dilution		0,39	2,44	0,97	1,78	1,46
Divestment groups held for sale						
- before dilution		-0,01	0,05	-0,09	-0,96	-0,72
- after dilution		-0,01	0,05	-0,09	-0,96	-0,72
Total operations						
- before dilution		0,39	2,49	0,90	0,82	0,74
- after dilution		0,38	2,49	0,88	0,82	0,74
No. of shares at end of the period		88 348 572	88 348 572	88 348 572	88 348 572	88 348 572
Average weighted number of shares after dilution		89 556 905	88 348 572	89 556 905	88 381 905	88 348 572

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

## Consolidated Statement of Comprehensive Income

SEK M	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net profit/loss for the period	36	220	31	81	74
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Value change in defined benefit pension plans	0	0	1	0	0
Fair value changes in financial assets through other comprehensive income	-0	-39	11	-36	47
Items that will be reclassified subsequently to profit or loss:					
Hedging of net investment	0	-4	-2	-3	28
Translation differences	-2	6	8	-6	-65
Other comprehensive income for the period, net after tax	-2	-37	17	-45	11
Total comprehensive income/loss for the period	34	183	48	36	85
Profit/loss attributable to:					
Shareholders of the Parent Company	32	183	96	28	79
Non-controlling interests	3	0	-48	8	6
	34	183	48	36	85



## Consolidated Statement of Financial Position - condensed

SEK M	Note	2021 30 Sep	2020 30 Sep	2020 31 Dec
<b>ASSETS</b>				
Non-current assets				
Intangible assets		402	474	443
Contract assets		139	158	157
Property, plant and equipment		26	27	30
Holdings in associated companies		170	170	167
Non-current receivables from associated companies		185	8	35
Other non-current securities	3, 4, 5	153	228	248
Deferred tax receivables		26	1	21
Other non-current receivables		16	6	6
		1 116	1 073	1 106
Current assets				
Development and project properties		1 510	511	634
Receivables from associated companies		81	31	26
Accounts receivable and other receivables		333	397	415
Current investments	3, 4, 5	23	59	31
Cash and cash equivalents *		1 288	1 454	1 482
		3 234	2 451	2 588
Assets in divestment groups held for sale	8	493	516	539
		3 727	2 968	3 127
<b>Total assets</b>		<b>4 843</b>	<b>4 040</b>	<b>4 233</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
Share capital		177	177	177
Other contributed capital		295	289	289
Reserves		4	16	75
Profit brought forward including net profit for the period		1 110	1 082	1 072
Equity attributable to shareholders of the Parent Company		1 586	1 564	1 612
Non-controlling interests		103	173	185
<b>Total equity</b>		<b>1 689</b>	<b>1 736</b>	<b>1 797</b>
Liabilities				
Non-current liabilities				
Borrowings from credit institutions		942	494	553
Bond issue		1 240	750	751
Contract liabilities		109	124	115
Other non-current liabilities		71	0	0
Deferred tax liabilities		19	23	20
Other provisions		68	79	63
		2 449	1 470	1 503
Current liabilities				
Contract liabilities		35	42	48
Accounts payable and other liabilities		580	575	731
Tax liabilities		40	48	48
		655	666	827
Liabilities in disposal groups held for sale	8	50	169	106
		705	834	933
<b>Total liabilities</b>		<b>3 154</b>	<b>2 304</b>	<b>2 435</b>
<b>Total equity and liabilities</b>		<b>4 843</b>	<b>4 040</b>	<b>4 233</b>
* Of which pledged and blocked liquid funds		54	50	49

Information on financial position by operating segment can be found in Note 2.

## Consolidated Statement of Cash Flows

SEK M	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Cash flow from operating activities					
Profit/loss before tax	49	239	76	219	216
Reclassification and adjustments for non-cash items:					
Wind down expenses	-17	-18	23	38	27
Other financial items	-13	2	-121	-3	29
Depreciation	19	22	100	74	113
Impairment / reversal of impairment of current receivables	3	1	5	4	10
Change in provisions	-1	7	-4	-1	6
Reported interest income from loan portfolios	-7	-1	-13	-4	-4
Profit/loss from participations in associated companies	-5	-176	-23	-195	-196
Personnel costs not affecting cash flow	6	14	27	14	37
Paid income tax	-27	-28	-73	-76	-84
Cash flow from operating activities before changes in working capital	6	63	-4	70	154
Cash flow from changes in working capital					
Increase (-)/decrease (+) of operating receivables	76	73	130	431	189
Increase (+) / decrease (-) in operating liabilities	-3	-35	-166	-423	-178
Cash flow from operating activities	79	101	-39	78	165
Cash flow from investing activities					
Purchase of property, plant and equipment	-5	-4	-8	-9	-16
Purchase of intangible assets	-1	-3	-2	-7	-7
Purchase of subsidiaries, after deductions for acquired cash and cash equivalents	-0	0	-54	-0	-0
Sale of subsidiaries, net of cash disposed	-0	83	109	83	76
Business transfers net of advisory costs	0	-1	-	131	128
Purchase of and additional investments in associated companies	10	-8	-249	-8	-37
Divestment of associated companies	0	0	24	-	-
Dividend and other disbursements from associated companies	0	173	5	173	179
Investments in development and project properties	-405	-63	-862	-169	-320
Purchase of financial assets	0	0	-93	-34	-38
Sale of financial assets	0	23	254	66	77
Cash flow from loan portfolios	5	0	11	0	0
Cash flow from investing activities	-395	199	-864	226	44
Cash flow from financing activities					
Re-purchase of share warrants	-	-	-	-1	-1
Proceeds from share warrants issued	0	-	6	-	-
New share issue	-	-	-	15	15
Borrowings	252	60	1 679	278	422
Amortisation of loans	-2	0	-793	-0	-0
Amortisation of leasing debt	-13	-12	-48	-40	-58
Dividend	0	0	-80	0	0
Transactions with, and payments to, non-controlling interests	-17	-42	-25	-60	-63
Cash flow from financing activities	220	6	740	192	315
Cash flow for the period	-96	306	-163	496	524
Cash and cash equivalents at beginning of period	1 790	1 565	1 856	1 378	1 378
Exchange rate differences in cash and cash equivalents	18	9	19	6	-46
Cash and cash equivalents at end of the period *	1 712	1 880	1 712	1 880	1 856
Of which cash flow from divestment groups held for sale:					
Cash flow from operating activities	-31	-44	-44	-206	-212
Cash flow from investing activities	0	-1	87	130	128
Cash flow from financing activities	0	0	0	0	0
Cash flow for the period from divestment groups held for sale	-31	-46	43	-76	-84
* Of which cash and cash equivalents recognised in Assets in disposal groups held for sale	424	426	424	426	374

SEK 424 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

Equity attributable to shareholders of the Parent Company

SEK M	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 2021	177	289	95	-20	1 072	1 612	185	1 797
Comprehensive income for January - September 2021:								
Net profit/loss for the period					79	79	-49	31
Other comprehensive income, net of tax			-76	5	87	17	0	17
Comprehensive income/loss for the period			-76	5	166	96	-48	48
Transactions with shareholders:								
Transactions with non-controlling interests					-49	-49	-34	-83
Warrants issued		6				6		6
Dividend					-80	-80		-80
Closing balance at 30 September 2021	177	295	19	-15	1 110	1 586	103	1 689

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

\*\* Non-controlling holdings are attributable to minority shares in the subsidiary IPM, and several subsidiaries in Property Investment Management and Corporate Finance.

The Extraordinary General Meeting in December 2020 decided to introduce a new incentive program through the issue of a maximum of 3,000,000 warrants distributed over two series: 2020/2024:A and 2020/2025:B. As of 1 June 2021, 2,750,000 warrants were transferred to members of Group management, and the remaining 250,000 warrants were held in Treasury as of 30 September 2021. The exercise price is SEK 35.20 per share.

Equity attributable to shareholders of the Parent Company

SEK M	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 - September 2020:								
Net profit/loss for the period					73	73	8	81
Other comprehensive income, net of tax			-36	-9		-45	0	-45
Comprehensive income/loss for the period			-36	-9	73	28	8	36
Transactions with shareholders:								
Transactions with non-controlling interests					0	0	-49	-49
Re-purchase of warrants issued		-1				-1		-1
New share issue	4	11				15		15
Closing balance at 30 September 2020	177	289	12	4	1 082	1 564	173	1 736

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

\*\* Non-controlling holdings are attributable to minority shares in the subsidiary IPM, and several subsidiaries in Property Investment 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.

## Note I Income Statement by Operating Segment

SEK M	Note	Property Investment										Group			
		Corporate Finance			Management			Principal Investments			Other		Group		
		2021 Jul-Sep	2020 Jul-Sep		2021 Jul-Sep	2020 Jul-Sep		2021 Jul-Sep	2020 Jul-Sep		2021 Jul-Sep	2020 Jul-Sep		2021 Jul-Sep	2020 Jul-Sep
Net sales		105	148		256	349		0	0		-1	68		361	565
Other operating income		2	1		3	-0		8	176		2	3		15	179
Total income		107	148		260	349		8	176		1	70		376	744
Assignment expenses and commission		-8	-22		-47	-30		0	0		-0	-13		-56	-65
Other external expenses		-32	-30		-38	-47		-2	-0		5	-13		-65	-91
Personnel costs		-63	-85		-108	-167		0	-0		-11	-52		-182	-304
Depreciation		-5	-6		-9	-10		0	0		-4	-7		-19	-23
Other operating expenses		-2	-0		-1	-2		0	0		1	-0		-3	-3
Operating profit/loss		-3	6		57	92		7	176		-8	-15		51	259
Interest income		0	0		0	0		0	0		5	1		6	2
Interest expenses		-2	-2		-2	-1		-0	0		-16	-8		-19	-11
Other financial items		-0	0		8	1		1	-0		4	-4		12	-3
Financial items—net		-2	-2		6	0		1	-0		-6	-11		-1	-13
Profit/loss before tax		-5	4		63	92		7	175		-15	-26		50	246
Tax		-1	-4		-12	-28		0	0		1	1		-12	-31
Profit for the period from continuing operations		-7	0		51	64		8	176		-14	-25		37	215
Profit for the period from divestment group held for sale	8	0	0		0	0		0	0		-1	5		-1	5
Net profit/loss for the period		-7	0		51	64		8	176		-15	-20		36	220
Profit/loss attributable to shareholders of the Parent Company		-7	1		50	63		8	176		-17	-19		34	220

SEK M	Note	Property Investment									Group					
		Corporate Finance			Management			Principal Investments			Other			Group		
		2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net sales		378	358	618	731	840	1 074	0	0	1	22	315	355	1 131	1 513	2 047
Other operating income		5	4	5	24	46	52	10	192	189	3	15	18	42	257	265
Total income		383	362	623	755	886	1 126	10	192	190	24	330	373	1 173	1 771	2 312
Assignment expenses and commission		-35	-42	-75	-119	-134	-164	0	0	-1	8	-60	-61	-147	-235	-300
Other external expenses		-84	-90	-117	-116	-120	-171	-2	-1	-1	-64	-87	-106	-266	-298	-395
Personnel costs		-228	-222	-375	-322	-373	-480	0	-0	-0	-104	-181	-225	-654	-775	-1 079
Depreciation		-17	-18	-25	-26	-34	-53	0	0	0	-57	-22	-32	-100	-73	-110
Other operating expenses		-6	-0	-3	-4	-16	-19	0	-0	-0	2	-2	-11	-8	-18	-34
Operating profit/loss		14	-10	29	168	209	239	8	191	188	-192	-21	-62	-2	370	393
Interest income		1	1	2	0	0	0	0	-0	-0	12	4	4	13	5	6
Interest expenses		-5	-8	-10	-4	-4	-6	-0	0	-0	-45	-24	-31	-54	-36	-47
Other financial items		-1	0	0	136	4	-14	1	-1	-12	-12	-29	-38	125	-26	-64
Financial items—net		-5	-6	-7	133	-0	-20	2	-1	-12	-45	-49	-65	84	-56	-105
Profit/loss before tax		9	-16	21	301	209	218	10	190	176	-236	-70	-127	83	314	289
Tax		-9	-7	-21	-35	-69	-60	0	0	0	-0	-72	-70	-44	-148	-151
Profit for the period from continuing operations		-1	-23	0	266	140	159	10	191	176	-236	-142	-197	39	166	138
Profit for the period from divestment group held for sale	8	0	0	0	0	0	0	0	0	0	-8	-85	-64	-8	-85	-64
Net profit/loss for the period		-1	-23	0	266	140	159	10	191	176	-245	-226	-261	31	81	74
Profit/loss attributable to shareholders of the Parent Company		-1	-23	-1	263	137	153	10	191	177	-193	-232	-264	79	73	65

The operating segments reported above, Corporate Finance, Property Investment Management and Principal Investments, 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 operations being wound down 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 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							
	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec
Net sales	105	187	86	259	148	104	107	286
Other operating income	2	2	2	2	1	1	2	1
Total income	107	188	88	261	148	105	109	287
Assignment expenses and commission	-8	-14	-13	-33	-22	-11	-9	-18
Other external expenses	-32	-26	-26	-26	-30	-26	-35	-42
Personnel costs	-63	-99	-66	-153	-85	-67	-70	-169
Depreciation	-5	-6	-6	-7	-6	-6	-6	-7
Other operating expenses	-2	-0	-4	-3	-0	2	-2	-4
Operating profit/loss	-3	43	-26	38	6	-3	-13	48
Interest income	0	0	0	1	0	0	1	1
Interest expenses	-2	-2	-2	-2	-2	-3	-3	-3
Other financial items	-0	1	-1	-0	0	-1	1	-0
Financial items—net	-2	-1	-3	-2	-2	-3	-1	-3
Profit/loss before tax	-5	42	-28	37	4	-6	-14	45
Tax	-1	-9	1	-14	-4	-1	-2	-18
Net profit/loss for the period	-7	33	-27	23	0	-7	-16	27
Profit/loss attributable to shareholders of the Parent Company	-7	33	-27	23	1	-8	-16	27

SEK M	Property Investment Management							
	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec
Net sales	256	278	197	234	349	301	189	243
Other operating income	3	19	2	6	-0	7	40	3
Total income	260	297	199	240	349	308	229	246
Assignment expenses and commission	-47	-42	-30	-30	-30	-68	-35	-35
Other external expenses	-38	-41	-37	-51	-47	-33	-39	-50
Personnel costs	-108	-121	-94	-107	-167	-105	-100	-117
Depreciation	-9	-9	-9	-19	-10	-13	-11	-15
Other operating expenses	-1	-1	-1	-3	-2	-12	-2	-5
Operating profit/loss	57	84	28	29	92	76	41	24
Interest income	0	0	0	0	0	0	0	0
Interest expenses	-2	-1	-1	-2	-1	-2	-1	-2
Other financial items	8	-15	143	-18	1	-2	4	-4
Financial items—net	6	-16	142	-20	0	-4	3	-5
Profit/loss before tax	63	68	170	10	92	72	45	19
Tax	-12	-15	-8	10	-28	-24	-16	-4
Net profit/loss for the period	51	53	162	19	64	48	28	15
Profit/loss attributable to shareholders of the Parent Company	50	52	161	16	63	46	27	13

## Historical earnings trend by quarter and operating segment

SEK M	Principal Investments							
	2021 Jul-Sep	2021 Apr-Jun	2021 Jan-Mar	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec
Net sales	0	0	0	1	0	0	0	0
Other operating income	8	0	2	-3	176	9	7	20
Total income	8	0	2	-2	176	9	7	20
Assignment expenses and commission	0	0	0	-1	0	0	0	0
Other external expenses	-2	-1	-0	0	-0	-1	-0	-1
Personnel costs	0	0	0	0	-0	0	0	0
Depreciation	0	0	0	0	0	0	0	0
Other operating expenses	0	0	0	-0	0	-0	0	0
Operating profit/loss	7	-0	2	-3	176	9	7	19
Interest income	0	0	0	0	0	-0	-0	11
Interest expenses	-0	0	-0	-0	0	0	0	-0
Other financial items	1	-1	2	-11	-0	4	-4	-0
Financial items—net	1	-1	2	-11	-0	4	-4	11
Profit/loss before tax	7	-1	3	-14	175	13	2	29
Tax	0	0	0	0	0	0	-0	0
Net profit/loss for the period	8	-1	3	-14	176	13	2	29
Profit/loss attributable to shareholders of the Parent Company	8	-1	3	-14	176	13	2	19

## Note 2. Financial position by operating segment - condensed

SEK M	Corporate Finance			Property Investment Management			Principal Investments			Other			Group		
	2021	2020	2020	2021	2020	2020	2021	2020	2020	2021	2020	2020	2021	2020	2020
	30 Sep	30 Sep	31 Dec	30 Sep	30 Sep	31 Dec	30 Sep	30 Sep	31 Dec	30 Sep	30 Sep	31 Dec	30 Sep	30 Sep	31 Dec
<b>ASSETS</b>															
Non-current assets															
Intangible assets	64	66	64	284	305	280	0	0	0	54	104	98	402	474	443
Contract assets	50	65	62	70	69	66	0	0	0	19	24	29	139	158	157
Property, plant and equipment	6	8	7	20	18	22	0	0	0	0	1	1	26	27	30
Holdings in associated companies	0	0	0	0	11	11	106	90	84	64	69	71	170	170	167
Non-current receivables from associated companies	0	0	0	0	8	35	185	0	0	0	0	0	185	8	35
Other non-current securities	0	0	0	17	21	17	3	9	3	132	198	228	153	228	248
Deferred tax receivables	1	0	0	24	0	20	1	0	0	0	0	0	26	1	21
Other non-current receivables	13	16	18	13	2	2	0	0	0	-10	-12	-14	16	6	6
	134	156	152	428	434	453	295	99	88	259	384	413	1 116	1 073	1 106
Current assets															
Development and project properties	0	0	0	0	0	0	1 510	511	634	0	0	0	1 510	511	634
Receivables from associated companies	0	0	0	0	0	0	81	29	26	0	3	0	81	31	26
Accounts receivable and other receivables	121	153	206	165	135	144	38	5	8	8	104	56	333	397	415
Current investments	0	0	0	0	0	0	0	0	0	23	59	31	23	59	31
Cash and cash equivalents	119	227	190	788	631	595	46	87	-15	336	509	712	1 288	1 454	1 482
	240	380	396	953	765	739	1 675	631	653	367	675	800	3 234	2 451	2 588
Assets in divestment groups held for sale	0	0	0	0	0	0	0	0	0	493	516	539	493	516	539
	240	380	396	953	765	739	1 675	631	653	859	1 191	1 338	3 727	2 968	3 127
Total assets	374	535	548	1 381	1 199	1 192	1 970	730	741	1 119	1 575	1 752	4 843	4 040	4 233
<b>EQUITY AND LIABILITIES</b>															
Equity															
Equity attributable to shareholders of the Parent Company	29	34	98	897	652	617	174	178	156	487	700	741	1 586	1 564	1 612
Non-controlling interests	27	17	36	18	43	40	5	5	5	53	107	104	103	173	185
Total equity	56	51	134	915	695	657	178	183	161	540	807	845	1 689	1 736	1 797
Liabilities															
Non-current liabilities															
Borrowings from credit institutions	45	81	77	3	22	21	893	390	454	0	0	0	942	494	553
Bond issue	0	0	0	0	0	0	0	0	0	1 240	750	751	1 240	750	751
Contract liabilities	38	53	48	61	55	54	0	0	0	9	16	13	109	124	115
Other non-current liabilities	23	108	20	8	12	14	73	0	0	-33	-119	-34	71	0	0
Deferred tax liabilities	0	0	0	8	10	9	0	0	0	10	13	11	19	23	20
Other provisions	1	1	1	67	78	54	0	0	0	0	0	8	68	79	63
	107	243	147	148	177	153	966	390	454	1 227	660	748	2 449	1 470	1 503
Current liabilities															
Contract liabilities	17	17	17	11	16	16	0	0	0	8	10	15	35	42	48
Accounts payable and other liabilities	177	223	235	285	266	335	825	157	125	-708	-70	36	580	575	731
Tax liabilities	16	2	15	22	46	31	0	0	0	1	1	2	40	48	48
	210	241	267	318	327	382	825	157	125	-698	-59	53	655	666	827
Liabilities in disposal groups held for sale	0	0	0	0	0	0	0	0	0	50	169	106	50	169	106
	210	241	267	318	327	382	825	157	125	-648	109	158	705	834	933
Total liabilities	318	484	414	466	504	535	1 791	547	580	579	769	906	3 154	2 304	2 435
Total equity and liabilities	374	535	548	1 381	1 199	1 192	1 970	730	741	1 119	1 575	1 752	4 843	4 040	4 233

## Note 3. Summary of Catella's loan portfolios

### 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 Note.

SEK M		Forecast undiscouted cash flow *	Share of undiscouted cash flow	Forecast discounted cash flow	Share of discounted cash flow	Discount rate	Duration, years
Loan portfolio	Country						
Pastor 2	Spain	51,0	29,3%	47,9	48,1%	5,2%	1,5
Lusitano 5	Portugal	123,1	70,7%	51,7	51,9%	30,0%	4,2
Total cash flow **		174,2	100,0%	99,6	100,0%	18,1%	3,4
Accrued interest				0,1			
Carrying amount in consolidated balance sheet ***				99,7			

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

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

\*\*\* Catella's loan portfolio also includes the portfolios Pastor 3, 4 and 5 as well as Lusitano 4 whose book value have been attributed a value of SEK 0.

### 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 2020.

#### 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 22 in the Annual Report for 2020.

#### 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 additional costs.

### Time call

The time call affects sub-portfolio Lusitano 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

Loan portfolio	Spain Portugal Other			Outcome	Forecast	Diff
	Pastor 2	Lusitano 5				
Outcome						
Full year 2009-2018	27,2	0,8	240,3	268,3	242,3	26,0
Full year 2019	0,0	0,0	26,2	26,2	23,0	3,2
Q1 2020	0,0	-	0,3	0,3	0,0	0,3
Q2 2020	-	-	0,0	0,0	0,0	-0,0
Q3 2020	-	-	0,3	0,3	0,0	0,3
Q4 2020	-	-	0,0	0,0	0,0	0,0
Q1 2021	-	2,5	0,0	2,5	0,0	2,5
Q2 2021	-	3,6	0,0	3,6	3,0	0,7
Q3 2021	-	5,0	0,0	5,0	3,2	1,8
Total	27,2	12,0	267,0	306,2	271,5	34,7

Forecast				Forecast	
	Quarter/Y	ear	Acc.		
Q4 2021	-	3,0		3,0	3,0
Full year 2022	51,0	11,0		62,0	65,0
Full year 2023	-	13,6		13,6	78,6
Full year 2024	-	17,2		17,2	95,8
Full year 2025	-	19,3		19,3	115,1
Full year 2026	-	22,3		22,3	137,4
Full year 2027	-	36,8		36,8	174,2
Total	51,0	123,2		174,2	

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

### Pastor 2

The value of the underlying loans falls below 10 percent implying that Catella judges that a repurchase will take place at the latest in the fourth quarter 2022. Catella considers the credit risk to be low, although the precise timing of the exercise of the option is difficult to forecast as it is determined by several unknown factors relating to the issuer.

### 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 was increased in the fourth quarter 2020 to reflect the probability that the issuer will exercise its option to repurchase Lusitano 5 for an amount of some EUR 3.2 M. This probability is expected to increase over time, 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 September 2021
Loan portfolios	100
Operation-related investments	76
Other securities	0
Total *	176

\* of which short-term investments SEK 23 M and long-term investments SEK 153 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 2020.

The Group's assets and liabilities measured at fair value as of 30 September 2021 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
<b>ASSETS</b>				
Financial assets measured at fair value through profit or loss	13	1	161	176
Total assets	13	1	161	176
<b>LIABILITIES</b>				
Total liabilities	0	0	0	0

No changes between levels occurred the previous year.

### CHANGE ANALYSIS, FINANCIAL ASSETS, LEVEL 3 IN THE NINE-MONTH PERIOD 2021.

	2021
as of 1 January	152
Purchases	9
Disposals	-3
Gains and losses recognised through profit or loss	1
Exchange rate differences	3
At 30 September	161

## Note 6. Pledged assets and contingent liabilities

### Pledged assets

SEK M	2021 30 Sep	2020 30 Sep	2020 31 Dec
Cash and cash equivalents	54	50	49
Other pledged assets	1	20	18
	55	70	67
Of which pledged assets related to divestment groups held for sale:			
Cash and cash equivalents	0	0	0
Other pledged assets	1	20	18
	1	21	18

Cash and cash equivalents 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.

Other assets pledged relate to securities Catella Bank has issued to Visa (in previous periods also Mastercard).

### Contingent liabilities

SEK M	2 021 30 Sep	2 020 30 Sep	2020 31 Dec
Other contingent liabilities	785	344	783
	785	344	783
Of which contingent liabilities related to divestment groups held for sale:			
Other contingent liabilities	0	4	3
	0	4	3

Other contingent liabilities include Catella AB's guarantee to credit institutes as collateral for approved credit lines to subsidiary Kaktus I HoldCo ApS. In addition, Catella AB is party to a guarantee commitment with PostNord relating to the subsidiary

Infrahubs Fastighet 2 AB's commitments, for more information see Transactions with related parties.

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

### Commitments

SEK M	2 021 30 Sep	2 020 30 Sep	2020 31 Dec
Investment commitments	9	18	15
Other commitments	0	0	0
	9	18	15
Of which commitments related to divestment groups held for sale:			
Investment commitments	0	0	0
Other commitments	0	0	0
	0	0	0

Investment commitments mainly relate to the unlisted holding in Pamica 2 AB.

## Note 7. Operations in the process of being wound down

IPM has a long history as a market-leading global systematic macro manager with strong long-term returns and a low correlation to both equities and bonds. Recently, the investment market for systematic macro funds has been very challenging and IPM has generated weak returns and experienced large capital outflows. In April, Catella in consultation with the Board of IPM, decided to recommend that IPM terminate its investment operations and return all capital to investors. The operations in IPM are therefore being wound down. IPM is recognized alongside the Parent Company and other holding companies under the category Other.

The following Income Statement and Statement of Financial Position in summary for IPM excludes eliminations between IPM and other

operating segments, the Parent Company or other holding companies.

### Third quarter 2021

No income was recognized in the third quarter. However, operating profit for the period was positive and amounted to SEK 3 M (-5) as a result of a new estimate of total liquidation costs, which gave rise to a reversal of a part of remaining provisions. Furthermore, IPM reversed untaxed reserves for taxation, which resulted in deferred tax income of SEK 1 M. Profit/loss for the period totalled SEK 4 M (-1).

### Nine-month period 2021

Total income was SEK 34 M (206), and operating profit/loss for the year was SEK -117 M (23) and includes liquidation costs

of SEK 98 M. In addition, the Group has impaired goodwill attributable to IPM and which affected Group profit by SEK -39 M. Profit/loss for the period totalled SEK -130 M (13). Profit for the period including goodwill impairment amounted to a total of SEK -169 M. Of this amount, SEK -118 M was attributable to

Parent Company shareholders and SEK -51 M was attributable to non-controlling interests. Impairment of goodwill is reported as Depreciation and amortisation in the Consolidated Income Statement.

SEK M	3 Months		9 Months		12 Months	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Rolling 12 Months	2020 Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>						
Total income	0	46	34	206	73	245
Assignment expenses and commission	0	-2	-1	-8	-3	-10
Operating expenses	3	-49	-150	-175	-256	-230
Operating profit/loss	3	-5	-117	23	-134	6
Financial items—net	0	4	-13	-9	-4	0
Profit/loss before tax	3	-1	-130	14	-138	6
Tax	1	0	0	-1	1	0
Net profit/loss for the period	4	-1	-130	13	-137	6
<b>FINANCIAL POSITION - CONDENSED</b>						
			2021	2020	2020	
<b>Assets</b>			30 Sep	30 Sep	31 Dec	
Non-current assets	-	-	2	129	-	119
Current assets	-	-	206	283	-	254
Total assets	-	-	208	412	-	373
<b>Equity</b>						
Equity attributable to shareholders of the Parent Company	-	-	81	158	-	158
Non-controlling interests	-	-	53	107	-	104
Total equity	-	-	134	265	-	262
<b>Liabilities</b>						
Non-current liabilities	-	-	1	16	-	-
Current liabilities	-	-	73	124	-	109
Total liabilities	-	-	74	140	-	109
Total equity and liabilities	-	-	208	412	-	373
No. of employees, at end of period	-	-	26	67	-	67

## Note 8. Disposal group held for sale

Catella Bank 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 following Income Statement and Statement of Financial Position in summary for Catella Bank do not include eliminations between the bank and Other operating segments, the Parent Company or other holding companies.

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 terminate the operations in Catella Bank. In June 2021, an application to return the banking license to the supervisory authority was filed.

### Third quarter 2021

Operating profit was SEK -3 M (-9) and financial items totalled SEK 2 M (1), of which SEK 1 M relates to intra-Group interest income and SEK 1 M relates to positive exchange rate effects from the

revaluation of open exchange rate positions in SEK. Profit/loss for the period totalled SEK -1 M (5).

### Nine-month period 2021

Profit/loss for the period totalled SEK -8 M (-85).

In the first quarter, Catella Bank divested its holding of Visa Class A shares. Recognized profit from Visa Class A shares and the unrealized value adjustment of the remaining Visa Class C preference shares totalled SEK 11 M and was recognized under Other comprehensive income.

SEK M	3 Months		9 Months		12 Months	
	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	Rolling 12 Months	2020 Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>						
Total income	0	1	1	8	19	26
Other expenses	-3	-10	-9	-134	-13	-137
Operating profit/loss	-3	-9	-9	-126	6	-111
Financial items—net	2	1	2	31	12	41
Profit/loss before tax	-1	-8	-7	-95	18	-70
Tax	0	12	-1	10	-1	10
Net profit/loss for the period	-1	5	-8	-85	17	-60
<b>FINANCIAL POSITION - CONDENSED</b>						
<b>Assets</b>			2021 30 Sep	2020 30 Sep		2020 31 Dec
Cash and cash equivalents	-	-	424	426	-	374
Other assets	-	-	151	169	-	244
Assets in divestment groups held for sale	-	-	574	595	-	618
<b>Equity</b>						
Equity attributable to shareholders of the Parent Company	-	-	561	464	-	551
Non-controlling interests	-	-	0	0	-	0
Total equity	-	-	561	464	-	551
<b>Liabilities</b>						
Borrowings and loan liabilities	-	-	0	34	-	2
Other liabilities	-	-	13	98	-	65
Liabilities in disposal groups held for sale	-	-	13	132	-	68
Total equity and liabilities	-	-	575	596	-	618

## Note 9. 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 2020.

In June 2021, Catella filed an application to return the banking license to the supervisory authority with the ambition of terminating the consolidated financial situation before the end of 2021.

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	2021		2020
	Jan-Sep	Jan-Sep	Jan-Dec
Net sales	558	865	1 042
Other operating income	4	14	16
Total income	563	879	1 058
Assignment expenses & commission	-304	-392	-473
Income excl. direct assignment costs and commission	259	487	585
Operating expenses	-400	-454	-588
Operating profit/loss	-141	33	-3
Financial items—net	108	19	733
Profit/loss before tax	-34	52	730
Tax	-25	-95	-97
Profit for the period from continuing operations	-58	-43	633
Operations held for sale:			
Profit for the period from divestment group held for sale	-8	-85	-60
Net profit/loss for the period	-66	-128	573
Profit/loss attributable to:			
Shareholders of the Parent Company	-18	-135	569
Non-controlling interests	-49	7	4
	-66	-128	573
Employees at end of period	146	185	182

## Financial position—condensed, consolidated financial situation

SEK M	2021 30 Sep	2020 30 Sep	2020 31 Dec
Non-current assets	1 505	1 017	1 675
Current assets	1 743	1 243	1 259
Assets in divestment groups held for sale	493	516	539
Total assets	3 740	2 776	3 473
Equity	2 139	1 485	2 261
Liabilities	1 551	1 123	1 106
Liabilities in disposal groups held for sale	50	169	106
Total equity and liabilities	3 740	2 776	3 473

## 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	2021 30 Sep	2020 30 Sep	2020 31 Dec
Common Equity Tier 1 capital	1 974	947	1 237
Additional Tier 1 capital	0	0	0
Tier 2 capital	0	0	0
Own funds	1 974	947	1 237
Total risk exposure amount	6 441	3 664	5 823
<b>OWN FUNDS AND BUFFERS</b>			
Own funds requirements Pillar 1	515	293	466
<i>of which own funds requirements for credit risk</i>	265	118	267
<i>of which own funds requirements for market risk</i>	135	7	61
<i>of which own funds requirements for operational risk</i>	116	168	138
<i>of which own funds requirements for credit valuation adjustment risk</i>	0	0	0
Own funds requirements Pillar 2	193	110	175
Institution-specific buffer requirements	161	92	146
Internal buffer	64	37	58
Total own funds and buffer requirements	934	532	845
Capital surplus after own funds and buffer requirements	1 040	415	393
Capital surplus after regulatory required own funds and buffer requirements	1 104	451	451
<b>CAPITAL RATIOS, % OF TOTAL RISK EXPOSURE AMOUNT</b>			
Common Equity Tier 1 capital ratio	30,6	25,8	21,3
Tier 1 capital ratio	30,6	25,8	21,3
Total capital ratio	30,6	25,8	21,3
<b>OWB FUNDS AND BUFFERS, % OF TOTAL RISK EXPOSURE AMOUNT</b>			
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	2,5	2,5
<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	0,0	0,0
Internal buffer	1,0	1,0	1,0
Total own funds and buffer requirements	14,5	14,5	14,5
Capital surplus after own funds and buffer requirements	16,1	11,3	6,7
Capital surplus after regulatory required own funds and buffer requirements	17,1	12,3	7,7

Catella AB's consolidated financial situation is in compliance with minimum capital base requirements.

	2021 30 Sep	2020 30 Sep	2020 31-dec
Own funds, SEK M			
<i>Common Equity Tier 1 capital</i>			
Share capital and share premium reserve	455	455	455
Retained earnings and other reserves	1 684	1 030	1 806
Less:			
Intangible assets	-91	-152	-138
Price adjustments	-14	-15	-13
Qualifying holdings outside the financial sector	0	-173	-114
Positive results attributable to shareholders of the Parent Company and which are not yet verified by the Annual General Meeting	0	-	-569
Proposed or foreseeable dividend	0	-80	-80
Other deductions	-60	-116	-109
Total Common Equity Tier 1 capital	1 974	947	1 237
Additional Tier 1 capital	-	-	-
Tier 2 capital	-	-	-
Own funds	1 974	947	1 237

Specification of risk-weighted exposure amounts and own funds requirements Pillar 1, SEK M	2021 30 Sep		2020 30 Sep		2020 31 Dec	
	Risk-weighted exp.amount	Own funds requirements Pillar 1	Risk-weighted exp.amount	Own funds requirements Pillar 1	Risk-weighted exp.amount	Own funds requirements Pillar 1
<i>Credit risk according to Standardised Approach</i>						
Exposures to institutions	357	29	263	21	237	19
Exposures to corporates	0	0	11	1	10	1
Exposures to retail	0	0	0	0	0	0
Exposures secured by mortgages on immovable property	0	0	0	0	0	0
Exposures in default	90	7	104	8	86	7
Items associated with particular high risk	1 176	94	151	12	1 327	106
Exposures in the form of covered bonds	0	0	0	0	0	0
Exposures to collective investment undertakings (funds)	17	1	1	0	1	0
Equity exposures	846	68	536	43	803	64
Other items	827	66	408	33	873	70
	3 313	265	1 475	118	3 338	267
<i>Market risk</i>						
Interest risk	0	0	0	0	0	0
Share price risk	0	0	0	0	0	0
Foreign exchange risk	1 683	135	92	7	757	61
	1 683	135	92	7	757	61
<i>Operational risk according to the Basic Indicator Approach</i>						
Credit valuation adjustment risk	1 445	116	2 097	168	1 728	138
	0	0	0	0	0	0
Total	6 441	515	3 664	293	5 823	466



## Parent Company Income Statement

SEK M	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net sales	3,5	5,7	9,2	14,6	14,3
Other operating income	0,7	0,7	1,2	8,4	16,2
Total income	4,3	6,3	10,4	23,0	30,5
Other external expenses	-3,7	-7,9	-19,9	-34,5	-46,8
Personnel costs *	-10,3	-6,5	-28,6	-22,8	-32,4
Depreciation	-0,2	-0,2	-0,7	-0,7	-0,9
Other operating expenses	0,0	0,0	0,1	-0,0	-0,0
Operating profit/loss	-9,9	-8,3	-38,6	-35,0	-49,6
Profit/loss from participations in group companies	0,0	0,0	0,0	0,0	0,0
Interest income and similar profit/loss items	0,4	18,4	8,5	24,2	33,6
Interest expenses and similar profit/loss items	-15,7	-22,0	-49,4	-39,7	-35,1
Financial items	-15,3	-3,7	-40,9	-15,5	-1,5
Profit/loss before tax	-25,2	-12,0	-79,5	-50,5	-51,2
Appropriations	0,0	0,0	0,0	0,0	0,0
Tax on net profit for the year	0,0	0,0	0,0	0,0	0,2
Net profit/loss for the period	-25,2	-12,0	-79,5	-50,5	-51,0

\* Personnel costs include directors' fees

## Parent Company Statement of Comprehensive Income

SEK M	2021 Jul-Sep	2020 Jul-Sep	2021 Jan-Sep	2020 Jan-Sep	2020 Jan-Dec
Net profit/loss for the period	-25,2	-12,0	-79,5	-50,5	-51,0
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	-25,2	-12,0	-79,5	-50,5	-51,0

## Parent Company Balance Sheet—condensed

SEK M	2021 30 Sep	2020 30 Sep	2020 31 Dec
Intangible assets	1,7	3,2	3,0
Property, plant and equipment	0,0	0,1	0,0
Participations in Group companies	1 058,2	1 052,6	1 052,6
Current receivables from Group companies	545,2	220,2	226,6
Other current receivables	8,6	20,2	10,3
Cash and cash equivalents	0,3	0,2	0,2
Total assets	1 614,0	1 296,5	1 292,7
Equity	361,1	520,7	520,1
Bond issue	1 240,3	749,6	750,6
Current liabilities to Group companies	0,0	0,0	0,9
Other current liabilities	12,6	26,2	20,1
Total equity and liabilities	1 614,0	1 296,5	1 292,7

Catella AB has issued a guarantee to a credit institute of SEK 329.2 M as security for approved credit lines to subsidiary Kaktus I HoldCo ApS. In addition, the Parent Company is party to a guarantee commitment with PostNord relating to the subsidiary Infrahubs Fastighet 2 AB's commitments of SEK 455.0 M, see also Transactions with related parties.

## 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/assets 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 assignment. 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 Property Investment 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.
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.



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