

#### October-December 2020

- Total income SEK 542 M (761)
- Net sales SEK 534 M (722)
- Operating profit/loss SEK 23 M (122)
- Profit/loss before tax SEK -29 M (133)
- Profit for the period from remaining operations SEK -32 M (72)
- Profit/loss for the period from disposal group held for sale SEK 25 M (-7)
- Profit/loss for the period SEK -7 M (65), of which SEK -8 M (47) attributable to Parent Company shareholders
- Earnings per share\* SEK -0.09 (0.55)

#### January-December 2020

- Total income SEK 2,312 M (2,420)
- Net sales SEK 2,047 M (2,353)
- Operating profit/loss SEK 393 M (422)
- Profit/loss before tax SEK 285 M (284)
- Profit for the period from remaining operations SEK 134 M (148)
- Profit/loss for the period from disposal group held for sale SEK -60 M (45)
- Profit/loss for the period SEK 74 M (193), of which SEK 65 M (113) attributable to shareholders of the Parent Company
- Earnings per share\* SEK 0.74 (1.31)
- Equity\* SEK 1,532 M (1,522)
- Equity per share\* SEK 17.34 (17.64)
- Assets under management SEK 129.9 Bn (142.3\*\*\*)
- The Board intends to propose a dividend payment of SEK 80 M, the maximum permissible amount under the bond terms, which corresponds to approximately SEK 0.90 per Class A and B share, to shareholders for the financial year 2020.

ASSETS UNDER MANAGEMENT\*\*

SEK 130 Bn

End of period

TOTAL INCOME\*\*

SEK 2,312 M

Last 12 months

OPERATING PROFIT/LOSS\*\*\*

SEK 393 M

Last 12 months

EQUITY

SEK 1,717 M

End of period

\* Attributable to Parent Company shareholders. Includes disposal group held for sale. \*\* Remaining operations. \*\*\* Adjusted for Mutual Funds.

#### For further information, contact:

Christoffer Abramson, CFO, mobile no +46(0) 73- 078 89 02

Niklas Bommelin, Investor Relations, mobile +46 (0)76- 891 12 40

#### Invitation to presentation of the Interim Report

Catella will be presenting the Interim Report and answering questions in a teleconference today 25 February 2021 at 9 a.m. CET. The presentation will be in English and will be made by Catella's Interim CEO and President Johan Claesson and Catella's CFO Christoffer Abramson. To participate in the teleconference, go to [www.catella.com](http://www.catella.com) or call +46 (0)8 566 427 07

## CEO COMMENT

# “A challenging quarter with positive changes”

Like for many other companies, 2020 was a challenging year for Catella. In addition to the challenges presented by Covid-19, Catella has also started to implement a new strategy with a sharper focus on properties, while introducing a new management which has focused closely on divestments, acquisitions, restructuring and new operations. The work associated with strengthening the European organization and sharpening the product focus will remain critical for delivering growth and profitability in 2021.

Overall, the fourth quarter results were disappointing, but below the surface there are many other positive measures aimed at increasing assets under management, mainly in Property Investment Management where new product development is under way in several verticals. At the same time, we work actively to strengthen our position in Corporate Finance through product and competence development, and by extending the European collaboration in the business area, and in partnership with Property Investment Management.

We have also started the work of increasing the synergies by utilizing the overall competences and resources of all Catella's European platforms. One of the Board and Management's express goals is to support subsidiaries with capital and by focusing on company collaborations, which has generated a strong pipeline of promising projects in areas such as logistics development and residential projects. We are looking forward to connecting business opportunities in the project operations with our funds, which have raised capital which is intended to be invested in 2021. This can also be implemented for other target groups, which is our clear objective.

The Board of Catella is delighted to announce the appointment of Christoffer Abramson to the position of CEO of Catella Group. Over the past four months, Christoffer has not only transformed our finance function but also helped us accelerate our strategic repositioning toward a more focused Catella within property. With a strong combination of transforming organizations, improving financial efficiency, and driving profitable growth strategically and tactically through controlled risk, we are certain that Christoffer is the right person to take Catella to the next level. I have enjoyed working closely with Christoffer and look forward to working with the entire Catella team as member of the Board after a transition period during the spring.

### Property Investment Management

The business area reported stable operating profit in the fourth quarter of SEK 38 M, with continued strong inflows to assets under management.

Catella's Property Asset Management operations in the UK won new mandates from banks and institutions in commercial properties, where the assignment is to create value for customers by adding value and restructuring problem credits. This can also imply new opportunities for the Group, as we can contribute limited capital to some projects and thus participate more actively in future workouts.

The residential funds continue to develop in a positive direction with continued capital inflows. Our ambition is to increase the synergies with the rest of Catella, which are now emerging and becoming more apparent. In 2021, we hope that one or more projects initiated by our project management can be acquired by our funds. In the fourth quarter 2020, a new tax structure was introduced in Germany, which means that parts of the results from the German residential funds can be utilized against existing loss carry-forwards from 2021 onwards.

The German operations, including property project development, has a strong and growing project portfolio, and the organization has the competences and resources to complete several of these. The operations have considerable potential, as evidenced by the completion of the project Grand Central in the third quarter 2020.

Catella AB (publ) divested its entire 50.1 percent holding in its French subsidiary Catella Asset Management SAS for a cash purchase price of SEK 154 M. During the process, Catella and the local management, who are also minority owners, have evaluated several alternatives regarding the minority's shares. Catella decided to sell its shares jointly with the minority shareholders as this is considered to be the best option for the parent company shareholders. Our ambition is to retain the full-service offering in France, and we are looking for a new strong French partner to grow alongside, as well as other reinvestment opportunities for the capital released by the transaction.

The objective is to develop the business model in Property Investment Management further, where Catella will be a more active partner in order to generate business opportunities in logistics, residential development and other value-added segments. This requires more broad-based competences, and organisational resources in some areas, but the Group is firmly committed to achieving this goal.

Against the background of the Group's progress, follow-up and control will change in 2021, and thereby Property Principal Investments will be reported as separate segments in the year, with the aim of clarifying and increasing transparency. The business area will only comprise property sector investments, which means that our other investments, for example in our loan portfolios, will continue to be reported under Other.

Catella's broad European platforms create interfaces which in turn generate many opportunities where we,

alone or alongside partners, can invest capital. Catella's ability to initiate projects, either directly or by inviting external investors, increases both credibility and margins over time. Examples include our logistics subsidiary in France which currently operates several large logistics premises and Infra-hubs, a jointly owned company, and which is constructing a major logistics property of 70,000 m<sup>2</sup> in Norrköping. The ambition is to start several projects in 2021 with the aim of divesting these to our new planned logistics fund. Actively seeking properties and investors where Catella generates potential for capital gains and management fees through networks and equity will be part of our future business model. In order to realize our new strategy, our ambition is to divest certain assets in order to have the freedom to act on the potential we foresee. This entails greater capital needs, which is why Catella must have higher liquidity readiness.

### Corporate Finance

The Corporate Finance business area reported slightly lower operating profit in the fourth quarter year-on-year, but considering the limited activity during Covid-19 on several markets, we are relatively satisfied with the result. Operating profit from the Swedish operations was strong in the fourth quarter, and Catella was ranked as the largest sales advisor for the full year 2020, which we are incredibly proud of. Unfortunately most other national markets posted weaker operating profit. Germany is experiencing structural problems, and the planned measures are intended to achieve growth and strengthen our position on Europe's largest property market.

### Systematic Funds

However, the biggest disappointment was presented by Systematic Funds, which delivered substantial and stable income previous years, but has now seen continuous and significant capital outflows partly as a result of Covid-19. Fundamentally, this is due to historically weak returns in the product Systematic Macro. In the fourth quarter, returns recovered somewhat, but investors nevertheless continued to withdraw capital from the fund. We have taken, and will continue to take, measures with the aim of developing Systematic Macro to include new factors and products that better capture market trends and produce the returns required to turn the trend around.

Catella remains behind Systematic Funds and we are deeply committed to the work of getting the company on track. With the current capital base, we cannot avoid taking drastic measures on the costs side, although we will continue to invest in both product development and capital raisings.

### Catella Bank

The application to return the banking license is estimated to be submitted to the supervisory authority during the first quarter 2021. Catella assesses that it will exit the consolidated financial situation in the second quarter 2021, and anticipates that approximately SEK 275 M in cash and cash equivalents will become immediately available, as well as assets released in the form of Visa shares that are currently tied up in the bank due to regulatory requirements.

Despite a weak result in the fourth quarter, I believe that Catella is well equipped for the future, although further measures will be required at European level. However, the income profile is expected to differ from the historical outline, as an increased proportion of profit will be derived from Property Investment Management and Principal Investments. My assessment is that this is positive for Catella's shareholders as it generates more stable income, in line with our long term strategies in the property segment. We are hopeful that this will increase our attractiveness and market position as a strong European real estate player, as investor, manager and adviser.

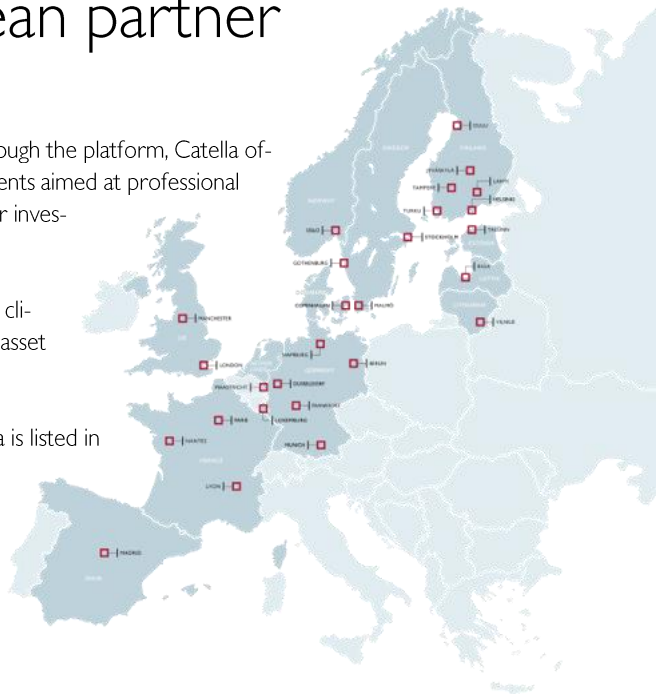
JOHAN CLAESSION  
President and CEO

# “The preferred European partner for investors”

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

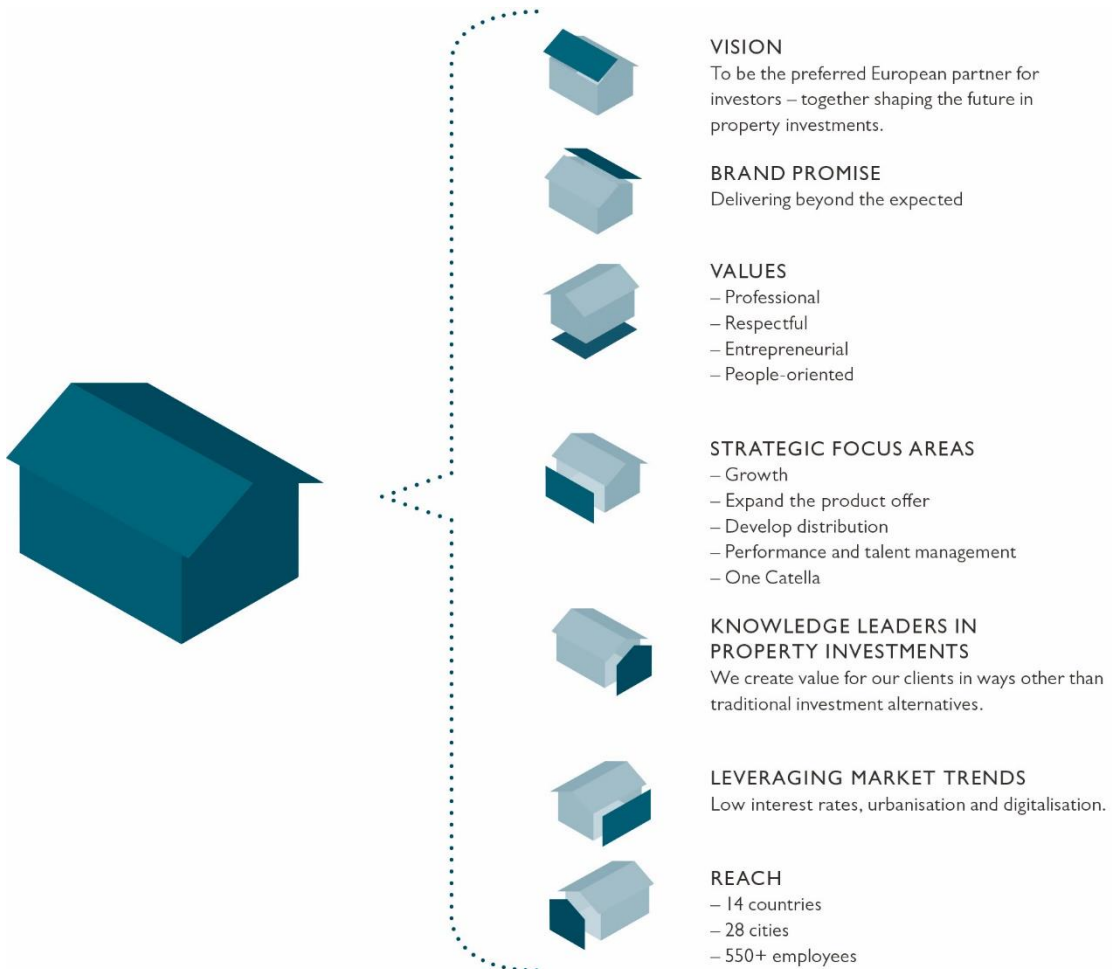
Our geographical spread and broad offering targeted at multiple client groups reduces Catella’s exposure to individual markets and asset classes. This builds stable earnings over time.

The Group manages total assets of some SEK 130 Bn and Catella is listed in the Mid Cap segment on Nasdaq Stockholm.



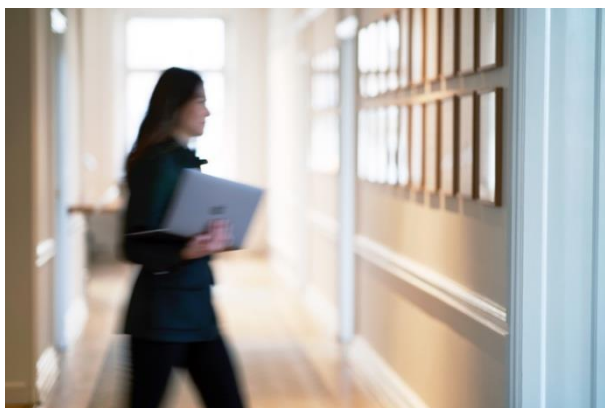
## A focused Catella

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



## Our segments and business areas

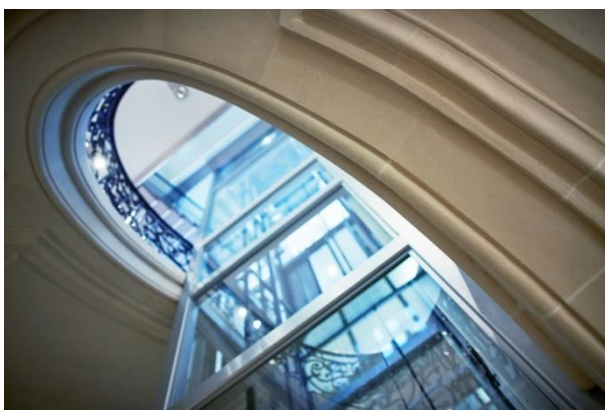
Remaining operations in Catella comprise three business areas which are reported under two segments: Corporate Finance and Asset Management, where the latter includes Property Investment Management and Equity, Hedge and Fixed Income Funds.\*



### Corporate Finance

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

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



### 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 11.*



### Equity, Hedge and Fixed Income Funds

Catella offers systematic management for institutional investors with a global focus.

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

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

# Comments on the Group's progress

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

## Disposal group held for sale

The Banking business area is being wound down and has been reported as a disposal group held for sale in accordance with IFRS 5 from 30 September 2018. This means that in the Consolidated Income Statement, Banking's net profit (after tax) is reported on a separate line under period profit from disposal group held for sale. See Note 8 for more information.

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

## Net sales and results of operations

### Fourth quarter 2020

The Group's total income for remaining operations was SEK 542 M (761) and net sales for remaining operations totalled SEK 534 M (722), of which SEK 259 M (286) related to Corporate Finance and SEK 273 M (438) to Asset Management. The decrease in income in Asset Management was mainly due to the product area Systematic Funds, where volumes under management decreased further in the quarter, and to the product area Mutual Funds which was divested in the third quarter 2020. Adjusted for Mutual Funds, Group total income decreased by SEK 160 M in the quarter year-on-year.

The Group's operating profit for remaining operations was SEK 23 M (122). Operating costs, adjusted for Mutual Funds, decreased by SEK 59 M in the period, of which variable salary expenses totalled SEK 47 M. Comments on the progress of each business area can be found on pages 10- 12.

The Group's net financial income/expense was SEK -53 M (-8), of which Interest expenses income was SEK 12 M (13) and fair value changes in long-term securities holdings and short-term investments

were SEK -16 M (10). In addition, net financial income/expense was affected by negative exchange rate differences of SEK -28 M (-5). Exchange rate differences, mainly in EUR/SEK, have a negative impact on the value of loan receivables in local currency, as do the Swedish holding companies' cash and cash equivalents denominated in EUR.

The Group's operating profit before tax for remaining operations was SEK -29 M (113).

Profit for the period (after tax) from disposal group held for sale was SEK 25 M (-7) and related to the Banking business area. Profit includes income of SEK 18 M relating to charged administration expenses for terminated cards and other income in connection with the closure of transitory accounts.

Profit in the period for the Group's total operations was SEK -7 M (65), of which SEK -8 M (47) was attributable to parent company shareholders. This corresponds to Earnings per share of SEK -0.09 (0.55).

### Full Year 2020

Total income in the full year was SEK 2,312 M (2,420), and the Group's net sales were SEK 2,047 M (2,353). Other operating income amounted to SEK 265 M (67) of which SEK 196 M (25) relates to income from shares in associated companies. A majority of this income relates to the divestment of the property development project Grand Central in the third quarter. Furthermore, performance-based income of SEK 33 M is included in Other operating income, derived from exiting a mandate in the Property Asset Management service area in the UK. Operating profit for remaining operations was SEK 393 M (422).

The Group's net financial income/expense was SEK -109 M (-138) and included interest income of SEK 6 M (13) and interest expenses of SEK 47 M (49). Net financial income/expense also includes losses from the divestment of shares in Catella Fondförvaltning (Mutual Funds) of SEK -9

M, fair value changes in non-current securities holdings and short-term investments of SEK -37 M (-86), and negative exchange rate differences of SEK -20 M (-1).

Tax for the period was SEK -151 M (-135), and includes impairment of deferred tax assets of SEK 70 M. The write-down was due to more limited opportunities for tax offset in the Swedish operations as a result of the divestment of the share majority in Catella Fondförvaltning. Applicable tax is mainly attributable to the Property Funds product area in Germany.

Profit (after tax) from disposal group held for sale amounted to SEK -60 M (45) and includes the final element of the additional purchase consideration from Advanzia Bank of SEK 30 M. In the previous year, the figure included income from the transfer of the Bank's Wealth Management operations in Luxembourg and Sweden, and income from the transfer of the card issuing operations in Luxembourg to Advanzia Bank, totalling SEK 307 M.

Profit for the period for the Group's total operations was SEK 74 M (193), of which SEK 65 M (113) was attributable to Parent Company shareholders. This corresponds to Earnings per share of SEK 0.74 (1.31).

## Significant events in the quarter

### Impact of Covid-19

The outbreak of Covid-19 affects Catella negatively, and there is a risk of a significant financial impact on the Group. Given the uncertain situation, it is currently not possible to estimate the full potential impact on the Group over the coming quarters. We proceed from the assumption that the first quarter of 2021 will be characterized by uncertainty, compared to the corresponding period in 2020, affecting investor appetite for completing transactions and capital investments.

**Extraordinary General Meeting in Catella AB (publ)**

The Extraordinary General Meeting in Catella AB (publ) on 21 December 2020, in accordance with the Board's proposal, decided the following:

- To approve the introduction of an incentive programme through the issue of a maximum total of 3,000,000 warrants, distributed between two series: Series 2020/2024:A, comprising a total of 1,500,000 warrants and Series 2020/2025:B, comprising a total of 1,500,000 warrants. The right to acquire warrants belongs to the Company's current CFO, future CEO and senior executives and other key persons.
- To approve the incentive programme in the subsidiary APAM Ltd through the issue of Growth Shares.
- To approve the reduction of the statutory reserve for allocation to non-restricted equity.
- To approve the amendment of the Articles of Association.

**Catella Nomination Committee for the AGM 2021**

In November 2020, a Nomination Committee was appointed for Catella AB (publ) ahead of the AGM in May 2021.

The Nominating Committee comprises the following persons:

- Eje Wictorson, Chairman of the Nominating Committee and appointed by CA Plusinvest AB
- Jan Roxendal, Chairman of the Board in Catella AB
- Mia Arnhult, appointed by M2 Asset Management AB
- Kenneth Andersen, appointed by Strawberry Capital AS

**Significant events after the end of the quarter**

**Catella AB (publ) divests its Property Asset Management-operations in France**

In January, Catella AB (publ) divested its entire holding, 50.1 percent, in its French subsidiary Catella Asset Management SAS for a cash purchase price of SEK 154 M. The divestment will have a positive effect

on profit after transaction costs and tax of approximately SEK 122 M during the first quarter of 2021.

**Christoffer Abramson new CEO and President at Catella AB**

The Board of Catella has appointed Christoffer Abramson as CEO and President of Catella Group. Christoffer will begin his role no later than by the Annual General Meeting, May 25 2021. Christoffer has been the Chief Financial Officer since October 15 2020.

Prior to joining Catella Group as Chief Financial Officer, Christoffer was part of building a global real estate group within EF based in the USA. He earlier worked as an operating executive for several Private Equity funds in London and Paris. Christoffer began his career at General Electric where he spent 10 years in various roles, most recently as CFO of GE Real Estate in London.

## Income Statement for remaining operations by operating segment in summary

SEK M	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>CORPORATE FINANCE</b>				
Total income	261	287	623	709
Operating profit/loss	38	48	29	62
Operating margin, %	15	17	5	9
<b>ASSET MANAGEMENT</b>				
Total income	280	445	1,501	1,689
Operating profit/loss	8	67	240	392
Operating margin, %	3	15	16	23
Equity-, Hedge and Fixed Income Funds				
Total income *	39	199	375	818
Operating profit/loss	-21	43	2	288
Operating margin, %	-53	22	0	35
Property Investment Management				
Total income *	240	246	1,126	871
Operating profit/loss	29	24	239	104
Operating margin, %	12	10	21	12
<b>OTHER **</b>				
Total income	1	29	188	22
Operating profit/loss	-24	8	124	-32
<b>GROUP</b>				
Total income	542	761	2,312	2,420
Operating profit/loss	23	122	393	422
Operating margin, %	4	16	17	17

\* Includes internal income.  
\*\* Includes eliminations.

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

## Selected key figures for remaining operations by operating segment

	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>GROUP</b>				
Profit margin, %	-6	9	6	6
Return on equity, % *	-	-	13	7
Equity/Asset ratio, %	-	-	35	36
Equity, SEK M *	-	-	1,062	943
No. of employees, at end of period	-	-	566	582
Earnings per share, SEK *	-0.37	0.63	1.41	0.79
Equity per share, SEK *	-	-	12.02	10.93
<b>CORPORATE FINANCE</b>				
Profit margin, %	9	9	0	3
Return on equity, % *	-	-	-1	70
Equity/Asset ratio, %	-	-	24	15
Equity, SEK M *	-	-	97	57
No. of employees, at end of period	-	-	208	214
Property transaction volume for the period, SEK Bn	18.3	32.1	45.0	70.2
<b>ASSET MANAGEMENT</b>				
Profit margin, %	3	12	11	15
Return on equity, % *	-	-	18	18
Equity/Asset ratio, %	-	-	59	60
Equity, SEK M *	-	-	797	967
No. of employees, at end of period	-	-	340	344
Asset under management at end of period, SEK Bn	-	-	129.9	171.3
net in-(+) and outflow(-) during the period, mdkr	0.4	-13.7	-30.6	-33.0

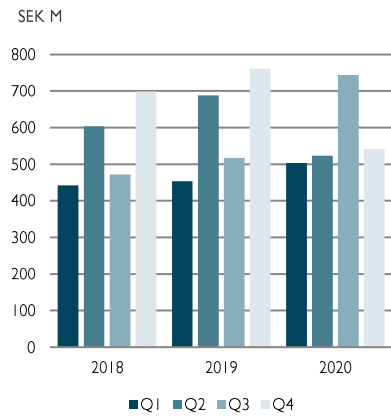
\* Attributable to shareholders of the Parent Company.

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



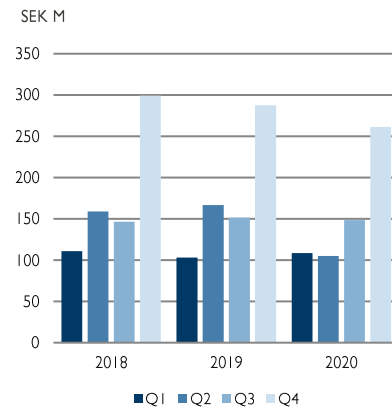
Group\*

TOTAL INCOME



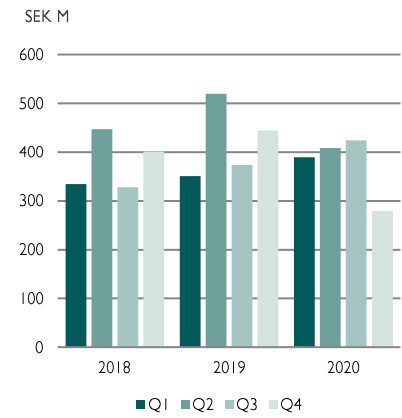
Corporate Finance

TOTAL INCOME

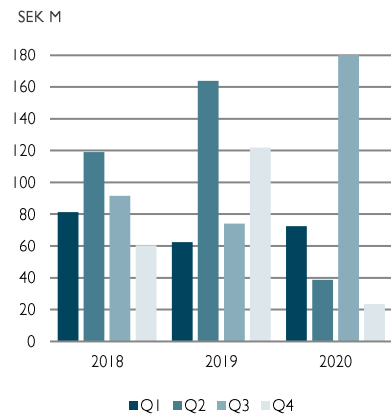


Asset Management\*

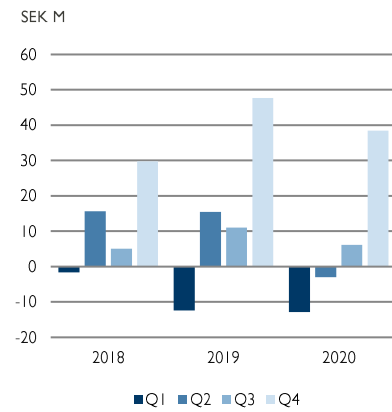
TOTAL INCOME



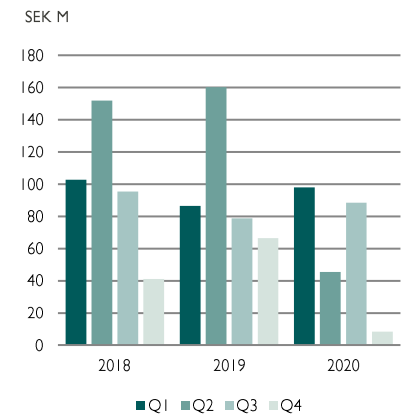
OPERATING INCOME



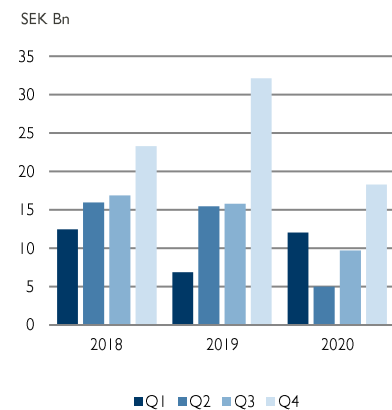
OPERATING INCOME



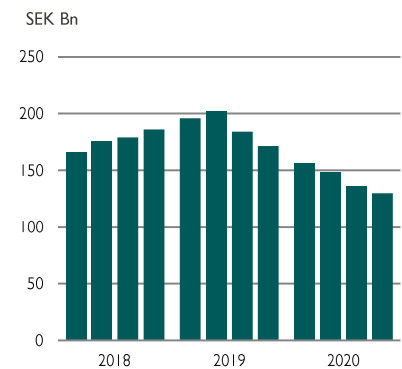
OPERATING INCOME



CATELLA'S PROPERTY TRANSACTION VOLUMES



CATELLA'S ASSETS UNDER MANAGEMENT



\*Remaining operations

# Corporate Finance

## Fourth quarter 2020

The total transaction market for commercial properties in Europe, excluding the UK, totalled EUR 59.2 Bn (112.0) in the quarter, a decrease of 47% year-on-year.

Property transactions where Catella acted as advisor totalled SEK 18.3 Bn (32.1) in the quarter. Of the total transaction volumes in the quarter, Sweden provided SEK 10.3 Bn (6.0), France 4.4 Bn (20.9), Germany 0.1 Bn (1.7) and Denmark 0.0 Bn (2.0).

Total income was SEK 261 M (287), and total income, adjusted for assignment costs, decreased by SEK 41 M attributable

to Continental Europe, and operating profit amounted to SEK 38 M (48), a decrease by SEK 9 M year-on-year.

Assignment costs were up on the previous year mainly because France co-voiced with another advisor.

Operating costs decreased by SEK 32 M, mainly due to lower personnel costs, personnel-related costs and marketing costs.

Income and operating profit increased in the Nordics year-on-year, mainly driven by Sweden which had a very strong quarter. In Continental Europe, income after assignment costs and operating profit were significantly lower year-on-year, mainly

driven by France and Germany where fewer transactions were completed.

## Full Year 2020

Transaction volumes in Europe, excluding the UK, totalled EUR 204.6 Bn (284.7) in the period, a reduction of 28% year-on-year. Catella's transaction volume in the period was SEK 45.0 bn (70.2).

Total income was SEK 623 M (709), and operating profit for the year was SEK 29 M (62) in the period.

SEK M

### INCOME STATEMENT—CONDENSED

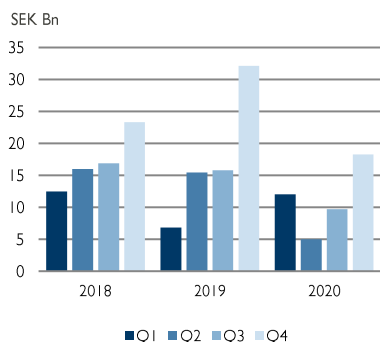
	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Nordic *	96	77	222	225
Continental Europe *	166	210	400	482
Total income	261	287	623	709
Assignment expenses and commission	-33	-18	-75	-55
Operating expenses	-189	-222	-520	-592
Operating profit/loss	38	48	29	62

### KEY FIGURES

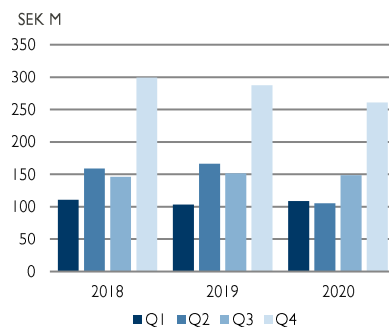
Operating margin, %	15	17	5	9
Property transaction volume for the period, SEK Bn	18.3	32.1	45.0	70.2
of which Nordic	12.4	9.3	29.3	27.1
of which Continental Europe	5.9	22.9	15.7	43.1
No. of employees, at end of period	-	-	208	214

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

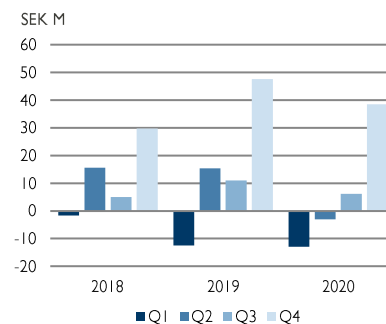
CATELLA'S PROPERTY TRANSACTION VOLUMES



TOTAL INCOME



OPERATING INCOME



# Property Investment Management

## Fourth quarter 2020

Assets under management decreased by SEK 0.9 Bn quarter-on-quarter, net flows were SEK 5.1 Bn in the quarter. The decrease in assets under management was mainly due to exchange rate fluctuations while inflows were evenly distributed between Property Asset Management and Property Funds.

Total income was SEK 240 M (246), and income after assignment costs amounted to SEK 210 M (211) in the quarter.

Property Funds' income increased by SEK 20 M year-on-year, driven mainly by fixed income.

Property Asset Management's income decreased by SEK 12 M year-on-year. The operations in the UK, France\*\* and Spain reported reduced variable earnings, while Benelux increased variable earnings driven by new tax regulations relating to property transactions, which come into force in 2021.

Operating costs decreased mainly as a result of lower variable personnel costs. In addition, costs were negatively affected by goodwill impairment of SEK 8 M.

Operating profit was SEK 29 M (24), mainly driven by Property Funds.

## Full Year 2020

Catella's assets under management in the business area increased by SEK 15.2 Bn in the period, totalling SEK 115.6 Bn at the end of the period.

Total income was SEK 1,126 M (871), and operating profit for the year was SEK 239 M (104).

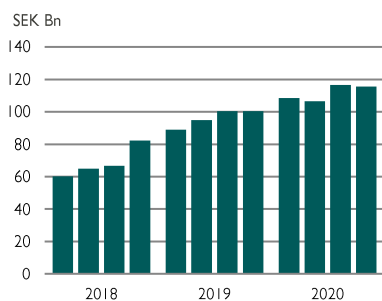
SEK M

INCOME STATEMENT—CONDENSED	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Property Funds *	167	147	749	613
Property Asset Management *	102	114	493	306
Total income	240	246	1,126	871
Assignment expenses and commission	-30	-35	-164	-189
Operating expenses	-181	-187	-723	-577
Operating profit/loss	29	24	239	104
<b>KEY FIGURES</b>				
Operating margin, %	12	10	21	12
Asset under management at end of period, SEK Bn	-	-	115.6	100.5
net in-(+) and outflow(-) during the period, mdkr	5.1	1.1	21.2	12.5
of which Property Funds	-	-	69.1	61.5
net in-(+) and outflow(-) during the period, mdkr	2.4	3.7	8.6	10.8
of which Property Asset Management	-	-	46.5	39.0
net in-(+) and outflow(-) during the period, mdkr	2.7	-2.6	12.7	1.7
No. of employees, at end of period	-	-	273	251

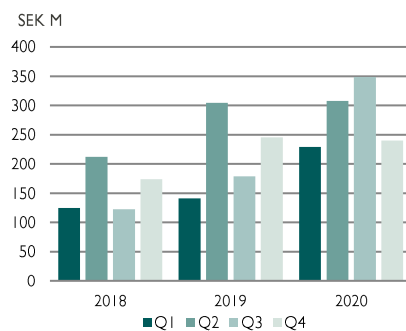
\* Includes internal revenue between business areas. Internal revenue has been eliminated in the service area for the current period and for the corresponding period in 2019.

\*\* Catella's French operations, Catella Asset Management SAS, was divested in January 2021.

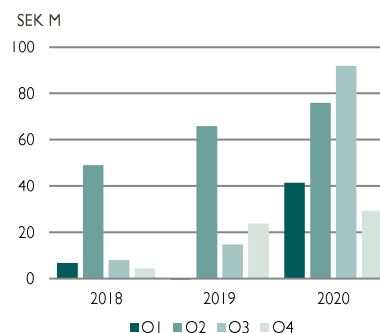
## ASSETS UNDER MANAGEMENT



## TOTAL INCOME



## OPERATING INCOME



# Equity, Hedge and Fixed Income Funds

During the third quarter 2020, Catella divested 70 percent of the shares in Catella Fondförvaltning AB (Mutual Funds). Income and expenses were included for the period 1 January - 31 August 2020. The remaining 30% was included in the Group's financial position as a Holding in associated companies under the Other segment.

## Fourth quarter 2020

Assets under management decreased by SEK 5.0 M quarter-on-quarter, net flows were SEK -4.7 Bn. Measures relating to Systematic Macro are being introduced with the aim of reversing the negative trend and developing new products. SEK M

Total income was SEK 39 M (139 adjusted for Mutual Funds) in the quarter, a decrease of SEK 100 M in year-on-year terms. The decrease in income was almost exclusively due to fixed earnings in Systematic Funds.

Assignment costs and commission amounted to SEK -2 M (-5 adjusted for Mutual Funds).

Operating costs totalled SEK -58 M (-90 adjusted for Mutual Funds). The decrease in year-on-year terms was mainly driven by lower variable personnel and consulting costs.

Operating profit was SEK -21 M (45, adjusted for Mutual Funds).

## Full Year 2020

Assets under management, adjusted for Mutual Funds, decreased by SEK 27.6 Bn in the period, totalling SEK 14.2 Bn at the end of the period.

Total income was SEK 245 M (576 adjusted for Mutual Funds).

Assignment costs and commission was SEK -10 M (-28), and operating costs for the year was SEK -237 M (-278), adjusted for Mutual Funds.

Operating profit was SEK -1 M (269), adjusted for Mutual Funds.

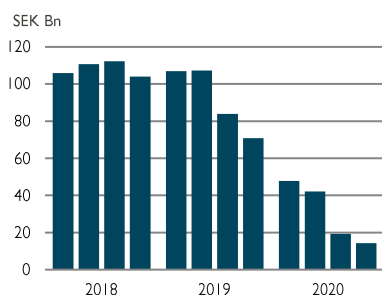
### INCOME STATEMENT—CONDENSED

	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Mutual Funds *	0	59	130	243
Systematic Funds *	39	139	245	576
Total income	39	199	375	818
Assignment expenses and commission	-2	-31	-65	-135
Operating expenses	-58	-125	-309	-395
Operating profit/loss	-21	43	2	288
<b>KEY FIGURES</b>				
Operating margin, %	-53	22	0	35
Asset under management at end of period, SEK Bn	-	-	14.2	70.8
net in-(+) and outflow(-) during the period, mdkr	-4.7	-14.8	-51.9	-45.5
of which Mutual Funds	-	-	0.0	29.0
net in-(+) and outflow(-) during the period, mdkr	0.0	-0.8	-29.0	-4.1
of which Systematic Funds	-	-	14.2	41.9
net in-(+) and outflow(-) during the period, mdkr	-4.7	-14.0	-22.9	-41.4
No. of employees, at end of period	67	93	67	93

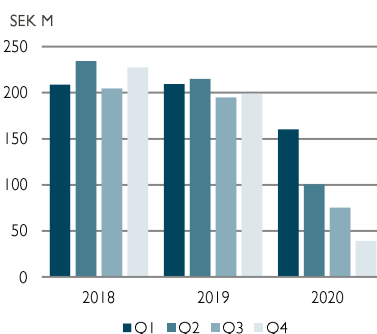
\* Includes internal revenue between business areas. Internal revenue has been eliminated in the service area for the current period and for the corresponding period in 2019.

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

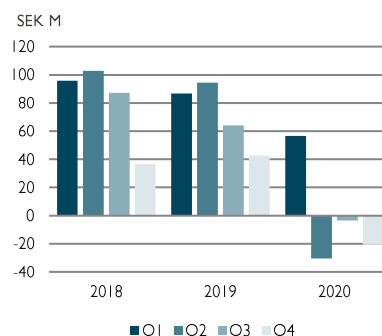
### ASSETS UNDER MANAGEMENT



### TOTAL INCOME



### OPERATING INCOME



## Other financial information

### The Group's financial position

In the fourth quarter, the Group's total assets increased by SEK 113 M and amounted to SEK 4,153 M as of 31 December 2020. The Balance Sheet item Properties held for development and project properties increased by SEK 124 M as a result of additional investments in the property development project Kaktus and new investments in a logistics property in Norrköping which will be let to Postnord on completion.

Catella carried out impairment tests on assets with indefinite useful lives. Catella's assets with indefinite useful lives consist of goodwill and brands. The impairment test is calculated on estimated future cash flows based on budgets approved by management and the Board of Directors. The tests indicated a need for goodwill impairment of SEK 8 M attributable to Property Investment Management business area. In addition, other acquisition-related intangible assets such as IT systems attributable to Systematic Funds have been impaired by SEK 3 M. Impairment totalling SEK 11 M was reported as amortization and depreciation in the Group Income Statement in the fourth quarter.

According to IAS 12, "Income Taxes", deferred tax assets relating to tax loss carry-forwards are recognised to the extent it is probable that future taxable profits will be available. In accordance with this standard, Catella recognized a deferred tax asset of SEK 21 M as of 31 December 2020 (SEK 1 M as of 30 September 2020). The change is attributable to restructuring of the Group's German units in 2020, which has enabled the utilization of loss carry-forwards in the Property Investment Management business area in Germany from 2021 onwards. The Group had total loss carry-forwards amounting to approximately SEK 1,145 M.

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

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

French and Spanish subsidiaries have been granted government-guaranteed loans from credit institutions on favourable terms. As of 31 December 2020, these loans totalled SEK 99 M (104 M as of 30 September 2020) and were recognized under Long-term borrowing from credit institutions.

The Group also has an overdraft facility of SEK 30 M, of which SEK 30 M was unutilized as of as of 31 December 2019.

In the fourth quarter, the Group's consolidated equity decreased by SEK 19 M, amounting to SEK 1,717 M as of 31 December 2020. Apart from profit/loss for the period of SEK -7 M, equity was affected by negative translation differences of SEK 27 M. Fair value change in financial assets for the period recognized under Other comprehensive income (Visa preference shares) amounted to SEK 3 M. Furthermore, equity was affected by Transactions with non-controlling interests of SEK 12 M. Of this, SEK 15 M relates to a share of profit/loss for the period, which is recognized as personnel costs and tax in the Consolidated Income Statement. As of 31 December 2020, the Group's equity/assets ratio was 41% (43% as of 30 September 2020).

### Consolidated cash flow

*The comments below relate to total Group operations, remaining operations and disposal group held for sale, unless otherwise indicated.*

#### Fourth quarter 2020

Consolidated cash flow from operating activities before change in working capital amounted to SEK 84 M (46), of which SEK 74 M was attributable to remaining operations and SEK 10 M to the Banking operations. Tax paid totalled SEK 8 M (56) in the period.

Consolidated cash flow from operating activities was SEK 93 M (88), of which changes in working capital comprised SEK 9 M (41) in the period. Of the changes in working capital, SEK -16 M (-10) was attributable to banking operations and SEK 25 M (51) to other operations.

Cash flow from investing activities totalled SEK -189 M (-29) and includes additional investments in the property development project Kaktus of SEK 93 M, and new investments through the subsidiary Infrahubs Fastighet 2 of SEK 58 M relating to the construction of a logistics property in Norrköping. In addition, Catella completed a joint investment with Tristan Capital Partners totalling SEK 25 M. Terminated currency forwards generated inflows of SEK 10 M in the period.

Cash flow from financing operations amounted to SEK 123 M (-12), of which SEK 144 M relates to loans that the subsidiary Kaktus I TopCo and Infrahubs Fastighet 2 raised for ongoing property development projects. Amortisation of the Group's lease liability totalled SEK 18 M.

Cash flow for the period amounted to SEK 28 M (48), of which cash flow from remaining operations was SEK 36 M (140) and cash flow from disposal group held for sale was SEK -8 M (-92).

Cash and cash equivalents at the end of the period amounted to SEK 1,856 M (1,378), of which cash and cash equivalents attributable to remaining operations amounted to SEK 1,482 M (881), where cash and cash equivalents attributable to the Group's Swedish holding companies amounted to SEK 486 M (118), and cash and cash equivalents recognized under Assets in disposal group held for sale totalled SEK 374 M (497).

#### Full Year 2020

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 154 M (71), of which SEK 237 M was attributable to remaining operations and SEK -83 M to the Banking operations. Tax paid totalled SEK 84 M (277) in the period.

Consolidated cash flow from operating activities was SEK 165 M (-1,834), of which change in working capital comprised SEK 11 M (-1,905) in the period. Of the change in working capital, SEK 140 M (224) was attributable to remaining operations and SEK -129 M (-2,129) to banking operations. The sharp decrease in the bank's

working capital in the previous year was due to transfers of the Wealth Management operations in Luxembourg and Sweden.

Cash flow from investing activities was SEK 44 M (148) and includes dividends from associated companies and purchase consideration for divested shares in subsidiaries of SEK 179 M and SEK 76 M respectively. In addition, the additional purchase consideration from Advanzia Bank was paid in, amounting to SEK 128 M after deductions for commission expenses. Investments through Kaktus and Infrahubs Fastighet 2 totalled SEK 320 M and terminated currency forward contracts generated inflows of SEK 37 M in the period.

Cash flow from financing activities amounted to SEK 315 M (-245), of which Covid-19 loans raised by the Group's

French and Spanish subsidiaries with government-guaranteed credit institutes and at advantageous terms totalled SEK 102 M and loans raised for the Kaktus and Infrahubs Fastighet 2 property development projects were SEK 319 M. Amortisation of lease liabilities totalled SEK 58 M and dividend to non-controlling holdings was SEK 60 M. Cash flow from financing activities also included payment received of SEK 15 M from warrant holders for the subscription of new Class B shares in Catella AB, and a payment of SEK 1 M relating to the re-purchase of warrants.

Cash flow for the period amounted to SEK 524 M (-1,931), of which cash flow from remaining operations was SEK 608 M (184) and cash flow from disposal group held for sale was SEK -84 M (-2,115).

## Parent Company

### Fourth quarter 2020

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

The Parent Company recognised income of SEK 7.5 M (0.9), of which the majority relates to onward invoicing of costs attributable to the divestment of Catella Fondförvaltning (Mutual Funds) in September 2020. Operating profit/loss was SEK -14.7 M (9.4), and was affected by higher consultancy costs from ongoing projects and interim consultancy in areas such as

Legal & Compliance compared to the corresponding period in the previous year.

The Parent Company's net financial income/expense totalled SEK 14.0 M (18.0), of which SEK 21.3 M (4.2) related to profit on derivatives. In May 2018, the Parent Company started currency hedging using derivatives. The purpose of the hedging of EUR 60 M was to reduce the exchange rate risk in Catella's exposure in EUR. Net financial income/expense also include interest and arrangement costs for bond loans totalling SEK 8.6 M (8.6) Net financial income/expense for the previous year included anticipated dividend of SEK 22.0 M from the subsidiary Catella Holding.

Profit before tax was SEK -0.7 M (8.7), and profit/loss for the period was SEK -0.5 M (72.3). Profit/loss for the previous year included Group contributions received of SEK 63.7 M.

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 89.4 M (128.4).

At the end of the period, there were 11 (13) employees in the Parent Company, expressed as full-time equivalents.

### Full Year 2020

Total income was SEK 30.5 M (17.8), of which SEK 18.5 M related to onward invoicing of legal and consultancy costs attributable to completed projects.

Operating profit/loss totalled SEK -49.6 M (-43.9) for the full year 2020. Financial items totalled SEK -1.5 M (-32.7), of which interest and costs for arranging the bond loans were SEK 35.1 M (33.2) and profit on derivatives totalled SEK 32.3 M (-21.3). Profit before tax was SEK -51.2 M (-76.6), and profit/loss for the period was SEK -51.0 M (-13.0).

### Employees

The number of employees in remaining units, expressed as full-time equivalents, was 566 (582), of which 208 (214) were employed in the Corporate Finance operating segment, 340 (344) in the Asset Management operating segment and 18 (24) in other functions.

The number of employees in the disposal group held for sale (Banking) was 13 (68) at period end.

At the end of the period, there were 579 (649) employees, expressed as full-time equivalents.

### Share capital

As of 31 December 2020, Catella's registered share capital was SEK 177 M (173), divided between 88,348,572 shares (86 281 905). The quotient value per share is 2. Share capital is divided between two share classes with different voting rights. 2,530,555 Class A shares with 5 votes per share, and 85 818 017 Class B shares with 1 vote per share.

In March 2020, warrant holders exercised 2,066,667 warrants to subscribe for an equal number of new shares at a price of SEK 7.20 per share. The new Class B shares were registered with the Swedish Companies Registration Office on 6 May 2020. In March, Catella repurchased 100,000 warrants from a key person and 266,667 warrants held in treasury expired without being utilised. There were no remaining outstanding warrants from older issues subsequently in Catella AB.

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 divided over two series; 2020/2024:A and 2020/2025:B. As of 31 December 2020, all 3,000,000 outstanding warrants were held in Treasury.

### Shares

Catella is listed on Mid Cap on Nasdaq Stockholm, trading under the ticker symbols CAT A and CAT B. The price of Catella's Class B share was SEK 27.10 (26.50) as of 31 December 2020. Total market capitalization at the end of the period was SEK 2,399 M (2,278).

### Shareholders

Catella had 8,972 (7,763) shareholders registered at the end of the period. The principal shareholders on 31 December 2020 was the Claesson & Anderzén Group with 49.4% (48.6) of the capital and 48.8% (48.0) of the votes, SIX SIS AG, W8IMY with 2.7% (2.4) of the capital and 3.6% (3.4) of the votes.

## Dividend

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

The Board intends to propose a dividend payment of SEK 80 M, the maximum permissible amount under the bond terms, which corresponds to approximately SEK 0.90 per Class A and B share, to shareholders for the financial year 2020. At the time of dividend payment, the number of shares totalled 88,348,572. Against the background of the coronavirus pandemic, the Board of Catella AB (publ) decided in April to revoke the proposed dividend of SEK 0.90 per share, and proposes to the Annual General Meeting that no dividend be paid. No dividend was paid to shareholders in the financial year 2019.

## Risks and uncertainties

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

Asset Management is affected by market progress on the global financial markets and progress on the property market in Europe.

The outbreak of Covid-19 affects Catella negatively, and there is a risk of a significant financial impact on the Group. Given the uncertain situation, it is currently not possible to estimate the full potential impact on the Group over the coming quarters. We proceed from the assumption that the first quarter of 2021 will be characterized by uncertainty, compared to the corresponding period in 2020, affecting investor appetite for completing transactions and capital investments.

A number of companies in the Catella Group conduct operations that are under the supervision of regulatory financial authorities on their respective domestic markets. Existing regulatory frameworks and rapid regulatory changes are complex in general, and specifically with regard to

banking operations. These regulatory framework place stringent, and in future even more stringent, demands on the routines and procedures, and liquidity and capital reserves, of the operations under supervision. Compliance with these regulatory frameworks is a pre-condition for conducting operations subject to supervision. Catella continuously seeks to ensure compliance with existing regulatory frameworks and to prepare for future compliance with coming regulatory changes.

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

Catella has investments in property development projects in Germany, Denmark, France and Sweden. Investments primarily take place through associated companies but also through subsidiaries. The projects are run by Catella's German, Danish and French subsidiaries and the Swedish project is run by an associated company. Catella intends to invest and complete projects with the aim of investing in future fund structures created by Catella. The investments include the risk that associated companies are forced to choose between continuing to invest in late stages of projects, run the projects to completion or leaving the project and losing the invested capital.

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

apply to all property development projects that Catella invests in (see Note 3).

## Seasonal variations

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

## Accounting principles

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

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

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

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

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

## Related party transactions

In November 2020, Catella acquired shares in the subsidiary Infrahubs Fastighet 2 AB, which is constructing a logistics property in Norrköping and which is fully let to Postnord TPL AB. In connection with this, Catella and partners invested SEK 60 M each in the company. Catella guarantees fulfilment of the rental contract 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.

Catella holds shares in associated companies Nordic Seeding GmbH and Grand Central Beteiligungs GmbH, whose other owners are the Claesson & Anderzén group and the management of Catella Project Management GmbH. Dividend received from both companies exceeded Catella's total investments in the companies by an amount of SEK 78 M as of 31 December 2020. For more information, see Note 3 of this report and Notes 20 and 37 in the Annual Report 2019.

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

#### Forecast

Catella does not publish forecasts.

#### Financial calendar

**Catella Annual Report 2020**

21 April 2021

**Interim Report January–March 2021**

7 May 2021

**Annual General Meeting 2021**

25 May 2021

**Interim Report January–June 2021**

20 August 2021

**Interim Report January–September 2021**

11 November 2021

**Year-end Report 2021**

25 February 2022

#### For further information, contact

Johan Claesson, interim CEO and President

Tel. +46 (0) 8 – 463 33 10

More information on Catella and all financial reports are available at [catella.com](http://catella.com).

The information in this report is mandatory for Catella AB to publish in accordance with EU's Market Abuse Regulation and the Swedish Securities Market Act. This information was submitted to the market, through the agency of the below contact, for publication on 25 February 2021 at 07:00 a.m. CET.

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.

Stockholm, Sweden, 25 February 2021  
Catella AB (publ)

Jan Roxendal, Board Chairman

Johan Damne, Board member

Joachim Gahm Board member

Anna Ramel, Board member

Tobias Alsborger, Board member

Johan Claesson, interim 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 31 December 2020 and the twelve-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, 25 February 2021

PricewaterhouseCoopers AB

*Daniel Algotsson*  
Authorized Public Accountant

## Consolidated Income Statement

SEK M	Note	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net sales		534	722	2,047	2,353
Other operating income		7	39	265	67
Total income		542	761	2,312	2,420
Assignment expenses and commission		-65	-83	-300	-372
Other external expenses		-97	-132	-395	-451
Personnel costs		-304	-379	-1,079	-1,043
Depreciation		-37	-35	-110	-128
Other operating expenses		-16	-11	-34	-4
Operating profit/loss		23	122	393	422
Interest income		1	-3	6	13
Interest expenses		-12	-13	-47	-49
Other financial items		-42	8	-68	-103
Financial items—net		-53	-8	-109	-138
Profit/loss before tax		-29	113	285	284
Tax		-3	-42	-151	-135
Profit for the period from continuing operations		-32	72	134	148
Operations held for sale:					
Profit for the period from divestment group held for sale	8	25	-7	-60	45
Net profit/loss for the period		-7	65	74	193
Profit/loss attributable to:					
Shareholders of the Parent Company		-8	47	65	113
Non-controlling interests		1	18	9	80
		-7	65	74	193
Earnings per share attributable to shareholders of the Parent Company, SEK					
Continuing operations					
- before dilution		-0.37	0.63	1.41	0.79
- after dilution		-0.37	0.61	1.41	0.77
Divestment groups held for sale					
- before dilution		0.28	-0.08	-0.67	0.52
- after dilution		0.28	-0.08	-0.67	0.51
Total operations					
- before dilution		-0.09	0.55	0.74	1.31
- after dilution		-0.09	0.54	0.74	1.28
No. of shares at end of the period		88,348,572	86,281,905	88,348,572	86,281,905
Average weighted number of shares after dilution		88,348,572	88,448,572	88,373,572	88,382,173

## Consolidated Statement of Comprehensive Income

SEK M	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period	-7	65	74	193
Other comprehensive income				
Items that will not be reclassified subsequently to profit or loss:				
Value change in defined benefit pension plans	0	1	0	1
Items that will be reclassified subsequently to profit or loss:				
Fair value changes in financial assets through other comprehensive income	3	3	-33	26
Hedging of net investment	32	15	28	-7
Translation differences	-59	-34	-65	40
Other comprehensive income for the period, net after tax	-24	-15	-69	59
Total comprehensive income/loss for the period	-31	50	5	252
Profit/loss attributable to:				
Shareholders of the Parent Company	-29	35	-1	171
Non-controlling interests	-2	15	6	81
	-31	50	5	252

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

## Consolidated Statement of Financial Position - condensed

SEK M	Note	2020 31 Dec	2019 31 Dec
ASSETS			
Non-current assets			
Intangible assets	7	443	627
Contract assets		157	183
Property, plant and equipment		30	25
Holdings in associated companies	3	167	92
Non-current receivables from associated companies		35	0
Other non-current securities	3, 4, 5	248	261
Deferred tax receivables		21	78
Other non-current receivables		6	6
		1,106	1,272
Current assets			
Development and project properties		634	336
Accounts receivable and other receivables		440	684
Current investments	3, 4, 5	31	124
Cash and cash equivalents *		1,482	881
		2,588	2,026
Assets in divestment groups held for sale	8	459	759
		3,047	2,785
Total assets		4,153	4,057
EQUITY AND LIABILITIES			
Equity			
Share capital		177	173
Other contributed capital		289	280
Reserves		-6	61
Profit brought forward including net profit for the period		1,072	1,009
Equity attributable to shareholders of the Parent Company		1,532	1,522
Non-controlling interests		185	214
Total equity		1,717	1,736
Liabilities			
Non-current liabilities			
Borrowings from credit institutions		553	213
Bond issue		751	747
Contract liabilities		115	138
Deferred tax liabilities		20	27
Other provisions		63	61
		1,503	1,186
Current liabilities			
Contract liabilities		48	52
Accounts payable and other liabilities		732	772
Tax liabilities		48	22
		828	846
Liabilities in disposal groups held for sale	8	105	289
		933	1,135
Total liabilities		2,435	2,321
Total equity and liabilities		4,153	4,057
* Of which pledged and blocked liquid funds		49	97

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

## Consolidated Statement of Cash Flows

SEK M	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Cash flow from operating activities				
Profit/loss before tax	-3	137	216	385
Reclassification and adjustments for non-cash items:				
Wind down expenses	-11	-33	27	24
Other financial items	33	-38	29	-203
Depreciation	39	35	113	130
Impairment / reversal of impairment of current receivables	6	-7	10	8
Change in provisions	7	9	6	8
Reported interest income from loan portfolios	-1	2	-4	-11
Profit/loss from participations in associated companies	-1	-21	-196	-25
Personnel costs not affecting cash flow	23	17	37	32
Paid income tax	-8	-56	-84	-277
Cash flow from operating activities before changes in working capital	84	46	154	71
Cash flow from changes in working capital				
Increase (-)/decrease (+) of operating receivables	-236	-148	189	1,511
Increase (+) / decrease (-) in operating liabilities	245	189	-178	-3,416
Cash flow from operating activities	93	88	165	-1,834
Cash flow from investing activities				
Purchase of property, plant and equipment	-7	-1	-16	-5
Purchase of intangible assets	-1	-5	-7	-16
Sale of subsidiaries, net of cash disposed	-8	0	76	-0
Business transfers net of advisory costs	-3	0	128	245
Purchase of and additional investments in associated companies	-28	-5	-37	-34
Dividend and other disbursements from associated companies	0	0	179	-
Investments in development and project properties	-151	-45	-320	-45
Purchase of financial assets	-4	-41	-38	-101
Sale of financial assets	11	50	77	74
Cash flow from loan portfolios	0	18	0	28
Cash flow from investing activities	-189	-29	44	148
Cash flow from financing activities				
Re-purchase of share warrants	0	0	-1	-4
New share issue	0	0	15	18
Borrowings	144	5	422	1
Amortisation of leasing debt	-18	-10	-58	-53
Dividend	0	0	0	-104
Transactions with, and payments to, non-controlling interests	-3	-7	-63	-103
Cash flow from financing activities	123	-12	315	-245
Cash flow for the period	28	48	524	-1,931
Cash and cash equivalents at beginning of period	1,880	1,352	1,378	3,234
Exchange rate differences in cash and cash equivalents	-52	-21	-46	75
Cash and cash equivalents at end of the period *	1,856	1,378	1,856	1,378
Of which cash flow from divestment groups held for sale:				
Cash flow from operating activities	-6	-89	-212	-2,381
Cash flow from investing activities	-2	-3	128	266
Cash flow from financing activities	0	0	0	0
Cash flow for the period from divestment groups held for sale	-8	-93	-84	-2,115
* Of which cash and cash equivalents recognised in Assets in disposal groups held for sale	374	497	374	497

SEK 374 M of the Group's cash and cash equivalents is related to Catella Bank, and pursuant to the regulations and rules Catella Bank is regulated by, the rest of Catella Group does not have access to Catella Bank's liquidity.

## Consolidated Statement of Changes in Equity

SEK M	Equity attributable to shareholders of the Parent Company							
	Share capital	Other contributed capital *	Fair value reserve	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests **	Total equity
Opening balance at 1 January 2020	173	280	48	13	1,009	1,522	214	1,736
Comprehensive income for January - December 2020:								
Net profit/loss for the period					65	65	9	74
Other comprehensive income, net of tax			-33	-33		-66	-3	-69
Comprehensive income/loss for the period			-33	-33	65	-1	6	5
Transactions with shareholders:								
Transactions with non-controlling interests					-2	-2	-35	-37
Re-purchase of warrants issued		-1				-1		-1
New share issue	4	11				15		15
Closing balance at 30 December 2020	177	289	15	-20	1,072	1,532	185	1,717

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

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

In December 2020, the Extraordinary General Meeting approved a new incentive programme through the issue of a maximum total of 3,000,000 warrants, distributed between two series: Series 2020/2024:A and 2020/2025:B. As of 31 December 2020, all 3,000,000 outstanding warrants were held in Treasury. In the first quarter 2020, 2,066,667 warrants from the 2014 issue 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 from previous year's emissions 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.

SEK M	Equity attributable to shareholders of the Parent Company							
	Share capital	Other contributed capital *	Fair value reserve	Translation reserve	Profit brought forward incl. net profit/loss for the period	Total	Non-controlling interests **	Total equity
Opening balance at 1 January 2019	168	270	22	-19	1,000	1,442	205	1,647
Comprehensive income for January - December 2019:								
Net profit/loss for the period					113	113	80	193
Other comprehensive income, net of tax			26	31	1	58	1	59
Comprehensive income/loss for the period			26	31	114	171	81	252
Transactions with shareholders:								
Transactions with non-controlling interests					-2	-2	-73	-75
Re-purchase of warrants issued		-4				-4		-4
New share issue	4	14				18		18
Dividend					-104	-104		-104
Closing balance at 30 December 2019	173	280	48	13	1,009	1,522	214	1,736

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

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

No warrant transactions took place in the fourth quarter 2019. In March 2019, warrant holders exercised 2,166,667 warrants to subscribe for an equal number of new shares at a price of SEK 8.40 per share. The new Class B shares were issued on 8 April 2019 by registration with the Swedish Companies Registration Office. In the first quarter, 200,000 warrants were repurchased due to Group Management changes in Catella AB. In the Consolidated Accounts, the repurchase of share warrants is reported under other contributed capital to the extent it consists of non-restricted equity, and the remainder against retained earnings. As of 31 December 2019, the parent company had a total of 2,333,334 warrants outstanding, of which 166,667 in treasury.

## Note I Income Statement by Operating Segment

SEK M	Note	Corporate Finance		Asset Management		Other		Group	
		2020 Oct-Dec	2019 Oct-Dec	2020 Oct-Dec	2019 Oct-Dec	2020 Oct-Dec	2019 Oct-Dec	2020 Oct-Dec	2019 Oct-Dec
Net sales		259	286	273	438	2	-2	534	722
Other operating income		2	1	7	7	-1	31	7	39
Total income		261	287	280	445	1	29	542	761
Assignment expenses and commission		-33	-18	-32	-65	-0	1	-65	-83
Other external expenses		-26	-42	-66	-88	-4	-2	-97	-132
Personnel costs		-153	-169	-141	-198	-10	-12	-304	-379
Depreciation		-7	-7	-26	-18	-4	-10	-37	-35
Other operating expenses		-3	-4	-6	-8	-6	1	-16	-11
Operating profit/loss		38	48	8	67	-24	8	23	122
Interest income		1	1	1	1	-0	-4	1	-3
Interest expenses		-2	-3	-3	-3	-7	-8	-12	-13
Other financial items		-0	-0	-9	7	-33	1	-42	8
Financial items—net		-2	-3	-11	5	-41	-11	-53	-8
Profit/loss before tax		37	45	-2	72	-64	-3	-29	113
Tax		-14	-18	11	-20	0	-4	-3	-42
Profit for the period from continuing operations		23	27	9	51	-64	-7	-32	72
Operations held for sale:									
Profit for the period from divestment group held for sale	8	0	0	25	-7	0	-0	25	-7
Net profit/loss for the period		23	27	34	45	-64	-7	-7	65
Profit/loss attributable to shareholders of the Parent Company		23	27	33	27	-64	-7	-8	47

SEK M	Note	Corporate Finance		Asset Management		Other		Group	
		2020 Jan-Dec	2019 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec
Net sales		618	704	1,438	1,660	-8	-11	2,047	2,353
Other operating income		5	5	63	29	196	34	265	67
Total income		623	709	1,501	1,689	188	22	2,312	2,420
Assignment expenses and commission		-75	-55	-229	-324	3	7	-300	-372
Other external expenses		-117	-152	-266	-296	-12	-3	-395	-451
Personnel costs		-375	-413	-668	-591	-36	-39	-1,079	-1,043
Depreciation		-25	-26	-71	-80	-14	-22	-110	-128
Other operating expenses		-3	-1	-26	-6	-4	3	-34	-4
Operating profit/loss		29	62	240	392	124	-32	393	422
Interest income		2	2	1	1	3	10	6	13
Interest expenses		-10	-11	-8	-9	-29	-28	-47	-49
Other financial items		0	-0	-14	-23	-54	-80	-68	-103
Financial items—net		-7	-9	-21	-31	-80	-98	-109	-138
Profit/loss before tax		21	52	219	361	44	-130	285	284
Tax		-21	-29	-60	-107	-70	1	-151	-135
Profit for the period from continuing operations		0	23	159	253	-26	-128	134	148
Operations held for sale:									
Profit for the period from divestment group held for sale	8	0	0	-60	44	0	1	-60	45
Net profit/loss for the period		0	23	100	298	-26	-128	74	193
Profit/loss attributable to shareholders of the Parent Company		-1	23	91	218	-26	-128	65	113

The operating segments reported above, Corporate Finance and Asset Management, are consistent with internal reporting submitted to management and the Board of Directors and thus represent the Group's operating segments in accordance with IFRS 8, Operating Segments. The Parent Company, other holding companies and the Group's Principal investments 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 reinvoicing of expenses. Any transactions are conducted on an arm's length basis.

## Historical earnings trend by quarter and operating segment

SEK M	Corporate Finance							
	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar
Net sales	259	148	104	107	286	150	165	102
Other operating income	2	1	1	2	1	1	1	1
Total income	261	148	105	109	287	152	166	103
Assignment expenses and commission	-33	-22	-11	-9	-18	-11	-17	-9
Other external expenses	-26	-30	-26	-35	-42	-32	-40	-37
Personnel costs	-153	-85	-67	-70	-169	-88	-90	-66
Depreciation	-7	-6	-6	-6	-7	-10	-5	-5
Other operating expenses	-3	-0	2	-2	-4	1	1	1
Operating profit/loss	38	6	-3	-13	48	11	15	-12
Interest income	1	0	0	1	1	1	1	0
Interest expenses	-2	-2	-3	-3	-3	-4	-2	-2
Other financial items	-0	0	-1	1	-0	0	0	-0
Financial items—net	-2	-2	-3	-1	-3	-3	-1	-2
Profit/loss before tax	37	4	-6	-14	45	8	14	-14
Tax	-14	-4	-1	-2	-18	-6	-3	-2
Periodens resultat	23	0	-7	-16	27	2	11	-16
Profit/loss attributable to shareholders of the Parent Company	23	1	-8	-16	27	2	11	-16

SEK M	Asset Management							
	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar
Net sales	273	422	398	345	438	361	514	347
Other operating income	7	2	10	44	7	12	6	4
Total income	280	424	408	389	445	374	520	351
Assignment expenses and commission	-32	-46	-89	-61	-65	-68	-122	-68
Other external expenses	-66	-67	-62	-71	-88	-78	-68	-63
Personnel costs	-141	-212	-174	-142	-198	-129	-148	-116
Depreciation	-26	-13	-17	-14	-18	-22	-22	-18
Other operating expenses	-6	3	-21	-3	-8	2	-0	0
Operating profit/loss	8	88	45	98	67	79	160	86
Interest income	1	0	0	0	1	0	0	-0
Interest expenses	-3	-2	-2	-2	-3	1	-4	-4
Other financial items	-9	7	2	-14	7	-17	-3	-11
Financial items—net	-11	5	-0	-16	5	-16	-6	-14
Profit/loss before tax	-2	94	45	82	72	63	154	72
Tax	11	-27	-21	-23	-20	-23	-42	-22
Profit for the period from continuing operations	9	67	24	60	51	40	112	50
Operations held for sale:								
Profit for the period from divestment group held for sale	25	5	-76	-14	-7	-10	-49	110
Net profit/loss for the period	34	71	-52	46	45	30	63	160
Profit/loss attributable to shareholders of the Parent Company	33	71	-49	36	27	17	36	138



## Note 2 Financial position by operating segment - condensed

SEK M	Corporate Finance		Asset Management		Other		Group	
	2020 31 Dec	2019 31 Dec	2020 31 Dec	2019 31 Dec	2020 31 Dec	2019 31 Dec	2020 31 Dec	2019 31 Dec
ASSETS								
Non-current assets								
Intangible assets	64	67	325	507	54	53	443	627
Contract assets	62	79	73	90	22	14	157	183
Property, plant and equipment	7	9	23	16	0	0	30	25
Holdings in associated companies	-0	-0	11	11	156	81	167	92
Non-current receivables from associated companies	0	0	35	0	0	0	35	0
Other non-current securities	0	0	122	149	125	111	248	261
Deferred tax receivables	0	0	20	7	0	70	21	78
Other non-current receivables	18	17	2	2	-14	-13	6	6
	151	171	611	783	343	318	1,106	1,272
Current assets								
Development and project properties	0	0	0	0	634	336	634	336
Accounts receivable and other receivables	206	189	204	460	30	36	440	684
Current investments	0	0	1	51	30	74	31	124
Cash and cash equivalents	190	176	788	608	504	97	1,482	881
	396	364	994	1,118	1,198	543	2,588	2,026
Assets in divestment groups held for sale	0	0	538	835	-79	-76	459	759
	396	364	1,532	1,953	1,119	467	3,047	2,785
Total assets	547	536	2,143	2,736	1,463	785	4,153	4,057
EQUITY AND LIABILITIES								
Equity								
Equity attributable to shareholders of the Parent Company	97	57	1,267	1,545	169	-80	1,532	1,522
Non-controlling interests	36	26	144	182	5	5	185	214
Total equity	133	83	1,411	1,727	173	-75	1,717	1,736
Liabilities								
Non-current liabilities								
Borrowings from credit institutions	77	0	21	0	454	213	553	213
Bond issue	0	0	0	0	751	747	751	747
Contract liabilities	48	65	54	73	13	0	115	138
Other non-current liabilities	20	105	14	12	-34	-118	0	0
Deferred tax liabilities	0	0	10	17	10	10	20	27
Other provisions	1	1	54	59	8	1	63	61
	147	171	154	162	1,202	854	1,503	1,186
Current liabilities								
Contract liabilities	17	17	24	21	7	15	48	52
Accounts payable and other liabilities	235	259	453	555	44	-42	732	772
Tax liabilities	15	7	33	15	0	0	48	22
	267	282	510	591	51	-27	828	846
Liabilities in disposal groups held for sale	0	0	68	256	37	33	105	289
	267	282	578	847	88	6	933	1,135
Total liabilities	414	453	732	1,009	1,289	860	2,435	2,321
Total equity and liabilities	547	536	2,143	2,736	1,463	785	4,153	4,057

## Note 3 Catella's principal investments

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

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

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

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

construction phase, or alternatively, at project completion.

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

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

OTHER, SEK M	Holdings in associated companies	Other non-current securities	Development and project properties	Current investments	Total
Property Development Projects *	86	-	634	-	720
Loan portfolios	-	85	-	11	96
Other holdings	70	40	-	19	129
Total	156	125	634	30	945
<i>Investment commitments</i>			15		15

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

### Comments on Catella's principal investments in the fourth quarter 2020

Catella's principal investments are reported under the 'Other' category in the Consolidated Income Statement and Statement of Financial Position, see Notes 1 and 2. As of 31 December 2020, principal investments totalled SEK 945 M, an increase of SEK 109 M on the previous quarter. Of the change, SEK 124 M comprises additional investments in Kaktus and new investments in the property development project *Infrahubs Fastighet 2*, which is constructing a logistics property in Norrköping. In addition loan portfolios were impaired by a total of SEK 16 M.

#### Property development projects

##### Seestadt MG+

Property development project located next to the central station in Mönchengladbach. The project consists of 1,500-2,000 apartments over an area totalling 140,000 m<sup>2</sup>. The project started in 2017 and Catella acquired the first land parcel in 2019. Catella is working on producing blueprints

for the site and finalising an urbanisation agreement.

##### Düssel-Terrassen

Property development project located in a suburb of Düsseldorf. The project consists of 800 apartments on a land area totalling 75,000 m<sup>2</sup>. The project started in 2018 and Catella acquired the first land parcel in 2018. Catella is working on producing blueprints for the site and finalising an urbanisation agreement.

##### Kaktus

Student housing development project located in central Copenhagen. The project consists of 25,000 m<sup>2</sup> including 495 apartments. The blueprint was approved in 2017 and planning approval obtained in 2019.

As previously communicated, for the Kaktus project, Catella has decided to initiate the construction phase and complete the project in order to realize the maximum potential for Catella's shareholders. The decision implies an increased investment commitment from Catella and has

implied a re-classification of the holding in the property development company Kaktus 1 TopCo ApS from a holding in an associated company to shares in a subsidiary with full consolidation of Kaktus's Income Statement and Balance Sheet. The change means that a new Balance Sheet item, Properties held for development and project properties, has been included in the Group's financial position from 30 September 2019 onwards.

##### Infrahubs Fastighet 2

Infrahubs designs and builds efficient logistics facilities for trade and distribution. The company has acquired a land area of 170,000 m<sup>2</sup> in Norrköping, Sweden, and is constructing a logistics property of some 70,000 m<sup>2</sup>. The property has been fully let to Postnord and the rental agreement spans 10 years.

**Loan portfolios**

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

value in Catella's Consolidated Accounts is determined based on the projected discounted cash flows mainly comprising interest payments but also amortisation.

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

**Other holdings**

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

## Summary of Catella's loan portfolios

SEK M		Forecast undiscounted cash flow *	Share of undiscounted cash flow	Forecast discounted cash flow	Share of discounted cash flow	Discount rate	Duration, years
Loan portfolio	Country						
Pastor 2	Spain	50.2	28.3%	44.8	46.8%	5.3%	2.0
Pastor 3 **	Spain	-	-	-	-	-	-
Pastor 4 **	Spain	-	-	-	-	-	-
Pastor 5 **	Spain	-	-	-	-	-	-
Lusitano 4 **	Portugal	-	-	-	-	-	-
Lusitano 5	Portugal	127.1	71.7%	51.0	53.2%	30.0%	4.2
Sestante 2 **	Italy	-	-	-	-	-	-
Sestante 3 **	Italy	-	-	-	-	-	-
Sestante 4 **	Italy	-	-	-	-	-	-
Total cash flow ***		177.3	100.0%	95.8	100%	1.8%	3.6
Accrued interest				0.1			
Carrying amount in consolidated balance sheet				95.9			

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

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

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

### Method and assumptions for cash flow projections and discount rates.

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

### Cash flow projections

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

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

### Discount rates

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

### Risks and uncertainties relating to loan portfolios

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

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

### Clean-up call

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

### Time call

The time call affects sub-portfolio 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		Spain				Portugal		Italy	Netherlands		Germany		France	UK			
Loan portfolio		Pastor 2	Pastor 3	Pastor 4	Pastor 5	Lusitano 3	Lusitano 5	Sestante 4	Memphis **	Shield **	Gems **	Semper **	Minotaure **	Ludgate **	Outcome	Forecast	Diff
Outcome																	
Full year	2009	4.6	-	-	-	0.4	0.8	-	0.9	1.7	0.2	1.6	2.2	0.0	12.4	7.7	4.7
Full year	2010	7.8	-	-	-	2.7	0.0	-	3.3	6.1	0.7	5.8	8.8	0.5	35.6	35.7	-0.1
Full year	2011	9.8	-	-	-	11.1	0.0	0.6	3.3	4.4	0.9	5.7	6.9	0.4	43.1	28.4	14.7
Full year	2012	4.5	-	-	-	10.2	0.0	0.5	0.8	-	0.7	5.2	3.7	0.1	25.8	30.1	-4.3
Full year	2013	0.2	-	-	-	2.7	0.0	0.4	-	-	0.4	1.2	-	0.2	5.0	7.5	-2.5
Full year	2014	0.3	-	-	-	6.7	0.0	0.4	-	-	0.4	-	-	13.1	20.9	12.8	8.1
Full year	2015	0.1	-	-	-	3.7	0.0	0.5	-	-	0.3	-	-	16.9	21.5	23.2	-1.6
Q1	2016	-	-	-	-	1.7	-	0.1	-	-	46.7	-	-	3.9	52.4	51.3	1.1
Q2	2016	0.1	-	-	-	2.0	-	0.1	-	-	-	-	-	4.0	6.2	5.4	0.9
Q3	2016	-	-	-	-	0.9	-	0.1	-	-	-	-	-	3.4	4.5	5.0	-0.5
Q4	2016	-	-	-	-	3.7	-	0.1	-	-	-	-	-	3.4	7.2	5.2	2.1
Q1	2017	-	-	-	-	1.5	-	-	-	-	-	-	-	2.6	4.1	5.0	-0.9
Q2	2017	-	-	-	-	1.9	-	-	-	-	-	-	-	3.5	5.5	5.6	-0.1
Q3	2017	-	-	-	-	1.8	-	-	-	-	-	-	-	4.6	6.4	5.0	1.4
Q4	2017	0.0	-	-	-	3.8	-	-	-	-	-	-	-	2.7	6.5	4.8	1.7
Q1	2018	0.0	-	-	-	3.1	-	-	-	-	-	-	-	-	3.1	2.6	0.5
Q2	2018	0.0	-	-	-	2.4	-	-	-	-	-	-	-	-	2.4	2.7	-0.3
Q3	2018	0.0	-	-	-	2.1	-	-	-	-	-	-	-	-	2.2	2.2	-0.1
Q4	2018	-	-	-	-	3.6	-	-	-	-	-	-	-	-	3.6	2.3	1.3
Q1	2019	0.0	-	-	-	1.9	-	-	-	-	-	-	-	-	1.9	2.2	-0.3
Q2	2019	0.0	-	-	-	4.3	-	-	-	-	-	-	-	-	4.3	2.3	2.0
Q3	2019	0.0	-	-	-	3.2	-	-	-	-	-	-	-	-	3.2	2.4	0.9
Q4	2019	-	-	-	-	16.8	-	-	-	-	-	-	-	-	16.8	16.1	0.7
Q1	2020	0.0	-	-	-	0.3	-	-	-	-	-	-	-	-	0.3	0.0	0.3
Q2	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	-0.0
Q3	2020	-	-	-	-	0.3	-	-	-	-	-	-	-	-	0.3	0.0	0.3
Q4	2020	-	-	-	-	-	-	-	-	-	-	-	-	-	0.0	0.0	0.0
Total		27.2	0.0	0.0	0.0	92.8	0.8	2.9	8.4	12.2	50.4	19.4	21.7	59.3	295.1	265.4	29.7
															Forecast		
															Quarter/ Year		Acc.
Q1	2021	-	-	-	-	2.3	-	-	-	-	-	-	-	-	2.3	2.3	
Q2	2021	-	-	-	-	3.4	-	-	-	-	-	-	-	-	3.4	5.7	
Q3	2021	-	-	-	-	3.4	-	-	-	-	-	-	-	-	3.4	9.1	
Q4	2021	-	-	-	-	3.1	-	-	-	-	-	-	-	-	3.1	12.3	
Full year	2022	50.2	-	-	-	12.0	-	-	-	-	-	-	-	-	62.2	74.5	
Full year	2023	-	-	-	-	15.0	-	-	-	-	-	-	-	-	15.0	89.4	
Full year	2024	-	-	-	-	17.5	-	-	-	-	-	-	-	-	17.5	106.9	
Full year	2025	-	-	-	-	18.1	-	-	-	-	-	-	-	-	18.1	125.1	
Full year	2026	-	-	-	-	19.4	-	-	-	-	-	-	-	-	19.4	144.4	
Full year	2027	-	-	-	-	32.8	-	-	-	-	-	-	-	-	32.8	177.3	
Total		50.2	0.0	0.0	0.0	0.0	127.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	177.3		

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

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

### Pastor 2

According to the earlier forecast, the issuer would exercise its clean-up call in the third quarter 2019, which has not occurred. As of the third quarter 2019, the value of the underlying loan falls below 10% implying that Catella judges that a repurchase will take place in the fourth quarter 2022 at the latest. Although Catella considers the credit risk to be low, the precise timing

of the exercise of the option is difficult to specify as this is dependent on 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 has been increased to reflect the probability that the issuer will exercise

its option to repurchase Lusitano 5 at nominal value of some EUR 3.3 M. This probability is expected to increase in the second quarter 2021, and in the event that the issuer exercises the option, this would imply impairment of 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	31 December 2020
Loan portfolios	96
Operation-related investments	183
Other securities	0
Total *	279

\* of which short-term investments SEK 31 M and long-term investments SEK 248 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 hierarchy 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. Observable market data for the asset or liability other

than quoted prices are used in level 2. Fair value is determined with the aid of valuation techniques. For level 3, fair value is determined on the basis of valuation techniques based on non-observable market data. Specific valuation techniques used for level 3 are the measurement of discounted cash flows to determine the fair

value of financial instruments. For more information, see Note 3 in the Annual Report 2019.

The Group's assets and liabilities measured at fair value as of 31 December 2020 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
<b>ASSETS</b>				
Derivative instruments		12		12
Financial assets measured at fair value through other comprehensive income		0		0
Financial assets measured at fair value through profit or loss	8	107	152	267
Total assets	8	119	152	279
<b>LIABILITIES</b>				
Derivative instruments		0		0
Total liabilities	0	0	0	0

No changes between levels occurred the previous year.

### CHANGE ANALYSIS, FINANCIAL ASSETS, LEVEL 3 FOR THE FULL YEAR 2020.

	2020
as of 1 January	221
Purchases	10
Disposals	-44
Gains and losses recognised through profit or loss	-30
Exchange rate differences	-6
As of 31 December	152

## Note 6 Pledged assets and contingent liabilities

### Pledged assets

SEK M	2020 31 Dec	2019 31 Dec
Cash and cash equivalents	49	97
Other pledged assets	18	19
	67	116
Of which pledged assets related to divestment groups held for sale:		
Cash and cash equivalents	0	53
Other pledged assets	18	19
	18	72

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 pledged assets relate to security that Catella Bank has issued to Mastercard and Visa.

### Contingent liabilities

SEK M	2,020 31 Dec	2,019 31 Dec
Other contingent liabilities	783	341
	783	341
Of which contingent liabilities related to divestment groups held for sale:		
Other contingent liabilities	3	5
	3	5

Other contingent liabilities relate to Catella AB's guarantee to credit institutes as collateral for approved credit lines to subsidiary Kaktus 1 HoldCo ApS, inter alia. In addition, Catella AB has entered a guarantee commitment with PostNord relating to the

subsidiary Infrahubs Fastighet 2 AB's obligations, 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	2,020 31 Dec	2,019 31 Dec
Investment commitments	15	24
Other commitments	0	0
	15	24
Of which commitments related to divestment groups held for sale:		
Investment commitments	0	0
Other commitments	0	0
	0	0

Investment commitments mainly relate to

the unlisted holding in Pamica 2 AB.

## Note 7 Changes in intangible assets

Financial year 2019	Goodwill	Trademarks and brands	Contractual customer relations	Software licenses and IT systems	Total
Opening balance	448	50	104	44	646
Purchases			0	15	16
Cost in acquired companies	4				4
Disposals					0
Depreciation			-28	-10	-39
Impairment of intangible assets	-2		-4	-14	-20
Exchange rate differences	15		6	0	21
Closing balance	464	50	79	34	627

At 31 December 2019					
Cost	486	50	137	128	801
Accumulated depreciation and impairment	-22		-58	-94	-174
Book value	464	50	79	34	627

Financial year 2020					
Opening balance	464	50	79	34	627
Purchases				7	7
Disposals	-118		-4		-122
Depreciation			-17	-18	-36
Impairment of intangible assets	-8				-8
Exchange rate differences	-20		-6	-0	-26
Closing balance	318	50	52	23	443

At 31 December 2020					
Cost	348	50	123	133	653
Accumulated depreciation and impairment	-30	0	-71	-110	-210
Book value	318	50	52	23	443



## Note 8 Disposal group held for sale

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

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

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

### Fourth quarter 2020

Total income was SEK 18 M (-6) and related to billed administration expenses for terminated cards and other income in connection with the closure of transitory accounts. A renewed assessment of the provision for personnel remuneration resulted in a positive profit adjustment of SEK 3 M. Financial items amounted to SEK 10 M and related to positive exchange rate differences from the revaluation of open exchange rate positions denominated in SEK. Profit/loss for the period totalled SEK 25 M (-7).

### Full Year 2020

Total income was SEK 26 M (58), and profit/loss for the period was SEK -60 M (44). Profit/loss for the period includes the final element of the additional purchase

consideration from Advanzia Bank of SEK 30 M, and commission expenses of SEK 4

M. Profit was burdened by anticipated termination costs for the winding down of operations in Catella Bank. In the previous year, the figure included income from the transfer of the Bank's Wealth Management operations in Luxembourg and Sweden, and income from the transfer of the card issuing operations in Luxembourg to Advanzia Bank, totalling SEK 307 M.

The holding in Visa preference shares was impaired by SEK 53 M in 2020 as a result of share price adjustments for the conversion to Class A shares in accordance with guidelines from Visa Inc. The negative value change is recognised in other comprehensive income. In addition, a new assessment has been made of deferred tax attributable to the Visa holding. The assessment resulted in a reversal of deferred tax liabilities totalling SEK 32 M, of which SEK 20 M was recognized under Other comprehensive income and SEK 12 M in the Income Statement.

SEK M	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>INCOME STATEMENT—CONDENSED</b>				
Total income	18	-6	26	58
Other expenses	-3	-33	-137	-298
Financial items—net	10	63	41	340
Profit/loss before tax	25	24	-70	101
Tax	0	-31	10	-56
Net profit/loss for the period	25	-7	-60	44
<b>FINANCIAL POSITION - CONDENSED</b>				
			2020	2019
<b>Assets</b>			31 Dec	31 Dec
Loan receivables	-	-	0	0
Cash and cash equivalents	-	-	374	497
Other assets	-	-	164	337
Assets in divestment groups held for sale	-	-	538	834
<b>Equity</b>				
Equity attributable to shareholders of the Parent Company	-	-	471	579
Non-controlling interests	-	-	0	0
Total equity	-	-	471	579
<b>Liabilities</b>				
Borrowings and loan liabilities	-	-	2	71
Other liabilities	-	-	65	185
Liabilities in disposal groups held for sale	-	-	68	256
Total equity and liabilities	-	-	538	835

## 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 2019.

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

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

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

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

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

### Income Statement—condensed, consolidated financial situation

SEK M	2020 Jan-Dec	2019 Jan-Dec
Net sales	1,042	1,390
Other operating income	16	19
Total income	1,058	1,409
Assignment expenses & commission	-473	-492
Income excl. direct assignment costs and commission	585	917
Operating expenses	-588	-640
Operating profit/loss	-3	276
Financial items—net	733	-109
Profit/loss before tax	730	167
Appropriations	0	11
Tax	-97	-81
Profit for the period from continuing operations	633	97
Operations held for sale:		
Profit for the period from divestment group held for sale	-60	45
Net profit/loss for the period	573	142
Profit/loss attributable to:		
Shareholders of the Parent Company	569	64
Non-controlling interests	4	78
	573	142
Employees at end of period	182	260

## Financial position—condensed, consolidated financial situation

SEK M	2020 31 Dec	2019 31 Dec
Non-current assets	1,675	1,196
Current assets	1,259	1,282
Assets in divestment groups held for sale	459	759
Total assets	3,393	3,236
Equity	2,181	1,673
Liabilities	1,107	1,274
Liabilities in disposal groups held for sale	105	289
Total equity and liabilities	3,393	3,236

## Capital adequacy—consolidated financial situation

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

SEK M	2020 31 Dec	2019 31 Dec
Common Equity Tier 1 capital	1,133	892
Additional Tier 1 capital	0	0
Tier 2 capital	0	0
Own funds	1,133	892
Total risk exposure amount	5,719	3,922
OWN FUNDS AND BUFFERS		
Own funds requirements Pillar 1	458	314
<i>of which own funds requirements for credit risk</i>	259	130
<i>of which own funds requirements for market risk</i>	61	12
<i>of which own funds requirements for operational risk</i>	138	171
<i>of which own funds requirements for credit valuation adjustment risk</i>	0	0
Own funds requirements Pillar 2	172	118
Institution-specific buffer requirements	144	153
Internal buffer	57	39
Total own funds and buffer requirements	830	623
Capital surplus after own funds and buffer requirements	304	269
Capital surplus after regulatory required own funds and buffer requirements	361	308
CAPITAL RATIOS, % OF TOTAL RISK EXPOSURE AMOUNT		
Common Equity Tier 1 capital ratio	19.8	22.8
Tier 1 capital ratio	19.8	22.8
Total capital ratio	19.8	22.8
OWB FUNDS AND BUFFERS, % OF TOTAL RISK EXPOSURE AMOUNT		
Own funds requirements Pillar 1	8.0	8.0
Own funds requirements Pillar 2	3.0	3.0
Institution-specific buffer requirements	2.5	3.9
<i>of which requirement for capital conservation buffer</i>	2.5	2.5
<i>of which requirement for countercyclical capital buffer</i>	0.0	1.4
Internal buffer	1.0	1.0
Total own funds and buffer requirements	14.5	15.9
Capital surplus after own funds and buffer requirements	5.3	6.9
Capital surplus after regulatory required own funds and buffer requirements	6.3	7.9

Catella AB's consolidated financial situation is in compliance with minimum capital base requirements. Although the capital base does not include profit/loss for the full year 2020, the proposed dividend for the financial year 2020 has been taken into account.

	2020	2019
	31 Dec	31 Dec
Own funds, SEK M		
<i>Common Equity Tier 1 capital</i>		
Share capital and share premium reserve	455	440
Retained earnings and other reserves	1,726	1,233
<i>Less:</i>		
Intangible assets	-138	-274
Price adjustments	-13	-15
Deferred tax receivables	0	-72
Qualifying holdings outside the financial sector	-138	-186
Positive results attributable to shareholders of the Parent Company and which are not yet verified by the Annual General Meeting	-569	-
Proposed or foreseeable dividend	-80	-80
Other deductions	-109	-153
Total Common Equity Tier 1 capital	1,133	892
Additional Tier 1 capital	-	-
Tier 2 capital	-	-
Own funds	1,133	892

Specification of risk-weighted exposure amounts and own funds requirements Pillar 1, SEK M	2020		2019	
	31 Dec		31 Dec	
	Risk-weighted exp.amount	Own funds requirements Pillar 1	Risk-weighted exp.amount	Own funds requirements Pillar 1
Credit risk according to Standardised Approach				
Exposures to institutions	237	19	211	17
Exposures to corporates	10	1	11	1
Exposures to retail	0	0	3	0
Exposures secured by mortgages on immovable property	0	0	0	0
Exposures in default	86	7	108	9
Items associated with particular high risk	1,327	106	178	14
Exposures in the form of covered bonds	0	0	0	0
Exposures to collective investment undertakings (funds)	1	0	33	3
Equity exposures	699	56	517	41
Other items	873	70	565	45
	3,234	259	1,625	130
Market risk				
Interest risk	0	0	0	0
Share price risk	0	0	0	0
Foreign exchange risk	757	61	154	12
	757	61	154	12
Operational risk according to the Basic Indicator Approach	1,728	138	2,143	171
Credit valuation adjustment risk	0	0	0	0
Total	5,719	458	3,922	314

## Parent Company Income Statement

SEK M	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net sales	-0.3	0.7	14.3	17.6
Other operating income	7.8	0.2	16.2	0.3
Total income	7.5	0.9	30.5	17.8
Other external expenses	-12.3	-2.3	-46.8	-31.3
Personnel costs *	-9.7	-10.3	-32.4	-30.0
Depreciation	-0.2	-0.2	-0.9	-0.4
Other operating expenses	0.0	2.4	-0.0	-0.0
Operating profit/loss	-14.7	-9.4	-49.6	-43.9
Profit/loss from participations in group companies	0.0	22.0	0.0	22.0
Interest income and similar profit/loss items	9.4	0.0	33.6	0.0
Interest expenses and similar profit/loss items	4.6	-4.0	-35.1	-54.7
Financial items	14.0	18.0	-1.5	-32.7
Profit/loss before tax	-0.7	8.7	-51.2	-76.6
Appropriations	0.0	63.7	0.0	63.7
Tax on net profit for the year	0.2	0.0	0.2	0.0
Net profit/loss for the period	-0.5	72.3	-51.0	-13.0

\* Personnel costs include directors' fees

## Parent Company Statement of Comprehensive Income

SEK M	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period	-0.5	72.3	-51.0	-13.0
Other comprehensive income				
Other comprehensive income for the period, net after tax	0.0	0.0	0.0	0.0
Total comprehensive income/loss for the period	-0.5	72.3	-51.0	-13.0

## Parent Company Balance Sheet—condensed

SEK M	2020 31 Dec	2019 31 Dec
Intangible assets	3.0	3.3
Property, plant and equipment	0.0	0.1
Participations in Group companies	1,052.6	1,052.6
Current receivables from Group companies	226.6	246.6
Other current receivables	10.3	27.5
Cash and cash equivalents	0.2	0.3
Total assets	1,292.7	1,330.4
Equity	520.1	556.3
Provisions	1.0	0.0
Bond issue	750.6	746.6
Current liabilities to Group companies	0.9	0.3
Other current liabilities	20.1	27.2
Total equity and liabilities	1,292.7	1,330.4

Catella AB has issued a guarantee to a credit institute of SEK 323.8 M as security for approved credit lines to subsidiary Kaktus I HoldCo ApS. In addition, the Parent Company has entered a guarantee commitment with PostNord relating to the subsidiary Infrahubs Fastighet 2 AB's obligations of SEK 455.0 M, for more information see 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/asset ratio*	Equity divided by total assets.	Catella considers the measure to be relevant to investors and other stakeholders wishing to assess Catella's financial stability and long-term viability.
Dividend per share	Dividend divided by the number of shares.	Provides investors with a view of the company's dividend over time.
Profit margin*	Profit for the period divided by total income for the period.	The measure illustrates profitability regardless of the rate of corporation tax.
Adjusted profit margin*	Profit for the period adjusted for items affecting comparability divided by total income for the period.	The measure illustrates profitability regardless of the rate of corporation tax when making comparisons with earlier periods.
Property transaction volumes in the period	Property transaction volumes in the period constitute the value of underlying properties at the transaction dates.	An element of Catella's income in Corporate Finance is agreed with customers on the basis of the underlying property value of the relevant 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 Asset Management and Banking is agreed with customers on the basis of the value of the underlying invested capital. Provides investors with a view of what drives an element of Catella's income.
Card and payment volumes	Card and payment volumes are the value of the underlying card transactions processed by Catella.	Card and payment volumes are value drivers for Catella's income in Card & Payment Solutions. Provides investors with a view of what drives an element of Catella's income.
Earnings per share	Profit for the period attributable to parent company shareholders divided by the number of shares.	Provides investors with a view of the company's Earnings per share when making comparisons with earlier periods.

\* See next page for basis of calculation

## KPI, all operations (excl. Banking business area)

### Calculation of performance measures for the Group

GROUP	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period, SEK M	-32	72	134	148
Total income, SEK M	542	761	2,312	2,420
Profit margin, %	-6	9	6	6
Equity, SEK M	-	-	1,247	1,157
Total assets, SEK M	-	-	3,615	3,222
Equity/Asset ratio, %	-	-	35	36
Net profit/loss for the period, SEK M *	-33	54	125	68
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905
Earnings per share, SEK *	-0.37	0.63	1.41	0.79
Equity, SEK M *	-	-	1,062	943
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905
Equity per share, SEK *	-	-	12.02	10.93

GROUP	2020	2020	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	-33	215	-71	13	54	-73	87	1	9	25	50	43	114	60	37
Equity, SEK M *	1,062	1,100	884	990	943	893	948	973	940	1,141	1,118	1,133	1,236	1,106	1,050
Return on equity, %	13	22	-8	9	7	2	12	8	11	20	24				

### Calculation of performance measures for the Corporate Finance operating segment

CORPORATE FINANCE	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period, SEK M	23	27	0	23
Total income, SEK M	261	287	623	709
Profit margin, %	9	9	0	3
Equity, SEK M	-	-	133	83
Total assets, SEK M	-	-	547	536
Equity/Asset ratio, %	-	-	24	15

CORPORATE FINANCE	2020	2020	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	23	1	-8	-16	27	2	11	-16	12	1	7	-5	29	15	0
Equity, SEK M *	97	33	35	39	57	29	27	17	35	44	42	115	120	90	78
Return on equity, %	-1	10	14	69	70	25	21	8	21	40	52				

\* Attributable to shareholders of the Parent Company.

### Calculation of performance measures for the Asset Management operating segment

ASSET MANAGEMENT	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period, SEK M	9	51	159	253
Total income, SEK M	280	445	1,501	1,689
Profit margin, %	3	12	11	15
Equity, SEK M	-	-	941	1,149
Total assets, SEK M	-	-	1,605	1,901
Equity/Asset ratio, %	-	-	59	60

\* Attributable to shareholders of the Parent Company.

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

ASSET MANAGEMENT	2020	2020	2020	2020	2019	2019	2019	2019	2018	2018	2018	2018	2017	2017	2017
	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun	Jan-Mar	Oct-Dec	Jul-Sep	Apr-Jun
Net profit/loss for the period, SEK M *	8	66	27	50	34	26	85	28	12	41	79	55	79	52	49
Equity, SEK M *	797	839	1,003	1,036	967	939	983	937	887	656	626	530	438	445	414
Return on equity, %	16	18	14	20	18	17	20	22	30	47	54				

\* Attributable to shareholders of the Parent Company.

## KPI, all operations (incl. Banking business area)

### Selected KPIs per operating segment

	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
<b>GROUP</b>				
Profit margin, %	-1	9	3	8
Return on equity, %*	-	-	4	7
Equity/Asset ratio, %	-	-	41	43
Equity, SEK M*	-	-	1,532	1,522
No. of employees, at end of period	-	-	578	649
Earnings per share, SEK*	-0.09	0.55	0.74	1.31
Equity per share, SEK*	-	-	17.34	17.64
<b>CORPORATE FINANCE</b>				
Profit margin, %	9	9	0	3
Return on equity, %*	-	-	-1	70
Equity/Asset ratio, %	-	-	24	15
Equity, SEK M*	-	-	97	57
No. of employees, at end of period	-	-	208	214
Property transaction volume for the period, SEK Bn	18.3	32.1	45.0	70.2
<b>ASSET MANAGEMENT AND BANKING</b>				
Profit margin, %	11	10	7	17
Return on equity, %*	-	-	6	14
Equity/Asset ratio, %	-	-	66	63
Equity, SEK M*	-	-	1,267	1,545
No. of employees, at end of period	-	-	353	412
Asset under management at end of period, SEK Bn	-	-	130.9	172.4
net in-(+) and outflow(-) during the period, mdkr	0.4	-14.1	-30.7	-49.7
Card and payment volumes, SEK Bn	0.0	0.0	0.0	0.0

\* Attributable to shareholders of the Parent Company.

### Calculation of performance measures for the Group

	3 Months		12 Months												
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec											
<b>GROUP</b>															
Net profit/loss for the period, SEK M	-7	65	74	193											
Total income, SEK M	560	757	2,338	2,474											
Profit margin, %	-1	9	3	8											
Equity, SEK M	-	-	1,717	1,736											
Total assets, SEK M	-	-	4,152	4,057											
Equity/Asset ratio, %	-	-	41	43											
Net profit/loss for the period, SEK M*	-8	47	65	113											
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905											
Earnings per share, SEK*	-0.09	0.55	0.74	1.31											
Equity, SEK M*	-	-	1,532	1,522											
No. of shares at end of the period	88,348,572	86,281,905	88,348,572	86,281,905											
Equity per share, SEK*	-	-	17.34	17.64											
<b>GROUP</b>															
	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2017 Oct-Dec	2017 Jul-Sep	2017 Apr-Jun
Net profit/loss for the period, SEK M*	-8	220	-147	0	47	-83	38	111	-133	-13	13	22	67	59	33
Equity, SEK M*	1,532	1,564	1,381	1,577	1,522	1,487	1,543	1,603	1,442	1,578	1,587	1,625	1,729	1,628	1,578
Return on equity, %	4	8	-12	0	7	-4	0	-1	-7	5	10				



Calculation of performance measures for the Corporate Finance operating segment

CORPORATE FINANCE	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period, SEK M	23	27	0	23
Total income, SEK M	261	287	623	709
Profit margin, %	9	9	0	3
Equity, SEK M	-	-	133	83
Total assets, SEK M	-	-	547	536
Equity/Asset ratio, %	-	-	24	15

CORPORATE FINANCE	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2017 Oct-Dec	2017 Jul-Sep	2017 Apr-Jun
Net profit/loss for the period, SEK M *	23	1	-8	-16	27	2	11	-16	12	1	7	-5	29	15	0
Equity, SEK M *	97	33	35	39	57	29	27	17	35	44	42	115	120	90	78
Return on equity, %	-1	10	14	69	70	25	21	8	21	40	52				

\* Attributable to shareholders of the Parent Company.

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

ASSET MANAGEMENT AND BANKING	3 Months		12 Months	
	2020 Oct-Dec	2019 Oct-Dec	2020 Jan-Dec	2019 Jan-Dec
Net profit/loss for the period, SEK M	34	45	100	298
Total income, SEK M	298	438	1,528	1,747
Profit margin, %	11	10	7	17
Equity, SEK M	-	-	1,411	1,727
Total assets, SEK M	-	-	2,143	2,736
Equity/Asset ratio, %	-	-	66	63

ASSET MANAGEMENT	2020 Oct-Dec	2020 Jul-Sep	2020 Apr-Jun	2020 Jan-Mar	2019 Oct-Dec	2019 Jul-Sep	2019 Apr-Jun	2019 Jan-Mar	2018 Oct-Dec	2018 Jul-Sep	2018 Apr-Jun	2018 Jan-Mar	2017 Oct-Dec	2017 Jul-Sep	2017 Apr-Jun
Net profit/loss for the period, SEK M *	33	71	-49	36	27	17	36	138	-137	6	43	33	30	51	49
Equity, SEK M *	1,267	1,303	1,500	1,624	1,545	1,533	1,578	1,568	1,389	1,093	1,095	1,022	931	968	941
Return on equity, %	6	6	2	7	14	4	3	4	-5	11	16				

\* Attributable to shareholders of the Parent Company.



**Catella AB (publ)**

P.O. Box 5894, 102 40 Stockholm, Sweden | Visitors: Birger Jarlsgatan 6  
Corp. ID no. 556079-1419 | Registered office: Stockholm, Sweden  
Tel. +46 (0)8 463 33 10 | [info@catella.se](mailto:info@catella.se)

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

