

# Continued growth and profit development in an uncertain market

*In a turbulent market, Catella continues to make positive progress. Compared to the third quarter previous year, assets under management increased by SEK 30 Bn to SEK 142 Bn and operating profit improved to SEK 62 M, an increase of over 30 percent. A strong financial position gives us the right opportunities to continue developing the company going forward.*

*Christoffer Abramson, CEO and President*

## Progress during the quarter

### Financial results

- Total income in the quarter amounted to SEK 494 M (376)
- Operating profit was SEK 71 M (48)
- Operating profit attributable to Catella's shareholders was SEK 62 M which is an improvement of SEK 16 M compared to Q3 2021
- Profit attributable to Catella's shareholder was SEK 68 M (35)
- Earnings per share was SEK 0.77 (SEK 0.39)

### Assets under management

- Assets under management increased by approximately SEK 7 Bn during the quarter, primarily driven by growth in Catella's property funds and Catella APAM UK

### Principal investments

- The investing activities invested SEK 355 M in ongoing projects during the quarter

## Progress during 2022

### Financial results

- Total income the first nine months amounted to SEK 1,936 M (1,173)
- Operating profit was SEK 672 M (-10)
- Operating profit attributable to Catella's shareholders was SEK 501 M which is an improvement of SEK 460 M compared to the first nine months of 2021
- Profit attributable to Catella's shareholder was SEK 394 M (79)
- Earnings per share was SEK 4.46 (0.90)

### Assets under management

- Assets under management amounted to SEK 142 Bn, which is an increase of SEK 20 Bn in the last nine months
- This increase was primarily driven by an inflow to residential funds and broad-based growth in several property funds

### Principal investments

- Total investments amounted to SEK 1,289 M at the end of the period, split between property, logistics, offices and retail projects across Europe
- Infrahub has sold three logistics properties for approximately SEK 1.5 Bn, generating a realised gain of SEK 201 M with an average IRR of 57 percent

Total income  
**SEK 2,569 M**  
Last 12 months

Operating profit  
**SEK 813 M**  
Last 12 months

Assets under management  
**SEK 142 Bn**  
End of period

Invested capital  
**SEK 1,289 M**  
End of period

## CEO COMMENTS

# ‘Continued growth and profit development in an uncertain market’

I am pleased to present improved profits and continued growth in assets under management in a challenging and uncertain economic environment. We are however not unaffected by the macro climate, where uncertainty is dampening investment activities and making financing challenging. The transaction market declined sharply in the second part of the year, which affects all three of our business areas. We believe it will take additional time before sellers' expectations are sufficiently reduced and buyers perceive that the market has reached the necessary stability for long-term investment decisions, after which the property market will enter a stronger phase. During a cautious period, our strong financial position enables us to make long-term investments in areas such as product development, M&A, opportunistic direct investments, and digitalization.

### Over SEK 140 Bn in assets under management but lower expectations on capital inflows going forward

Assets under management increased by SEK 7 Bn to SEK 142 Bn in the third quarter, and we are pleased that our real estate funds and mandates continue to deliver strong returns coupled with a strong sustainability focus. However, a likely scenario until markets stabilize is that capital inflows and growth will decrease in the near term, due to a slower transaction market and a lower investment appetite. In the current market environment, we will continue to develop our fund offering with products with a sustainable profile, which has been a growth driver in recent years. We are also developing new value-add product strategies, driven by demand from our pan-European clients.

During the quarter, Catella signed an agreement for the sale of 26 rental properties in Germany and eight in the Netherlands with approximately 4,000 apartments to ZBI Group from two of our residential funds. The rationale for the sale is to modernize the property portfolios and to enable new investments with an improved sustainability profile. The transaction is expected to be completed and accounted for around year end.

Investment Management's operating profit improved by 60% year-on-year. This was largely driven by fixed fees from our continued growth in assets under management, and also by performance-based income from specific asset management mandates.

### Divestments postponed due to market uncertainty

In Principal Investments, we continue to develop our projects as planned. However, the timing of planned sales has been delayed slightly. Investors are less active than previously, which is natural in an environment where underwriting and macro parameters are less predictable. In such an environment, it is an advantage to be well-capitalised and stay calm during the current turbulence, as our

projects remain attractive in the long term. We are also looking at a number of opportunistic investments in various European segments and geographies.

As of September 30, Principal Investments had approximately SEK 1.3 Bn invested in 11 projects in six countries.

### Weaker transaction market

Before buyers' and sellers' expectations align, the transaction market will continue to be relatively inactive. Corporate Finance sees a stable pipeline of transactions during the upcoming quarters, albeit at a slower pace than normal. On the other hand, demand for valuation services is strong in the current uncertain market with material price movements.

Operating profit for the quarter was SEK 6 M, an increase of SEK 10 M compared to the previous year. This is primarily due to divestments of loss-making operations earlier in the year.

### Outlook

We predict, and are adapting to, continued uncertainty in the macro-economic and geopolitical environment, with a dampened transaction market affecting all of our business areas. We continue to develop product offerings in sustainable investments and management mandates to promote energy transition, an area in which investor interest remains strong. We are also working with our investment partners to develop new product strategies with increased focus on long-term value-add investments in areas where we see business opportunities. Thanks to our strong financial position and attractive assets, we are in the comfortable position to hold our own assets until the market has stabilized, and instead focus on evaluating new opportunistic investments. In Corporate Finance, we continue to help our customers in a more sluggish transaction market, primarily through larger portfolio transactions, including financing advice.

At Parent Company level I am pleased to welcome Peter Umegård as Chief Digitalization Officer. With Peter's experience added by further recruitment of leading-edge competencies in data and digitalisation, we will raise our level in data, analysis, research, AI and new product strategies. As always, our aim is to help our investors and customers to create value, based on intelligence-driven, future-focused strategies and investment opportunities.



*Thank you for your continued confidence in Catella.*

*Christoffer Abramson, CEO and President  
Stockholm, Sweden, 28 October 2022*

## Comments on the Group's progress

Profit and comments on page 4-10 relate to Operating profit attributable to Catella AB's shareholders, which is consistent with the internal reporting delivered to Group Management and the Board. The difference to the Group's formal Income Statement is that deductions have been made in the Income Statement for profit attributable to shareholders with non-controlling interests. A full reconciliation can be found in note I.

SEK M	Investment									
	Management		Principal Investments		Corporate Finance		Other		Group	
	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep	2022 Jul-Sep	2021 Jul-Sep
Net sales	274	256	26	0	104	105	0	-1	405	361
Other operating income	38	3	48	8	1	2	1	2	89	15
Total income	313	260	74	8	105	107	1	1	494	376
Assignment expenses and commission	-43	-47	-5	0	-15	-8	0	-0	-63	-56
Other external expenses	-47	-38	-69	-2	-29	-32	2	1	-143	-70
Personnel costs	-121	-108	-10	0	-52	-63	-14	-12	-197	-183
Depreciation	-10	-9	-0	0	-5	-5	-2	-4	-17	-19
Other operating expenses	-0	-1	-1	0	1	-2	-3	3	-4	-0
Less profit attributable to non-controlling interests	-1	-1	-8	0	0	0	0	-2	-9	-2
Operating profit/loss	90	56	-20	7	6	-3	-15	-13	62	46
Interest income									14	7
Interest expenses									-20	-19
Other financial items									33	13
Financial items—net									28	1
Profit/loss before tax									90	47
Tax									-22	-12
Net profit/loss for the period *									68	35

\* Profit/loss for the period is reconciled in note I. Income Statement by business area - Profit/loss attributable to the Parent Company Catella AB's shareholders.

### Group net sales and profit/loss Third quarter 2022

The Group's net sales totalled SEK 405 M (361), of which SEK 274 M (256) relates to Investment Management, SEK 26 M (0) to Principal Investments and SEK 104 M (105) to Corporate Finance. The Group's total income amounted to SEK 494 M (376) and includes income of SEK 34 M related to the partial divestment of the Danish residential property development project Green Point to German DWS as well as SEK 50 M in accrued income from the French logistics projects Roye, Mer and Metz Eurolog.

The Group's operating profit was SEK 62 M (46), with the improvement primarily attributable to the Asset Management service area, which realized a profit of SEK 34 M from the Green Point project.

Principal Investments, which did not sell any properties during the period, reported operating profit of SEK -20 M consisting of both ongoing operating expenses and expected losses in two ongoing French logistics projects.

Comments on the progress of each operating segment can be found on pages 6-10.

The Group's net financial income/expense was SEK 28 M (1) and included interest income of SEK 14 M (7) and loan arrangement fees of SEK 21 M (19). During the period, a further impairment of fund holdings of SEK 2 M was made and a positive value adjustment of SEK 14 M was carried out relating to the holding in Pamica. Net financial income/expense also includes positive exchange rate differences of SEK 22 M (10) due to revaluations of

receivables and cash equivalents in foreign currencies.

The Group's profit/loss before tax amounted to SEK 90 M (47) and profit/loss for the period was SEK 68 M (35), which corresponded to earnings per share of SEK 0.77 (0.39) to the Parent Company shareholders.

### Significant events in the quarter

In July, 12,228 Class A shares were converted into the same number of Class B shares at the request of shareholders.

### Significant events after the end of the quarter

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

SEK M	Investment Management		Principal Investments		Corporate Finance		Other		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep	Jan-Sep
Net sales	969	731	77	0	347	378	-14	21	1,379	1,131
Other operating income	46	24	501	10	5	5	4	4	557	43
Total income	1,015	755	578	10	352	383	-9	25	1,936	1,173
Assignment expenses and commission	-115	-119	-38	0	-39	-35	13	7	-180	-147
Other external expenses	-138	-116	-150	-2	-92	-84	-3	-89	-383	-291
Personnel costs	-379	-322	-32	0	-196	-228	-35	-113	-642	-663
Depreciation	-28	-26	-5	0	-15	-17	-6	-57	-54	-100
Other operating expenses	-2	-4	-3	0	1	-6	-1	26	-6	17
Less profit attributable to non-controlling interests	-4	-3	-170	0	0	0	3	51	-171	49
Operating profit/loss	348	166	179	8	11	14	-38	-149	501	38
Interest income									32	13
Interest expenses									-57	-52
Other financial items									32	124
Financial items—net									7	86
Profit/loss before tax									508	124
Tax									-114	-45
Net profit/loss for the period *									394	79

\* Profit/loss for the period is reconciled in note 1. Income Statement by business area - Profit/loss attributable to the Parent Company Catella AB's shareholders.

### Nine-month period 2022

The Group's total income in the nine-month period was SEK 1,936 M (1,173), and the Group's net sales amounted to SEK 1,379 M (1,131). The significantly higher income primarily relates to Principal Investments, which divested three properties and commenced revenue recognition for a further three properties during the period. Significant income increases are also reported in Investment Management, where increased volumes and performance-based income from strong management results are driving income.

The Group's operating profit was SEK 501 M (38), of which SEK 233 M (0) relates to projects divested during the period. The operating profit included a loss of SEK 11 M attributable to the Corporate Finance business area's operations in Germany, which are being discontinued.

Last year's profit was negatively affected by divestment costs of SEK 109 M relating to the subsidiary IPM.

The Interest income totalled SEK 32 M (13), and loan arrangement fees amounted to SEK 59 M (59). The higher interest income is a result of increased loan financing

for property development projects. Net financial income/expense also includes fair value adjustments of loan portfolios of SEK -20 M, fund holdings of SEK -8 M and the SEK 14 M holding in Pamica, as well as positive exchange rate differences of SEK 48 M (10).

The Group's profit/loss before tax amounted to SEK 508 M (124) and profit/loss for the period was SEK 394 M (79), which corresponded to earnings per share of SEK 4.46 (0.90) to the Parent Company shareholders.

# Investment Management

Catella is a leading specialist in property investment management with a presence in ten geographical markets in Europe. Catella offers institutional and other professional investors attractive, risk-adjusted return through regulated property funds and asset management services via two service areas: Property Funds and Asset Management. Property Funds offers specialized funds with different investment strategies in terms of risk and return, type of property and location. Through over 20 open specialized property funds investors gain access to fund management and efficient allocation between different European markets. Catella’s Asset Management business area provides asset management services to property funds, other institutions and family offices.

### Third quarter 2022

Total income was SEK 313 M (260), and income after assignment costs amounted to SEK 270 M (213) in the quarter.

Property Funds’ income increased by SEK 20 M year-on-year. Higher management fees resulted in a SEK 38 M increase in fixed income (28 percent), driven by growth in assets under management (SEK +17 Bn) in the last 12 months.

Caution in the transaction market has resulted in fewer completed transactions, which has primarily had a negative effect on variable income. Variable income fell by

SEK 28 M (-45 percent), driven mainly by fewer acquisitions in property funds.

Asset Management’s income after assignment costs rose by SEK 41 M compared to the previous year. The rise in income is mainly attributable to performance-based fees and transaction fees in Catella Asset Management Denmark, Catella Asset Management Finland and Catella Asset Management Benelux.

Operating costs increased mainly due to higher variable personnel expenses. Operating profit/loss for Investment Management was SEK 90 M, with the rise in profit

primarily driven by the higher income in Asset Management.

### Nine-month period 2022

Total income was SEK 1,015 M (755), and operating profit/loss was SEK 348 M (166) in the first nine months of the year.

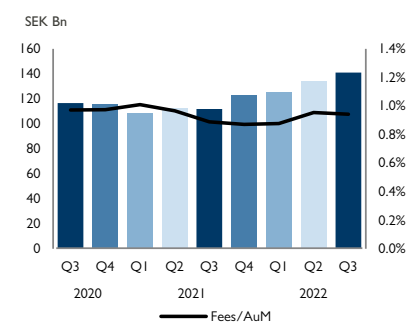
The improved operating profit is mainly driven by higher performance-based fees and transaction fees in Property funds as well as higher management fees from growth in assets under management.

SEK M

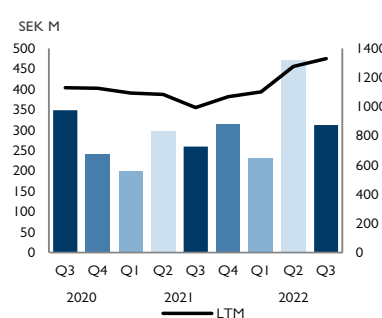
#### INCOME STATEMENT—CONDENSED

	3 Months		9 Months		12 Months	
	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Rolling 12 Months	2021 Jan-Dec
Property Funds *	222	202	845	606	1,098	859
Asset Management *	123	82	260	204	348	292
Total income	313	260	1,015	755	1,329	1,069
Assignment expenses and commission	-43	-47	-115	-119	-149	-153
Operating expenses	-179	-156	-548	-467	-747	-667
Less profit attributable to non-controlling interests	-1	-1	-4	-3	-5	-4
Operating profit/loss	90	56	348	166	428	245
<b>KEY FIGURES</b>						
Operating margin, %	29	22	34	22	32	23
Assets under management at end of period, SEK Bn	-	-	142.4	111.9	-	122.7
net in-(+) and outflow(-) during the period, SEK Bn	3.6	-0.7	8.3	-6.7	17.1	2.1
of which Property Funds	-	-	107.6	81.6	-	90.4
net in-(+) and outflow(-) during the period, SEK Bn	3.5	3.9	6.6	9.3	14.1	16.8
of which Property Asset Management	-	-	34.8	30.3	-	32.3
net in-(+) and outflow(-) during the period, SEK Bn	1.5	-4.6	1.7	-16.0	3.0	-14.8
No. of employees, at end of period	-	-	273	270	-	279

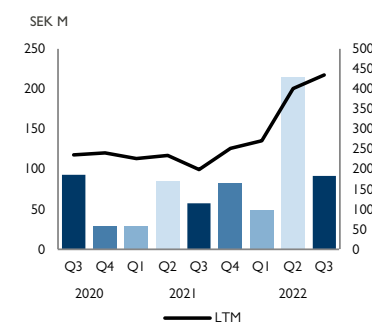
#### ASSETS UNDER MANAGEMENT



#### TOTAL INCOME



#### OPERATING PROFIT



\* 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 2021.



# Investment Management

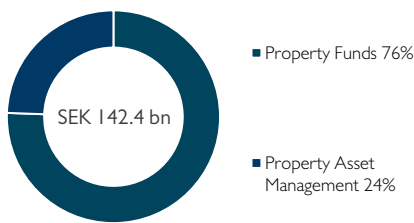
## Assets under management by service area and country

Total assets under management amounted to SEK 142 Bn, of which SEK 108 Bn re-

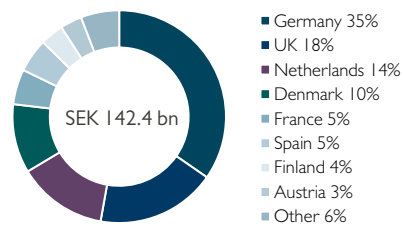
lated to Property Funds and SEK 35 Bn related to Asset Management. At the end of the period, 76 percent was invested in Catella's property funds. Germany is Property

Funds largest market with the highest proportion of invested capital, primarily through Catella Residential Investment Management and Catella Real Estate.

ASSETS UNDER MANAGEMENT BY SERVICE AREA



ASSETS UNDER MANAGEMENT BY COUNTRY



## Change in assets under management

Assets under management increased from SEK 111.9 Bn to SEK 142.4 Bn in the last 12-month period. The increase of SEK 30.5 Bn was mainly driven by a broad inflow to residential funds. The property funds Catella Wohnen Europa, Catella Modernes Wohnen and Catella Europea Residential III, KVBW Immobilienspezi-

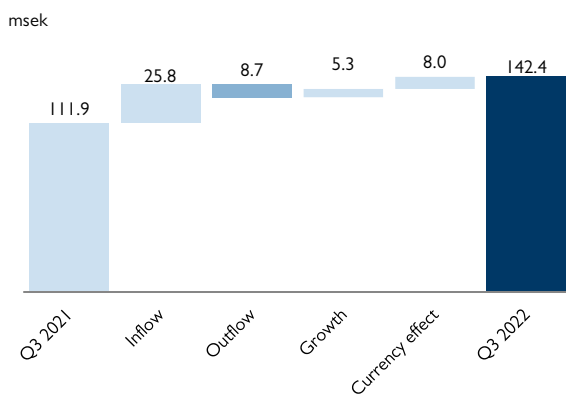
alfonds and broad-based growth in a majority of property funds.

Assets under management increased from SEK 135.2 Bn to SEK 142.4 Bn in the quarter. Growth of SEK 7 Bn was mainly driven by acquisitions in Catella's property funds and additional mandates in Catella Asset Management APAM. Outflow of SEK 1.7 Bn was primarily due to concluded

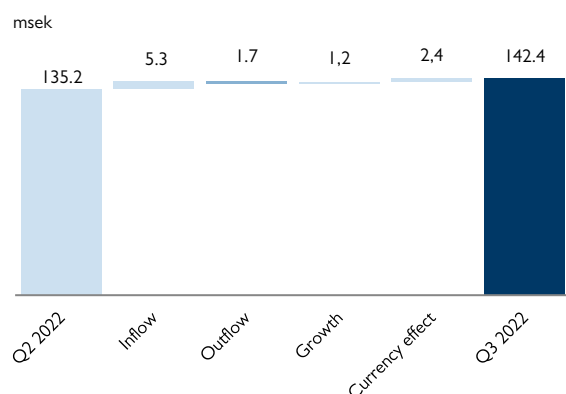
mandates in Catella Asset Management Sweden and Catella Asset Management Norway.

Growth of SEK 1,2 Bn during the quarter is mainly related to increased valuations of properties within Catella property funds. Exchange rate differences, mainly in EUR/SEK, had a positive impact of SEK 2.4 Bn on assets under management.

ASSETS UNDER MANAGEMENT, LAST 12 MONTHS, SEK BN



ASSETS UNDER MANAGEMENT, IN THE QUARTER, SEK BN





# Principal Investments

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

### Third quarter 2022

Total income was SEK 74 M (8) in the third quarter and relates mainly to continuous revenue recognition in Catella Logistics Europe and management fees in Catella Project Management.

Both development companies and their project companies have operating costs that are not capitalised. Operating profit/loss for the segment was SEK -20 M in a quarter when no properties were di-

vested. The loss during the quarter is primarily attributable to Catella Logistic Europe, where non-capitalizable costs have been taken.

As of 30 September, Principal Investments had invested a total of SEK 1,289 M in residential projects, logistics projects, office projects and retail projects in Europe.

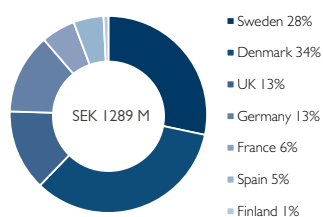
### Nine-month period 2022

Total income was SEK 578 M (10), and operating profit/loss was SEK 179 M (8) in the first nine months of the year.

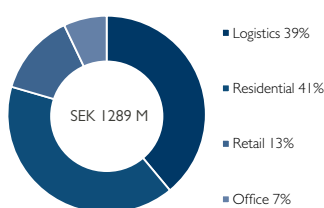
The improved operating profit in 2022 is primarily attributable to the sale of Infra-hubs' properties in Norrköping, Örebro and Ljungby.

SEK M INCOME STATEMENT—CONDENSED	3 Months		9 Months		12 Months	
	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Rolling 12 Months	2021 Jan-Dec
Total income	74	8	578	10	586	18
Assignment expenses and commission	-5	0	-38	0	-41	-3
Operating expenses	-81	-1	-190	-2	-199	-11
Less profit attributable to non-controlling interests	-8	0	-170	0	-170	0
Operating profit/loss	-20	7	179	8	176	4
<b>KEY FIGURES</b>						
Operating margin, %	-27	81	31	79	30	23
Catella invested capital	-30	390	1289	688	1712	1112
No. of employees, at end of period	37	0	37	0	37	0

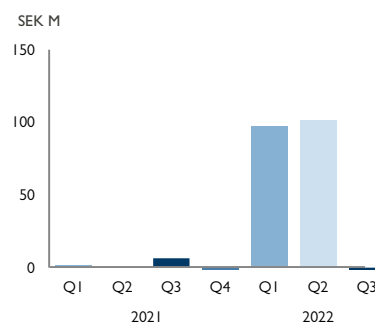
INVESTED CAPITAL BY COUNTRY\*



INVESTED CAPITAL BY INVESTMENT TYPE\*



OPERATING PROFIT



\* The figures indicate the share of Principal Investments' total investment and which consists of both capital injections and loans provided.

## Principal Investments

The following table shows ongoing property development projects and investment status as of 30 September 2022. Other property development projects relate to securing land etc. ahead of the start-up of future projects. The project company's total investment includes invested capital from Catella, partners and external financing. Catella's total investment includes total capital invested from Principal Investments. Seestadt and Düssel-Terrassen consist of a number of phases within each project, which will be completed at different times. The first properties in the Seestadt development project are expected to be completed at the end of 2022.

In the third quarter of 2022, Catella's total investment volume fell by SEK 131 M to SEK 1,289 M due to divestments of Infrahubs Örebro and Ljungby. Most of the additional investments in the third quarter were carried out to finance the completion of Kaktus, continued construction on the Infrahubs project and new financing for the Danish residential project Hamlet.

Property Development Projects	Country	Investment type	Project start	Estimated completion	Catella capital share, %	Project company's total investment, SEK M	Total Catella Equity Invested, SEK M ****
Seestadt MG+ *	Germany	Residential	Q1 2019	2030+	45	704	52
Düssel-Terrassen *	Germany	Residential	Q4 2018	2030+	45	155	28
Königsallee 106 *	Germany	Office	Q2 2021	2026	23	886	90
Total Catella Project Capital						1,745	170
Roye Logistique **	France	Logistics	Q2 2019	Completed	100	313	16
Mer Logistique **	France	Logistics	Q1 2020	Q4 2022	100	336	48
Metz-Eurolog **	France	Logistics	Q3 2020	2024	100	4	4
Barcelona Logistics **	Spain	Logistics	Q4 2020	2023	100	64	64
Total Catella Logistic Europe***						717	132
Vaggeryd **	Sweden	Logistics	Q3 2021	Completed	50	303	278
Jönköping*	Sweden	Logistics	Q2 2022	Q2 2023	40	155	36
Other *	Sweden	Logistics			40	87	50
Total Infrahubs						545	365
Kaktus **	Denmark	Residential	Q2 2017	Q3 2022	93	1,491	423
Salisbury**	UK	Retail	Q4 2021	Ej tillämpligt	88	220	73
Mander Centre**	UK	Retail	Q1 2022	Ej tillämpligt	100	98	98
Total Direct Investments						1,809	594
Total Co-Investments							28
<b>Total</b>						<b>4,816</b>	<b>1,289</b>

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

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

\*\*\* Project within Catella Logistic Europe are sold through forward-funding arrangements with investors. Catella profit is earned upon project completion

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

Catella's commitments within Principal Investments and which are not reported in the consolidated financial position appear in Note 5 Pledged assets and contingent liabilities.





# 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 in five markets and offer local expertise about the property markets in combination with European reach.

### Third quarter 2022

Property transactions where Catella acted as advisor totalled SEK 11 Bn (7.0) in the quarter. Of the total transaction volumes in the quarter, Sweden provided SEK 7.2 Bn (3.1) France 2.7 Bn (2.6), Denmark 0.7 Bn (0.1), Finland 0.6 Bn (0.8) and Spain 0.1 Bn (0.4).

Corporate Finance’s total income was SEK 105 M (107) and total income, adjusted for assignment costs, was SEK 90 M

(98), a decrease of SEK 8 M during the period.

Operating costs decreased by SEK 18 M, mainly due to divested operations in Germany and the Baltics. Operating profit was SEK 6 M (-3) which was an improvement of SEK 9 M percent.

During the third quarter, the transaction market remained turbulent and cautious with delayed transactions.

### Nine-month period 2022

Total income was SEK 352 M (383), and operating profit/loss was SEK 11 M (14) in the first nine months of the year.

After a strategic review of the Corporate Finance business area, Catella decided to divest its operations in Germany and the Baltics. Expected divestment costs for the German operations totalled SEK 17 M which was recognised in the first quarter.

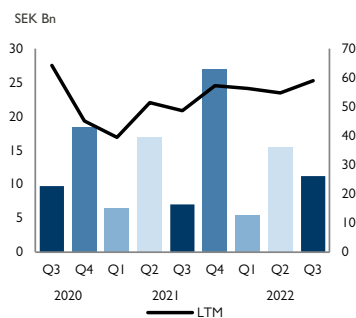
SEK M

**INCOME STATEMENT—CONDENSED**

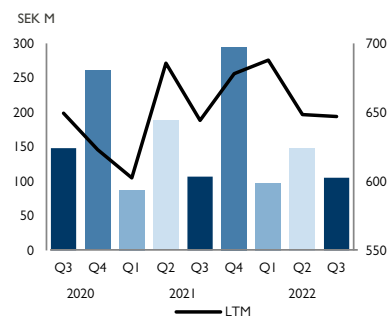
	3 Months		9 Months		12 Months	
	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	Rolling 12 Months	2021 Jan-Dec
Total income	105	107	352	383	647	678
Assignment expenses and commission	-15	-8	-39	-35	-61	-57
Operating expenses	-84	-102	-302	-334	-518	-551
Less profit attributable to non-controlling interests	0	0	0	0	0	0
Operating profit/loss	6	-3	11	14	68	71
<b>KEY FIGURES</b>						
Operating margin, %	6	-3	3	4	10	10
Property transaction volume for the period, SEK Bn	11.2	7.0	31.9	30.3	58.9	57.3
of which Nordic	8.5	4.0	20.7	20.7	35.2	35.1
of which Continental Europe	2.7	3.0	11.2	9.6	23.7	22.1
No. of employees, at end of period	-	-	161	202	-	196

\* 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 2021.

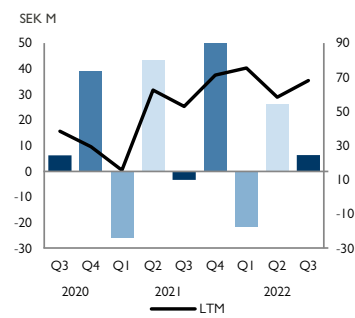
### TRANSACTION VOLUMES



### TOTAL INCOME



### OPERATING PROFIT/LOSS



## Other financial information

### Consolidated Profit and Financial Position third quarter 2022

The Group's total income amounted to SEK 494 M (376) and is commented on in the section "Group Progress". Operating profit rose to SEK 71 M (SEK 48 M). The rise was mainly attributable to the Asset Management service area, which realised a profit of SEK 34 M for the Green Point residential project. Moreover, profit for the period was negatively affected by expected losses of SEK 8 M in two ongoing French logistics projects. The tax expense for the period was SEK 22 M (12), corresponding to effective tax of 22 percent (25). The slight year-on-year decline in effective tax is mainly due to low or no tax on profit from divested property projects.

In the third quarter, the Group's consolidated equity increased by SEK 194 M, amounting to SEK 5,813 M as of 30 September 2022. Cash and cash equivalents, adjusted for exchange rate differences, increased by SEK 191 M, due in part to the sale of Infrahubs Örebro and Ljungby and the divestment of shares in Visa Inc.

In the third quarter, the Group's consolidated equity increased by SEK 92 M, amounting to SEK 2,274 M as of 30 September 2022. Consolidated equity was also impacted by profit during the period of SEK 76 M, by positive exchange rate differences of SEK 10 M, and by recognised profit from the sale of Visa shares for SEK 10 M, which are recognised under Other comprehensive income. Consolidated equity was also impacted by transactions with non-controlling interests of SEK -5 M net. As of 30 September 2022, the Group's equity/assets ratio was 39 percent (33 percent as of 31 December 2021).

In connection with the final settlement, which will be completed during the fourth quarter, there will be additional development costs for Principal Investment's development project in Ljungby. These costs will result in a reduction of operating profit amounting to approximately SEK 9 M attributable to the second quarter's completed percentage of the project, which will be expensed in the fourth quarter.

### Group cash flow Third quarter 2022

Consolidated cash flow from operating activities before changes in working capital amounted to SEK 5 M (6). Tax paid totalled SEK 37 M (27) in the period.

Consolidated cash flow from operating activities was SEK 18 M (79), of which changes in working capital comprised SEK 13 M (73) in the period.

Cash flow from investing activities was SEK 179 M (-395) and payments of SEK 510 M deriving from the sale of Infrahubs Örebro and Ljungby. In addition, SEK 43 M was received in connection with the sale of Visa shares. Moreover, additional investments totalling SEK 354 M were made in ongoing property development projects, via both subsidiaries and associated companies, of which SEK 176 M related to Kaktus, SEK 136 M related to Infrahubs logistics projects and SEK 42 M related to other projects.

Cash flow from financing operations was SEK -5 M (220) and includes additional financing totalling SEK 20 M for Kaktus and the French logistics projects Roye and MER. In addition, amortisation of the leasing liability to Parent Company shareholders amounted to SEK 12 M and dividends to non-controlling holdings were SEK 12 M.

Cash flow in the period was SEK 191 M (-96) and cash and cash equivalents at the end of the period was SEK 1,601 M (1,712) of which cash and cash equivalents relating to the Group's Swedish holding company amounted to SEK 591 M (448).

### Nine-month period 2022

Consolidated cash flow from operating activities was SEK 12 M (-39), of which changes in working capital comprised SEK -154 M (-35) in the period. Tax paid amounted to SEK 96 M (73).

Cash flow from investing activities amounted to SEK -70 M (-864) and includes payments from the sale of Infrahubs Norrköping, Örebro and Ljungby totalling SEK 1,001 M, loan repayment from the property development project Köningsalle of SEK 105 M, SEK 60 M for the sale of the remaining 30 percent of shares in Catella Fondförvaltning AB and the sale of

Visa shares for SEK 43 M. Moreover, additional investments totalling SEK 1,082 M were made in ongoing property development projects and SEK 102 M was invested in the British Mander Centre with the aim of supporting APAM in a new investment mandate. Consolidated cash flow was also affected by the acquisition of WPP and by additional acquisitions of shares in subsidiaries totalling SEK -73 M.

Cash flow from financing operations was SEK 163 M (740), of which raised loans for the Kaktus project and financing from the buyers of the French logistics projects Roye and MER amounted to SEK 135 M and SEK 246 M respectively. Dividends to the Parent Company's shareholders totalled SEK 88 M and dividend to non-controlling holdings was SEK 88 M.

Cash flow in the period totalled SEK 105 M (-163).

### Parent Company Third quarter 2022

The Parent Company recognised income of SEK 9.0 M (4.3) and operating profit/loss was SEK -11.1 M (-9.9). The drop in operating profit is primarily attributable to higher personnel expenses as a result of staff expansion. The number of employees at the end of the period was 21 (18).

The Parent Company's Net financial income/expense totalled SEK -10.8 M (-15.3) and included dividend of SEK 7.4 M from the Catella Real Estate AG subsidiary. Net financial income/expense also includes interest and arrangement costs for bond loans totalling SEK 18.5 M (15.8)

Profit/loss before tax and profit/loss for the period was SEK -21.8 M (-25.2).

### Nine-month period 2022

Total income was SEK 29.0 M (10.4), and operating profit/loss was SEK -36.4 M (-38.6) in the period.

Financial items amounted to SEK 10.6 M (-40.9), of which dividend from subsidiary totalled SEK 57.4 M and interest and arrangement fees for bond loans totalled SEK 50.0 M (49.4). The previous year's net financial income/expense also included profit from derivatives of SEK 8.1 M.

Profit/loss before tax and profit/loss for the period was SEK -25.9 M (-79.5).

### Employees

At the end of the period, there were 493 (520) employees, expressed as full-time equivalents.

### Risks and uncertainties

The current macro economic position with rising inflation and increased interest rates could impact future return and transaction levels, and hence also impact assets under management and profit in Catella Investment Management and Catella Corporate Finance. The Group management has also identified an increased risk of rising material costs and supply shortages which could impact the projects in Principal Investments.

See Note 4 in the Annual Report 2021 for further significant estimates and judgments.

### Seasonal variations

Within the Corporate Finance operating segment, seasonal variations are significant. Transaction volumes and income have historically been highest in the fourth quarter.

### Accounting principles

This Interim Report has been prepared in

compliance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act.

The Consolidated Financial Statements have been prepared in compliance with International Financial Reporting Standards (IFRS) as endorsed by the EU, the Annual Accounts Act and RFR 1 Complementary Accounting Rules for Groups issued by RFR, the Swedish- 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 Group's and Parent Company's key accounting principles are presented in Catella's Annual Report for 2021. Figures in tables and comments may be rounded.

### Related party transactions

Catella holds shares in the associated company Catella Project Capital GmbH, whose other owners are the Catella & Anderzén group and the management of Catella Project Management GmbH.

Catella's German subsidiary Catella Project Management GmbH operates the property development projects within Ca-

tella Project Capital GmbH. In addition, Catella's subsidiary Infrahubs AB runs property development projects within several associated companies. No part of the fees levied for services rendered that Catella Asset Management GmbH and Infrahub AB invoice to associated companies have been eliminated in Catella's Consolidated Income Statement, as associated companies fall outside Catella's associated enterprises.

For more information, see Principal Investments in this report and Notes 20 and 38 in the Annual Report 2021.

### Forecast

Catella does not publish forecasts. 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 28 October 2022 at 07:00 a.m. CEST.

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

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, 28 October 2022  
Catella AB (publ)

Johan Claesson  
Chairman of the Board

Tobias Alsborger  
Board member

Jan Roxendal  
Board member

Johan Damne  
Board member

Anneli Jansson  
Board member

Joachim Gahm  
Board member

Christoffer Abramson  
CEO and President



# Report of review of interim financial information

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

## *Introduction*

We have reviewed the condensed interim financial information (Interim Report) of Catella AB (corporate ID no. 556079-1419) as of 30 September 2022 and the nine-month period then ended. The Board of Directors and CEO are responsible for the preparation and presentation of this Interim Report in accordance with IAS 34 and the Annual Accounts Act. Our responsibility is to express a conclusion on the Interim Report based on our review.

## *Scope of review*

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

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

## *Conclusion*

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

Stockholm, Sweden, 28 October 2022

PricewaterhouseCoopers AB

*Patrik Adolfsen*  
Authorized Public Accountant  
Auditor in charge

*Thijs Dirkse*  
Authorized Public Accountant



## Consolidated Income Statement

SEK M	Note	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales		405	361	1,379	1,131	1,734
Other operating income		89	15	557	43	73
Total income		494	376	1,936	1,173	1,807
Assignment expenses and commission		-63	-56	-180	-147	-206
Other external expenses		-143	-70	-383	-291	-374
Personnel costs		-197	-183	-642	-663	-994
Depreciation		-17	-19	-54	-100	-121
Other operating expenses		-4	-0	-6	17	18
Operating profit/loss		71	48	672	-10	130
Interest income		14	7	32	13	19
Interest expenses		-20	-19	-57	-52	-71
Other financial items		33	13	32	124	132
Financial items—net		28	1	7	86	80
Profit/loss before tax		98	49	679	76	210
Tax		-22	-12	-114	-45	-81
Net profit/loss for the period		76	37	565	31	128
Profit/loss attributable to:						
Shareholders of the Parent Company		68	35	394	79	174
Non-controlling interests		9	2	171	-49	-46
		76	37	565	31	128
Earnings per share attributable to shareholders of the Parent Company, SEK						
- before dilution		0.77	0.39	4.46	0.90	1.97
- after dilution		0.75	0.39	4.35	0.88	1.92
No. of shares at end of the period		88,348,572	88,348,572	88,348,572	88,348,572	88,348,572
Average weighted number of shares after dilution		89,960,693	89,556,905	90,660,452	89,556,905	90,617,837

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

## Consolidated Statement of Comprehensive Income

SEK M	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net profit/loss for the period	76	37	565	31	128
Other comprehensive income					
Items that will not be reclassified subsequently to profit or loss:					
Value change in defined benefit pension plans	0	0	0	1	1
Fair value changes in financial assets through other comprehensive income	10	-0	10	11	10
Items that will be reclassified subsequently to profit or loss:					
Hedging of net investment	0	0	0	-2	-2
Translation differences	10	-2	71	8	17
Other comprehensive income for the period, net after tax	21	-2	81	17	25
Total comprehensive income/loss for the period	97	35	646	48	153
Profit/loss attributable to:					
Shareholders of the Parent Company	84	32	465	96	198
Non-controlling interests	13	3	181	-48	-45
	97	35	646	48	153

## Consolidated Statement of Financial Position - condensed

SEK M	Note	2022 30 Sep	2021 30 Sep	2021 31 Dec
<b>ASSETS</b>				
Non-current assets				
Intangible assets		444	402	404
Contract assets leasing agreements		115	139	127
Property, plant and equipment		27	25	25
Holdings in associated companies		186	170	187
Non-current receivables from associated companies		99	185	201
Other non-current securities	2, 3, 4	288	216	176
Deferred tax receivables		5	26	23
Other non-current receivables		40	16	15
		1,204	1,179	1,158
Current assets				
Development and project properties		2,088	1,510	2,105
Contract assets		49	0	0
Receivables from associated companies		92	81	141
Accounts receivable and other receivables		739	339	537
Current investments	2, 3, 4	41	23	59
Cash and cash equivalents *		1,601	1,712	1,442
		4,609	3,664	4,283
<b>Total assets</b>		<b>5,813</b>	<b>4,843</b>	<b>5,442</b>
<b>EQUITY AND LIABILITIES</b>				
Equity				
Share capital		177	177	177
Other contributed capital		296	295	295
Reserves		39	4	12
Profit brought forward including net profit for the period		1,526	1,110	1,205
Equity attributable to shareholders of the Parent Company		2,038	1,586	1,688
Non-controlling interests		236	103	132
<b>Total equity</b>		<b>2,274</b>	<b>1,689</b>	<b>1,821</b>
Liabilities				
Non-current liabilities				
Borrowings from credit institutions		1,251	942	1,300
Bond issue		1,243	1,240	1,241
Contract liabilities leasing agreements		86	109	100
Other non-current liabilities		42	71	103
Deferred tax liabilities		18	19	19
Other provisions		84	69	75
		2,724	2,450	2,838
Current liabilities				
Borrowings from credit institutions		1	0	2
Contract liabilities leasing agreements		37	35	34
Contract liabilities		5	0	0
Accounts payable and other liabilities		719	629	705
Tax liabilities		54	40	42
		816	704	783
<b>Total liabilities</b>		<b>3,539</b>	<b>3,154</b>	<b>3,621</b>
<b>Total equity and liabilities</b>		<b>5,813</b>	<b>4,843</b>	<b>5,441</b>
* Of which pledged and blocked liquid funds		58	54	54

## Consolidated Statement of Cash Flows

SEK M	2022 Jul-Sep	2021 Jul-Sep	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Cash flow from operating activities					
Profit/loss before tax	95	49	676	76	210
Reclassification and adjustments for non-cash items:					
Wind down expenses	-8	-17	-10	23	13
Other financial items	-33	-13	-32	-121	-132
Depreciation	17	19	54	100	121
Impairment / reversal of impairment of current receivables	2	3	1	5	1
Change in provisions	3	-1	6	-4	-1
Reported interest income from loan portfolios	-6	-7	-13	-13	-17
Acquisition expenses	0	0	2	-	-
Profit/loss from participations in associated companies	-34	-5	-80	-23	-42
Personnel costs not affecting cash flow	-7	6	-2	27	55
Other reclassifications and non-cash items	12	0	-341	-	-
Paid income tax	-37	-27	-96	-73	-110
Cash flow from operating activities before changes in working capital	5	6	166	-4	98
Cash flow from changes in working capital					
Increase (-)/decrease (+) of operating receivables	18	76	-111	130	-51
Increase (+) / decrease (-) in operating liabilities	-5	-3	-43	-166	-77
Cash flow from operating activities	18	79	12	-39	-31
Cash flow from investing activities					
Purchase of property, plant and equipment	-1	-5	-8	-8	-10
Purchase of intangible assets	-5	-1	-8	-2	-4
Purchase of subsidiaries, after deductions for acquired cash and cash equivalents	-0	-0	-73	-54	-47
Sale of subsidiaries, net of cash disposed	0	-0	-	109	109
Purchase of and additional investments in associated companies	-136	10	-299	-249	-310
Divestment of associated companies	0	0	60	24	24
Dividend and other disbursements from associated companies	214	0	344	5	5
Investments in development and project properties	-218	-405	-783	-862	-1,466
Disposal of development and project properties	297	0	788	-	-
Purchase of financial assets	-20	0	-146	-93	-104
Sale of financial assets	43	0	43	254	269
Cash flow from loan portfolios	6	5	13	11	15
Cash flow from investing activities	179	-395	-70	-864	-1,519
Cash flow from financing activities					
Proceeds from share warrants issued	0	0	0	6	6
Borrowings	12	252	136	1,679	2,069
Forward funding from investors for projects within Principal Investments	8	-	246	-	-
Amortisation of loans	-3	-2	-10	-793	-798
Amortisation of leasing debt	-12	-13	-34	-48	-59
Dividend	0	0	-88	-80	-80
Transactions with, and payments to, non-controlling interests	-12	-17	-88	-25	-26
Cash flow from financing activities	-5	220	163	740	1,113
Cash flow for the period	191	-96	105	-163	-436
Cash and cash equivalents at beginning of period	1,380	1,790	1,442	1,856	1,856
Exchange rate differences in cash and cash equivalents	30	18	55	19	21
Cash and cash equivalents at end of the period	1,601	1,712	1,601	1,712	1,442



# 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 2022	177	295	18	-7	1,205	1,688	132	1,821
Comprehensive income for January - September 2022:								
Net profit/loss for the period					394	394	171	565
Other comprehensive income, net of tax			-33	61	43	71	10	81
Comprehensive income/loss for the period			-33	61	437	465	181	646
Transactions with shareholders:								
Transactions with non-controlling interests					-28	-28	-78	-105
Warrants issued		0				0		0
Dividend					-88	-88		-88
Closing balance at 30 September 2022	177	296	-15	54	1,526	2,038	236	2,274

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

\*\* Non-controlling interests are attributable to minority shares in the subsidiaries within all Group business areas.

The Extraordinary General Meeting in December 2020 decided to introduce a new incentive program through the issue of a maximum of 3,000,000 warrants distributed over two series: 2020/2024:A and 2020/2025:B. As of 1 June 2021, 2,750,000 warrants were transferred to members of Group management, and as of 1 July 2022 a further 50,000 warrants were transferred to a key member of staff. The remaining 200,000 warrants were held in treasury as of 30 September 2022. The exercise price is SEK 35.20 per share.

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

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

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

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



# Note I Income Statement by Operating Segment

SEK M	Investment Management		Principal Investments		Corporate Finance		Other		Eliminations		Group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep	Jul-Sep
Net sales	274	256	26	0	104	105	9	3	-9	-4	405	361
Other operating income	38	3	48	8	1	2	1	3	-0	-1	89	15
Total income	313	260	74	8	105	107	10	6	-9	-5	494	376
Assignment expenses and commission	-43	-47	-5	0	-15	-8	-0	-0	0	-0	-63	-56
Other external expenses	-47	-38	-69	-2	-29	-32	-6	-2	8	3	-143	-70
Personnel costs	-121	-108	-10	0	-52	-63	-15	-14	1	2	-197	-183
Depreciation	-10	-9	-0	0	-5	-5	-2	-4	0	0	-17	-19
Other operating expenses	-0	-1	-1	0	1	-2	-3	2	0	1	-4	-0
Less profit attributable to non-controlling interests *	-1	-1	-8	0	0	-0	0	-2	9	2	0	0
Operating profit/loss	90	56	-20	7	6	-3	-15	-13	9	2	71	48
Interest income											14	7
Interest expenses											-20	-19
Other financial items											33	13
Financial items—net											28	1
Profit/loss before tax											98	49
Tax											-22	-12
Net profit/loss for the period											76	37
Profit/loss attributable to shareholders of the Parent Company											68	35

SEK M	Investment Management			Principal Investments			Corporate Finance			Other			Eliminations			Group		
	2022	2021	2021	2022	2021	2021	2022	2021	2021	2022	2021	2021	2022	2021	2021	2022	2021	2021
	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Sep	Jan-Sep	Jan-Dec	Jan-Sep	Jan-Sep	Jan-Dec
Net sales	969	731	1,042	77	0	2	347	378	670	27	45	54	-41	-24	-35	1,379	1,131	1,734
Other operating income	46	24	27	501	10	16	5	5	8	6	6	25	-1	-2	-3	557	43	73
Total income	1,015	755	1,069	578	10	18	352	383	678	33	51	79	-42	-26	-37	1,936	1,173	1,807
Assignment expenses and commission	-115	-119	-153	-38	0	-3	-39	-35	-57	-0	-2	-2	14	9	9	-180	-147	-206
Other external expenses	-138	-116	-174	-150	-2	-7	-92	-84	-114	-27	-98	-99	24	10	19	-383	-291	-374
Personnel costs	-379	-322	-452	-32	0	-4	-196	-228	-405	-38	-118	-140	3	5	7	-642	-663	-994
Depreciation	-28	-26	-35	-5	0	-1	-15	-17	-23	-6	-57	-63	0	0	0	-54	-100	-121
Other operating expenses	-2	-4	-6	-3	0	-0	1	-6	-9	-2	24	31	1	2	3	-6	17	18
Less profit attributable to non-controlling interests *	-4	-3	-4	-170	0	0	0	-0	0	3	51	50	171	-49	-46	0	0	0
Operating profit/loss	348	166	245	179	8	4	11	14	71	-38	-149	-144	171	-49	-46	672	-10	130
Interest income																32	13	19
Interest expenses																-57	-52	-71
Other financial items																32	124	132
Financial items—net																7	86	80
Profit/loss before tax																679	76	210
Tax																-114	-45	-81
Net profit/loss for the period																565	31	128
Profit/loss attributable to shareholders of the Parent Company																394	79	174

\* Profit/loss attributable to non-controlling interests for each business area are not included. To clarify the operating profit is attributable to shareholders of the Parent Company by business area and which reconciles to the internal report Group Management deliver to the Board. This adjustment is reversed in the column for Group eliminations so that the Group Operating profit reconciles to the Group's formal Income Statement, completed in accordance with the Group's accounting principles.

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

## Note 2. Summary of Catella's loan portfolios

The loan portfolios comprise securitized European loans with primary exposure

in housing. The performance of the loan portfolios is closely monitored and re-

measurements are continuously performed.

SEK M		Forecast undiscouted cash flow	Share of undiscouted cash flow	Forecast discounted cash flow	Share of discounted cash flow	Discount rate	Duration, years
Loan portfolio	Country						
Pastor 2	Spain	54.6	57.4%	45.9	53.1%	5.5%	3.25
Lusitano 5	Portugal	40.6	42.6%	40.6	46.9%	0.0%	0.25
Total cash flow *		95.2	100.0%	86.5	100.0%	2.9%	1.8
Carrying amount in consolidated balance sheet **				86.5			

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

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

### Pastor 2

In the sub-portfolio Pastor 2, the underlying loans are less than ten percent of the issued amount and Catella expects the issuer to utilize its clean-up call. The administration of the portfolio is frequently unprofitable when it falls below 10 percent of the issued amount, and this structure allows the issuer to avoid these additional costs. Catella considers the credit risk in the portfolio to be low, although the precise timing of the exercise of the option is difficult to forecast given several unknown factors relating to the issuer. Catella has made the assumption that a repurchase will take place in the fourth quarter of 2025. The portfolio is valued at the full re-

payable amount of EUR 5.0 M, discounted to the present value with application of a discount rate for similar assets. This corresponds to a value of EUR 4.2 M.

### Lusitano 5

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. The option has been available since 2015. Catella evaluates that the time call will be exercised in the fourth quarter of 2022. The assumption is conservative due to this requiring no further cash flows other than the position's current capital amount of

EUR 3.1 M plus the following quarter's cash flow when exercising the time call. The portfolio is hence valued to EUR 3.7 M. This assessment is different to assessments from the annual accounts for 2021 due to the assumption previously having been that the time call would not be exercised and that the position would instead continue maturing until the clean-up call in 2027. This resulted in the portfolio being impaired by SEK 17.3 M (EUR 1.6 M) in the first quarter of 2022.

Further information regarding the loan portfolio can be found in the Annual Report 2021.

### Actual cash flows from the loan portfolio

SEK M	Spain Portugal Other			Outcome
	Pastor 2	Lusitano 5		
Loan portfolio				
Outcome				
Full year 2009-2020	27.2	0.8	267.0	295.1
Full year 2021	0.0	15.0	0.0	15.0
Q1 2022	0.0	2.7	0.0	2.7
Q2 2022	0.0	3.7	0.0	3.7
Q3 2022	0.0	6.1	0.0	6.1
Total	27.2	28.3	267.0	322.6

## Note 3 Short and long-term investments

SEK M	2022 30-sep	2021 30-sep	2021 31-dec
Visa preferred stock C series	32	63	61
Loan portfolios	86	100	100
Operation-related investments	211	76	72
Other securities	0	0	0
Total *	329	238	234

\* of which short-term investments SEK 41 M and long-term investments SEK 288 M.

## Note 4 The Group's assets and liabilities measured at fair value.

In accordance with IFRS 7, financial instruments are recognized on the basis of fair value hierarchically with three different levels. Classification is based on the input data used for measuring instruments.

Quoted prices on an active market on the reporting date are applied for level 1. 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 2021.

The Group's assets and liabilities measured at fair value as of 30 September 2022 are stated in the following table.

SEK M	Tier 1	Tier 2	Tier 3	Total
<b>ASSETS</b>				
Financial assets measured at fair value through other comprehensive income		32		32
Financial assets measured at fair value through profit or loss	19	1	276	297
Total assets	19	33	276	329
<b>LIABILITIES</b>				
Total liabilities	0	0	0	0

No changes between levels occurred the previous year.

### Change analysis of financial assets, level 3 for the third quarter 2022.

	2022
as of 1 January	171
Purchases	105
Disposals	0
Gains and losses recognised through profit or loss	-6
Exchange rate differences	6
At 30 September	276

## Note 5 Pledged assets and contingent liabilities

### Pledged assets

SEK M	2022 30 Sep	2021 30 Sep	2021 31 Dec
Cash and cash equivalents	58	54	54
Other pledged assets	0	1	0
	58	55	54

Cash and cash equivalents include cash funds in accordance with minimum reten-

tion requirements, funds that are to be made available at all times for regulatory

reasons as well as frozen funds for other purposes

### Contingent liabilities

SEK M	2,022 30 Sep	2,021 30 Sep	2021 31 Dec
Other contingent liabilities	1,109	785	881
	1,109	785	881

Other contingent liabilities mainly relate to guarantees to credit institutes as collateral for approved credit lines to subsidiary Kaktus I HoldCo ApS. In addition, Catella Holding AB is party to guarantee commit-

ments relating to sold properties, as well as to a tenant guarantee commitment relating to the project company's completion of their commitment under the relevant rental agreement. Other contingent liabili-

ties also perceives to guarantees which were provided for rental contracts with landlords.

### Commitments

SEK M	2,022 30 Sep	2,021 30 Sep	2021 31 Dec
Investment commitments	3	9	9
Other commitments	0	0	0
	3	9	9

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

## Parent Company Income Statement

SEK M	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net sales	26.7	9.2	18.7
Other operating income	2.4	1.2	2.0
Total income	29.0	10.4	20.7
Other external expenses	-29.0	-19.9	-24.7
Personnel costs *	-37.0	-28.6	-43.5
Depreciation	-0.2	-0.7	-0.7
Other operating expenses	0.8	0.1	-1.0
Operating profit/loss	-36.4	-38.6	-49.2
Interest income and similar profit/loss items	3.1	8.5	8.7
Interest expenses and similar profit/loss items	-50.0	-49.4	-65.0
Financial items	10.6	-40.9	-56.4
Profit/loss before tax	-25.9	-79.5	-105.6
Tax on net profit for the year	0.0	0.0	0.0
Net profit/loss for the period	-25.9	-79.5	-105.6

\* Personnel costs include directors' fees

## Parent Company Statement of Comprehensive Income

SEK M	2022 Jan-Sep	2021 Jan-Sep	2021 Jan-Dec
Net profit/loss for the period	-25.9	-79.5	-105.6
Other comprehensive income	-	-	-
Other comprehensive income for the period, net after tax	0.0	0.0	0.0
Total comprehensive income/loss for the period	-25.9	-79.5	-105.6

## Parent Company Balance Sheet—condensed

SEK M	2022 30 Sep	2021 30 Sep	2021 31 Dec
Intangible assets	0.5	1.7	0.7
Property, plant and equipment	0.1	0.0	0.1
Participations in Group companies	1,358.2	1,058.2	1,058.2
Current receivables from Group companies	112.4	545.2	531.5
Other current receivables	11.1	8.6	8.9
Cash and cash equivalents	0.1	0.3	0.1
Total assets	1,482.4	1,614.0	1,599.5
Equity	220.8	361.1	335.0
Provisions	0.0	0.0	0.0
Bond issue	1,243.1	1,240.3	1,241.0
Current liabilities to Group companies	0.0	0.0	0.5
Other current liabilities	18.5	12.6	23.0
Total equity and liabilities	1,482.4	1,614.0	1,599.5

Catella AB has issued a guarantee to a credit institute of SEK 352 M as security for approved credit lines to subsidiary Kaktus I HoldCo ApS. For the comparable period 30 September 2021, the Parent Company's total contingent liabilities amounted to SEK 784 M.

## Application of key performance indicators not defined by IFRS

The Consolidated Accounts of Catella are prepared in accordance with IFRS, which only defines a limited number of performance measures. Catella, applies the European Securities and Markets Authority’s (ESMA) 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
Operating profit attributable to Parent Company shareholders	Group’s operating profit for the period, less profit attributable to non-controlling interests.	The measure illustrates the proportion of the Group’s operating profit attributable to shareholders of the Parent Company.
Operating margin	Operating Profit/loss attributable to the Parent Company shareholders divided by total income for the period.	The measure illustrates profitability in underlying operations attributable to shareholders of the Parent Company.
IRR	Corresponds to the Swedish term ‘internal rate of return’ which is a measure of the average annual return generated by an investment.	The measure is calculated for the purpose of comparing the actual return on projects Catella invests in with the average expected return of 20 percent.
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 Investment Management 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.
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.
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.
Earnings per share	Profit for the period attributable to the 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.
Dividend per share	Dividend divided by the number of shares.	Provides investors with a view of the company’s dividend over time.



## Financial calendar

Year-end Report October–December 2022	10 February 2023
Interim Report January–March 2023	5 May 2023
Annual General Meeting 2023	30 May 2023

## For further information, please contact

Mattias Brodin, CFO  
Tel. +46 (0)8-463 33 10

Michel Fischier, Head of Investor Relations and Communications  
Tel. +46 (0)8-463 33 10

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