



Year-end Report

January – December 2022

Today's presenters



Christoffer Abramson
CEO and President



Mattias Brodin
Chief Financial Officer

The sustainable link between property and finance



Founded in 1987, over 20 offices across 12 countries and 500+ employees.

STRONG LOCAL PRESENCE

- Deep local knowledge in each market
- Local entrepreneurship and expertise
- Local offices in over 20 cities across Europe
- Cross-border capacity and knowledge sharing

PAN-EUROPEAN REACH

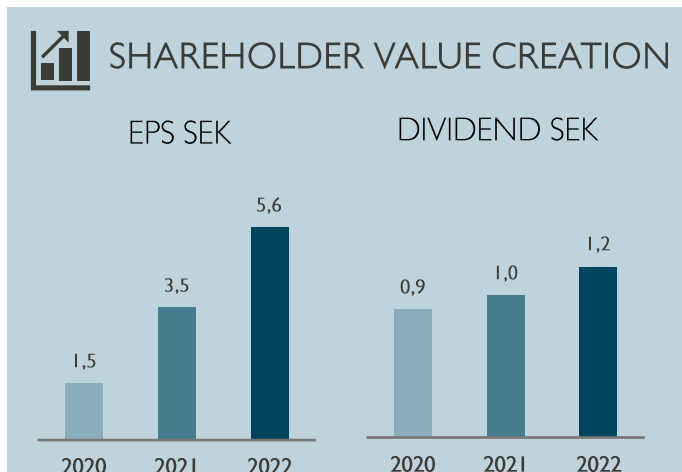
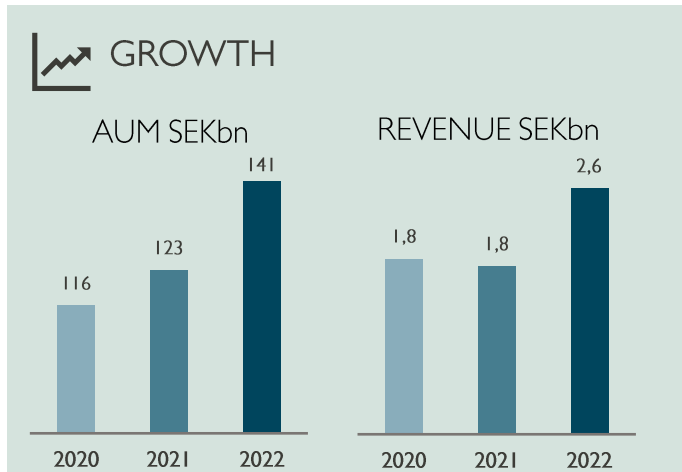
- Established in 12 countries
- Pan-European perspective on investments
- Integrated approach to business opportunities
- Ability to support international investors in several European countries

ACCESS TO GLOBAL CAPITAL

- Fund investors across Europe, many of which have invested in Catella funds since inception
- Listed on Nasdaq Stockholm with access to listed equity and debt



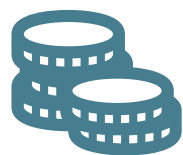
2022 in brief



Key highlights – Q4 2022

CATELLA GROUP

- Further strengthened balance sheet, liquidity, with no near-term refinancing needs
- Four prioritized areas for profitable growth and capital deployment
- Dividend proposal of 1.20 SEK (+ 20%)



Proposed dividend of 1.20 SEK/share (1.00)

INVESTMENT MANAGEMENT

- Flat AUM development Q-o-Q despite significant strategic sale of assets
- Divestment of 34 properties in Germany and the Netherlands to accelerate portfolio transition to more sustainable assets
- Norwegian KLP pension and other institutional investors commit close to €100 M to Catella Elithis fund (after end of quarter)
- Committed capital of SEK 10 bn



Divestment of 26 properties in Germany and 8 in the Netherlands to accelerate portfolio transition to more sustainable assets carried out

PRINCIPAL INVESTMENTS

- Principal Investments engaged in 9 development projects
- Continued market uncertainties postponing divestments
- Building liquidity and entering 2023 well positioned to capture opportunistic investments across European markets

First phase of Seestadt (DE) completed and tenants have moved in.



Catella develops a new district with 2,000 apartments, offices, a hotel and service facilities. It's located next to Mönchengladbach's railway station in the immediate vicinity of Düsseldorf's city center

CORPORATE FINANCE

- Transaction market in wait-and-see mode
- Stable pipeline of transactions but delay in execution
- Select geographies and Valuation services remain strong



Continued strong transaction volumes in Spain leading to the best year for the Spanish Corporate Finance team

Key financial highlights – Q4 2022

CATELLA GROUP

Total revenue

SEK **658** M (SEK 633 M)

Operating profit

SEK **117** M (SEK 138 M)

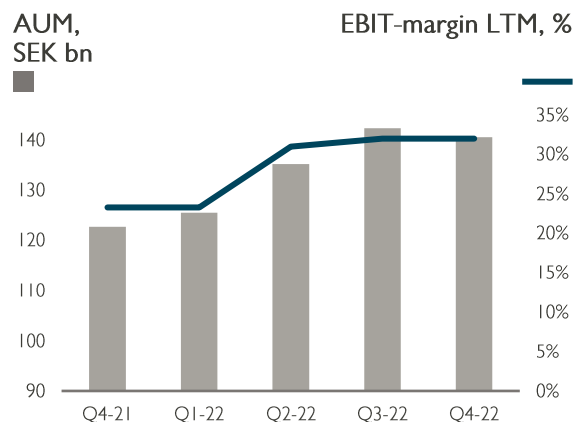
Operating profit margin

18% (22%)

Earnings per share

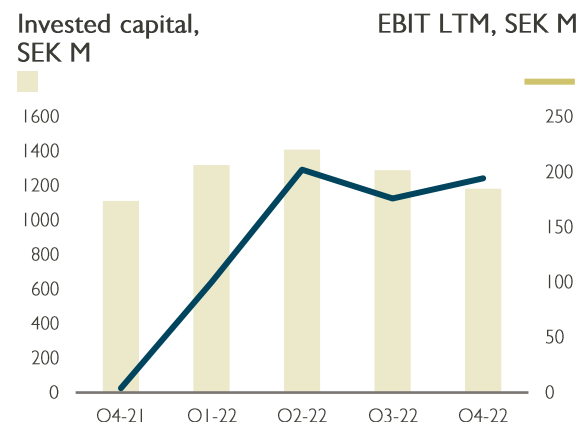
SEK **1.10** (1.08)

INVESTMENT MANAGEMENT



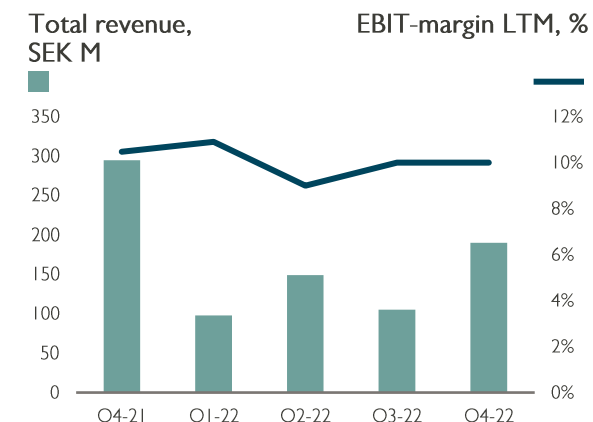
- LTM AUM growth of SEK 18 bn, +15%
- Revenue growth + SEK 80 M, equally driven by increase in fixed and variable fee revenue

PRINCIPAL INVESTMENTS



- No divestments or new investments during the quarter
- 9 ongoing development projects with SEK 1.2 bn invested
- Continued market uncertainty postponing sales

CORPORATE FINANCE



- Slower transaction market leading to 35 % lower revenue and an operating profit of SEK 11 M (57)
- Exit of German and Baltic operations supporting full year profitability and providing higher baseline entering 2023

Case Study: Divestment of residential portfolio in Germany and the Netherlands to accelerate portfolio transition to sustainable assets

- Hold/sell analysis brought decision to sell 34 assets in Germany and the Netherlands as assets deemed no longer suited current and future fund investment strategies partly due to ESG standards
- Assets acquired 5-10 years ago in older funds Catella European Residential (CER) and Catella Wohnen Europa (CWE)
- Active portfolio management resulted in timing of sale agreement mainly ahead of market turmoil and strengthened liquidity provides opportunities to both upgrade portfolio ESG profile and reinvest capital in new valuation cycle

Material AUM impact, but limited NAV effect ...

- €615 M AUM decrease
- €5 M NAV increase pre dividend and approx. -€100 M post dividend
- ~ €350 M equity available for investments at a time of ongoing market correction provides significant investment opportunities

... drives limited Fee impact and significant liquidity

- Approx. €9.7 M disposal fee and €7.5 M EBIT from sale
- Limited fixed fee impact of -€0.5 M in 2023 and -€0,7 M annually from 2024 and onwards
- Funds CER and CWE have a solid acquisition fee basis and the available equity increases opportunity for significant future acquisition fees as capital is reinvested in new market environment



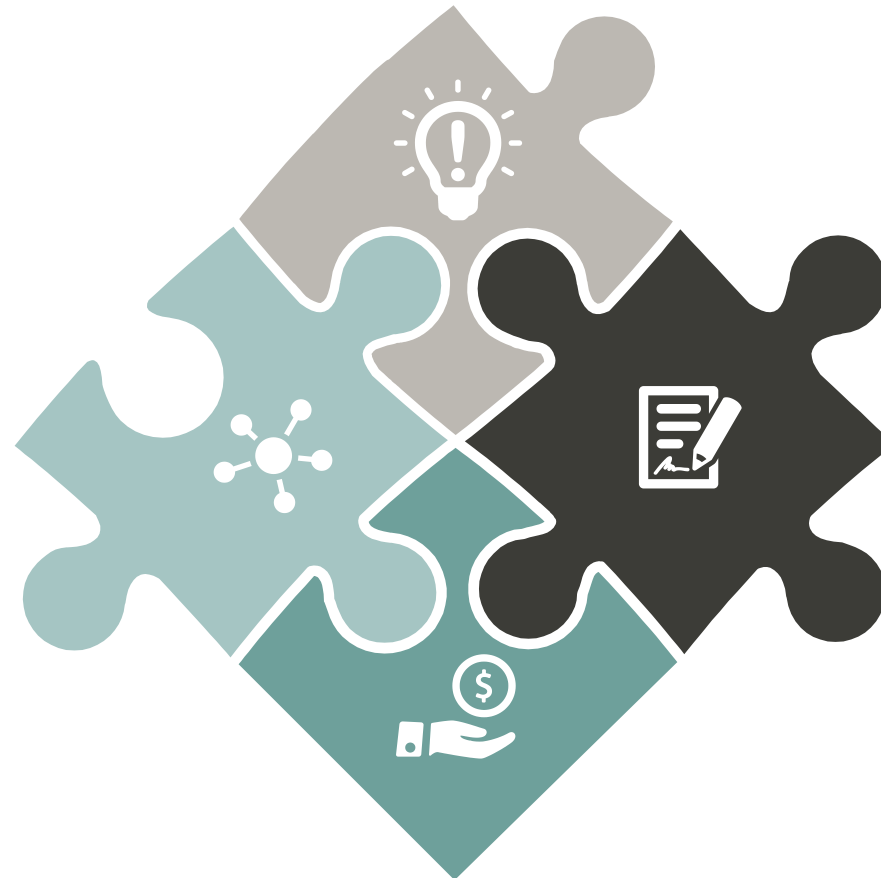
Four prioritized areas to adapt to an evolving market

Sustainability:

Increase the offering of products with a clear sustainability impact

Flexible Investments:

Broaden and adapt product offerings and investments for various stages of the economic cycle



Pan-European Synergies:

Strengthen synergies and develop further pan-European investment strategies

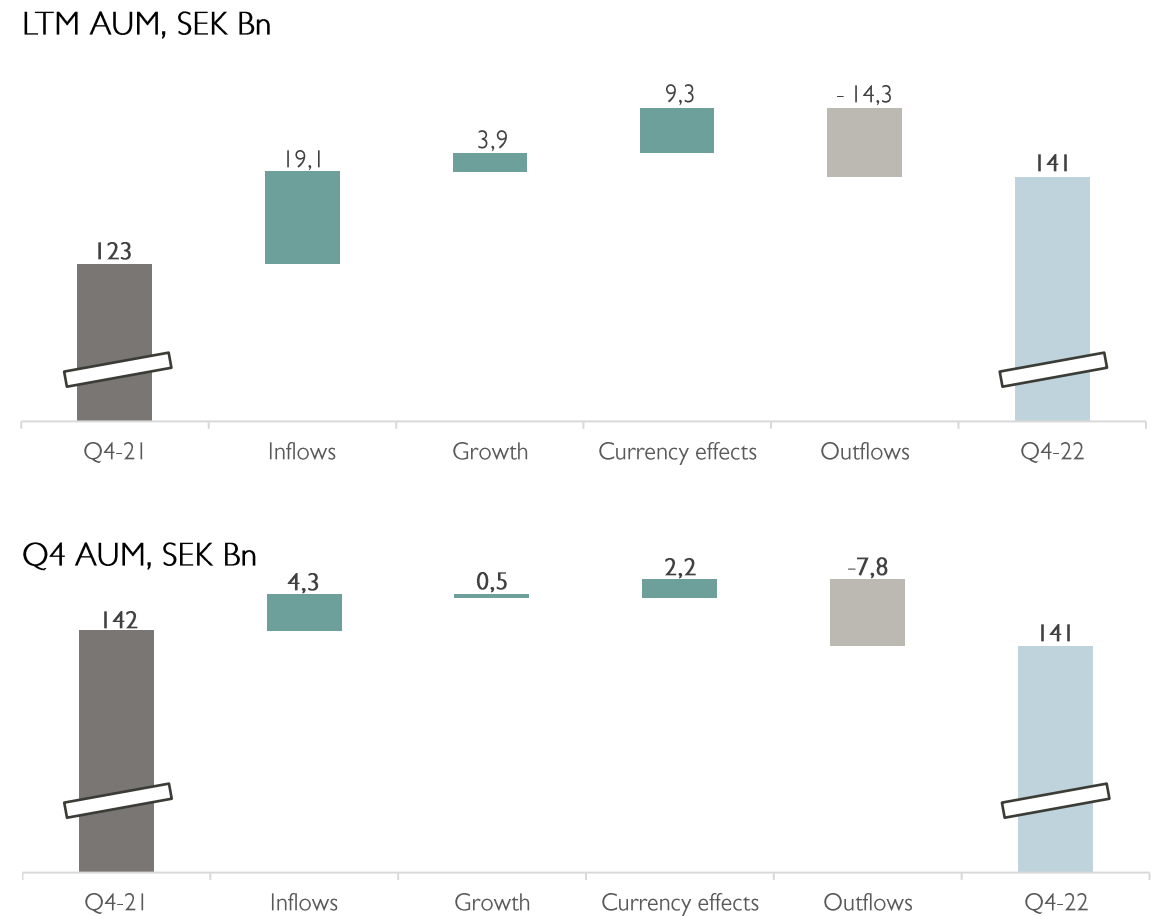
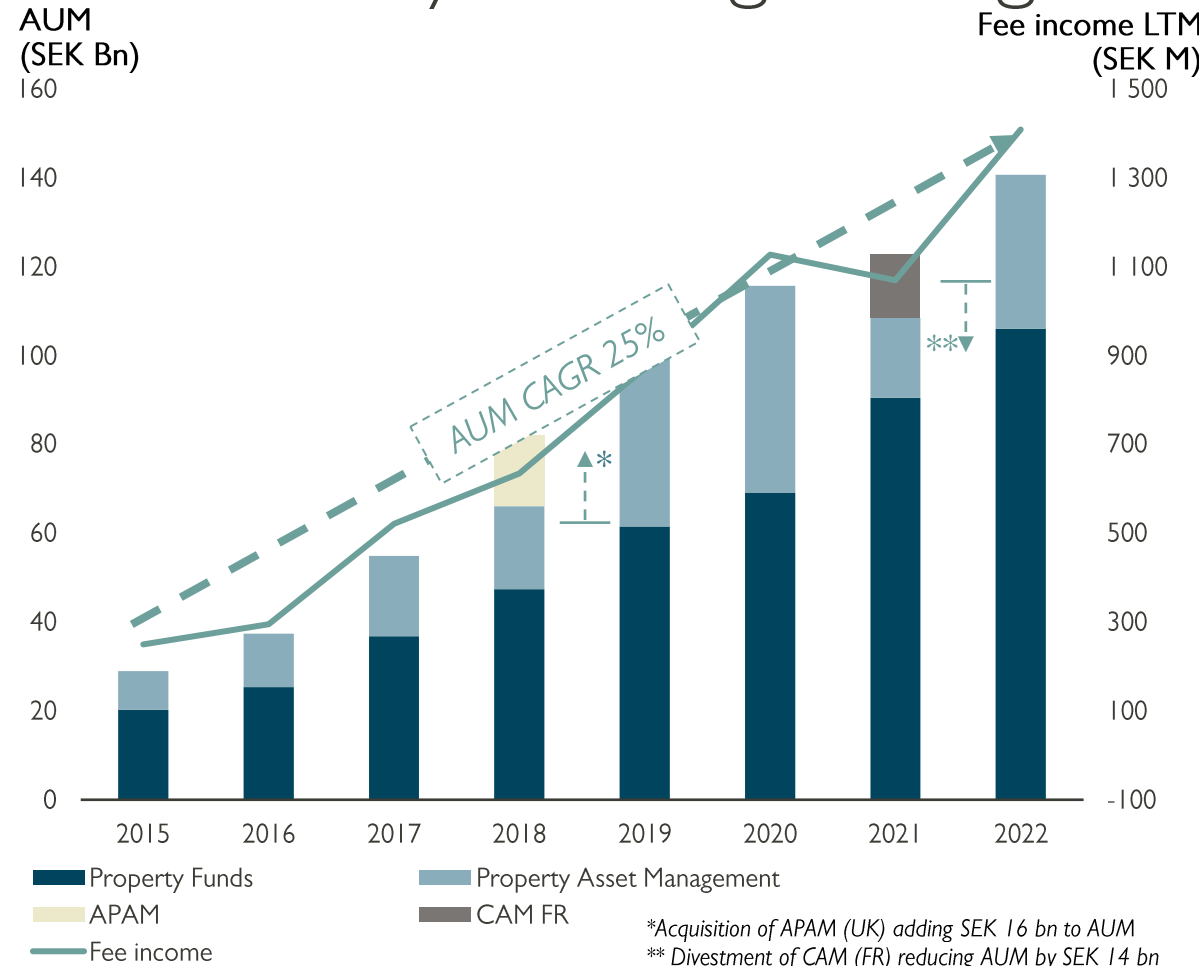
Business Development:

Capitalise on our financial position to generate new business and expand into strategic growth markets

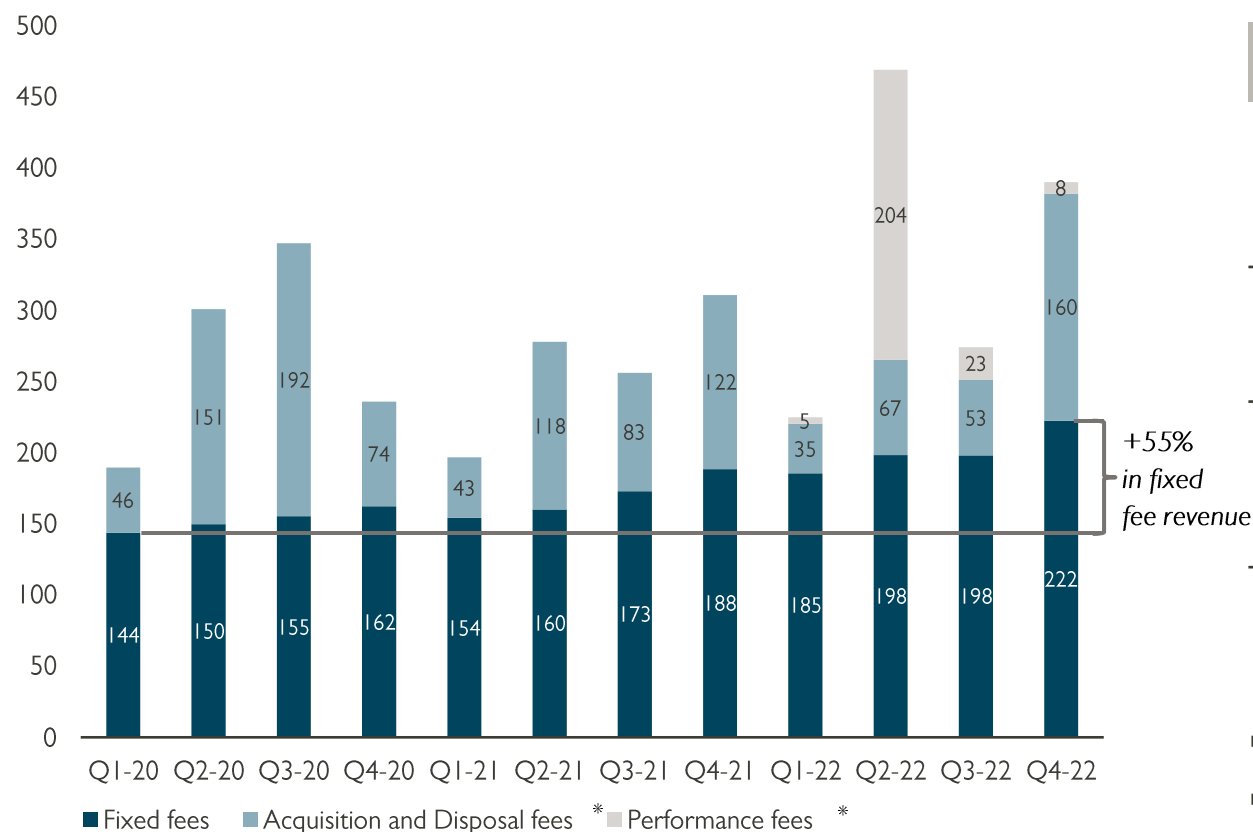


Investment Management

Continued growth in a challenging market with broadened sustainability offering and significant investable capital



Strong fixed fee development as AUM grows



SEK M	Q4 2022	Q4 2021	Change, %	2022	2021	Change, %
Property Funds**	339	253	34%	1 183	859	38%
Asset Management**	87	88	-1%	347	292	19%
Other	3	0	>100%	4	0	>100%
Total revenue	394	314	25%	1 408	1 069	32%
Assignment expenses and commission	-50	-34	47%	-166	-153	8%
Net Revenue	344	280	23%	1 242	916	36%
Variable expenses	-46	-47	-2%	-190	-139	37%
Operating expenses	-194	-154	24%	-601	-532	13%
Operating profit	103	79	61%	451	245	84%
Operating margin, %	26%	25%	+1 p.p.	32%	23%	+9 p.p.

- Record year for Investment Management with SEK 451 M in Operating profit
- Strong underlying fixed fee development providing a cushion when heading into an uncertain market environment
- Fixed fees well above non-variable Operating expenses

* Performance fees part of Acquisition and Disposal fees until reported separately in Q1/22

** Includes internal revenue. Internal revenue has been eliminated in total revenue

Principal Investments

No major investments or divestments made during the quarter, continued progress in current projects



9 ongoing projects after Q4

Sweden (Infrahubs)

- Logistics, Vaggeryd
- Logistics, Jönköping

Denmark (Direct Investment)

- Residential, "Kaktus", Copenhagen

Germany (Catella Project Capital)

- Residential, "Seestadt MG+", Düsseldorf
- Residential, "Düssel-Terrassen", Düsseldorf
- Office, "Königsallee", Düsseldorf

Spain (Catella Logistic Europe)

- Logistics, Barcelona

United Kingdom (Catella APAM)

- Mixed use, "The Maltings", Salisbury
- Retail, Mander Centre, Wolverhampton

Invested equity, project IRR, and targets

	Current status	Long term Target
Catella invested equity (SEK Bn)	1.2	1.5
Project IRR	>50% (weighted average to date)	20%

Income statement*

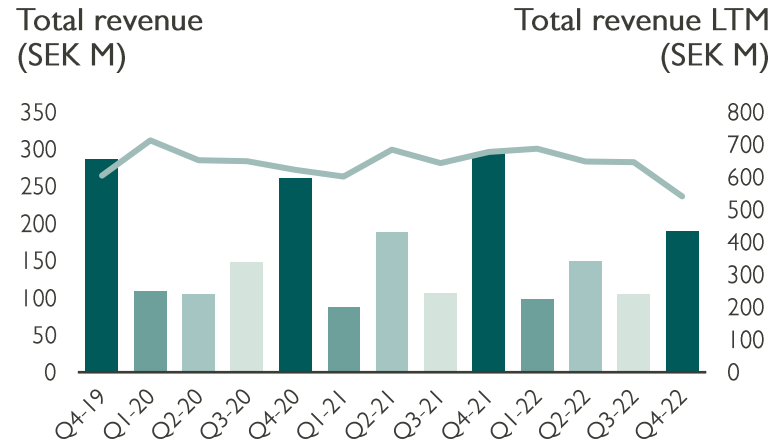
SEK M	Q4 2022	Q4 2021	LTM Q4 2022	LTM Q4 2021
Total revenue	82	8	660	18
Expenses	-59	-12	-286	-14
Deducted result from non-controlling operations	-19	0	-189	0
Operating profit/loss	4	-4	184	4
Operating margin, %	5%	Neg	28	23
No. of employees*	38	0	38	0

*Catella Project Management and Catella Logistics Europe became a part of Principal Investments beginning of 2022

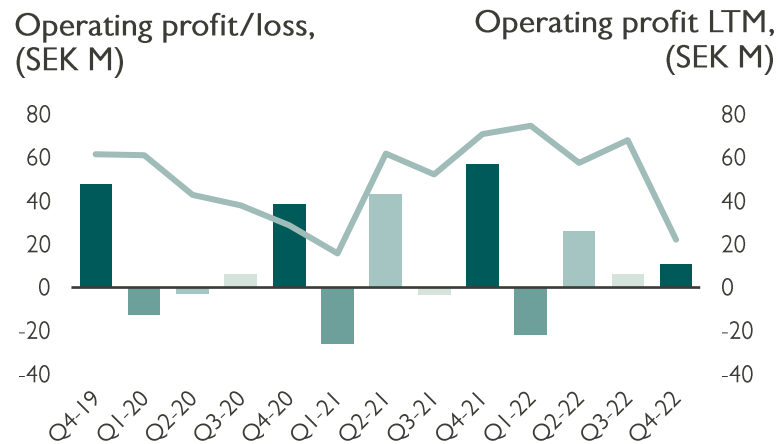
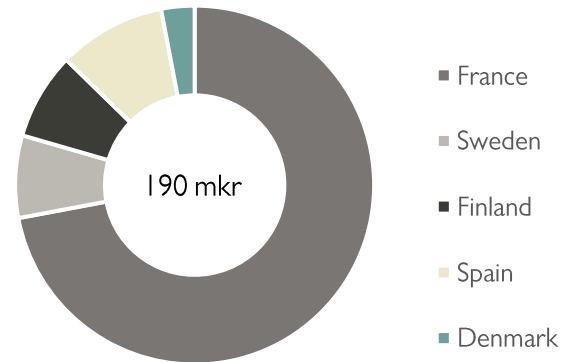


Corporate Finance

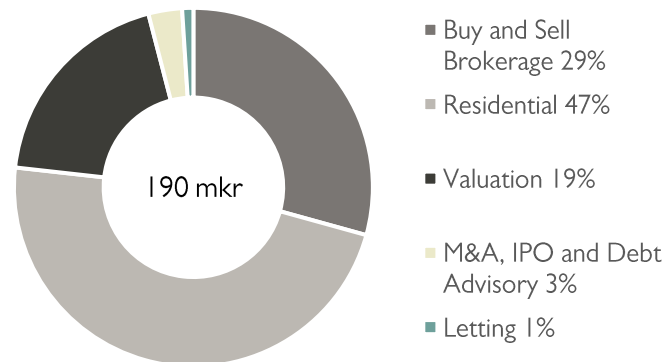
Sales and results of operations



REVENUE SPLIT PER COUNTRY Q4



REVENUE SPLIT PER ADVISORY SERVICES Q4



KEY TAKE-AWAYS

- Wait-and-see mode continues to hamper transaction market
- Many transactions in pipeline but processes are moving slowly
- Increased demand for valuation and capital market services
- Decrease in EBIT, compared to the record quarter of Q4'21, SEK 11 m (57)



Financials

Financial summary

SEK M	Investment Management		Principal Investments		Corporate Finance		Other		Group	
	Q4 2022	Q4 2021	Q4 2022	Q4 2021	Q4 2022	Q4 2021	Q4 2022	Q4 2021	Q4 2022	Q4 2021
Total revenue	393	314	82	8	190	295	-8	16	658	633
Expenses	-288	-234	-59	-12	-179	-238	6	-9	-520	-492
Deduction of profit attributable to non-controlling interests	-2	-1	-19	0	0	0	0	-2	-21	-3
Operating profit/loss	103	79	4	-4	11	57	-2	-13	117	138
Financial items - net									14	-6
Profit/loss before tax									131	131
Tax									-34	-36
Net profit/loss									97	95
<i>Operating margin, %</i>									<i>18%</i>	<i>22%</i>
<i>Earnings per share, SEK</i>									<i>1.10</i>	<i>1.08</i>

KEY TAKE-AWAYS

- Fixed and variable revenue growth in Investment Management partly compensating for a weaker transaction market affecting Corporate Finance
- All revenues reported on a gross basis according to IFRS, operating profit is adjusted for profit attributable to non-controlling interests separately above EBIT
- Improved intercompany lending structure and currency effects behind positive financial net
- EPS on par compared to last year despite weaker transaction market

Improved equity and cash position

SEK M	Q4, 2022	Q4, 2021	Change
Total assets	6 320	5 442	16%
Equity	2 430	1 821	33%
<i>Equity ratio</i>	38%	33%	5 p.p
Cash and cash equivalents	1 794	1 442	24%
Whereof:			
-Group operating units	1 115	1 142	-2%
-Holding companies	679	300	+126%

KEY TAKE-AWAYS

- Continued efficient balance sheet and strong equity ratio
- No short-term refinancing needs and strong liquidity position providing capital for opportunistic and long-term value creating investments
- Additional headroom of SEK 280 M
 - issuance of SEK 250 million under existing bond framework
 - unutilized credit facility of SEK 30 million

Summary and key take-aways

Summary and key take-aways



Strongest financial year in Catella's recent history



Stable AUM development despite large re-positioning transaction.
Solid fixed fee growth and SEK 10 bn in capital commitments



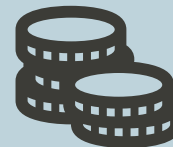
Four prioritized focus areas for growth in 2023 and beyond



Second Article 9 fund launched: (Catella Elithis) with approx. €100M of committed capital



Continued market uncertainties and bid-ask gap affecting transaction market



Well-positioned to capture long-term value creation opportunities in new market environment



Thank you

catella.com

Investor Relations

Most recent equity research

Date	Institution	Recommendation	TP
2023-02-06	ABG Sundal Collier	–	–
2022-11-01	Redeye	–	SEK 66 (Base case)

Analyst coverage	Institution	Analyst
	ABG	Patrik Brattelius
	Redeye	Jesper von Koch

Financial Calendar

- Annual report 2022, 2023-03-31
- Q1 Interim report 2023-05-05
- AGM, 2023-05-10
- Q2 Interim report 2023-08-18
- Q3 Interim report 2023-10-27

For more information:

<https://www.catella.com/en/investor-relations>



Owner	Capital	Votes
Claesson & Anderzén	49,4%	48,9%
Alcur Fonder	8,4%	7,5%
M2 Asset Management AB (Rutger Arnhult)	4,5%	4,5%
Avanza Pension	2,4%	2,2%
Nordea Fonder	2,4%	2,1%
Nordnet Pension Insurance	1,8%	1,7%
Strawberry Capital AS (Petter Stordalen)	1,6%	2,0%
Familjen Hedberg	1,1%	1,0%
Swedbank Insurance	1,1%	1,0%
Thomas Andersson Borstam	1,1%	1,0%
Other	26,2%	28,11%



Head of Investor Relations and Group Communications



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