

CATENA Q3

Interim Report January – September 2021

- Rental income rose by 10 percent to SEK 1,027.3 million (937.5).
- The net operating surplus increased by 9 percent to SEK 821.3 million (753.1).
- Profit from property management rose by 13 percent to SEK 610.9 million (542.5).
- Profit for the period increased to SEK 1,614.7 million (805.1), corresponding to earnings per share of SEK 40.25 (21.36), including changes in value of SEK 1,411.6 million (475.4).
- The long-term net asset value EPRA NRV per share rose to SEK 292.75 (223.34).

Significant events in the third quarter

- Catena has acquired the Glasblåsaren 14 property in Linköping at a property value of SEK 206 million, and with an estimated operating surplus of SEK 10.7 million.

Events after the end of the period

- Catena has been certified as a Great Place to Work.
- Catena has won a land allocation competition in Helsingborg together with Nowaste Logistics.



Catena in brief

Catena shall sustainably and through partnerships durably develop and manage efficient logistics facilities that serve the metropolitan regions of Scandinavia and that have the potential to generate steadily growing cash flow and good value growth.

Vision

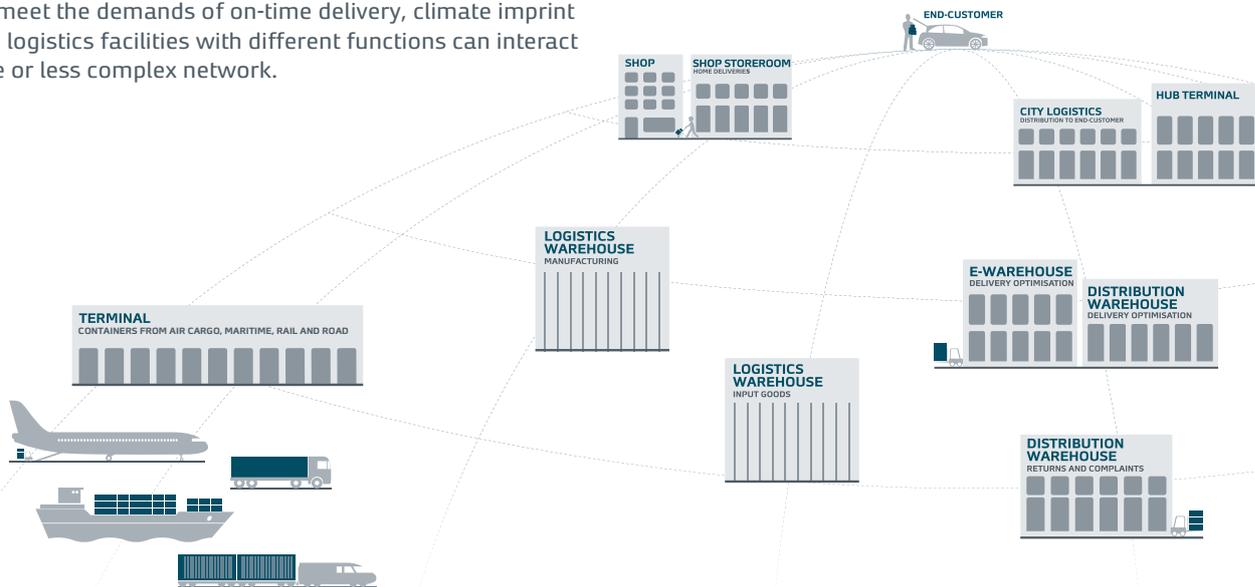
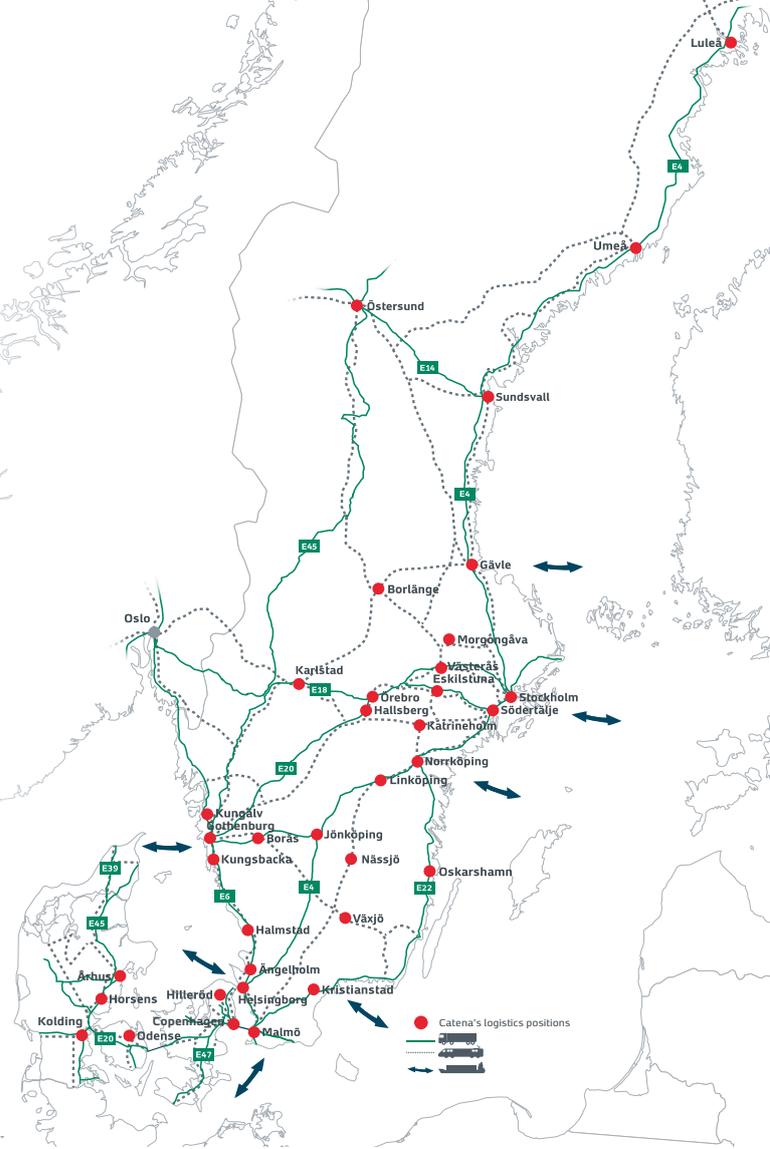
Catena's good insights regarding future freight and cargo flows are absolutely crucial to the ability to offer the right locations, the right premises and the right service. Operating activities that generate strong cash flows facilitate sustainable growth and stable returns, as well as progress towards the vision *Catena links Scandinavia's cargo flows*.

Business concept

Catena offers logistics facilities for today's and tomorrow's cargo flows along the most important transport routes and at the most important hubs. In close cooperation with the customers and with good knowledge of the market, Catena develops its part of the chain. The business concept clarifies the mission: *Catena shall sustainably and through collaboration develop and durably manage efficient logistics facilities that supply the Scandinavian metropolitan areas*.

Customer offering

Logistics solutions is a collective term for properties whose purpose is the collection, storage and distribution of goods. In order to meet the demands of on-time delivery, climate imprint and cost, logistics facilities with different functions can interact in a more or less complex network.



The Catena Group in figures

	2021, Jul-Sep	2020, Jul-Sep	2021, Jan-Sep	2020, Jan-Sep	Rolling 12-month	2020, Jan-Dec
Rental income, SEK M	354.5	315.2	1,027.3	937.5	1,353.7	1,263.9
Net operating surplus, SEK M	283.8	252.8	821.3	753.1	1,072.0	1,003.8
Surplus ratio, %	80.1	80.2	79.9	80.3	79.2	79.4
Profit from property management, SEK M	211.7	184.0	610.9	542.5	787.0	718.6
Profit for the period/year, SEK M	512.1	481.6	1,614.7	805.1	2,336.7	1,527.1
Earnings per share, SEK	12.42	12.77	40.25	21.36	59.13	40.51
Equity ratio, %	42.3	34.9	42.3	34.9	42.3	37.2
Economic letting ratio, %	95.9	96.1	95.9	96.1	95.9	96.2
Loan-to-value ratio, %*	44.7	52.8	44.7	52.8	44.7	50.1

* Historical figures are adjusted based on the current definition.

With sights set on the future



Catena's strong development continues. Stable cash flows and profit from property management that rose by 13 percent over the period builds the capacity required for continued sustainable growth and opportunities for achieving ambitious objectives.

Rental income increased by 10 percent and the operating surplus by 9 percent compared with the preceding year. The 13-percent increase in profit from property management amounted to SEK 68 million. Active project development and efficient property management underlie these favourable results. Long-term and close customer relations have proven to be an important success factor and reflect an approach that guarantees continued profitable growth and continuously developing operations.

Updated sustainability targets

Logistics properties today do not look the same as they did ten years ago, and the logistics properties of the future will be different in their design and function than those of today. This is already clearly evident in our development planning for future projects. As processes and outcomes shift, one of the main driving forces is identifying more sustainable solutions. Over the past year, we have perceived a need to sharpen our sustainability targets to play a more prominent role in the ongoing realignment.

Based on the assessment of climate risks we performed to be able to report in accordance with the TCFD and as a result of our preparations for the EU taxonomy, new targets were set: we shall exert a positive influence on our business partners and our environment by participating in development, we shall achieve net zero greenhouse gas emissions by 2030, we shall be net positive in terms of biodiversity throughout the portfolio by 2030, all lettable space shall be environmentally certified by 2030 and we shall be certified as a Great Place to Work with the ambition of reaching a Trust Index of 85 percent by 2025. While these targets demand a lot of us, the approach is not evident in all regards. At the same time, we feel we cannot wait. Since we operate in a context entailing an unequivocal impact on society and the environment, we seek to advance the development of logistics networks that are more sustainable in all respects. While legislation and reporting requirements have made this work a current concern, there is, above all, a strong urge throughout Catena's organisation to show that we take long-term responsibility for the environment and society.

Expansive logistics locations

In July, we acquired the Glasblåsaren 14 property in Linköping, with Scan as a tenant, and Sweden's largest private

pharmacy chain Apotek Hjärtat signed an agreement in the past quarter to move into our Adaptern 1 property in Norrköping. The Linköping/Norrköping area is an example of an interesting logistics location offering potential. Besides its proximity to important transport routes and a significant population base, we see a thriving business community targeting growth as an important factor for successful logistics investments. This is to be found in the towns and cities of Östergötland and in several locations in northern Sweden, including Luleå, where we are currently completing a new terminal facility for Kyl- och Frysexpressen Nord. Morgongåva is another example of a location where the strength of the local business community is of great importance. We look forward to welcoming Babyland to a new 38,000 m² facility there in the first quarter of 2022.

With Morgongåva Företagspark bringing several players together to form a unique local skills cluster, the location becomes even more attractive. We continue to invest in larger logistics clusters – and, in the past quarter, another stage was initiated at Logistics Position Tostarp in Helsingborg, where we are making full use of a remaining building right at the Plantehuset 3 property, building a logistics facility of about 15,000 m² – having written a letter of intent with Nowaste Logistics, an existing tenant in the area.

Ready for the future

A year has now passed since I stepped in as CEO of Catena, during a pandemic situation that both limited our operations and lifted them to new heights at the same time. Not spending as much time with tenants, while nonetheless conducting intensive project development and experiencing our strongest demand pressure to date has been a challenge. However, the greatest challenge has been not knowing how long the pandemic will affect us. Finally, a year later, we now know a little more. The vaccine has mitigated concerns over people's lives and health, while eased restrictions enable us, as a company, to again work where things really happen – among our customers, at our facilities. Our strong team's capacity for dealing with major and rapid change has also been confirmed, as has its ability to develop the operations in achieving this. I view this as a tremendous asset for Catena's future.

Helsingborg, October 2021
Jörgen Eriksson, CEO

Income and profit

Covid-19

The corona virus and the Covid-19 disease it causes caught the world off-guard in 2020, impacting public health, as well as economies and financial markets. For Catena, the corona virus brought more than pressures in everyday life, it also brought business opportunities.

Most of Catena's tenants have continued their favourable development more or less as previously. A large number have e-commerce operations and an estimated 1 million m² of Catena's total portfolio is leased by customers providing essential services and playing key roles in securing functioning goods flows.

The customer base includes a small number of tenants who have been more affected by Covid-19, primarily subcontractors to the restaurant and service sector, as well as event and activity operations.

During the period, Catena reached agreements to shift from quarterly to monthly payments for rental payments of about SEK 12.5 million. An additional SEK 2.8 million net in discounts related to Covid-19 have been provided, following government subsidies. All rent notifications subject to agreements have been paid as planned. Over the upcoming quarters, Catena expects continued liquidity relief of a corresponding scope.

Rental income

Rental income for the period increased by 10 percent to SEK 1,027.3 million (937.5), corresponding to SEK 660 per m² (660). Taking non-recurring effects into account, rental income increased by 10 percent. In comparable portfolios, rental income increased by 1 percent compared with the preceding period. The remaining increase in rental income derives from completed projects and the effect of transactions.

Income from contracts with terms of more than three years accounted for slightly more than 79 percent of Catena's total contracted annual rent. This entails stable income that does

not vary substantially between periods, except in connection with acquisitions, completed projects and sales. The average remaining lease period is slightly more than five years.

Duration of leases

Year of maturity	Number of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2021	47	1,457	0
2022	179	176,198	12
2023	77	123,532	9
2024	50	163,261	11
2025	48	195,783	13
2026	27	170,433	12
2027+	68	621,864	43
Total	496	1,452,528	100

Property expenses

Property expenses increased to SEK 206.0 million (184.4), corresponding to SEK 132 per m² (131). Planned maintenance has to some extent been postponed due to tenants having limited access to premises to limit the spread of Covid-19.

There are seasonal variations in the operation and maintenance of properties. Winters with much cold and snow entail higher costs for heating and snow removal. A hot summer can mean increased expenses for cooling. These variations, which have the greatest impact during the winter and summer months, are, to some extent, offset by a change in billed expenses to tenants. The winter of 2021 was colder than normal and high electricity prices have also affected profit.

Financial expenses

Financial expenses, excluding expenses for lease assets, amounted to SEK 181.2 million (178.6) for the period.

DHL rents 35,300 m² of warehouse and terminal space at Logistics Position Sunnanå, outside Malmö. The picture shows the air cargo warehouse that DHL brought into use in 2020, and the terminal building, which was the first built by Catena in the area.



Profit

Profit from property management during the period rose by SEK 68.4 million to SEK 610.9 million compared with the preceding year – an increase of 13 percent. The primary reason for the improved profit from property management is an increased operating surplus.

Profit for the period amounted to SEK 1,614.7 million, which was SEK 809.6 million higher than for the preceding year. The unrealised changes in value of properties amounted to SEK 1,259.9 million (480.0). The change in the value of derivatives was SEK 151.7 million (negative 4.6).

The unrealised changes in value are of an accounting nature and do not affect cash flow.

Related parties

This year's earnings include minor related-party transactions with Hansan AB and Evidens BLW AB.



Operating surplus, regions

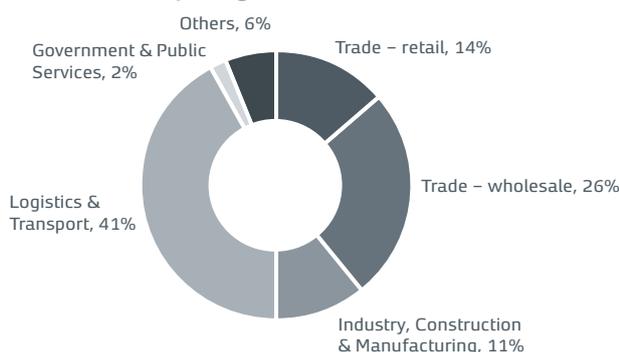
SEK M	2021, Jul-Sep	2020, Jul-Sep	2021, Jan-Sep	2020, Jan-Sep	Rolling 12-month	2020, Jan-Dec
Gothenburg	40.9	36.7	108.3	106.3	142.0	140.0
Helsingborg	50.4	43.5	153.3	126.2	198.0	170.9
Jönköping	20.3	21.3	61.5	59.3	79.0	76.8
Malmö	57.1	39.5	157.1	115.6	196.2	154.7
Stockholm	115.1	111.8	341.1	345.7	456.8	461.4
Total	283.8	252.8	821.3	753.1	1,072.0	1,003.8

Rental income, regions

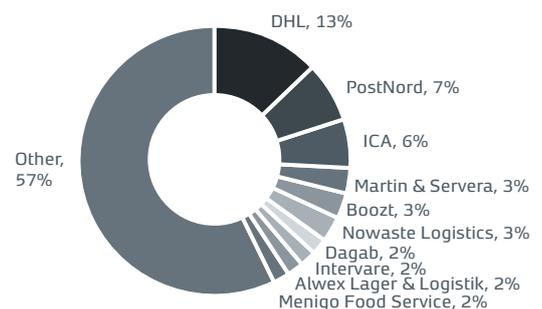
SEK M	2021, Jul-Sep		2020, Jul-Sep		2021, Jan-Sep		2020, Jan-Sep		Rolling 12-month		2020, Jan-Dec	
	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*
Gothenburg	48.0	3.3	43.1	2.4	129.7	7.9	124.0	6.7	171.0	10.2	165.3	9.0
Helsingborg	66.6	4.1	55.7	3.5	197.2	12.5	163.8	11.0	256.9	16.1	223.5	14.6
Jönköping	26.9	3.5	28.0	3.4	82.7	10.2	80.8	10.3	108.8	12.6	106.9	12.7
Malmö	75.5	12.5	54.6	10.7	209.4	33.9	158.5	29.8	268.0	43.9	217.1	39.8
Stockholm	137.5	8.5	133.8	8.8	408.3	28.5	410.4	30.2	549.0	41.4	551.1	43.1
Total	354.5	31.9	315.2	28.8	1,027.3	93.0	937.5	88.0	1,353.7	124.2	1,263.9	119.2

* Of which, re-invoiced expenses.

Tenants per segment, contracted rent



Ten largest tenants, contracted rent

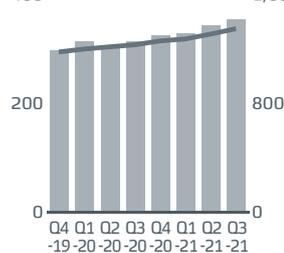


Statement of comprehensive income						
SEK M	2021, Jul-Sep	2020, Jul-Sep	2021, Jan-Sep	2020, Jan-Sep	Rolling 12-month	2020, Jan-Dec
Rental income	354.5	315.2	1,027.3	937.5	1,353.7	1,263.9
Property expenses	-70.7	-62.4	-206.0	-184.4	-281.7	-260.1
Net operating surplus	283.8	252.8	821.3	753.1	1,072.0	1,003.8
Central administration	-9.1	-7.0	-26.6	-24.0	-37.8	-35.2
Other operating income	0.6	1.7	1.1	2.3	2.5	3.7
Other operating expenses	-0.1	-0.2	-0.2	-1.7	-0.5	-2.0
Interest in profits from associated companies	-1.2	0.4	-2.6	-3.1	-3.9	-4.4
Financial income	0.9	0.6	6.5	1.9	6.7	2.1
Financial expenses	-60.7	-61.8	-181.2	-178.6	-242.1	-239.5
Financial expenses for right-of-use assets	-2.5	-2.5	-7.4	-7.4	-9.9	-9.9
Profit from property management	211.7	184.0	610.9	542.5	787.0	718.6
Realised changes in value of investment properties	-	-	-	-	8.0	8.0
Unrealised changes in value of investment properties	380.0	403.3	1,259.9	480.0	1,938.7	1,158.8
Changes in values of derivatives	41.6	19.3	151.7	-4.6	194.4	38.1
Profit before tax	633.3	606.6	2,022.5	1,017.9	2,928.1	1,923.5
Tax for the period/year	-121.2	-125.0	-407.8	-212.8	-591.4	-396.4
Profit for the year	512.1	481.6	1,614.7	805.1	2,336.7	1,527.1
Other comprehensive income						
Translation difference	4.0	1.0	7.6	0.3	-2.4	-9.7
Comprehensive income for the period/year	516.1	482.6	1,622.3	805.4	2,334.3	1,517.4
Comprehensive income for the period/year distributed among the Parent Company's shareholders	516.1	482.6	1,622.3	805.4	2,334.3	1,517.4
Key share data						
Shareholders' equity, SEK per share	246.78	182.46	246.78	182.46	246.78	201.34
Long-term net asset value EPRA NRV, per share, SEK	292.75	223.34	292.75	223.34	292.75	245.08
Profit for the period/year, SEK per share ¹⁾	12.42	12.77	40.25	21.36	59.13	40.51
Number of shares outstanding, millions	41.2	37.7	41.2	37.7	41.2	37.7

¹⁾ Prior to and after dilution

Rental income

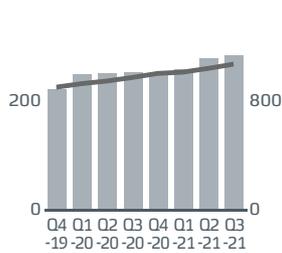
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400 1,600



■ Quarter
■ Rolling 12-month

Net operating surplus

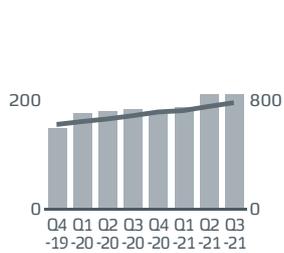
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■ Quarter
■ Rolling 12-month

Profit from property management

Q SEK M R12 SEK M
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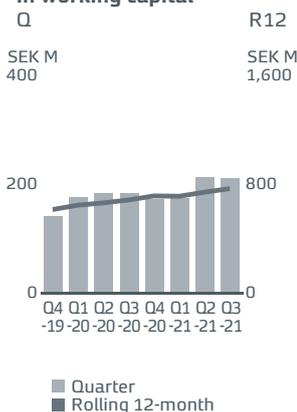
■ Quarter
■ Rolling 12-month

Financial position

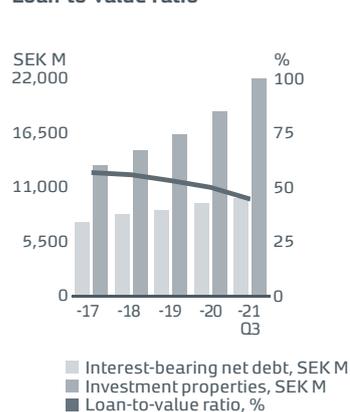
Cash flow			
SEK M	2021, Jan–Sep	2020, Jan–Sep	2020, Jan–Dec
Profit before tax	2,022.5	1,017.9	1,923.5
Adjustments for non-cash items	-1,411.6	-470.3	-1,197.0
Tax paid	-15.2	-5.8	-13.8
Cash flow before changes in working capital	595.7	541.8	712.7
Change in operating receivables	-33.1	1.7	-13.2
Change in operating liabilities	2.2	-161.1	44.8
Cash flow from operating activities	564.8	382.4	744.3
Acquisition of assets via subsidiaries	-534.2	-142.3	-172.4
Investments in investment properties	-627.9	-722.2	-969.1
Divestment of investment properties	–	–	157.0
Acquisitions of property, plant and equipment	-1.8	-0.1	-0.4
Disposals of property, plant and equipment	0.6	–	0.6
Change in financial assets	-96.8	-16.6	-16.6
Cash flow from investment operations	-1,260.1	-881.2	-1,000.9
New share issue	1,070.5	–	–
Change in loans	-48.4	1,183.6	781.7
Dividend paid	-154.6	-245.0	-245.0
Cash flow from financing operations	867.5	938.6	536.7
Cash flow for the period	172.2	439.8	280.1
Opening cash and cash equivalents	411.1	131.2	131.2
Exchange rate difference in cash and cash equivalents	0.2	0.1	-0.2
Closing cash and cash equivalents	583.5	571.1	411.1

Statement of financial position			
SEK M	2021, 30 Sep	2020, 30 Sep	2020, 31 Dec
Assets			
Fixed assets			
Goodwill	503.0	503.0	503.0
Investment properties	21,972.6	17,779.2	18,612.4
Tangible fixed assets	2.1	1.8	1.5
Right-of-use assets	334.5	334.5	334.5
Financial non-current assets	192.2	173.9	172.1
Deferred tax assets	46.3	86.2	75.0
Current assets			
Current receivables	421.6	269.4	289.0
Cash and cash equivalents	583.5	571.1	411.1
Total assets	24,055.8	19,719.1	20,398.6
Equity and liabilities			
Equity attributable to Parent Company shareholders	10,174.0	6,878.4	7,590.4
Non-current liabilities			
Interest-bearing liabilities	8,862.3	8,127.3	6,090.4
Deferred tax liability	2,253.1	1,744.9	1,884.0
Lease liability	332.0	332.0	332.0
Other non-current liabilities	192.5	389.8	347.4
Current liabilities			
Interest-bearing liabilities	1,552.9	1,835.7	3,644.6
Other current liabilities	689.0	411.0	509.8
Total equity and liabilities	24,055.8	19,719.1	20,398.6

Cash flow before change in working capital



Loan-to-value ratio



Change in equity

SEK M	2021, 30 Sep	2020, 30 Sep	2020, 31 Dec
Opening balance	7,590.4	6,318.0	6,318.0
Dividend paid to shareholders	-309.2	-245.0	-245.0
New share issue	1,270.5	–	–
Comprehensive income for the period/year attributable to Parent Company shareholders	1,622.3	805.4	1,517.4
Closing balance	10,174.0	6,878.4	7,590.4
Attributable to:			
Parent Company's shareholders	10,174.0	6,878.4	7,590.4

The property portfolio

Property portfolio

SEK M	Fair value	Number of properties
Property portfolio at beginning of year	18,612.4	113
Acquisitions*	1,436.5	12
Investments in existing properties	643.5	
Translation difference	20.3	
Unrealised changes in value	1,259.9	
Total investment properties	21,972.6	125

* Property value after deduction of deferred tax and transaction expenses.

Changes in the property portfolio

Over the period, Catena acquired 12 properties, five of which are situated in Denmark and seven in Sweden, with a combined value of SEK 1,436.5 million.

In addition, investments have been made in new construction, remodelling and extensions at existing properties for SEK 643.5 million. The period's largest investment in an existing property was made in Morgongåva outside Uppsala, where Catena is building a 38,000 m² logistics warehouse with Babyland as the tenant. The tenant is expected to move in during the first quarter of 2022.

Major new construction has also occurred in Åstorp outside Helsingborg, where Catena has built a 10,800 m² warehouse for refrigerated and frozen goods for Seafrigo Nordic, and in Luleå, where Catena is constructing a 4,500 m² warehouse for refrigerated and frozen goods for Kyl- och Frysexpressen Nord.

Major tenant adjustments have been made to properties including the Frukthallen 3 property in southern Stockholm and the Sköns Prästbord 2:4 property in Sundsvall.

Property valuation

Each quarter, Catena conducts internal valuations of all its investment properties and this is used to determine the fair

values recognised in the balance sheet. During the period, approximately 90 percent of the property portfolio was valued externally. The external valuations Catena obtains to assure the accuracy of its internal valuations show a decrease in the market's yield requirements.

Since all property valuations contain assessment factors with varying degrees of uncertainty, normally, a specific uncertainty interval is stated for the estimated values, this is estimated at +/-10 percent.

During the quarter, unrealised changes in value of Catena's properties have arisen as a result of a lower yield requirement, well-executed projects, good leasing work and property management and amounted to SEK 1,259.9 million over the period. This corresponds to 6.1 percent of the value before adjustment.

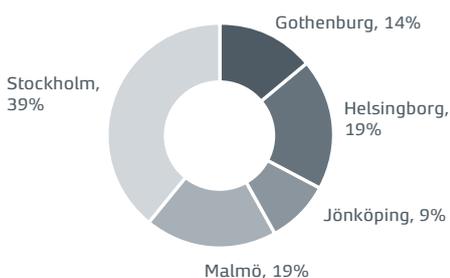
One of the parameters that significantly impact the value of a property is the yield requirement and its development. A change of +/-1 percent in the parameters below impacts the estimated fair value.

Sensitivity analysis

		Impact on value, SEK M	Loan-to-value ratio, %
Yield requirements	+1%	-3,543	53.4
	-1%	4,911	36.6
Assumed annual rent development	+1%	1,006	42.8
	-1%	-881	46.6

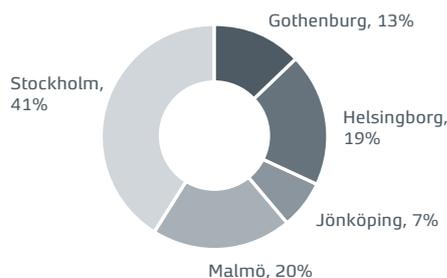
All of the Group's investment properties are assessed as being at level 3 in the valuation hierarchy. A detailed description of the valuation principles is available on pages 103–104 of Catena's 2020 Annual Report.

Rental value by region



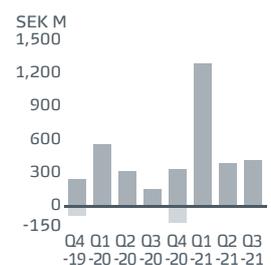
Total: SEK 1,513.9 million

Property value by region



Total: SEK 21,972.6 million

Investments and disposals



■ Investments
■ Disposals

Properties by region

Regions	Number of properties	Lettable area, thousand m ²	Fair value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contractual annual rent, SEK M	Surplus ratio, %
Gothenburg	18	297.1	2,934.2	210.3	95	199.5	84
Helsingborg	25	460.8	4,243.4	286.0	97	277.5	78
Jönköping	12	228.2	1,410.4	129.4	96	124.0	74
Malmö	24	345.8	4,437.4	292.7	98	285.7	75
Stockholm	46	789.1	8,947.2	595.5	95	565.8	84
Total	125	2,121.0	21,972.6	1,513.9	96	1,452.5	80

Property acquisition

Property designation	Transfer date	Region	Municipality	Space, m ²	Property value, SEK M *	Rental income/year, SEK M
Åre 92	1 Feb 2021	Gothenburg	Borås	38,293	272.0	17.4
Morgongåva 15:33	1 Mar 2021	Stockholm	Heby	land	31.6	0.0
Hammerholmen 47–49	1 Mar 2021	Malmö	Hvidovre, DK	16,489	218.0	11.5
Kokbjerg 15	1 Mar 2021	Malmö	Kolding, DK	15,327	201.1	10.7
Norddigesvej 3	1 Mar 2021	Malmö	Risskov, DK	4,497	42.8	2.7
Bavnevej 13	1 Mar 2021	Malmö	Vamdrup, DK	26,752	192.9	10.5
Kokmose 2–6	1 Mar 2021	Malmö	Kolding, DK	10,686	78.5	4.8
Hevea 3	1 Mar 2021	Gothenburg	Borås	19,519	75.7	7.4
Björrod 1:208	12 Apr 2021	Gothenburg	Härryda	7,550	79.0	4.9
Kärra 1:9	20 Apr 2021	Helsingborg	Ängelholm	land	21.4	0.0
Part of Broby 4:32 and 57:1	2 Jul 2021	Helsingborg	Åstorp	land	5.0	0.0
Glasblåsaren 14	31 Aug 2021	Stockholm	Linköping	9,640	206.0	11.3
Total				148,753	1,424.0	81.2

* Acquisition of Danish properties at a preliminary exchange rate.

Sustainable properties

Catena works to create sustainable properties by considering the entire life cycle of the building. Implementing energy efficiency projects and environmental certifications, as well as tightening requirements on the materials used in projects, safeguards energy-efficient operation of Catena's buildings while maintaining a healthy indoor environment. The operations endeavour actively to increase their knowledge on the emissions incurred during construction projects and on solutions to reduce these.

All of Catena's new buildings meet Miljöbyggnad Silver environmental certification as a minimum and, during 2021, an additional seven buildings were certified. A total of 266,500 m² of Catena's portfolio has been certified, corresponding to 13 percent of the total lettable area. The certifica-

tion process is in progress for another eight buildings with a total area of 137,700 m².

During the third quarter of 2021, four new photovoltaic systems were installed and put into operation. Along with the facilities already installed on Catena's roofs, these are estimated to achieve a peak output of about 6,400 kWp.

Active property management

Catena's property management operations are adapted to the properties' geographic locations in five regions – Gothenburg, Helsingborg, Jönköping, Malmö and Stockholm. This customer-oriented business structure affords Catena considerable opportunities to manage its growing portfolio and develop the operations over both the short and long term.



Regional Manager, Gothenburg and Jönköping
Jonas Arvidsson, phone +46 (0)73-070 22 60
jonas.arvidsson@catenafastigheter.se



Regional Manager, Malmö
Fredrik Renå, phone +46 (0)72-743 45 44
fredrik.rena@catenafastigheter.se



Regional Manager, Helsingborg
Göran Jönsson, phone +46 (0)42-449 22 66
goran.jonsson@catenafastigheter.se



Regional Manager, Stockholm
Tobias Karlsson, phone +46 (0)73-070 22 36
tobias.karlsson@catenafastigheter.se

Projects

Project portfolio

Catena has the ambitious objective to grow by investing in projects, partly by refining the existing properties, but above all by developing the company's potential land reserves of approximately 5 million m². On the balance sheet date, the project portfolio included remaining investments of SEK 608 million, including major projects, new construction and tenant adaptations to existing properties alike.

Stockholm Syd

Half an hour west of central Stockholm, along the E20 motorway and directly adjacent to the E4 motorway, the new Stockholm South logistics position is emerging. The area covers a total 1,000 hectares with several property owners and will, in addition to logistics, also house industry and offices. In addition to good road connections, the site is also close to the Port of Södertälje, Skavsta Airport and the main rail line between Stockholm and the south of Sweden. This makes the site ideal

for optimal delivery efficiency in Greater Stockholm, facilitating co-transport of goods from the terminals being built in the area. With good planning and a good location, we believe that total road transport distances can be reduced, with goods being transported shorter distances and trucks being loaded closer to capacity.

Catena has now begun working on its 450,000 m² area of land on which we estimate we can build on about half. According to the schedule set, earthworks and terracing of the area will begin in 2022, and we hope to commence construction in 2023. The area will be subject to strict demands regarding environmental impact. The objective is to operate the logistics facilities almost self-sufficiently in terms of energy and with net zero greenhouse gas emissions. Strict demands will also be imposed regarding the design of the area in meeting Catena's ambitious objective of being net positive in terms of biodiversity. All buildings are to be environmentally certified.



Artist's impression of Catena's part of Stockholm Syd.

Major projects during the quarter ¹

Project	Property	Municipality	Lettable space, m ²	Assessed net operating surplus SEK M	Estimated investment, SEK M	Degree of completion by Q3 2021, SEK M	Letting ratio on the balance sheet date, %	Completed ²
<i>Major new construction and extension projects in progress</i>								
Seafrigo Nordic	Part of Broby 57:1	Åstorp	10,800	9.0	147	163	100	1 Jul 2021
Morgongåva	Morgongåva 15:33	Heby	38,000	17.8	300	198	100	Q1 2022
Kyl och Frys-expressen Nord	Storheden 2:1	Luleå	4,500	4.9	75	56	100	Q4 2021
PostNord	Bunkagården Mellersta 1	Helsingborg	16,478	7.8	132	23	100	Q4 2022
Warehouse, Tostarp	Plantehuset 3	Helsingborg	15,000	8.3	124	13	0	Q3 2022
Total, ongoing major projects			84,778	47.8	778	453		

¹ In addition to the larger projects reported in the table, minor projects and adaptations for tenants also occur.

² Catena considers a project to have been completed when receiving a certificate of completion and/or when the tenant makes its first rent payment.



Adaptern 1, Norrköping.

Tenant adaptation in Norrköping

A major tenant adaptation of the Adaptern 1 property in Norrköping will commence when the current tenant moves out and ICA Group moves its warehousing operations for Apotek Hjärtat in. ICA, Catena's third-largest tenant, leases slightly more than 124,000 m² distributed between six properties once they move into their new premises. The conversion covers almost 14,000 m² and Catena will adapt the building to meet Apotek Hjärtat's need for premises able to handle a large number of different high-turnover products.

New construction in Morgongåva

In the Morgongåva business park, just west of Uppsala, Catena acquired a 38,000 m² e-commerce warehouse in 2018 with online pharmacy Apotea as the tenant. The area has become

a hub for e-commerce logistics with a clear environmental profile. Catena is currently constructing another 38,000 m² warehouse building at the site. The tenant, Babyland, will operate its e-commerce facility there.

The building will have three floors. The entrance and technical areas will be located in the semi-basement, the warehouse floor with its 11.5 metre-high ceilings and a mezzanine with offices and additional warehousing and logistics spaces. The building will have geothermal heating and a photovoltaic cell system with an output of 2 MW will be installed on the roof. The facility will be environmentally certified in accordance with the Miljöbyggnad Silver standard, with its strict requirements in terms of energy, the indoor environment and choice of materials. Babyland has signed a 12-year lease and is expected to move in during the first quarter of 2022.



Morgongåva, with Apotea on the left and the new construction in progress on the right.

Sustainability

Catena's sustainability activities

Sustainability is a prioritised area and a strategic horizon from which Catena operates. The sustainability work is based on three focus areas: Sustainable logistics and community development, Sustainable properties, and Responsible and attractive employers. What Catena delivers should be sustainable over time. The Company's objectives state, for example, that all newly built properties must be environmentally certified, energy consumption must be reduced and the Company shall work to enhance equality and diversity in all occupational groups. Catena's sustainability work is conducted within the framework of Agenda 2030, the Company is a member of the UN Global Compact and the Company's climate goals are approved by SBTi.

Prominent efforts during the quarter

In the light of the thorough internal process for assessing climate risks conducted by Catena to report in-line with the Task Force on Climate-related Financial Disclosures (TCFD) and as part of preparing for the EU taxonomy, we have set new sustainability targets applicable from 1 January 2022:

- Net-zero greenhouse gas emissions by 2030.
- The entire portfolio must be net-positive in terms of bio-diversity by 2030.
- 100 percent of the Group's lettable area must be environmentally certified by 2030.
- Certified as a Great Place to Work with the ambition of achieving a Trust Index of 85 percent by 2025 (the industry average in Sweden is 82 percent).



- Exert a positive influence on our business partners and our environment by participating in societal development.

The work of mapping and analysing climate risks is ongoing, in accordance with TCFD's recommendations. The results of our workshops have been published on catenafastigheter.se. We continue to work with methods and strategies to develop our climate risk management.

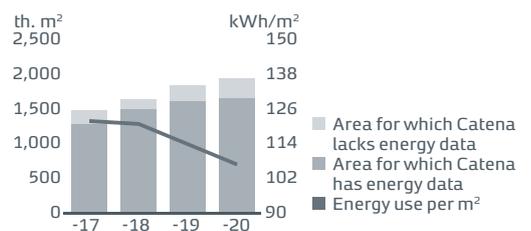
Catena was certified as a Great Place to Work on its first attempt. The certification is based on Great Place to Work's international standard for workplace assessment, in which all of the employees participate in a thorough examination of the workplace culture. Naturally, we will be continuing our ongoing efforts to improve and develop Catena as a workplace.

Energy intensity

kWh/m ²	2021, Jan-Sep	2020, Jan-Dec	2019, Jan-Dec	2018, Jan-Dec	2017, Jan-Dec
Electricity *	55	70	75	78	79
Fuel, normal year-corrected	8	10	31	46	57
District heating, normal year corrected	30	44	43	44	42
Total energy intensity	84	107	114	121	122

* Electricity consumption includes both electricity consumed in our properties and electricity consumed in our own business operations.

Energy intensity, 2017-2020



Greenhouse gas emissions (market-based)

Tonnes CO ₂ e	2021, Jan-Sep	2020, Jan-Dec	2019, Jan-Dec	2018, Jan-Dec
Scope 1	76	67	637	1,195
Scope 2	811	1,201	1,199	1,163
Scope 3	4,368	7,233	7,168	6,411
Total emissions	5,255	8,501	9,004	8,769

The table only shows emissions that have arisen in connection with energy consumption at Catena's properties.

Other sustainability key figures

	2021, 30 Sep	2020, 31 Dec	2019, 31 Dec
Photovoltaic cell facilities installed	19	13	6
Peak power of photovoltaic cells (kWp)	6,400	4,335	2,771
Miljöbyggnad certification, m ²	266,469	120,500	0
Miljöbyggnad certification, % of total area	13	6	0



Head of Environment and Certification
Anna Wallander, phone +46 (0)72-510 03 00
anna.wallander@catenafastigheter.se



Sustainability Controller
Amanda Thynell, phone +46 (0)72-510 03 01
amanda.thynell@catenafastigheter.se

Market outlook

In late September, many developed countries, including Sweden and Denmark, began easing their restrictions. In many respects, the economic recovery has been surprisingly strong, confirmed by a number of positive micro-indicators. A complex combination of pandemic and pent-up demand, supply constraints due to labour shortages and closed ports, a far-reaching expansionary monetary policy and a rapid transition towards more electrified products have caused upward price pressures, particularly on freight, energy, food and raw materials. Amidst this combination of events, the world also faces a climate crisis requiring immediate action. It is both rational and positive to realign business models to save the planet. At the same time, we must prepare for the eventuality that a shift from economic optimisation to sustainable optimisation, for example, may fuel inflation.

From Catena's perspective, the logistics challenges have helped highlight the importance of secure and efficient supply chains. Increasingly, older supply models based on "just-in-time" are being replaced by "just-in-case". This transition, combined with growing digital trade, is driving demand for appropriate premises for management of goods flows. In the second quarter of 2021, Sweden registered e-commerce growth of 16 percent and the share of e-commerce in relation to total trade also amounted to about 16 percent (Postnord). Forecasts indicate that by 2025, e-commerce in Sweden may exceed 25 percent of total trade.

Closest to city centres, there are usually older stocks of logistics properties that are far from being able to meet the requirements of customers, authorities and society in terms of the functionality and efficiency of modern logistics buildings. Digital trade has helped change what traditional logistics properties look like. Besides generally having grown larger, progressing from product storage to product flow, properties have been situated increasingly close to the population. Requirements in terms of favourable infrastructure are also more crucial than ever. At the same time, we see that the supply of zoned industrial land in favourable locations is limited, with several factors suggesting that this situation will persist. To meet the considerable demand from customers and society,



innovative efforts will be required, as well as an interaction with political initiatives. Next year, newly built logistics space is expected to amount to 1.2 million m², a figure that has averaged around 600 thousand m² over the past five years (Dagens logistik). Overall, we feel that demand will exceed the supply of newly developed premises for a long time to come.

In the capital market, activity was at a high level and the supply of capital has generally been very good. We expect substantial continued interest from investors to allocate capital to logistics properties, exerting pressure on return requirements. Central banks do their best to navigate without a compass. The US Federal Reserve has clarified its ambitions to start easing its balance sheet – together with inflation expectations, this partly explains why long-term interest rates have begun to move upwards. Catena is monitoring developments with great interest and we feel secure with the current market situation.

Quarterly overview

	2021, Q3	2021, Q2	2021, Q1	2020, Q4	2020, Q3	2020, Q2	2020, Q1	2019, Q4
Rental income, SEK M	354.5	343.4	329.4	326.4	315.2	307.2	315.1	297.8
Net operating surplus, SEK M	283.8	278.8	258.7	250.7	252.8	251.2	249.1	220.9
Surplus ratio, %	80.1	81.2	78.5	76.8	80.2	81.8	79.1	74.2
Economic letting ratio, %	95.9	94.9	93.9	96.2	96.1	95.9	95.4	95.0
Profit from property management, SEK M	211.7	211.4	187.8	176.1	184.0	181.1	177.4	148.8
Profit for the period, SEK M	512.1	346.2	756.4	722.0	481.6	179.7	143.8	372.0
Return on equity, %	5.2	3.6	8.8	10.0	7.3	2.8	2.3	6.1
Equity ratio, %	42.3	41.5	41.1	37.2	34.9	34.0	35.1	35.6
Share price at end of period, SEK	474.00	458.20	385.00	385.00	397.50	367.00	289.50	413.50
Cash flow before change in working capital per share, SEK	5.09	5.16	4.57	4.53	4.86	4.84	4.67	3.75
Earnings per share, SEK	12.42	8.40	19.95	19.15	12.77	4.77	3.81	9.87
Long-term net asset value EPRA NRV, per share, SEK	292.75	278.40	276.29	245.08	223.34	207.79	208.16	202.87

Financing

Capital and interest maturity

Year	SEK M	Debt maturity		Interest maturity, including derivatives		
		Share, %	Interest, including margin, %	SEK M	Share, %	Interest, including margin, %*
0–1	1,494.7	14.4	1.3	3,990.2	38.4	1.4
1–2	4,421.6	42.5	1.1	908.0	8.7	2.9
2–3	2,219.8	21.3	1.2	0.0	0.0	0.0
3–4	1,400.0	13.4	1.4	1,856.2	17.8	2.5
4–5	178.0	1.7	1.0	1,127.8	10.8	2.5
5–	701.1	6.7	1.0	2,533.0	24.3	2.2
Total	10,415.2	100.0	1.2	10,415.2	100.0	2.1

* The margin is evenly distributed across the maturity structure of variable rate loans as an effect of the swap portfolio.

Developing, owning and managing logistics properties requires good access to capital. The combination of well-diversified financing with an attractive property portfolio generating strong cash flow makes room for continued controlled growth under favourable conditions. Catena makes ongoing efforts to secure an appropriate capital structure and return profile that are governed by a financial policy approved by the Board of Directors.

Governance

Catena manages its financial position by following up selected key figures that in various ways contribute to managing financial risks such as interest rate risk, refinancing risk, liquidity risk and currency risk. Additional information about financial risks are provided on pages 49–51 and in Note 20 in Catena's 2020 Annual Report.

Interest-bearing liabilities and loan-to-value ratio

Excluding commercial papers, Catena has raised SEK 4,900.5 million in new interest-bearing liabilities while redeeming/amortising SEK 4,642.8 million. Net borrowing increased by SEK 680.2 million. During the third quarter, borrowing increased by SEK 222.5 million. At the end of the period, interest-bearing liabilities amounted to SEK 10,415.2 million (9,963.0), of which 21 percent is characterised as green financing, SEK 1,400 million of which is included in Catena's green financing framework and SEK 786.8 million of which comprises secured green loans. Catena's goal is to achieve a 50-percent share of green funding by 2025. Since May this year, Catena

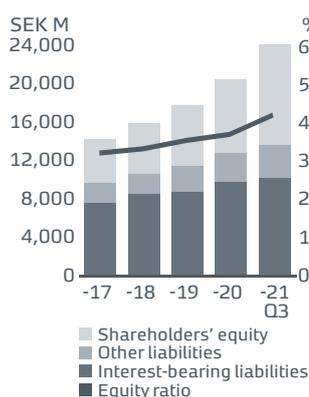
AB has held a credit rating corresponding to the BBB- rating from Nordic Credit Rating (NCR) with a stable outlook, a level corresponding to Investment grade status. The loan-to-value ratio, expressed as interest-bearing liabilities less cash and cash equivalents in relation to Catena's property value, amounted to 44.7 percent (52.8). At the same time, the secured loan-to-value ratio was 36.4 percent. At the time, cash and cash equivalents amounted to SEK 583.5 million and confirmed and unutilised credit commitments from banks amounted to SEK 2,100 million. Combined, the interest-bearing liabilities' weighted average debt maturity was 3.2 years (2.2) and, over the next year, approximately 14 percent (18) of the portfolio will be refinanced under current agreements.

Financial position – a compilation

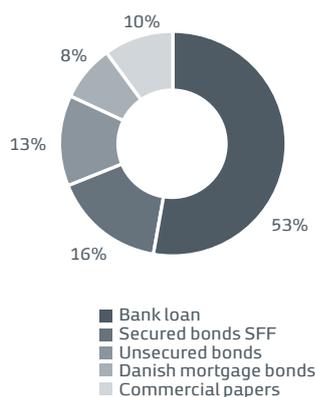
	2021, 30 Sep	Finance- policy	2021, 30 Jun
Interest-bearing liabilities, SEK M	10,415.2		10,192.7
Proportion green financing, %	21.0	>50 *	13.7
Equity ratio, %	42.3	>40	41.5
Interest-coverage ratio, multiple	4.4	>2.0	4.3
Average debt maturity, years	3.2	>2.5	3.3
Number of credit providers	11	>7	11
Loan-to-value ratio, %	44.7	<50	45.1
Average interest maturity, years	3.0		3.0
Interest rate hedging ratio, %	66.5		71.3
Average interest rate, %	2.1		2.3
Cash and unutilised credit, SEK M	2,683.5		2,736.8

* Target for 2025.

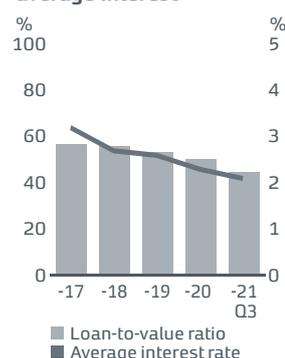
Capital structure



Sources of financing



Loan-to-value ratio and average interest



Bank financing

Traditional and bilateral credit agreements with banks constitute Catena's main source of financing, and on the balance sheet date these were distributed between 7 (7) different banks.

Bond financing

During the second quarter, Catena established its own senior unsecured MTN programme with a total framework of SEK 5 billion and, through this, issued its first bonds for a total SEK 1,400 million, divided between an FRN loan of SEK 950 million and a fixed-interest loan of SEK 450 million. The bonds are classified as green and are listed on the Stockholm Nasdaq exchange.

Catena also has an indirect opportunity to borrow secured capital market financing through Svensk FastighetsFinansiering (SFF), which is owned equally by Catena, Diös, Fabege, Platzer and Wihlborgs. On the balance sheet date, the outstanding volume was SEK 1,706 million. The MTN programme amounts in its entirety to SEK 12 billion. SFF holds a credit rating equivalent to BBB+ from NCR. More about SFF can be found at Svenskfastighetsfinansiering.se

Commercial paper financing

Catena has a commercial paper programme with a limit of SEK 2 billion. Papers within the programme have a maturity of at most one year. The programme is arranged by Swedbank AB, which also functions as an issuing institute alongside Danske Bank and Nordea. To manage the refinancing risk, the programme has secured backup facilities. On the balance sheet date, the outstanding volume was nominally SEK 1,020 million, which is within the scope of the unutilised lines of credit from banks.

Danish mortgage bonds

Through the Danish mortgage credit system, Catena had, on the balance sheet date, borrowed SEK 800.4 million (260.8), primarily as loans for the Danish portfolio, and corresponding to 8 percent of Catena's total interest-bearing liabilities.

Interest expenses and sensitivity

On the balance sheet date, the average interest rate, including the cost of derivatives and unutilised lines of credit, was 2.1 percent (2.4). The lower average interest rate is mainly due to interest rate swaps that have matured and been replaced, and to lower borrowing costs.

If the market interest rate defined as Stibor 3-month increases by one percentage point, all else being equal, the interest expenses increase by around SEK 21 million. If the market interest rate falls by one percentage point, the interest expenses increase by about SEK 26 million.

An explanation of the effect of the sensitivity is in part that the majority of the Group's loans are encumbered by interest-rate floors that limit the interest changes on the downside by the market rate not being able to be negative at the same time that the cost of the outstanding and purchased interest derivatives can increase by negative market interest rates.

Interest-rate risk management

Interest expenses are a significant part of Catena's earnings. They are mainly affected by changes in the market interest rate, but also by changing rules and conditions in the credit market, which can, in turn, alter credit margins.

To limit the Group's interest-rate risk, Catena mainly uses fixed-rate loans and interest-rate derivatives to spread fixed-rate maturities over time. On the balance sheet date, the carrying amount of the interest rate derivatives was a negative SEK 191.3 million (385.7) and the change in value impacted the income statement positively by SEK 151.7 million (negatively 4.6). The change in value of the derivatives does not affect cash flow and, on reaching maturity, the value of derivatives is always zero. Fixed-rate loans are valued at nominal value.

At the end of the period, fixed-rate loans, excluding commercial papers, amounted to SEK 1,559.1 million (566.2) and the nominal volume of outstanding interest rate swaps purchased amounted to SEK 5,365.9 million (5,716.4). Combined, they comprised an interest-rate hedge of 66 percent (63) of the total loan portfolio. At the end of the period, about 38 percent (45) of the portfolio had an interest maturity of less than one year and the weighted average interest maturity for the entire loan portfolio, including derivatives, was 3.0 years (3.1).



Chief Treasury Officer

David Silvesjö, telephone +46 (0)42-449 22 22
david.silvesjo@catenafastigheter.se

In Nässjö, Catena owns two warehouse buildings with a total 39,700 m² of space. The buildings are located along the main rail line between Stockholm and the south of Sweden, with the combi terminal as its nearest neighbour.



Important events



Catena acquires additional land in Morgongåva – investing SEK 300 million in new construction for Babyland

14 Jan 2021

Catena is investing an additional SEK 300 million in the Morgongåva business park after today signing an agreement with Morgongåva Företagspark regarding new construction of an additional e-commerce facility in the area.

Catena expands further in Denmark and issues new shares

22 Feb 2021

Catena is acquiring six logistics properties for a combined property value of approximately SEK 815 million following deductions for deferred taxes. The purchase consideration will be paid in part through newly issued shares in Catena.

Catena gains possession of property portfolio and implements private placement

1 Mar 2021

In accordance with the company's previous press release of 22 February 2021, Catena has now gained possession of six logistics properties valued at SEK 815 million with of deferred taxes having been deducted. Under the authorisation given to the Board of Directors by the 2020 Annual General Meeting, 527,911 new shares in Catena will now be issued.

Nomination Committee's proposal to the Board of Directors of Catena AB

11 Mar 2021

In preparation for the Annual General Meeting of Catena AB (publ) on 29 April 2021, the Company's Nomination Committee announces its proposal regarding Chairman of the Board and other Board members.

Catena announces an increase in the number of shares and votes

31 Mar 2021

In accordance with previously published information, the number of shares and votes in Catena AB (publ) has increased.

Catena intends to carry out a directed share issue

31 Mar 2021

Catena AB (publ) intends to carry out a directed issue of up to 3 million new shares (the "Share Issue"), to Swedish and international institutional investors, through an accelerated book building procedure and has appointed ABG Sundal Collier and Kempen & Co as Joint Bookrunners in connection with the Share Issue.

Catena is implementing a private placement, raising an additional SEK 1,080 million

31 Mar 2021

As authorised by the Annual General Meeting on 29 April 2020, the Board of Directors of Catena AB (publ) has decided to implement a cash private placement of 3 million shares at a subscription price of SEK 360 per share.



Catena updates its financial targets

9 Apr 2021

Catena's financial targets and guidelines bring stability to the company's business model and contribute to strengthening the company's financial position. By updating the company's finance policy, additional conditions for continued growth are created.

Catena announces an increase in the number of shares and votes

30 Apr 2021

In accordance with previously published information, the number of shares and votes in Catena AB (publ) has increased.

Catena secures BBB- credit rating from Nordic Credit Rating

3 May 2021

Logistics property company Catena has been awarded an "investment grade" credit rating of BBB- with stable prospects from credit rating agency Nordic Credit Rating (NCR).

Catena AB publishes prospectus for MTN programme of SEK 5 billion and launches green framework

31 May 2021

Catena has established an MTN programme (Medium Term Notes) for borrowing on the capital market with a framework amount of SEK 5 billion. In connection with this, Catena is also launching a green framework.

Catena has successfully issued its first green bond

9 Jun 2021

Within the framework of the MTN programme established in May 2021, Catena has issued senior unsecured green bond loans of SEK 1.4 billion in total with a maturity of four years.



Catena acquires logistics property in Linköping for SEK 206 million

7 Jul 2021

Catena acquires a modern and efficient logistics property in Linköping. The tenant at the property is food company Scan Sweden. The acquisition of the Glasblåsaren 14 property will be conducted as a corporate transaction at an underlying property value of SEK 206 million following deductions for deferred tax. The property, which was constructed in 2009, stands on a plot of land of approximately 22,000 m² and has lettable space of 9,640 m². Most of the space comprises a cold storage warehouse, and 2,180 m² comprises a high-bay warehouse with a ceiling height of 20 metres. The estimated net operating surplus amounts to SEK 10.7 million and the property is fully let with a remaining lease term of 12 years. The geographical location alongside the major transport and cargo route between Malmö, Gothenburg and the Greater Stockholm area makes this an excellent logistics location. Catena will take possession of the property on 31 August. The detailed development (zoning) plan allows for future construction on the property.

Management change at Catena

30 Aug 2021

Catena appoints David Silvesjö as Chief Treasury Officer and Malin Nissen as Head of Business Support, both becoming members of Catena’s management team. David Silvesjö has been employed by Catena since 2018, most recently as Finance Controller/IR, and his background before joining Catena had an emphasis on financing from various positions in both the property sector and the banking/investment banking sector. He succeeds Peter Andersson, who will take on a role as Senior Advisor at Catena. Malin Nissen has been employed by Catena since 2020 in the role of HR Manager, before which she had a background as a consultant in the area of HR, as well as in various managerial positions in public operations. Her new role as Head of Business Support encompasses the Group-wide HR, communications and sustainability functions. The role has been part of Catena’s management team since 2020, with Deputy CEO/CFO Sofie Bennsten shouldering temporary responsibility for the role since its inception. Once these management changes have been implemented at the end of August/beginning of September 2021, Catena’s management team will comprise the following individuals and positions: Jörgen Eriksson, CEO; Sofie Bennsten, Deputy CEO/CFO; David Silvesjö, Chief Treasury Officer and Malin Nissen Head of Business Support.

EVENTS AFTER THE END OF THE PERIOD

Catena has been certified by Great Place to Work

4 Oct 2021

Catena has, for the first time, been certified by Great Place to Work – demonstrating that the company’s employees perceive Catena as an excellent workplace. The certification is

based on Great Place to Work’s international standard for workplace assessment, in which all of the employees share their personal experience of their workplace through a thorough examination of the workplace culture.

Catena has won a land allocation competition together with Nowaste Logistics

20 Oct 2021

Catena and Nowaste Logistics have been allocated all of the land at the Välluv industrial site in Helsingborg. Efficient, sustainable logistics facilities focusing on innovative solutions will be built at the site, which covers approximately 160,000 m².

Catena’s Nomination Committee in preparation for the 2022 Annual General Meeting

27 October 2021

Catena’s Annual General Meeting on 29 April 2021 decided to appoint a Nomination Committee consisting of representatives of the four largest shareholders and the Chairman. If any one of the four largest shareholders declines to appoint a representative, the Chairman shall urge the next-largest shareholder to appoint a shareholder representative. In accordance with the decision, the members of the Nomination Committee and the shareholders they represent shall be announced as soon as they have been appointed. The Nomination Committee now has the following composition: chairman Anders Nelson appointed by Backahill Inter AB, Benjamin Woesthoff appointed by PGGM Investments, Johannes Wingborg appointed by Länsförsäkringar Fondförvaltning AB and Gustaf Hermelin, Chairman of the Board, appointed by SFU Sverige AB.



In Åstorp, alongside the E4 motorway and in close proximity to the E6 motorway, Catena has recently constructed a 10,100 m² warehouse for chilled and frozen goods, that Seafrigo moved into during the summer.

Shares and shareholders

The share

As per the closing date, the Catena share was registered on the Nasdaq Stockholm Nordic Large Cap list. The closing price on 30 September 2021 was SEK 474.00, against the closing price of SEK 385.00 on 30 December 2020, meaning that the share price had risen by 23 percent over the period. During the period, the highest price noted for the Catena share was SEK 576.00 and the lowest was SEK 363.00. Since the autumn of 2017, Catena's share has been included in the international property index EPRA.

During the period, Catena completed two new share issues. In connection with the acquisition of five properties in Denmark and one in Borås, Sweden on 1 March from Danish company H5 Properties A/S, a private placement of 527,911 new shares was implemented at a subscription price of SEK 379 per share, which was used as partial payment for the acquisition. The new share issue was approved by Catena's Board of Directors, supported by the authorisation granted to the Board of Directors by the 2020 Annual General Meeting.

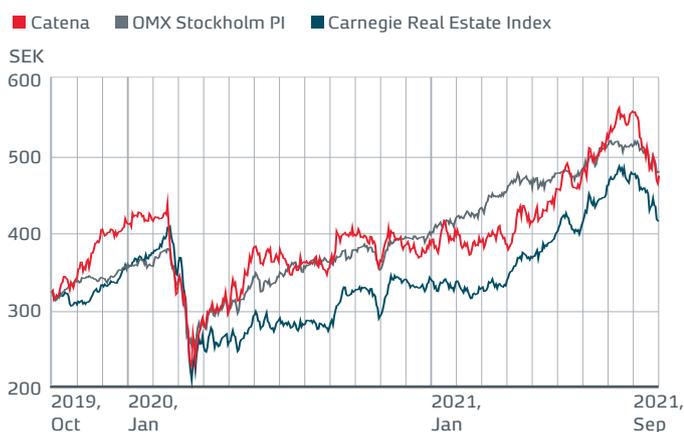
On 31 March, another private placement was implemented, raising SEK 1,080 million for the Company. As authorised by the 2020 Annual General Meeting, Catena decided to conduct a private placement of 3,000,000 shares for cash. The subscription price for the private placement, SEK 360 per share, was determined through an accelerated book building procedure and corresponded to a discount of 6.5 percent against the closing price on 31 March. The private placement was aimed at a large number of Swedish and international institutional investors and the proceeds will be used for continued growth through investments in project development and acquisitions, as well as for maintaining a stable capital structure.

As at 30 September 2021, Catena had 16,292 registered shareholders, with the number of shares amounting to 41,226,764.

Dividend policy

In the long term, Catena's dividends shall amount to at least 50 percent of profit from property management less standard rate tax.

Share price trend, 1 October 2019 – 30 September 2021



Ownership structure at 30 September 2021, major shareholders

	No. of shares, 000s	Votes, %
Backahill	11,221	27.2
PGGM Investments	3,619	8.8
Länsförsäkringar Fonder	2,646	6.4
Gustaf Hermelin	1,310	3.2
Fjärde AP-Fonden (AP4)	1,178	2.9
Vanguard	1,078	2.6
SEB Fonder	957	2.3
BlackRock	604	1.5
Norges Bank	577	1.4
Cohen & Steers	565	1.3
H5 Properties A/S	528	1.3
AFA Försäkring	528	1.3
Aberdeen Standard Investments	455	1.1
ODIN Fonder	452	1.1
Other shareholders	15,509	37.6
Total	41,227	100.0

Financial reporting

22 February 2022	Year-end Report 2021
28 April 2022	2022 Annual General Meeting
28 April 2022	Interim report January–March 2022

A webcast presentation of Catena's interim report for the third quarter of 2021 will take place on 28 October at 10.00 a.m. CET – see instructions for participation on Catena's website. Up-to-date financial information is always available in both Swedish and English on Catena's website.



CEO

Jörgen Eriksson, telephone +46 (0)42–449 22 42
jorgen.eriksson@catenafastigheter.se



Deputy CEO, CFO

Sofie Bennsten, telephone +46 (0)42–449 22 41
sofie.bennsten@catenafastigheter.se



Chief Treasury Officer

David Silvesjö, telephone +46 (0)42–449 22 22
david.silvesjo@catenafastigheter.se

Current earnings capacity

Current earnings capacity								
SEK M	2021, 30 Sep	2021, 30 Jun	2021, 31 Mar	2020, 31 Dec	2020, 30 Sep	2020, 30 Jun	2020, 31 March	2019, 31 Dec
Rental income	1,429.1	1,407.4	1,382.6	1,314.8	1,312.6	1,285.8	1,245.9	1,208.9
Property expenses	-312.0	-307.2	-302.0	-300.2	-299.8	-293.7	-284.5	-276.0
Net operating surplus	1,117.1	1,100.2	1,080.6	1,014.6	1,012.8	992.1	961.4	932.9
Central administration	-36.5	-36.5	-36.5	-36.5	-36.4	-36.4	-36.4	-36.4
Interest in profits from associated companies	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0
Net financial items	-213.9	-229.9	-236.3	-226.0	-235.5	-235.6	-221.9	-223.4
Ground rent	-9.9	-9.9	-9.9	-9.9	-9.8	-9.8	-9.8	-9.8
Profit from property management	851.8	818.9	792.9	737.2	726.1	705.3	688.3	658.3
Tax for the period	-175.4	-168.7	-163.3	-151.9	-155.4	-150.9	-147.3	-140.9
Profit for the period	676.4	650.2	629.6	585.3	570.7	554.4	541.0	517.4
Key share data								
Profit for the period/year, SEK per share	16.4	15.8	15.3	15.5	15.1	14.7	14.4	13.7
Number of shares outstanding, millions	41.2	41.2	41.2	37.7	37.7	37.7	37.7	37.7

In the table, Catena presents its earnings capacity on a 12-month basis. As the table is not equivalent to a forecast, but is intended to reflect a normal year, actual outcomes may differ because of decisions that affect the outcome positively as well as negatively in relation to normal years, like unforeseen events. The presented earnings capacity does not include any assessment of changes in rent, vacancy or interest rate. Catena's income statement is also affected by changes in value and changes in the property portfolio as well as changes in the

value of derivative instruments. None of this has been taken into account in the current earnings capacity. The net operating surplus is based, at the balance sheet date, on contracted leases and normalised property costs for the current portfolio. Financial expenses are based on Catena's average interest rate level including hedges for current loan debt less capitalised interest in normal project volume. The tax is calculated on a conventional basis in accordance with the tax rate at any given time.

Yield								
%	2021, 30 Sep	2021, 30 Jun	2021, 31 Mar	2020, 31 Dec	2020, 30 Sep	2020, 30 Jun	2020, 31 March	2019, 31 Dec
EPRA NIY (initial yield)	5.2	5.3	5.3	5.5	5.7	5.9	5.9	5.8
EPRA "topped-up" NIY (normalised yield)	5.4	5.4	5.4	5.7	6.0	6.1	6.1	6.1

Catena presents a yield here in the form of "Net Initial Yield (NIY)" and "topped-up" Net Initial Yield in accordance with EPRA's definitions. Both key figures are calculated on the basis of Investment properties according to the consolidated balance sheet plus addition of ownership of investment properties in joint ventures and after deductions for development land and projects not yet completed. Net initial yield (NIY) is based on contractual annual rent for properties in Catena's own portfolio as well as our share of contractual annual rent

in properties owned by joint ventures after deduction of initial discounts. From these annual rents, deductions are made for expected operating and maintenance expenses, property tax and property administration. The net operating surplus calculated in this way differs from current earnings capacity mainly because contracted annual rent and expenses for projects not yet completed are not included.

In the calculation of EPRA "topped-up" NIY, contracted annual rent is used without deduction of initial discounts.

Parent Company's financial statements

Parent Company Income Statement			
SEK M	2021, Jan-Sep	2020, Jan-Sep	2020, Jan-Dec
Net sales	42.4	41.2	55.5
Cost of services performed	-70.2	-63.2	-88.2
Operating profit/loss	-27.8	-22.0	-32.7
Financial income and expenses			
Other interest income and similar income	322.3	155.6	240.6
Profit from participations in Group companies	-	-	85.8
Interest expenses and similar expenses	-112.2	-109.4	-144.9
Profit before appropriations and taxes	182.3	24.2	148.8
Tax on profit for the period/year	-38.2	-5.2	-59.5
Comprehensive income for the period/year	144.1	19.0	89.3

No items in the Parent Company are recognised in other comprehensive income and total comprehensive income is therefore consistent with profit for the period/year.

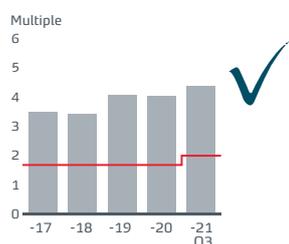
Balance Sheet, Parent Company			
SEK M	2021, 30 Sep	2020, 30 Sep	2020, 31 Dec
Assets			
Fixed assets			
Tangible fixed assets	2.1	0.9	0.9
Financial non-current assets	3,236.6	3,236.2	3,236.2
Deferred tax assets	41.9	80.1	71.4
Non-current receivables	40.0	27.2	26.4
Current assets			
Receivables from Group companies	6,114.9	4,414.9	4,164.0
Receivables from associated companies	18.6	0.5	-
Current receivables	8.3	7.6	7.9
Cash and cash equivalents	568.3	559.9	403.8
Total assets	10,030.7	8,327.3	7,910.6
Equity and liabilities			
Shareholders' equity			
Shareholders' equity	3,857.1	2,681.5	2,751.7
Untaxed reserves	24.1	24.1	24.1
Non-current liabilities			
Interest-bearing liabilities	2,419.1	1,724.3	1,298.8
Provisions	-	3.0	3.2
Other non-current liabilities	191.3	385.7	343.0
Current liabilities			
Liabilities to Group companies	3,346.2	3,461.9	3,421.4
Liabilities to associated companies	-	7.2	28.4
Other current liabilities	192.9	39.6	40.0
Total equity and liabilities	10,030.7	8,327.3	7,910.6

Financial targets, Group operations

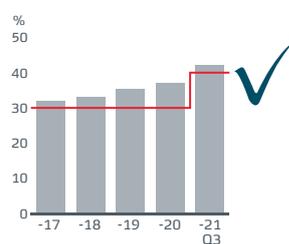
Average debt maturity



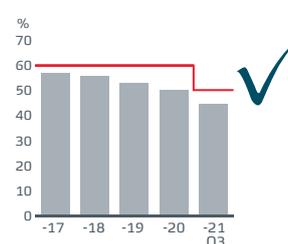
Interest coverage ratio



Equity ratio



Loan-to-value ratio



Accounting and valuation principles

Catena AB draws up its consolidated accounts in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), and also with interpretive statements from the International Financial Interpretations Committee (IFRIC), as approved by the European Commission for application in the EU.

The Parent Company applies the same accounting policies as the Group, with due consideration of the recommendations of the Swedish Council for Financial Reporting: RFR 2, Accounting for Legal Entities.

This interim report was drawn up in accordance with IAS 34, Interim Financial Reporting, for the Group and according to the Swedish Annual Accounts Act for the Parent Company. The accounting principles are unchanged compared with the annual accounts for the preceding year.

Risks and uncertainty factors

In order to draw up the accounts according to generally accepted accounting principles, the company management must make assessments and assumptions that affect the asset and liability items and the income and expense items disclosed in the annual accounts, and also other information provided. Actual outcomes may diverge from these assessments. Catena’s financial risks are described in Note 20 on pages 107–108 and 127–131 of the 2020 Annual Report. No essential changes have occurred since then.

The Board of Directors and the Chief Executive Officer certify that this report gives a true and fair view of the financial position and results and describes significant risks and uncertainties that the Group and the companies included in the Group face.

Helsingborg, 27 October 2021
 Catena AB

Board of Directors



Key financial figures for the Group

Key figures ¹⁾	2021, Jan–Sep	2020, Jan–Sep	Rolling 12-month	2020, Jan–Dec	Definitions
Property-related					
Rental income, SEK M	1,027.3	937.5	1,353.7	1,263.9	Rental income according to Statement of comprehensive income
Net operating surplus, SEK M	821.3	753.1	1,072.0	1,003.8	Rental income less operating and maintenance expenses, property tax and property administration.
Surplus ratio, %	79.9	80.3	79.2	79.4	Net operating surplus as a percentage of income from property.
Rental value, SEK M	1,513.9	1,354.1	1,513.9	1,388.5	Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.
Economic letting ratio, %	95.9	96.1	95.9	96.2	Contractual rents under valid leases at year-end as a percentage of rental value.
Loan-to-value ratio, %	44.7	52.8	44.7	50.1	Interest-bearing liabilities attributable to the properties, less cash and cash equivalents, as a percentage of the carrying amounts of the properties at the end of the period/year.
Lettable area, thousand m ²	2,121.0	1,912.8	2,121.0	1,947.5	Total area available for letting.
Financial					
Profit from property management, SEK M	610.9	542.5	787.0	718.6	Pre-tax profit with reversal of changes in value.
Pre-tax profit, SEK M	2,022.5	1,017.9	2,928.1	1,923.5	Profit before tax in accordance with Statement of comprehensive income.
Profit for the year, SEK M	1,614.7	805.1	2,336.7	1,527.1	Profit for the year in accordance with Statement of comprehensive income
Total assets, SEK M	24,055.8	19,719.1	24,055.8	20,398.6	
Return on equity, %	18.2	12.2	27.4	22.0	Profit for the period/year as a percentage of average equity.
Return on assets, %	9.2	6.4	13.6	11.1	Pre-tax profit plus financial expenses as a percentage of average total assets.
Interest-coverage ratio, multiple	4.4	4.0	4.3	4.0	Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.
Average interest rate, %	2.1	2.4	2.1	2.3	Average interest on the loan portfolio with derivatives being taken into account as per the balance sheet date.
Average interest maturity, years	3.0	3.1	3.0	3.1	Average weighted interest maturity on the loan portfolio including the effect of derivatives
Average debt maturity, years	3.2	2.2	3.2	2.2	Weighted average debt maturity on the loan portfolio
Equity ratio, %	42.3	34.9	42.3	37.2	Equity including non-controlling interests as a percentage of total assets.
Equity ratio, excluding goodwill and lease assets, %	43.8	36.4	43.8	38.8	Equity including non-controlling interests as a percentage of total assets less goodwill and lease assets.
Share-related					
Share price at end of period, SEK	474.00	397.50	474.00	385.00	
Cash flow before change in working capital per share, SEK ²⁾	14.85	14.37	19.40	18.91	Cash flow before change in working capital according to the cash-flow statement in relation to the weighted average number of shares outstanding at the end of the period/year.
Equity per share, SEK	246.78	182.46	246.78	201.34	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at the end of the year/period.
Profit from property management per share, SEK ²⁾	15.23	14.39	19.92	19.06	Profit from property management in relation to the average number of shares outstanding at the end of the period/year.
Earning per share, SEK ²⁾	40.25	21.36	59.13	40.51	Profit for the period/year attributable to the Parent Company's shareholders in relation to the weighted average number of shares outstanding.
Number of shares outstanding, millions	41.2	37.7	41.2	37.7	Number of shares on the balance sheet date
P/E ratio	8	13	8	10	Share price at end of period/year in relation to past 12 months' rolling profit.

¹⁾ For division into IFRS categories, alternative and other key figures, please refer to page 147 in Catena's 2020 Annual Report.

²⁾ Prior to and after dilution.

EPRA Key Figures

EPRA, European Public Real Estate Association, is a special interest organisation for listed property companies and investors in Europe, which, among other things, sets standards for financial reporting beyond those imposed under IFRS. EPRA's recommendations for accounting and reporting are described

in the EPRA Best Practices Recommendation Guidelines (EPRA BPR). The recommendation aims to increase transparency and comparability between Europe's listed property companies. Catena reports the key figures below in accordance with this recommendation.

	2021, Jan–Sep		2020, Jan–Sep		2020, Jan–Dec	
	SEK M	SEK/share	SEK M	SEK/share	SEK M	SEK/share
EPRA Earnings (Profit from property management after current tax)	592.0	14.75	525.7	13.94	696.2	18.47
	Profit from property management after the theoretical tax attributable to the profit from property management that Catena would pay without taking loss carryforwards into account. For interim periods, the tax is based on an assessment of expected tax. EPRA Earnings per share (EPS) are calculated based on the weighted average number of shares outstanding.					
EPRA NRV Long-term net asset value	12,069.1	292.75	8,419.8	223.34	9,239.4	245.08
	Long-term net asset value is intended to show the long-term value of net assets without trading of the current property portfolio. This means that assets and liabilities, which do not involve any disbursement in the near future, are excluded. For Catena, this means that EPRA NRV is calculated on the basis of equity with a reversal of the fair value of derivatives, deferred tax and goodwill associated with deferred tax.					
EPRA NTA Current net asset value	11,593.7	281.22	8,051.2	213.56	8,840.0	234.49
	The assumption behind the current net asset value of EPRA NTA is that there is turnover in the property portfolio, which entails the realisation of a certain share of the deferred tax liabilities. Based on transaction history, Catena has assumed that the value of the properties is realised over a 50-year period, with 10 percent of being realised as property transactions and 90 percent being sold indirectly through companies where the buyer's tax deduction is 5.15 percent. EPRA NTA is calculated as EPRA NRV with the difference that an adjustment is made for calculated actual deferred tax.					
EPRA NDV Disposal value	9,671.0	234.58	6,375.4	169.11	7,087.4	188.00
	EPRA NDV is intended to represent a disposal value where all assets are sold (such as property transactions) and no liabilities are held to maturity. The value on disposal is calculated as shareholders' equity with goodwill reversed and adjusted by the fair value of interest-bearing liabilities.					
		2021, Jan–Sep		2020, Jan–Sep		2020, Jan–Dec
		%		%		%
EPRA NIY Initial yield		5.2		5.7		5.5
	NIY is based on contractual annual rent for properties in our own portfolio as well as Catena's share of annual rent in properties owned through joint ventures after deducting initial discounts. From these annual rents, deductions are made for expected operating and maintenance expenses, property tax and property administration. This surplus is set in relation to investment properties in accordance with the consolidated balance sheet, plus the proportion of investment properties owned through joint ventures and after deducting development land and projects yet to be completed.					
EPRA "topped-up" NIY Normalised yield		5.4		6.0		5.7
	In calculating EPRA "topped-up" NIY, contracted annual rent is used without deduction of initial discounts.					
EPRA Vacancy rate		4.1		3.9		3.8
	EPRA Vacancy rate shows how much of the rental value is not received due to vacancies. EPRA Vacancy rate is calculated as the rental value for un-leased space at the end of the period as a percentage of the rental value for the entire property portfolio.					

CATENA

Catena is a listed property company that sustainably and through collaboration develops and durably manages efficient logistics facilities. Its strategically located properties supply the Scandinavian metropolitan areas and are adapted for both current and future goods flows. The overarching objective is to generate strong cash flow from operating activities to enable sustainable growth and stable returns. Catena's shares are traded on NASDAQ Stockholm, Large Cap.



Head office

Catena AB (publ)
Box 5003
SE-250 05 Helsingborg, Sweden
Switchboard: +46 (0)42 449 22 00

Visiting address:

Landskronavägen 23
SE-252 32 Helsingborg, Sweden

Regional office

Stockholm
Gasverksvägen 1
SE-611 35 Nyköping, Sweden
Switchboard: +46 (0)42 449 22 00

Gothenburg/Jönköping

Fibervägen 2
SE-435 33 Mölnlycke
Switchboard: +46 (0)42 449 22 00

Helsingborg

Landskronavägen 23
SE-252 32 Helsingborg, Sweden
Switchboard: +46 (0)42 449 22 00

Malmö

Lagervägen 4
SE-232 37 Arlöv, Sweden
Switchboard: +46 (0)42 449 22 00

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