

ANNUAL REPORT

2021

A B | S A G A X

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment



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Sustainability Report 2021

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The Annual Report for AB Sagax (publ) 556520-0028 consists of the Directors' Report, the Corporate Governance Report and the financial statements on pages 3-114. The Sustainability Report is presented on pages 143-161.

The year in brief

Profit from property management increased 17% to SEK 2,805 M. Profit from property management per Class A and B share after dilution rose 21% to SEK 7.99 (6.62).

REVENUE INCREASED 7%

Rental revenue increased 7% to SEK 3,100 M (2,898 for 2020). Rental revenue was positively impacted primarily by property acquisitions.

PROFIT FROM PROPERTY MANAGEMENT INCREASED 17%

Profit from property management increased 17% to 2,805 M (2,389), of which joint ventures and associated companies accounted for SEK 713 M (565). The increase in profit from property management was primarily attributable to property acquisitions and higher profit from property management in joint ventures and associated companies. Profit from property management per Class A and B share after dilution increased 21% to SEK 7.99 (6.62).

REVALUATION OF PROPERTIES

In total, property revaluation affected profit by SEK 6,336 M (2,003). The market value of Sagax's properties at year end was SEK 46,067 M (37,548). The yield was 6.0% (6.3).

REVALUATION OF FINANCIAL INSTRUMENTS

Revaluation of financial instruments amounted to SEK 1,966 M (210). The change in value attributable to fixed income derivatives amounted to SEK 132 M (-24). Financial instruments attributable to joint ventures were revalued to SEK 134 M (156). Revaluation of listed shares resulted in a change in value of SEK 1,700 M (77).

PROFIT AFTER TAX FOR THE YEAR

Profit after tax for the year amounted to 9,807 M (3,711), corresponding to SEK 30.04 (10.78) per Class A and B share after dilution.

NET INVESTMENTS AMOUNTED TO SEK 4,132 M.

During the year, Sagax invested SEK 4,132 (4,795), net, of which net acquisitions accounted for SEK 3,474 M (4,129) and investments in the existing property portfolio for SEK 658 M (666).

CASH FLOW INCREASED 6%

Cash flow from operating activities before changes in working capital rose 6% to SEK 2,346 M (2,219), corresponding to SEK 6.58 (6.09) per Class A and B share after dilution.

PROPOSED DIVIDEND

The Board of Directors proposes that the dividend per Class A and B share be raised to SEK 2.15 (1.65). The Board also proposes a dividend of SEK 2.00 (2.00) per Class D share through a quarterly payment of SEK 0.50. The dividend proposal is in accordance with the company's dividend policy and corresponds to 33.4% (32.5) of profit from property management.

Selected key performance indicators

	2021	2020	2019	2018	2017
Profit from property management per Class A and B share after dilution, SEK	7.99	6.62	5.51	4.31	3.70
Change compared with preceding year, %	21	20	28	16	24
Earnings per Class A and B share after dilution, SEK	30.04	10.78	12.13	9.24	8.85
Dividend per Class A and B share, SEK (2021 proposed)	2.15	1.65	1.30	1.00	0.90
Net debt/EBITDA	5.8	6.4	6.6	7.4	8.1
Interest coverage ratio, multiple	6.5	5.7	4.9	4.2	3.7
Debt ratio, %	42	43	44	47	50
Properties' market value, SEK M	46,067	37,548	32,625	29,024	23,771
Property yield, %	6.0	6.3	6.4	6.8	6.9

Sagax in brief

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment. Sagax's property holdings on 31 December 2021 were measured at SEK 46.1 billion, distributed between 673 properties. Sagax is listed on Nasdaq Stockholm, Large Cap.

PROPERTY PORTFOLIO

On 31 December 2021, the property portfolio comprised 673 (673) properties with a lettable area of 3,759,000 square metres (3,480,000). The company owns properties in Sweden, Finland, the Netherlands, France, Spain, Germany and Denmark.

The two largest market segments are Stockholm and Helsinki, where 46% (46) of the market value and 42% (44) of the rental value are concentrated. At year end, the total rental value and contractual annual rent amounted to SEK 3,459 M (3,024) and SEK 3,324 M (2,865), respectively. This corresponds to an economic occupancy rate of 96% (95).

LEASE STRUCTURE

Sagax's contractual annual rent at the end of the period was distributed between 2,009 leases (1,813), with about 1,200 tenants (1,200). 1,997 (1,802) leases each had a rental value of less than 1% of the Group's contractual annual rent. The total rental value for these leases accounted for 81% (80) of Sagax's contractual annual rent. Only two (three) of Sagax's leases had an annual rental value that accounted for more than 2% of the Group's rental revenue. These leases together represented 6% (8) of the Group's contractual annual rent.

Sagax's tenants operate in a variety of industries. 15% (16) of Sagax's contractual rental revenue comes from tenants in the manufacturing industry, 16% (16) from companies with food-related operations and 12% (11) from the automotive industry, including sales, service and manufacturing.

FUNDING

Interest-bearing liabilities amounted to SEK 26,354 M (19,828) with an average interest rate of 1.3% (1.8) at year end. The debt ratio amounted to 42% (43) and the interest coverage ratio to 651% (575); refer to the trend chart below. The average fixed interest period and loan maturity amounted to 4.0 years (3.4) and 4.3 years (3.4), respectively.

Sagax's financial expenses in 2021 amounted to SEK 447 M (481), corresponding to 39% (43) of the company's total expenses before changes in value and tax.

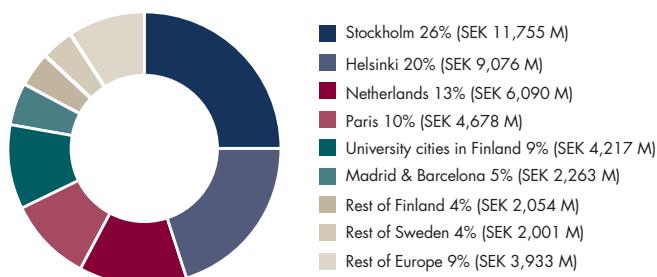
THE SAGAX SHARE

Sagax had three classes of shares at year end: Class A and Class B common shares and D shares. All of the classes of shares are listed on Nasdaq Stockholm, Large Cap. At the end of the year, the company had 22,978 (19,807) shareholders. Sagax's market capitalisation amounted to SEK 101,048 M (58,412) on 31 December 2021.

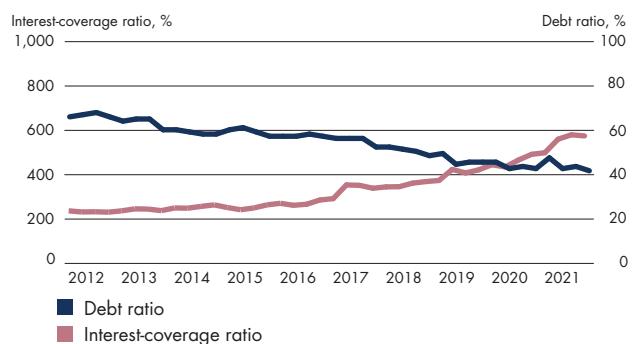
In 2021, profit from property management per Class A and B share after dilution amounted to SEK 7.99 (6.62) which, compared with the year-end share price of the Class B common share, corresponded to a multiple of 38.2 (25.6).

Equity per Class A and B share after dilution amounted to SEK 83.84 (55.09) at year end. Net asset value (NAV) per Class A and B share amounted to SEK 97.92 (66.38). The share price for the Class B share at year end was SEK 305.00 (169.60), corresponding to 364% (308) of equity and 311% (255) of NAV per Class B share.

Market value of properties



Debt ratio and interest-coverage ratio



To Sagax's shareholders

EARNINGS DEVELOPMENT

The 2021 financial year was defined by a business environment of record low interest rates, unrestricted access to capital, strong economic growth and almost exuberant investors. This combination led properties and many other asset classes to increase substantially in value. For Sagax, this resulted in recognised changes in value of SEK 8,306 million for 2021. This excluded changes in the value (SEK +3,011 million) of Sagax's holdings in its associated company NP3 Fastigheter AB (publ), which is not valued at market value for accounting principles. Profit for the year amounted to SEK 9,807 million, which corresponds to SEK 30.04 per Class A and B share.

The Company's focus remains, as in previous years, on profit from property management, meaning profit that excludes changes in value and tax. Profit from property management increased to SEK 2,805 million, an increase of 17%. In recent years, profit from property management has increased as follows:

- 2017: SEK 1,334 million
- 2018: SEK 1,603 million
- 2019: SEK 2,001 million
- 2020: SEK 2,389 million
- 2021: SEK 2,805 million
- 2022: *SEK 3,200 million (forecast)*

Assuming that the forecast for the profit from property management for 2022 is achieved, the Company's profit from property management will have increased by an average annual growth rate (CAGR) of 19.1% over the last five years. Converted to profit from property management per Class A and B share, the outcome has been as follows:

- 2017: SEK 3.70
- 2018: SEK 4.31
- 2019: SEK 5.51
- 2020: SEK 6.62
- 2021: SEK 7.99
- 2022: *SEK 9.27 (forecast)*

Again, assuming that the forecast for 2022 is achieved, the profit from property management per Class A and B share will have increased at an average annual growth rate (CAGR) of 20.2% over the last five years. Profit from property management excludes the capital appreciation for the property portfolio and the financial instruments that has totaled SEK +17.8 billion for the 2017-2021 period.

FINANCIAL POSITION

Earnings growth should be evaluated in relation to the development of the Company's financial risk: Sagax's debt ratio declined from 50% to 42% between 2017 and 2021 and, during the same period, the interest coverage ratio rose from a multiple of 3.7x to 6.5x. However, the interpretation of these key performance indicators is affected by the rapid capital appreciation, in particular, in the past year and the extremely low interest rates during 2020-2021. In my opinion, the financial risk is described more accurately by the net interest-bearing debt and its relationship to operational earnings (EBITDA), which is a key performance indicator that is not impacted by the factors mentioned above, except for the impact of the increasing value of the Company's holdings in listed shares has on its net debt. Net interest-bearing debt in relation to EBITDA has developed as follows:

- 2017: a multiple of 8.1x
- 2018: a multiple of 7.4x
- 2019: a multiple of 6.6x
- 2020: a multiple of 6.4x
- 2021: a multiple of 5.8x

Accordingly, Sagax's financial risk has decreased even when the effects of rising property values and of declining interest rates are excluded. The growth in operating profits has not come at the expense of increased financial risk.

Sagax's interest-bearing liabilities amounted to SEK 26.3 billion at year end 2021. A total of SEK 2,448 million or 9% of the interest-bearing liabilities will mature in 2022 and 2023, which should be viewed in relation to the forecast for profit from property management for 2022 of SEK 3,200 million.

Credit facilities that can be immediately utilised without requiring any additional collateral amounted to SEK 4,508 million at year end (excluding back-up facilities reserved for Sagax's commercial paper program). In February 2022, Sagax decided to increase its already substantial liquidity position, given the threat of war against Ukraine and the increased turbulence in bond markets. Consequently, Sagax added an additional SEK 3,175 million in liquidity on 24 February, the same day that Russia started its invasion of Ukraine. Sagax's liquidity and financial position, when this Annual Report is published, is very strong.

OPERATIONAL RISK, NEW MARKET AND NEW SEGMENTS

The Company's operational risk has decreased as the Company's financial risk has declined. Positive net leasing resulted in the occupancy rate increasing from 95% to 96% during the year. This is the highest occupancy rate that Sagax has reported since 2015.

The number of Sagax's properties has increased from 440 to 673 over the past five years. The number of leases has increased from 1,893 to 2,009 over the same period. This highlights how the impact of specific risks on the Group has diminished. Sagax currently has operations in five countries: Sweden, Finland, France, the Netherlands and Spain that all contribute both to growth and to a reduction in risk through greater diversification.

Sagax has been investing outside of Sweden since 2004 and 70% of our property portfolio is now outside of Sweden. Sagax is today a European property company rather than a Swedish one. While this was initially an unusual strategy compared to most other listed Swedish property companies, I notice that an increasing number of property companies have adopted similar strategies.

When Sagax enters new markets, we recruit local employees to build the operations. This leads to lower risk, but unfortunately also means that it takes longer to establish the Company. The operations in France (2014) and the Netherlands (2016) are now well-established and each generate more than SEK 400 million in annual rental revenue. Our operations in Spain were set up in 2019 and are still in the build-up phase, but nevertheless contributed 8% of the Group's revenue in 2021. A significant advantage of being active in several markets is that it improves conditions for investing where risk-adjusted returns are most attractive.

Considering how long it takes for Sagax to establish operations and to build a portfolio in a new market I believe that it is appropriate for Sagax to set up a business in Germany in the second half of 2022. I hope

that over time, the German operations will become equally successful as Sagax's other European operations.

Almost two decades after Sagax completed its first investment in Finland, it is apparent that this was an excellent decision for our shareholders. I wish that our operations in France, the Netherlands and Spain had been established sooner.

From 2022, Sagax will report each country as a segment. This better reflects how the Company is operated today.

EFFECT OF EUR/SEK EXCHANGE RATE FLUCTUATIONS ON FINANCIAL STATEMENTS

Sagax's income statements and balance sheets are affected by fluctuations in EUR/SEK exchange rates, as a consequence of our business outside of Sweden. The profit margin is however not affected by exchange rate fluctuations, as Sagax receives rents in EUR from properties whose value is denominated in EUR. For example, Sagax does not receive any rental revenue in EUR from the Swedish property portfolio or in SEK from properties outside of Sweden. Profitability *in local currency* for Sagax's various operations neither improves nor deteriorates from exchange rate fluctuations. I believe that the exposure to exchange rates is primarily of an accounting nature.

In accordance with applicable accounting rules, Sagax also makes use of two different exchange rates in its consolidated financial statements: *The average exchange rate for the period* is used for the income statement and *exchange rate on the balance sheet date* is used for the balance sheet. As an example, income from a property in Rotterdam will be translated at a different exchange rate on the income statement than the exchange rate used to report the market value of the same property on the Company's balance sheet. There are good reasons for these accounting rules, but they are not necessarily intuitive and merit highlighting.

A rule of thumb for Sagax's income statement is that if SEK weakens against EUR, Sagax's reported profit from property management will rise since Sagax uses SEK as its functional currency. The profit from property management generated in EUR simply leads to a greater amount of SEK when it is translated and consolidated into the income statement. Naturally the opposite also applies. If Sagax were to change its functional currency from SEK to EUR, the effects would be the exact opposite, without anything changing in the operations of Company.

With regards to the balance sheet the following should also be considered: Equity at year end amounted to SEK 31,079 million. Currency exposure, defined as assets minus liabilities in EUR, amounted to SEK 6,729 million on that date. Consolidated equity can thus be described as the total of SEK 24,350 million and the value of SEK 6,729 million in EUR. Sagax thus has more equity denominated in SEK than in EUR. At year end, Sagax's interest-bearing liabilities amounted to SEK 26,354 million, of which an amount corresponding to SEK 24,009 million was denominated in EUR. Therefore, the rule of thumb is that the debt ratio increases if the SEK weakens and, conversely, the debt ratio declines if the SEK strengthens. Once again, the effects would be the exact opposite if Sagax were to change its functional currency from SEK to EUR, without anything changing in its operations. There are both advantages and disadvantages for Sagax's shareholders with having a large share of equity and its interest-bearing liabilities in either currency. Sagax's strategy is to create a "natural hedge" against the EUR exchange rate. Just over SEK 32 billion in EUR-denominated properties give rise to less than SEK 7 billion in net exposure to the SEK/EUR rate. In summary, a weakening of the SEK is disadvantageous to shareholders because of this hedge – in such a case a higher exposure in EUR would have been better than lower exposure. Unfortunately, and once again, the opposite is also true.

Fortunately, these currency effects are of no practical significance for Sagax's operations. I am simply mentioning them in order to assist our shareholders in understanding the Company's financial statements.

INVESTING ACTIVITIES

Sagax has had an active investment program for many years. I consider the current environment for new investments to be particularly challenging. Volatility in almost all financial markets is high and it is uncertain how long this situation will last. The effects of the war in Ukraine on companies' supply chains are unknown. The outlook for economic growth in Europe in 2022 is muted. Inflation has reached levels not seen for many decades. High inflation has led to sharp increases in interest rates. The five-year swap rates in EUR and SEK have risen from 0.04% and 0.72% at the start of the year to 0.98% and 1.83%, respectively, by the end of March. In addition, risk premiums in bond markets have been volatile during the first quarter of 2022. Paradoxically, nominally higher interest rates in 2022 are, in real terms, lower than they were in 2021. In combination, these factors increase uncertainty and create an investment environment that is challenging for us to navigate.

To illustrate: the cost of an unsecured five-year bond for Sagax has risen from 0.714% on 1 April 2021 to 2.692% on 1 April 2022, an increase of 277%. With Sagax's capital structure, such a cost increase means that the capitalisation rate for new investments would need to be increased by circa 1 percentage point (a price reduction of circa 15% in Sagax's case) to maintain a return on equity of 15%, *ceteris paribus*. Unfortunately, "*ceteris paribus*" is a comprehensive, and most likely incorrect, assumption. Given Sagax's capital structure, increasing the projected rental income by an additional 1 percentage point per year as a consequence of higher inflation would mean that our 15% return on equity target could be achieved even if capitalisation rates were unchanged, in spite of the higher interest rates. If the inflation adjustment of rental income was even higher, a 15% return on equity could also be maintained if capitalisation rates fall, that is to say, nominally rising property prices. In short, visibility is low, and investment decisions are hard.

NEW RISKS

Essentially all of Sagax's leases are indexed to CPI or similar. Accordingly, the rental income rises in line with inflation. This is a strength of the business model, but it supposes that tenants can rapidly offset higher costs by raising prices. Naturally, it is not easy for all tenants to quickly raise their prices. For this reason, the credit risks for property companies can increase in an inflationary environment, particularly when combined with weak economic growth, which generally tends to negatively impact both occupancy rates and market rents. On balance, property companies generally have strong balance sheets, which means that they should be able to withstand turbulence in the capital markets and a weaker economic climate without any major problems. The same applies to the supply of competitive properties. There seems to be no significant risk of excess supply in the markets in which Sagax operates. The greatest challenge will be pricing new investments.

THANK YOU

Finally, on behalf of the Board and our shareholders, I would like to express, as usual, our well-deserved thanks to my colleagues at Sagax for their contributions during the past year.

Stockholm, April 2022

David Mindus
Chief Executive Officer

Business concept, goals and strategies

Sagax invests primarily in warehouse and industrial properties in regions characterised by stable population growth and a diversified business sector, and focuses on achieving a high continuous yield and strong cash flows. The company endeavours to secure long-term customer relationships with reputable and creditworthy tenants.

BUSINESS CONCEPT

AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment.

COMPANY GOALS

The overriding objective is the long-term generation of the maximum possible risk-adjusted return to the company's owners. To achieve this objective, Sagax has set the following business targets:

- Operations must generate a long-term sustainable return and strong cash flows.
- The company will continue to grow through property acquisitions after taking into account the risk-adjusted return.
- Cash flows from the existing property portfolio are to rise more than inflation.

FINANCIAL TARGETS

The table below illustrates the outcome for the past five years in relation to the financial targets.

STRATEGIES

Investment strategy

Sagax invests primarily in warehouse and industrial properties. Properties designed as warehouses and for light industries are attractive investment opportunities, since they generate a high yield combined with a low rate of new production and stable occupancy rates. Sagax invests in add-on acquisitions and in existing properties. Property acquisitions and investments in the existing portfolio aim to increase cash flow and diversify rental revenue, thereby reducing the company's operational and financial risks. The chart on page 8 illustrates the trend in the properties' market value and lettable area.

Profit from property management per Class A and B share



Financial targets

	Outcome 2021	Five-year average
Return on equity, measured over a five-year period, should not fall below 15% per year	37%	27%
Profit from property management per Class A and B share should increase by a minimum of 15% per year	21%	21%

Financing strategy

The financial structure of Sagax is designed with a clear focus on operating cash flow and the interest coverage ratio. This is expected to create both excellent prerequisites for expansion and an attractive return on equity. The chart below shows that Sagax's cash flow largely corresponds to its profit from property management. The difference is due mainly to joint ventures and associated companies, where dividends rather than profit from property management are recognised as cash flow from operating activities.

Sagax endeavours to have well-balanced fixed interest and loan maturity profiles to secure its operating cash flow. The average fixed interest period was 4.0 years (3.4) at year end. The average loan maturity at year end was 4.3 years (3.4).

The company had three classes of shares on 31 December 2021: Class A, B and D common shares. The aim of the Class D shares is to attract investor categories that value stable, regular dividends.

Management strategy

Sagax pursues efficiency and sustainability in its management strategy. The management strategy includes working actively to secure long-term customer relationships. This applies equally to new leases and to the management of existing leases. The company's policy is to abstain from maximising rent levels at all points of time in favour of signing leases of a longer duration with solvent tenants. This is regarded as being advantageous since it reduces the risk of vacancies, while leading to lower costs for letting premises and adapting premises to tenant needs.

Strategy for tenants

Sagax endeavours to attract reputable and creditworthy tenants. The company mainly enters into triple net leases and is thus only affected to a limited extent by changes in consumption or changed rates for such utilities as heating, electricity, property tax, water and sewage.

Strategy for the rental market

Sagax invests primarily in regions experiencing stable population growth and that have diversified business activities. Sagax's largest rental markets are Stockholm and Helsinki, which are regarded as offer-

ing favourable conditions for long-term growth. The risk of a decline in the occupancy rate and rent levels due to a weaker rental market is regarded as low due to the stable population growth and the diversified business operations in these markets.

SUSTAINABILITY ACTIVITIES

Sagax's sustainability work is a natural part of operations and helps to achieve the company's overall goals. To achieve these goals the company operations are consistently conducted with a long-term perspective.

Sagax follows the Swedish Companies Act's main rule as regards purpose and has therefore not stipulated any other purpose in the Articles of Association than to produce a profit for distribution to shareholders, see Chapter 3, Section 3, of the Swedish Companies Act. Sagax's opinion is that the profit objective does not conflict with sustainable enterprise: Being a good employer, a good supplier and a well-liked customer while ensuring that the company's decent conduct in society and attempts to limit its environmental impact are all fundamental conditions for Sagax's long-term ability to generate profits for its shareholders.

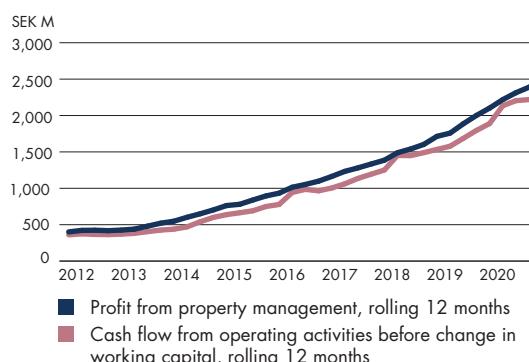
Sagax presents its sustainability activities in accordance with the GRI Standards: Core option. Sagax follows the ten principles of the Global Compact and has identified which of the UN Sustainable Development Goals are relevant to Sagax and where Sagax can contribute through its sustainability activities.

The sustainability work includes limiting its climate impact by reducing and optimising its energy consumption in its property portfolio, and certifying properties under sustainability rating systems. Sagax also work with green leases to promote cooperation on environmental and sustainability issues among tenants, and has a Code of Conduct for Suppliers.

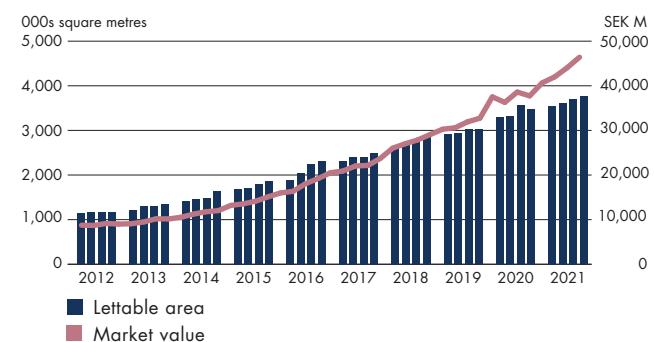
For more information about current targets and sustainability activities, refer to the sustainability report.

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Sagax has decided to prepare a statutory Sustainability Report as a separate report to its Annual Report, see pages 143-162.

Profit from property management and cash flow



Market value and area of properties



Sagax's performance

Total return on Class B Sagax share during the period 2012-2021¹⁾

Source: Monitor av Modular Finance AB

1) Sagax's Class B shares were registered for trading on 4 April 2013. The previous share price has been calculated by dividing the previous share price for the Class A share by 11, corresponding to the bonus issue of Class B shares (10 for 1) that was implemented.

2012

During 2012, a loan of SEK 4.2 billion was refinanced prematurely, in parallel with implementation of a new issue of preference shares amounting to SEK 376 M. Sagax was positioned for continued growth. SEK 0.5 billion was net invested in properties.

2013

During 2013, the company issued its first Class B shares. SEK 1.2 billion was net invested in properties. Sagax acquired 15% of the shares in Hemsö Fastighets AB.

2014

Rental revenue exceeded SEK 1 billion. SEK 1.9 billion was net invested in properties. Sagax opened offices and acquired its first property in Paris. Historically low interest rates were noted.

2015

SEK 2.4 billion was net invested in properties. 43 properties were acquired and two properties divested. It was announced in the year-end report that the forecast profit from property management for 2016 would exceed SEK 1 billion.

2016

SEK 2.8 billion was net invested in properties. A total of SEK 3.7 billion was invested, of which Finland accounted for half. The first properties in the Netherlands were acquired. Class D common shares were issued for the first time.

2017

Net investment in properties amounted to SEK 1.7 billion. Foreign markets accounted for 80% of the investments. The debt ratio declined to 50%. The company was awarded a rating of Ba1 with a positive outlook by Moody's Investors Service, one step below the investment grade.

2018

SEK 3.4 billion was net invested in properties. Moody's Investors Service raised Sagax's rating to Baa3 with a stable outlook. Sagax issued its first bond loan of EUR 500 M in the European capital market within the scope of a new EMTN programme.

2019

Profit from property management amounted to SEK 2.0 billion. Net investment of SEK 2.1 billion, of which SEK 2.8 billion in property acquisitions. Foreign markets accounted for 97% of the acquisitions. Sagax opened offices and made its first property acquisitions in Spain.

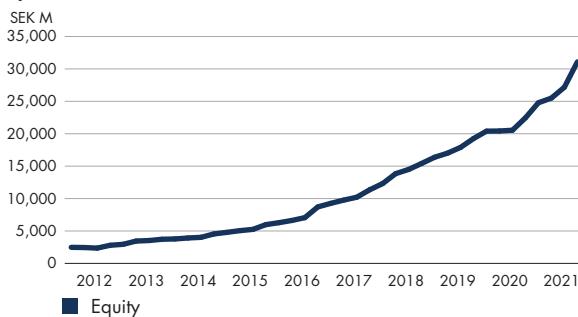
2020

Profit from property management amounted to SEK 2.4 billion. Sagax installed 13 solar power facilities and environmentally certified eight properties. A new joint venture together with NP3 Fastigheter AB was established.

2021

Profit from property management increased 17% to SEK 2.8 billion. Sagax issued total bond loans of EUR 1,000 M in the European capital market within the scope of the EMTN programme.

Equity



Profit from property management per Class A and B share



Market overview

Larger regions generally have higher economic, population and employment growth than smaller regions.

They also have more developed economies, with a more diversified business sector, which results in a lower risk of long-term vacancies in the property portfolio.

BACKGROUND

As a property company, Sagax is exposed to changes in the commercial leasing market. Because the company has a high economic occupancy rate (96%) and an even rate of lease maturity, exposure to changes in the rental market are balanced in the immediate future. Exposure to the rental market is the greatest in Stockholm and Helsinki, which are considered to have high potential for long-term growth. These regions are characterised by stable population growth and a diversified business sector. Sagax is also exposed to the investment market for the acquisition and sale of properties. The market for property investments is affected to a considerable extent by conditions in the credit market and the general economic outlook.

STRONG FOUNDATION IN SAGAX'S REGION

Sagax invests in mature markets with a high gross regional product (GRP) per capita. Generally, larger regions have displayed higher economic growth, stronger employment growth and higher population growth than smaller regions. Larger regions have more developed economies with companies in a large number of industries and a wider range of culture, retail and education. There is also a correlation showing that larger regions (measured as GRP) are more affluent (measured as GRP per capita).

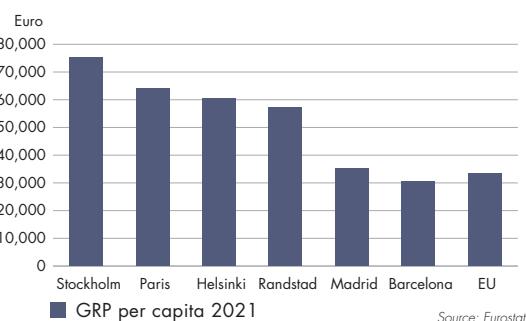
The majority of the regions that Sagax primarily invests in have a higher GRP per capita than the EU average. In the past, these regions have reported high GRP growth. Growth in GRP in these regions was 93% between 2000 and 2021.

The educational level among the population is an important factor for a region's growth. Access to universities and colleges influences regional growth and regions with a high educational level also tend to display a more varied industry structure, with a more distinct focus on knowledge-intensive sectors. According to Eurostat, 64% of people in the 30–34 age category in Stockholm had university/college education in 2020, a rise of 56% since 2000. The number of people with university/college education in Sweden has increased steadily since 2000, while the number of those without has declined. The percentage of women who went on to university/college education after upper-secondary school in 2020 was 51% and the percentage of men was 38%.

In Helsinki, the percentage with university/college education in the same age category was 56%, in Paris 65% and in Randstad (the conurbation in the central Netherlands including the four cities of Amsterdam, the Hague, Rotterdam and Utrecht) 56%, compared with an average of 41% in the EU. In Barcelona, the percentage with university/college education in the 30–34 age category increased from 30% to 50% between 2000 and 2020 and in Madrid the percentage with university/college education was 53%.

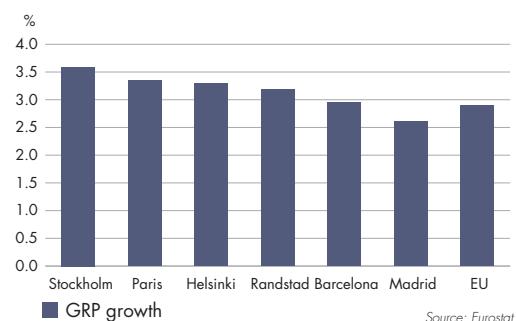
Early in the year there were signs that strong economy recovery and positive GDP growth would continue in 2022 in connection with the re-opening of the global economy that started in autumn 2021. As a result of Russia's invasion of Ukraine, macroeconomic conditions have become more difficult to assess and uncertainty has increased.

GRP per capita 2021



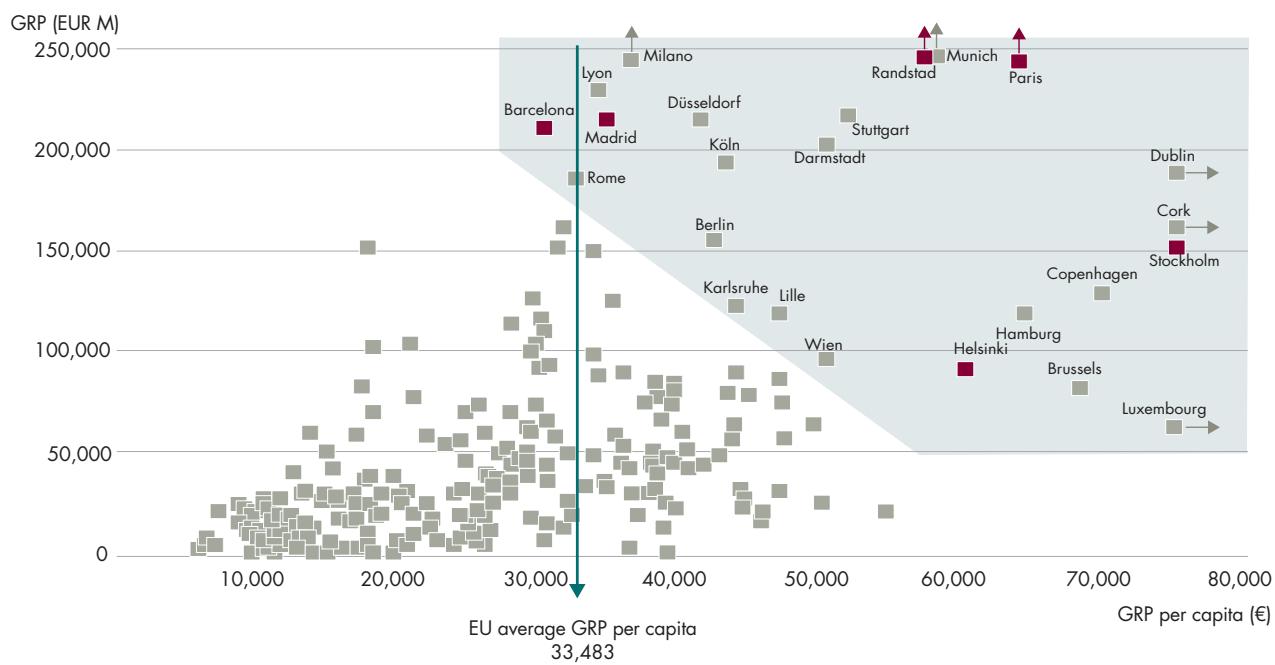
Source: Eurostat

Annual GRP growth 2000–2021 average



Source: Eurostat

GRP and GRP per capita 2020



DRIVING FORCES FOR ECONOMIC GROWTH

A combination of economic growth, high GRP and minor changes in supply benefits the demand for premises in the warehouse and light industrial segment. Population growth in Sagax's main markets is above the EU average. The population in Sagax's main markets increased an average of 22% between 2000 and 2021, compared with 5% for the entire EU.

Generally speaking, demand for housing, offices and retail premises increases in line with population growth. This leads to existing warehouse and industrial properties being used for other purposes. While the supply of existing industrial and warehouse premises is declining, production of new premises of this type is limited.

Region trends 2000-2021

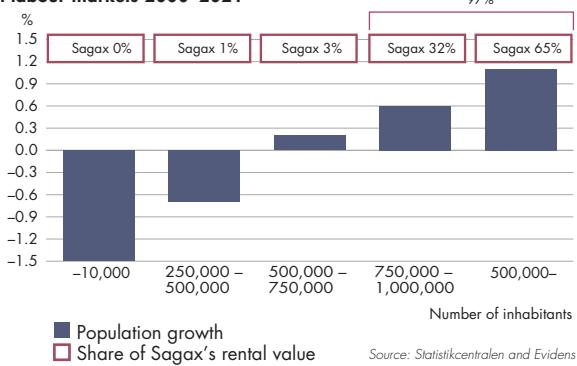
	Annual population growth	Population growth	Population growth, no. of inhabitants	GRP per capita (EUR)	Annual GRP growth	GRP growth
Stockholm	1.4%	32%	594,430	75,274	3.6%	110%
Paris	0.5%	11%	1,255,940	64,000	3.3%	72%
Helsinki	1.0%	22%	320,510	60,589	3.3%	97%
Randstad	0.6%	14%	1,057,090	57,349	3.2%	93%
Madrid	1.1%	25%	1,419,250	35,145	2.6%	100%
Barcelona	0.9%	22%	1,384,290	30,585	2.9%	84%
EU average	0.2%	5%	20,409,000	33,483	2.9%	82%

Annual percentage population growth in Sweden's local labour markets 2000–2021



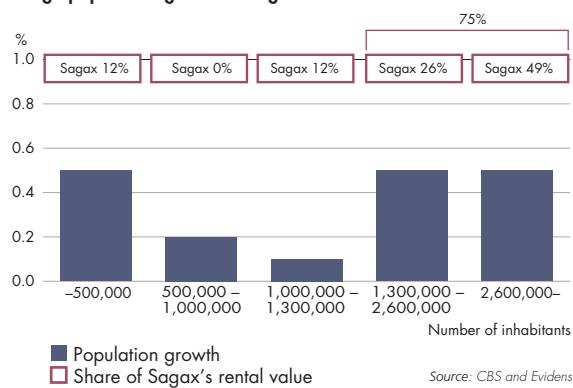
Source: SCB and Evidens

Annual percentage population growth in Finland's local labour markets 2000–2021



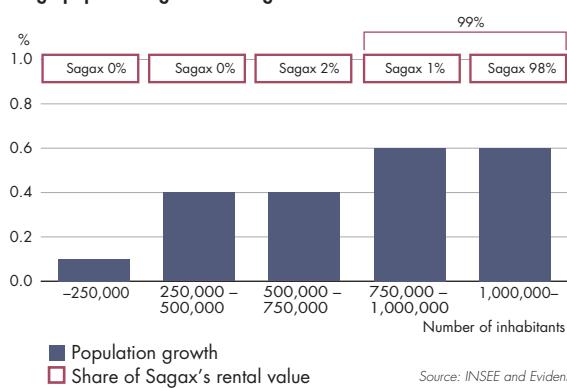
Source: Statistikcentralen and Evidens

Percentage population growth in regions of the Netherlands 2000–2021



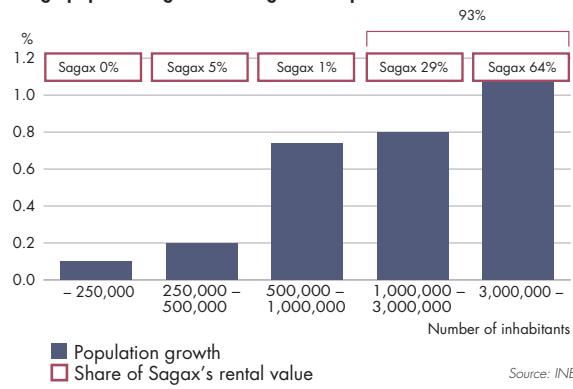
Source: CBS and Evidens

Percentage population growth in regions of France 2000–2021



Source: INSEE and Evidens

Percentage population growth in regions of Spain 2000–2021



Source: INE

CHANGES IN SUPPLY

In many cities, industrial zones located close to the city centres are being converted from premises for warehouse and light industry into residential properties and offices. For Stockholm, growth and thus the consequential conversion pressure has been analysed on the basis of how these factors affect the supply of warehouse and light industry premises. An equivalent analysis was also previously conducted for Helsinki, the results of which correspond well with the trend in Stockholm.

In Stockholm, 24 business zones with a focus on the property taxation categories of warehouses, light industry and industrial offices were studied during the period 1998–2021. The studied areas have been divided into three sub-markets: central business districts (CBDs), inner suburbs and outer suburbs. Between 1998 and 2021, the supply of warehouse, light industry and industrial offices in Stockholm increased by a total of 10% at the same time as population growth was 32%. The differences in the change of supply have been considerable between the various sub-markets.

CBDs showed a 38% decrease in supply during the period. The change in supply is particularly clear in Västberga and Hagalund, where warehouse, light industry and industrial offices have had to make way for homes and

office buildings. Similarly, the supply of premises in Globen/Johanneshov will decline when the area known as Söderstaden is developed.

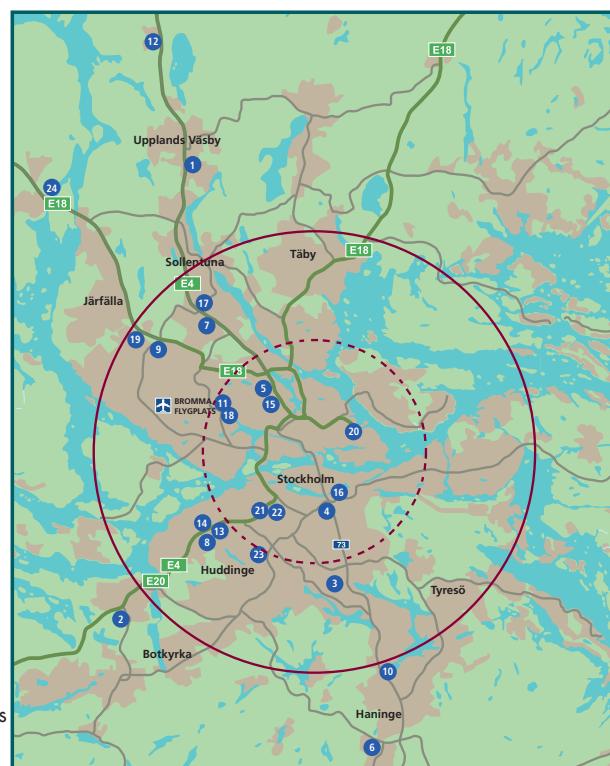
In inner suburbs, the supply of premises for light industry has declined by 41% at the same time as warehouse premises have grown by 26%. In total, floor area has declined 5% in Stockholm's inner suburbs. In the three outer suburbs, supply has grown 135%. The growth is primarily attributable to newly produced logistics and warehouses facilities, primarily in the areas of Jordbro (southern Stockholm) and Rosersberg and Brunna (northern Stockholm).

On division of the analysis by type of premises, it becomes apparent that it is primarily premises for light industry being divested or converted for other uses. The supply of premises for light industry in Stockholm has declined a total of 28%. The supply of industrial offices has declined 7%, while the supply of warehouse premises has increased 38%.

The transformation of centrally located industrial zones into residential properties and offices is helping to limit the supply of premises in Sagax's segment. This creates a positive effect on the rent trend and contributes to minimising vacancies. The conversion trend is continuing across Europe as the population grows, thus creating favourable conditions for Sagax.

- 1 Breden/InfraCity
- 2 Eriksberg
- 3 Farsta
- 4 Globen/Johanneshov
- 5 Hagalund
- 6 Jordbro
- 7 Kista/Akalla
- 8 Kungens Kurva
- 9 Lunda
- 10 Länna
- 11 Mariehäll
- 12 Rosersberg
- 13 Segeltorp/Sätra
- 14 Skärholmen
- 15 Solna Station
- 16 Södra Hammarbyhamnen
- 17 Tureberg industrial zone
- 18 Ulvsunda
- 19 Veddesta
- 20 Värtan
- 21 Västberga
- 22 Årsta
- 23 Älvsjö
- 24 Brunna

Central business districts
 Inner suburbs



Changes in supply 1998–2021 in Stockholm (area)

Area	Type of premises			Total
	Warehouse	Light industry	Industrial offices	
Central business districts	-33%	-50%	-37%	-38%
Inner suburbs	26%	-41%	-9%	-5%
Outer suburbs	183%	49%	89%	135%
Total	38%	-28%	-7%	10%

The change in the population during the period was +30%.

INVESTMENT MARKET

Warehouse and logistics properties previously represented one of the smaller segments of the property market. Interest in property investments with secure cash flows increased in 2020 and 2021, which meant that the warehouse and logistics segment accounted for 15% (15) of the transaction volume in 2021.

Relatively few investors specialise in warehouse, industrial and logistics properties, although interest in investing in the segment has increased markedly in recent years. A large proportion of the supply usually comprises user properties, properties in which the operating company also owns the property. Sagax's strategy is to grow through acquisitions of new properties. The acquisitions are aimed at increasing cash flow and diversifying rental revenue.

Transaction market

Parameters driving interest in property investments include the general economic climate and access to equity, loan financing and the interest rate scenario. Accordingly, properties remained an attractive asset and the transaction volume in Sweden for 2021 surpassed the record-breaking volume of SEK 221 billion noted in 2019. This makes 2021 the strongest transaction year ever. In total, commercial properties were turned over for approximately SEK 406 billion (209) in Sweden. In 2021, Sweden noted a record number of M&A transactions. Large property companies, often listed, acquired other companies operating in the same segment. 44% of the total transaction volume comprised M&A transactions.

Foreign investors accounted for 24% of the total transaction volume in Sweden, corresponding to SEK 97 billion. It is worth noting that foreign investors have been net buyers for five consecutive years, meaning that acquisition volumes exceed sales. Sweden and Finland account for 63% of Sagax's property value, two markets that are highly interesting to foreign investors.

The transaction volume for warehouse and industrial properties in Sweden amounted to SEK 59 billion (30) in 2021. Foreign investors represented 40% of the segment's transaction volume, mainly acquiring logistics properties. As consumption patterns change and e-commerce captures market shares in the retail industry, demand for warehouse properties has increased. Furthermore, the interest in property invest-

ments with secure cash flows increased in 2020 and 2021, which can be seen in the higher interest in warehouse and industrial properties as well as residential and public properties.

In Finland, the transaction volume amounted to EUR 6.8 billion (5.5), of which warehouse and industrial properties accounted for EUR 910 M (530). In France, the transaction volume amounted to EUR 26.1 billion (29.0), of which warehouse and industrial properties accounted for EUR 6.5 billion (3.5). In the Netherlands, the transaction volume amounted to EUR 16.7 billion (18.5), of which warehouse and industrial properties accounted for EUR 5.7 billion (3.0). In Spain, the transaction volume amounted to EUR 11.1 billion (8.6), of which warehouse and industrial properties accounted for EUR 2.6 billion (1.3).

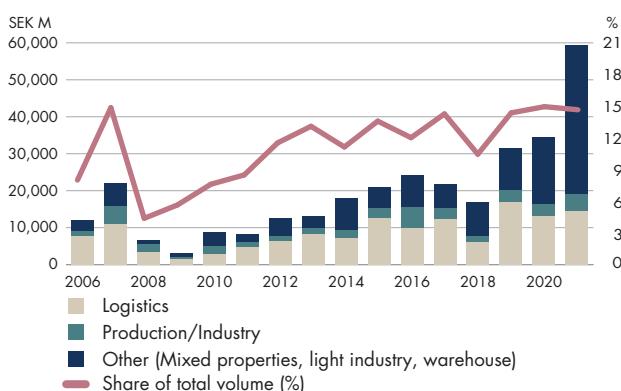
Compared with other property segments, the yield requirement for warehouse and industrial properties varies between the best and less attractive objects. High demand for properties in the segment contributed to the yield requirement continuing to fall during the year to historically low levels. The lowest noted in Sweden during the year were in the range of 3.55–4.00% and refer to new builds or modern facilities in prime logistics locations let on long leases. The yield requirement for the same type of object was 3.75% in Finland, 3.25% in France, 3.25% in the Netherlands and 4.25% in Spain.

RENTAL MARKET FOR WAREHOUSE AND INDUSTRIAL PROPERTIES

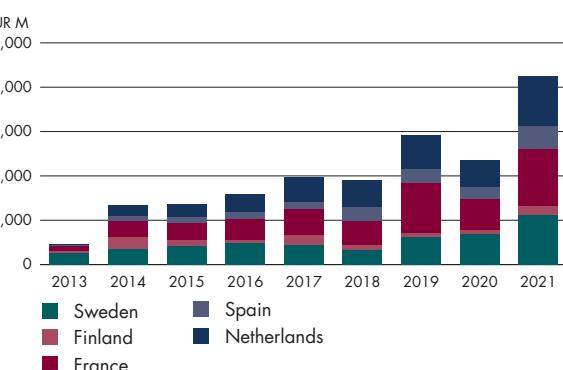
The charts on page 15 illustrate that rent trends for warehouse and industrial properties in Sagax's regions correlate only slightly to rent trends for offices and that the rent level for warehouse and industrial premises has shown low covariance since the start of the measurement period. This applies equally for occupancy rates for warehouse and industrial properties, which generally show less variation over time compared with occupancy rates for offices.

The combination of healthy growth and minor changes in supply benefits the demand for premises in the warehouse and light industrial segment. Rent trends for warehouse and industrial properties are stable in Stockholm, Helsinki, Paris, Randstad, Madrid and Barcelona. These cities are considered to offer solid potential for long-term growth. The chart shows the rent trend expressed in nominal terms.

Transaction volume warehouse and industrial properties in Sweden



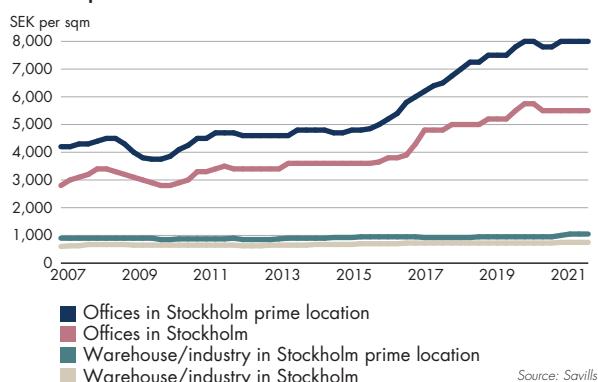
Transaction volume warehouse and industrial properties



New-build properties

The rent for new-build premises is primarily affected by actual production costs for the building, the cost for land and the developer's profit requirements. Rent levels for new builds and modern premises are generally relatively even in Sweden, except for Stockholm and Gothenburg where the high price of land influences rent levels.

Rental development in Stockholm

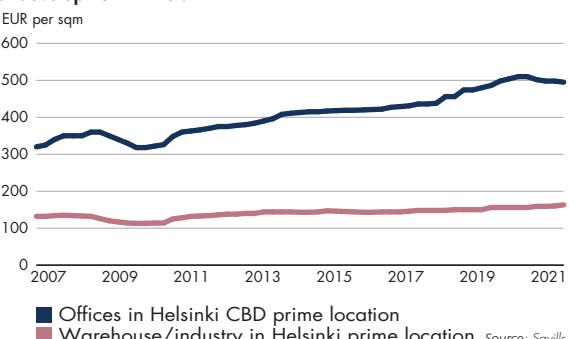


Source: Savills

Existing properties

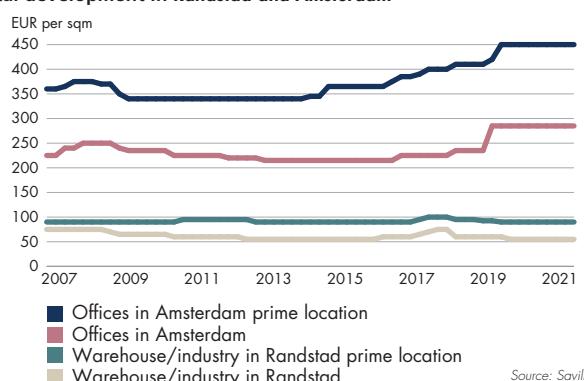
The rent for existing premises is instead determined by supply and demand. This rent can vary considerably between various geographic locations. In areas of high vacancies and large supply of premises, the market rent can be significantly below the rent for new builds. The reverse – market rent exceeds the new-build rent – is almost exclusively found in the centrally located facilities in the large cities where there is no land for development and there is generally a shortage of suitable, modern premises.

Rental development in Helsinki



Source: Savills

Rental development in Randstad and Amsterdam



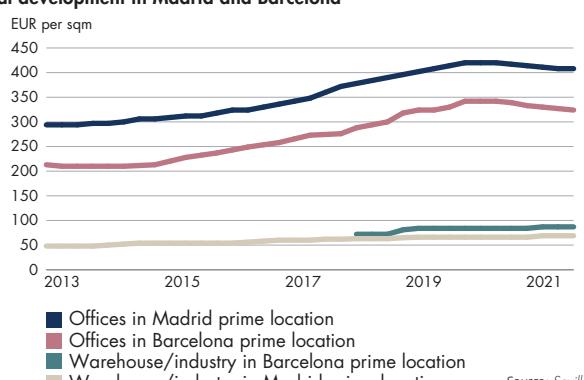
Source: Savills

Rental development in Paris



Source: Savills

Rental development in Madrid and Barcelona



Source: Savills

Summary of the Sagax property portfolio

On 31 December 2021, Sagax's property portfolio comprised 673 properties with a total lettable area of 3,759,000 square metres. The annual rental value and contractual annual rent amounted to SEK 3,459 M and SEK 3,324 M, respectively. The economic occupancy rate amounted to 96%.

MARKET SEGMENT

Sagax's property portfolio is divided into the market segments of Stockholm, Helsinki, the Netherlands, Paris, University cities in Finland, Madrid & Barcelona, Rest of Finland, Rest of Sweden and Rest of Europe. Sagax's largest segment, Stockholm, represents 26% of the total market value and 21% of rental value.

LEASE STRUCTURE

Sagax mainly enters into triple net leases. This means the tenant accounts for the costs of such items as heating, electricity, property tax, water and sewage, in addition to the contractual rent. Accordingly, Sagax is only affected to a limited extent by changed costs due to changes in consumption or changed rates for such utilities as heating and electricity. Outside the large cities, tenants normally manage and defray costs for caretaking and maintenance of the properties, under what is known as triple net leases. In the portfolios in Stockholm, Helsinki and Paris, the contractual party for the supply of utilities, meaning heating, elec-

tricity and water supply and sewer systems, differs from other market segments. Most properties outside Stockholm, Helsinki, the Netherlands, Paris, and Madrid & Barcelona have only one tenant per property. These properties are usually let under long-term triple net leases. The percentage of rental revenue related to leases with rent supplements linked to the Consumer Price Index (CPI) or similar indexes amounted to 100% (100) at year end.

Sagax has a diverse lease structure, which better allows the company to maintain an even occupancy rate. To further reduce the risk of lower rental revenue, Sagax endeavours to create long-term relationships with the company's existing tenants and to achieve favourable diversification in terms of the length and size of its leases.

Sagax's contractual annual rent at the end of the period was distributed between 2,009 leases, with about 1,200 tenants. The table on page 17 presents the size of Sagax's leases in relation to the Group's contractual annual rent at the end of the period.

Market value of properties



Stockholm 26% (SEK 11,755 M)
Helsinki 20% (SEK 9,076 M)
Netherlands 13% (SEK 6,090 M)
Paris 10% (SEK 4,678 M)
University cities in Finland 9% (SEK 4,217 M)
Madrid & Barcelona 5% (SEK 2,263 M)
Rest of Finland 4% (SEK 2,054 M)
Rest of Sweden 4% (SEK 2,001 M)
Rest of Europe 9% (SEK 3,933 M)

Group's rental value



Stockholm 21% (SEK 721 M)
Helsinki 21% (SEK 735 M)
Netherlands 12% (SEK 420 M)
Paris 11% (SEK 390 M)
University cities in Finland 12% (SEK 429 M)
Madrid & Barcelona 4% (SEK 140 M)
Rest of Finland 5% (SEK 181 M)
Rest of Sweden 4% (SEK 154 M)
Rest of Europe 8% (SEK 289 M)

Summary of property portfolio

Market segment	No. of properties	Lettable area, sqm	31 Dec 2021		Economic occupancy rate	Rental revenue, SEK M	Other revenue, SEK M	2021		Net operating income, SEK M ¹⁾	Yield ¹⁾
			Market value, SEK M	Rental value, SEK M				SEK M	SEK per sqm ¹⁾		
			SEK M	SEK M	per sqm	per sqm	SEK M	SEK M	per sqm ¹⁾		
Stockholm	80	637,000	11,755	721	95%	667	10	-112	-176	565	4.8%
Helsinki	72	637,000	9,076	735	96%	665	1	-133	-208	534	6.4%
Netherlands	121	571,000	6,090	420	96%	355	5	-37	-64	323	5.9%
Paris	97	369,000	4,678	390	96%	321	5	-81	-219	245	6.1%
University cities in Finland	64	427,000	4,217	429	97%	350	1	-78	-183	273	7.9%
Madrid & Barcelona	76	259,000	2,263	140	92%	119	-	-14	-55	105	4.9%
Rest of Finland	67	269,000	2,054	180	99%	217	-	-23	-85	209	7.8%
Rest of Sweden	30	262,000	2,001	154	99%	150	1	-11	-40	143	7.0%
Rest of Europe	66	328,000	3,933	289	100%	255	-	-19	-59	236	6.7%
Sub-total	673	3,759,000	46,067	3,459	96%	3,100	23	-507	-135	2,615	6.0%
Unallocated	-	-	-	-	-	-	-	-43	-11	-43	-
Total	673	3,759,000	46,067	3,459	96%	3,100	23	-550	-146	2,573	6.0%

1) Expenses for property administration are included in recognized property expenses.

The table on the right shows that 1,997 leases each had a rental value of less than 1% of the Group's contractual annual rent. The total rental value for these leases accounted for 81% of Sagax's contractual annual rent. In addition, Sagax is party to ten leases with a rental value corresponding to 1–2% of the Group's contractual annual rent. Combined, these leases total 13% of Sagax's contractual annual rent. Only two of Sagax's leases had an annual rental value that accounted for more than 2% of the Group's rental revenue. These leases together represented 6% of the Group's contractual annual rent.

According to Sagax's management strategy, the company strives to secure long-term leases and an even distribution of contract maturities over the years. Sagax works actively to agree in advance on lease extensions. Company policy is to abstain from attempting to maximise rent levels in favour of reaching longer terms. This is deemed to reduce the risk of significant variations in the Group's occupancy rate.

TENANTS

Sagax's tenants operate in a variety of industries. 16% of Sagax's contractual annual rent comes from companies with food-related operations, 15% from tenants in the manufacturing industry, and 12% from the automotive industry, including sales, service and manufacturing. Diverse tenant industries is considered to lower the risk of vacancies and rent losses. The main industries are presented in the pie chart below.

At year end, the annual rent attributable to the ten largest tenants corresponded to 24% of the total contractual rental revenue, distributed among 109 separate leases. The average term for these leases was 7.5 years. The single largest tenant is the US medical products group Baxter. At year end, Baxter accounted for 4.6% of Sagax's contractual rental revenue. An additional four tenants each pay annual rent exceeding 2% of the company's total annual rents. The five largest tenants in alphabetical order are Baxter Group, GMFoodIberica, Kesko, Nokia and Saint-Gobain.

Lease terms

Year of expiry	No. of leases	Contractual annual rent		
		Area, sqm	SEK M	Share
2022	802	494,000	491	15%
2023	367	414,000	408	12%
2024	288	391,000	406	12%
2025	186	677,000	493	15%
2026	105	281,000	255	8%
>2026	261	1,368,000	1,271	38%
Total	2,009	3,625,000	3,324	100%

Lease term

Market segment	No. of properties	No. of leases	Lease term, years
Stockholm	80	441	4.2
Helsinki	72	374	4.9
Netherlands	121	226	5.5
Paris	97	395	3.8
University cities in Finland	64	314	4.2
Madrid & Barcelona	76	78	3.0
Rest of Finland	67	78	5.4
Rest of Sweden	30	26	7.7
Rest of Europe	66	77	8.7
Total/average	673	2,009	5.1

Distribution of leases

Share of contractual annual rent	Contractual annual rent	Share, %	No. of leases	Average contractual annual rent, SEK M		Lease term, years
				No. of leases	Average contractual annual rent, SEK M	
>2%	197	6	2	98	9	
1–2%	439	13	10	44	7	
<1%	2,688	81	1,997	1	5	
	3,324	100	2,009	2	5	

Rental revenue industry exposure



- Food-related operations 16%
- Manufacturing industry 15%
- Automotive, 12%
- Building products, 7%
- Service for properties, 6%
- IT, development, education, 6%
- Medicine, medical technology, 6%
- Production properties, 5%
- Media, 5%
- Logistics, 4%
- State, municipality, 2%
- Other, 16%

PROPERTY YIELD

The yield reported by Sagax on properties was 6.0% (6.3). The chart below illustrates how yield for 2021 was impacted by investments, sales, changes in value and currency effects.

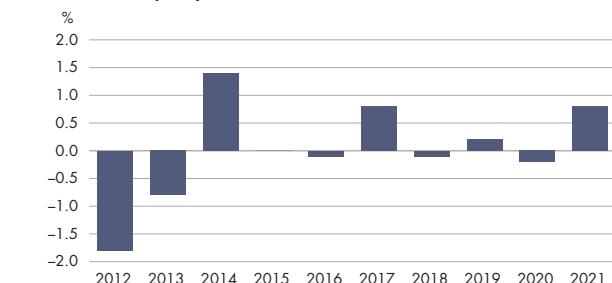
RENT LOSSES

Historically, Sagax has reported low rent losses, calculated as unpaid rent receivables; see table below. Rent losses in 2021 amounted to SEK 3.2 M (0.7).

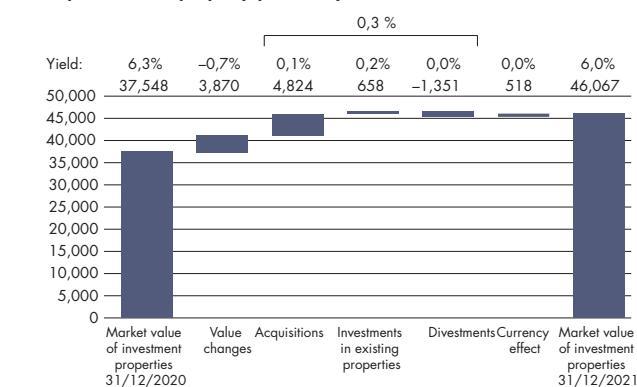
Rent losses

Year	Rent losses, SEK M	Percentage of rental revenue	Economic occupancy rate, %
2012	2.5	0.3	93
2013	0.0	0.0	92
2014	0.2	0.0	94
2015	0.6	0.0	96
2016	0.1	0.0	94
2017	0.1	0.0	94
2018	1.6	0.1	95
2019	2.9	0.1	95
2020	0.7	0.0	95
2021	3.2	0.1	96

Tenants, net occupancy



Development of the property portfolio yield in 2021



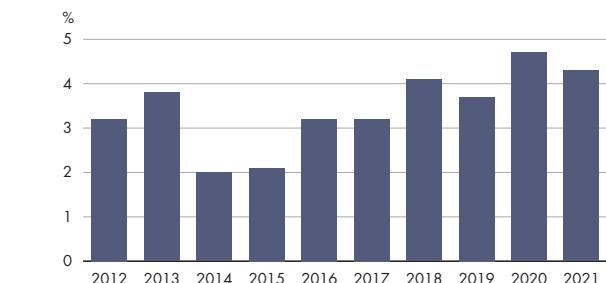
LETTING ACTIVITIES

In 2021, Sagax had a low tenant turnover rate of 4.3% (4.7). The turnover rate was calculated as the contractual annual rent for vacating tenants during the year in relation to average contractual annual rent for the year.

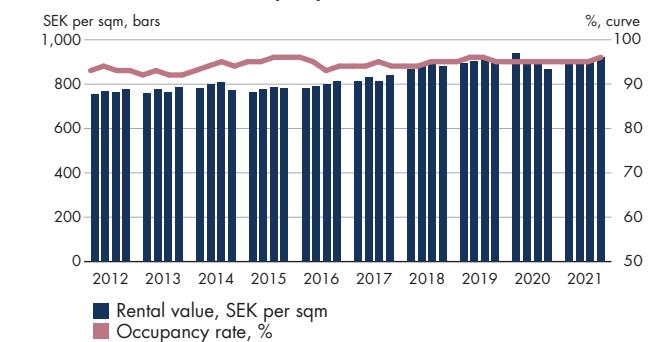
The net leasing in 2021 was 0.8 % (-0.2). Net leasing was calculated by comparing contractual annual rents for occupying and vacating tenants during the year with the average rental value for the year. The economic occupancy rate amounted to 96% (95).

The occupancy rate between 2012 and 2021 continuously exceeded 92%.

Tenant turnover rate



Rental value and economic occupancy rate



VACANCY RATE

Change in economic vacancy rate

The economic occupancy rate amounted to 96% (95) at year end 2021. During the year, the vacancy value rose SEK 134 M (128) due to tenants vacating premises and declined SEK 159 M (123) due to new lettings. Discounts provided on a fixed-term basis amounted to SEK 37 M (35) on an annual basis at year-end. The terms for the discounts are presented in the table below. 49% (66) of the vacancy value was found in Stockholm and Helsinki. Sagax's properties in Stockholm and Helsinki have shorter average lease terms and higher turnover of tenants, which leads to relocation vacancies.

The closing vacancy value was SEK 135 M (159). The properties with vacancies that were acquired in 2021 increased the vacancy value by SEK 11 M. The closing vacancy value was reduced by SEK 14 M due to property sales.

At year end, the total vacancy rate in the portfolio in terms of area was 4% (5).

Future vacancy changes

At year end, notice of termination had been served for leases with a rental value of SEK 107 M (68), of which SEK 2 M (–) was leases with notice of renegotiation and SEK 105 M (68) was leases with notice of vacating the premises. Of the leases for which notice of vacating the premises had been received, vacancies corresponding to SEK 55 M will occur in 2022, SEK 33 M in 2023 and SEK 17 M in 2024 or thereafter.

New lettings for premises that have not yet been occupied reduced the adjusted vacancy value by SEK 34 M (17).

The adjusted closing vacancy value was SEK 207 M (210). SEK 71 M (51) was due to the aforementioned increase in notice of vacating premises, but which have not yet been vacated and new lettings which remain unoccupied.

Vacancies on 1 January 2022

Market segment	No. of properties	Rental value, SEK M	Vacancy value, SEK M ¹⁾	Economic vacancy rate ¹⁾	Lettable area, sqm	Vacant area, sqm	Vacancy rate by area
Stockholm	80	721	39	5%	637,000	14,000	2%
Helsinki	72	735	27	4%	637,000	31,000	5%
Netherlands	121	420	19	4%	571,000	19,000	3%
Paris	97	390	17	4%	369,000	18,000	5%
University cities in Finland	64	429	15	3%	427,000	12,000	3%
Madrid & Barcelona	76	140	12	8%	259,000	29,000	11%
Rest of Finland	67	180	2	1%	269,000	3,000	1%
Rest of Sweden	30	154	4	2%	262,000	6,000	2%
Rest of Europe	66	289	1	0%	328,000	3,000	1%
Total	673	3,459	135	4%	3,759,000	134,000	4%

1) The vacancy value and vacancy rate take into account vacancies as well as discounts provided to tenants.

Terms for discounts provided

Year of expiry	SEK M
2022	22
2023	9
2024	4
2025	1
2026	–
>2026	1
Total	37

Leases terminated for vacancy

Year of vacancy	No. of leases	Rental value, SEK M
2022	50	55
2023	10	33
2024	2	5
2025	4	4
2026	–	–
>2026	2	8
Total	68	105

Vacancy changes

Amounts in SEK M	2021	2020
Opening vacancy for each year	159	135
Vacancies	134	128
New lettings	–159	–123
Change in discounts provided	2	13
Vacancy value, acquired properties	11	11
Vacancy value, sold properties	–14	–1
Change in exchange rates	2	–3
Closing vacancy value	135	159
Terminated for renegotiation	2	–
Terminated lease, not vacated	105	68
New letting, not occupied	–34	–17
Adjusted closing vacancy value	207	210

NET INVESTMENTS 2021

Sagax's net investments in properties in 2021 corresponded to 11% of the opening property value; see chart on page 21. During the most recent five-year period, net investments have averaged 11%. Net investments have been calculated as the net of property acquisitions and investments in the current property portfolio, as well as sales of properties.

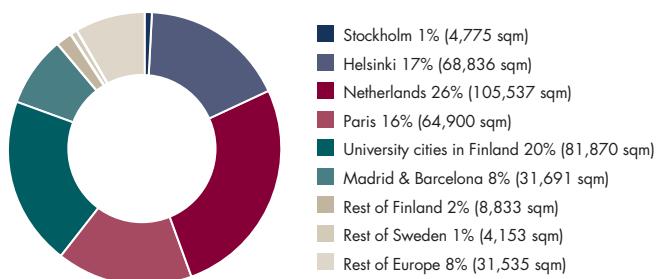
INVESTMENTS IN THE CURRENT PORTFOLIO

In 2021, Sagax invested SEK 658 M (666) in the existing property portfolio, of which SEK 207 M (297) was invested in Stockholm and SEK 236 M (237) in Helsinki. Of these investments, SEK 72 M (47) pertained to tenant improvements on behalf of existing tenants in return for compensa-

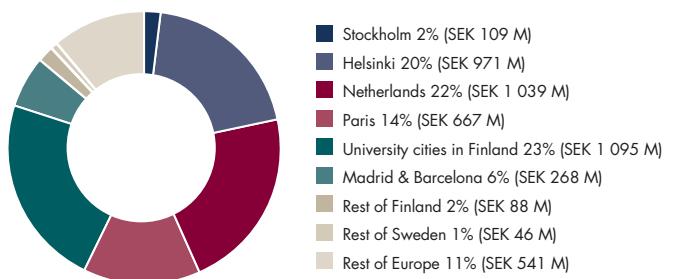
sation in the form of an increased rent level and longer leases. SEK 145 M (123) was invested in connection with new lettings. During the year, SEK 225 M (324) was invested in new builds and SEK 153 M (123) in periodic maintenance. A total of SEK 26 M (41) was invested in solar power facilities and SEK 19 M (8) was invested in other energy-saving initiatives. In addition, the cost of corrective maintenance amounting to SEK 74 M (79) was expensed in the consolidated financial statements in 2021.

Sagax has contractual undertakings in a maximum amount of SEK 25 M concerning future tenant improvements.

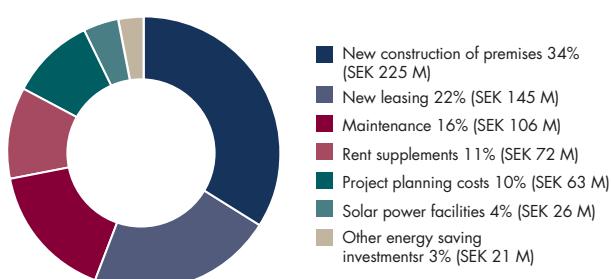
Properties acquired 2021, lettable area



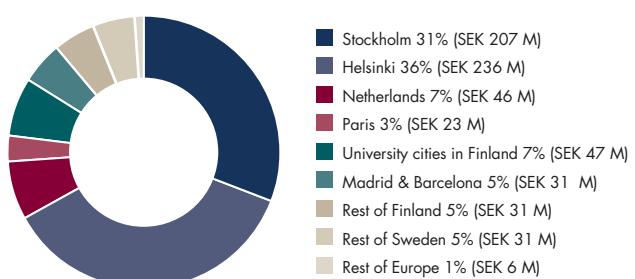
Properties acquired 2021, acquisition price



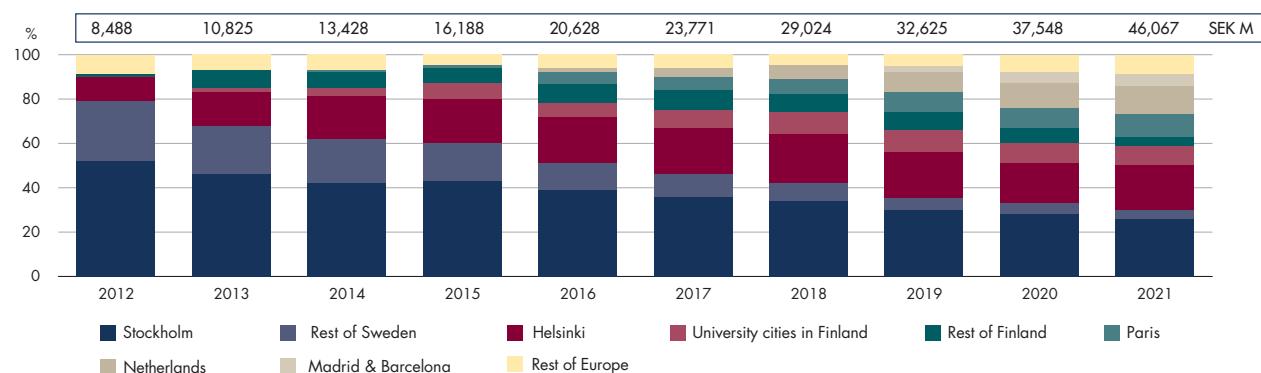
Reason for investments in current property portfolio



Investments in current property portfolio per market area



Market value of properties by market segment 2012-2021



FIVE LARGEST INVESTMENTS IN CURRENT PROPERTY PORTFOLIO IN 2021

The five largest investments in the current property portfolio during the year are described below. These five investments totalled SEK 159 M, corresponding to 24% of the total investments in the current property portfolio during the year.

Ansatie 4 in Helsinki, SEK 86 M

A new build of 11,000 square metres of warehouse and business premises. Construction was started in the first quarter of 2021 and is scheduled to be completed in the second quarter of 2022. The total investment is estimated at SEK 123 M and the occupancy rate is more than 50%. On completion, the property will be certified under the BREEAM In-use, Very Good level.

Ruosilantie 14 in Helsinki, SEK 22 M

A new build of warehouse and business premises. Construction commenced in the second quarter of 2021 and is expected to be completed in the second quarter of 2022. The property is fully let and the total investment is estimated at SEK 40 M.

Koneenkatu 8 in Hyvinkää, SEK 22 M

Tenant improvements and property modernisation in connection with extending the existing lease. The total lettable area is 62,000 square metres and the property is fully let to Konecranes. The investment was started in the first quarter of 2021 and is scheduled to be completed in the fourth quarter of 2022. The total investment is estimated at SEK 32 M.

Gjutmästaren 8 in Stockholm, SEK 17 M

A new build of warehouse and business premises with offices and garage. Construction started in 2018 and was completed in early 2021. In total, the new build encompassed 19,000 square metres of lettable area and the

investment totalled SEK 365 M. The premises are fully let. The property has Silver level certification from the Sweden Green Building Council.

Vitå 1 in Stockholm, SEK 12 M

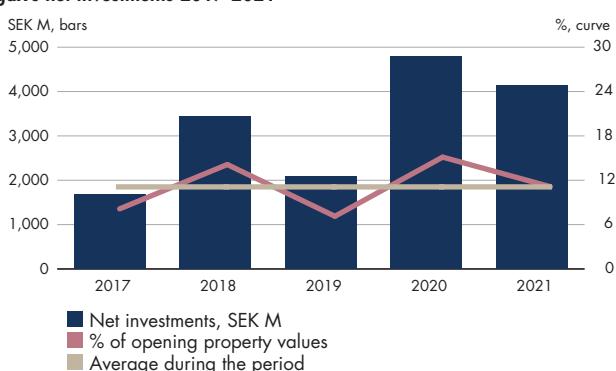
The investment includes construction of a new multi-story car park and all spaces are let. Construction was started in the third quarter of 2021 and was completed in the first quarter of 2022.

ONGOING INVESTMENTS AT YEAR END

At year end, Sagax had nine ongoing investments with a remaining investment volume exceeding SEK 10 M, see below.

At year end, there were ongoing projects with a total estimated investment of SEK 591 M, of which SEK 236 M was invested up to and including 2021.

Sagax's net investments 2017-2021



Ongoing projects

Ongoing projects with an estimated total investment exceeding SEK 10 M

Property	Municipality	Regarding	Project area, sqm	Estimated investment, SEK M	Remaining investment, SEK M	Estimated year of completion
Koneenkatu 8	Hyvinkää	Tenant improvements	62,000	32	10	2022
Monte Naranjo 9-14	Seseña	Property maintenance	17,000	44	35	2022
Ansatie 4	Vantaa	New construction	11,000	123	37	2022
Sant Julia 104	Granollers	New construction	9,000	39	37	2022
Tulkintie 29	Vantaa	New construction	4,000	59	52	2022
Bronce 2	Seseña	Property maintenance	4,000	13	12	2022
Elektra 11	Stockholm	New construction	4,000	80	72	2023
Rankan 1	Sollentuna	New construction	2,000	31	23	2022
Ruosilantie 14	Helsinki	New construction	2,000	40	18	2022
Sub-total			115,000	462	297	

Ongoing projects with an estimated total investment of less than SEK 10 M

Total ongoing projects, 31 December 2021	129	58
	591	355

Stockholm

In Stockholm, Sagax's property portfolio comprised 80 properties with 637,000 square metres of lettable area. The rental value was SEK 721 M.

Data in brief	2021	2020
No. of properties	80	78
Lettable area, sqm	637,000	655,000
Rental value, SEK M	721	702
Economic vacancy rate, %	5	7
No. of leases	441	407
Properties' market value, SEK M	11,755	10,552
Net operating income, SEK M	565	565
Yield on 31 December, %	4.8	5.2

Distribution of leases, market segment				
	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	—	—	—	—
1–2% of Sagax's annual rent	75	2	2	38
<1% of Sagax's annual rent	606	18	439	1
	681	21	441	2

Segment's share of Sagax

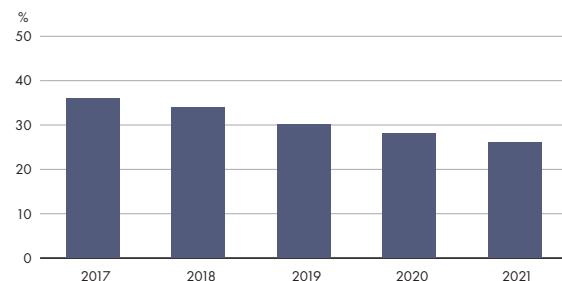
21% 26% 17%

Rental value

Properties' market value

Lettable area

Share of the Group's property value



Stockholm is one of Sagax's principal markets. This market accounts for 26% and 21% of the Group's total market value and rental value, respectively. Sagax's property portfolio in the Stockholm area comprises 80 properties covering 637,000 square metres of lettable area. At year end, the number of leases was 441.

Sagax's properties in Stockholm are located outside central Stockholm, alongside the major highways such as the E4/E20, E18 and Nynäsvägen. Most of the properties are located in established business zones such as Lunda, Ulvsunda and Kista in northern Stockholm as well as in Älvsjö, Segeltorp, Jordbro and Årsta in southern Stockholm.

Vacancy changes, new lettings and renegotiations of existing leases occur continuously and the potential to lease vacant premises is deemed favourable.

PROPERTY MANAGEMENT

Rental revenue totalled SEK 667 M (671) and net operating income was SEK 565 M (565). The economic vacancy rate in Stockholm was 5% (7) at year end 2021.

During the year, Sagax signed 39 new leases encompassing a lettable area of 48,500 square metres, and 18 leases encompassing 110,600 square metres were extended. During the year, tenants served notice of vacating premises for 23 leases encompassing 88,400 square metres, which means that net leasing amounted to -39,900 square metres.

In 2021, SEK 207 M (297) was invested in the current property portfolio.

ACQUISITIONS AND DIVESTMENTS

In 2021, four properties were acquired in Stockholm encompassing 4,800 square metres of lettable area for SEK 109 M. Two properties encompassing 16,400 square metres lettable area were divested during the year for SEK 378 M.

Elektra 11



A new build of 3,500 square metres of warehouse and business premises and 84 parking spaces at Elektra 11 in Stockholm. Construction started in early 2021 and construction is scheduled to be completed in the third quarter of 2023. The total investment is estimated at SEK 80 M and the property will have a Sweden Green Building Council Silver rating when completed.

Helsinki

Sagax's property portfolio in Helsinki encompassed 72 properties with 637,000 square metres of lettable area. The rental value was SEK 735 M.

Data in brief

	2021	2020
No. of properties	72	72
Lettalbe area, sqm	637,000	577,000
Rental value, SEK M	735	622
Economic vacancy rate, %	4	8
No. of leases	374	346
Properties' market value, SEK M	9,076	6,771
Net operating income, SEK M	534	469
Yield on 31 December, %	6.4	6.7

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	138	4	3	46
<1% of Sagax's annual rent	570	17	371	2
	707	21	374	2

Segment's share of Sagax



At year end, Sagax's property portfolio in the Helsinki market segment consisted of 72 properties, offering 637,000 square metres of lettable area. Helsinki represents 17% of Sagax's lettable area and 21% of rental value in the Group.

The market segment consists of the municipalities of Espoo, Vantaa, Helsinki and Tuusula. Sagax's properties are strategically located along ring roads and key roadways.

PROPERTY MANAGEMENT

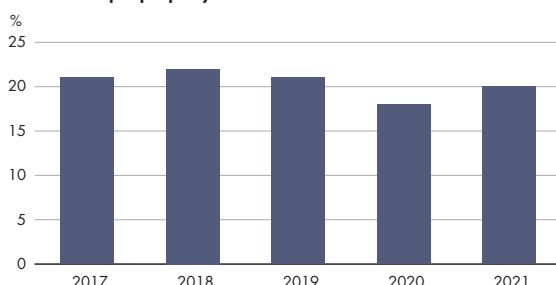
Rental revenue amounted to SEK 665 M (593) and net operating income increased 14% to SEK 534 M (469), mainly as a result of property acquisitions in 2020 and 2021. In 2021, Sagax invested SEK 236 M (237) in the existing property portfolio.

During the year, Sagax signed new leases encompassing a lettable area of 41,400 square metres, and leases of 48,500 square metres were extended. During the year, tenants served notice of vacating premises encompassing 17,100 square metres, which means that net leasing amounted to 24,300 square metres for 2021.

ACQUISITIONS AND DIVESTMENTS

In 2021, three properties were acquired in Helsinki with a total of 68,800 square metres of lettable area for SEK 971 M. Three properties encompassing 1,200 square metres of lettable area were divested during the year for SEK 83 M.

Share of the Group's property value



The Högberginhaara 9 property was acquired in Helsinki in the second quarter of 2021. The property encompasses 5,100 square metres of lettable area and is fully let.

Netherlands

Sagax's property portfolio in the Netherlands comprises 121 properties covering 571,000 square metres of lettable area. The rental value was SEK 420 M.

Data in brief

	2021	2020
No. of properties	121	89
Lettable area, sqm	571,000	466,000
Rental value, SEK M	420	337
Economic vacancy rate, %	4	4
No. of leases	226	171
Properties' market value, SEK M	6,090	4,262
Net operating income, SEK M	323	263
Yield on 31 December, %	5.9	7.2

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	–	–	–	–
<1% of Sagax's annual rent	401	12	226	2
	401	12	226	2

Segment's share of Sagax



At year end, Sagax's property portfolio in the Netherlands market segment consisted of 121 properties, offering 571,000 square metres of lettable area. The Netherlands represents 15% of Sagax's lettable area and 12% of rental value.

PROPERTY MANAGEMENT

Rental revenue for the year amounted to SEK 355 M (291) and net operating income increased 23% to SEK 323 M (263), as a result of property acquisitions.

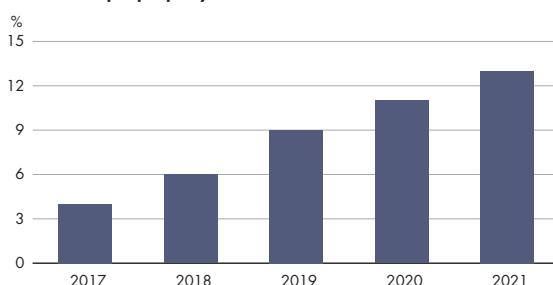
In 2021, Sagax invested SEK 46 M (56) in the existing property portfolio.

During the year, Sagax signed 12 new leases encompassing a lettable area of 11,800 square metres, and 23 leases encompassing 67,300 square metres were extended. 14 notices of vacating premises were received during the year on a lettable area encompassing 21,600 square metres, which means that net leasing amounted to a decline –9,800 square metres for 2021.

ACQUISITIONS AND DIVESTMENTS

In 2021, 33 properties were acquired in the Netherlands with a total of 105,500 square metres of lettable area for SEK 1,039 M, corresponding to 20% of Sagax's investments in 2021. One property encompassing 700 square metres of lettable area was divested during the year for SEK 3 M.

Share of the Group's property value



The Linschotenstraat 100 property in Rotterdam was acquired in the second quarter of 2021. The property encompasses 1,500 square metres of lettable area and 2,000 square metres of land and is fully let.

Paris

Sagax's Paris property portfolio comprises 97 properties with 369,000 square metres of lettable area. The rental value was SEK 390 M.

Data in brief

	2021	2020
No. of properties	97	82
Lettable area, sqm	369,000	305,000
Rental value, SEK M	390	317
Economic vacancy rate, %	4	4
No. of leases	395	303
Properties' market value, SEK M	4,678	3,465
Net operating income, SEK M	245	225
Yield on 31 December, %	6.1	7.0

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	36	1	1	36
<1% of Sagax's annual rent	350	11	394	1
	386	12	395	1

Segment's share of Sagax

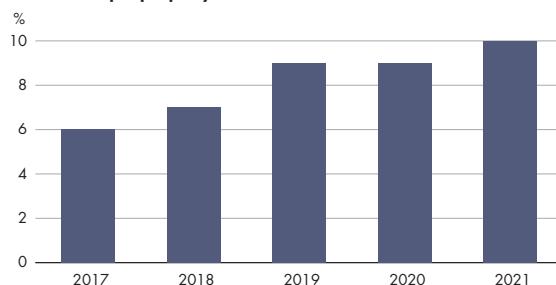
11% 10% 10%

Rental value

Properties' market value

Lettable area

Share of the Group's property value



At the end of 2021, Sagax owned 97 properties with 369,000 square metres of lettable area in the Paris market segment. The segment represents 10% of the lettable area and 11% of Sagax's rental value.

PROPERTY MANAGEMENT

Rental revenue amounted to SEK 321 M (299) and net operating income increased 9% to SEK 245 M (225), mainly as a result of property acquisitions.

In 2021, Sagax invested SEK 23 M (22) in the existing property portfolio.

During the year, Sagax signed 55 new leases encompassing a lettable area of 19,500 square metres, and 19 leases encompassing 14,500 square metres were extended. During the year, tenants served notice of vacating premises for 44 leases encompassing 19,200 square metres, which means that net leasing amounted to 300 square metres in 2021.

ACQUISITIONS AND DIVESTMENTS

15 properties were acquired in Paris for SEK 667 M in 2021, encompassing 64,900 square metres of lettable area.



In the fourth quarter of 2021, Sagax acquired a property in Paris comprising 13,200 square metres of lettable area. The property is situated 12 km north of central Paris and comprises warehouse, logistics and office premises.

University cities in Finland

Sagax's property portfolio in University cities in Finland included 64 properties with 427,000 square metres of lettable area. The rental value was SEK 429 M.

Data in brief

	2021	2020
No. of properties	64	66
Lettable area, sqm	427,000	356,000
Rental value, SEK M	429	326
Economic vacancy rate, %	3	3
No. of leases	314	295
Properties' market value, SEK M	4,217	3,180
Net operating income, SEK M	273	263
Yield on 31 December, %	7.9	8.0

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	62	2	1	62
<1% of Sagax's annual rent	352	11	313	1
	415	12	314	1

Segment's share of Sagax

12% 9% 11%

Rental value

Properties' market value

Lettable area

Sagax's property portfolio in the University cities in Finland market segment consisted of 64 properties, offering 427,000 square metres of lettable area at year end. The segment consists of the cities of Jyväskylä, Tampere, Oulu and Turku. The segment represents 11% of Sagax's lettable area and 12% of rental value.

PROPERTY MANAGEMENT

Rental revenue amounted to SEK 350 M (335). Net operating income increased 4% to SEK 273 M (263), primarily as a result of property acquisitions in 2020 and 2021.

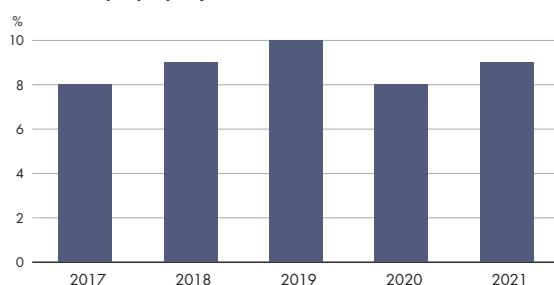
In 2021, Sagax invested SEK 47 M (28) in the existing property portfolio.

During the year, Sagax signed 35 new leases encompassing a lettable area of 16,500 square metres, while leases encompassing 16,800 square metres were extended. During the year, tenants served notice of vacating premises encompassing 8,300 square metres, resulting in net leasing of 8,200 square metres in 2021.

ACQUISITIONS AND DIVESTMENTS

In 2021, 13 properties were acquired encompassing 81,900 square metres of lettable area for SEK 1,095 M (97). 15 properties encompassing 9,700 square metres were divested during the year.

Share of the Group's property value



The Jasperintie 310 property in the University cities in Finland segment was acquired in the third quarter of 2021. The property encompasses 5,800 square metres of lettable area and all premises have been let.

Madrid & Barcelona

In this market segment, Sagax had a property portfolio comprising 76 properties with 259,000 square metres of lettable area on 31 December 2021. The rental value was SEK 140 M.

Data in brief

	2021	2020
No. of properties	76	67
Lettable area, sqm	259,000	235,000
Rental value, SEK M	140	116
Economic vacancy rate, %	8	13
No. of leases	78	64
Properties' market value, SEK M	2,263	1,813
Net operating income, SEK M	105	90
Yield on 31 December, %	4.9	5.0

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	–	–	–	–
<1% of Sagax's annual rent	102	3	78	1
	102	3	78	1

Segment's share of Sagax



At year end, Sagax's property portfolio in the market segment consisted of 76 properties, offering 259,000 square metres of lettable area. The segment represents 7% of Sagax's total lettable area and 4% of rental value.

PROPERTY MANAGEMENT

Rental revenue increased to SEK 119 M (105). Net operating income increased to SEK 105 M (90), primarily as a result of property acquisitions in 2020 and 2021.

During the year, Sagax signed 20 new leases with a lettable area of 34,900 square metres. 12 leases for 19,200 square metres were terminated for vacating premises and ten leases for 30,700 square metres were extended during the year. Net leasing amounted to 15,700 square metres in 2021. Most of the properties are let under triple net leases.

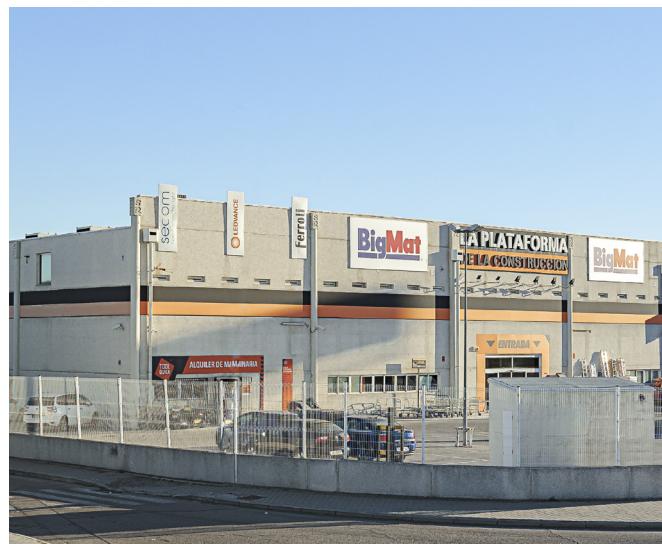
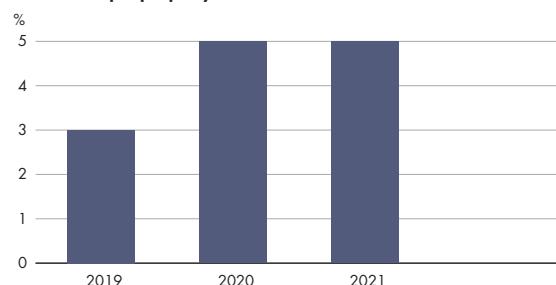
SEK 31 M was invested in the existing property portfolio in 2021.

ACQUISITIONS AND DIVESTMENTS

Eight properties encompassing 31,700 square metres of lettable area were acquired for SEK 268 M in 2021.

No properties were divested in 2021.

Share of the Group's property value



A property encompassing a lettable area of 6,500 square metres and 11,000 square metres of land was acquired in the third quarter of 2021. The property is situated 30 km from central Madrid and is fully let.

Rest of Finland

*The market segment included 67 properties with 269,000 square metres of lettable area at year end.
The rental value was SEK 180 M.*

Data in brief

	2021	2020
No. of properties	67	129
Lettable area, sqm	269,000	326,000
Rental value, SEK M	180	217
Economic vacancy rate, %	1	1
No. of leases	78	157
Properties' market value, SEK M	2,054	2,527
Net operating income, SEK M	195	209
Yield on 31 December, %	7.8	7.9

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	47	1	1	47
<1% of Sagax's annual rent	132	4	77	2
	179	5	78	2

Segment's share of Sagax

5% 4% 7%

Rental value Properties' market value Lettable area

The Rest of Finland segment included 67 properties offering 269,000 square metres of lettable area. The segment represents 7% of Sagax's lettable area and 5% of the rental value.

PROPERTY MANAGEMENT

Rental revenue amounted to SEK 217 M (231) and net operating income in 2021 declined to SEK 195 M (209), mainly due to property divestments during the year. Most leases are triple net leases.

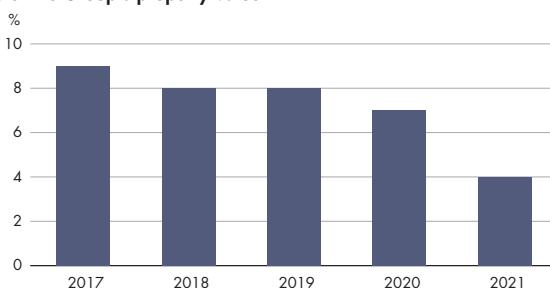
Sagax did not sign any new leases in 2021. Six leases of 15,100 square metres were extended and notices of vacating premises encompassing 2,800 square metres were received. Net leasing was therefore -2,800 square metres.

In 2021, Sagax invested SEK 31 M (14) in the existing property portfolio.

ACQUISITIONS AND DIVESTMENTS

Three properties encompassing 8,800 square metres lettable area were acquired during the year for SEK 88 M. 65 properties with a lettable area of a total of 65,400 square metres were divested in 2021. Properties were divested for a total of SEK 743 M, of which SEK 715 M refers to food retail properties acquired from Cibus Nordic Real Estate AB (publ).

Share of the Group's property value



The Mottisenkatu 6 property was acquired in the fourth quarter of 2021 and encompasses a total of 1,700 square metres of lettable area and 5,200 square metres of land. The premises comprising spaces for warehouse and light industry are fully let.

Rest of Sweden

In this market segment, Sagax had a property portfolio comprising 30 properties with 262,000 square metres of lettable area on 31 December 2021. The rental value was SEK 154 M.

Data in brief

	2021	2020
No. of properties	30	30
Lettable area, sqm	262,000	261,000
Rental value, SEK M	154	149
Economic vacancy rate, %	2	0
No. of leases	26	28
Properties' market value, SEK M	2,001	1,886
Net operating income, SEK M	141	143
Yield on 31 December, %	7.0	7.3

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	–	–	–	–
1–2% of Sagax's annual rent	47	1	1	47
<1% of Sagax's annual rent	104	3	25	4
	150	5	26	6

Segment's share of Sagax



At year end, Sagax's property portfolio in the Rest of Sweden consisted of 30 properties, offering 262,000 square metres of lettable area. The segment represents 7% of Sagax's total lettable area and 4% of rental value.

PROPERTY MANAGEMENT

Rental revenue totalled SEK 150 M (151) and net operating income was SEK 141 M (143).

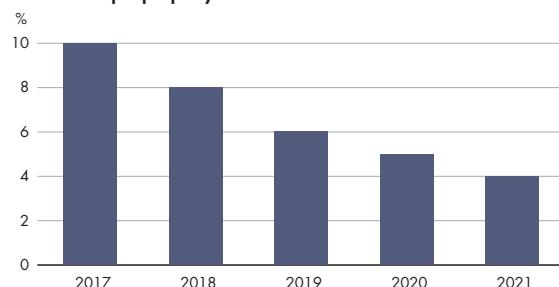
Sagax did not sign any new leases in 2021. Two agreements for 17,200 square metres were terminated for vacating premises and no agreements were extended during the year. The average lease term was 7.7 years (7.4). Most of the market segment's properties are let under triple net leases.

SEK 31 M (7) was invested in the existing property portfolio in 2021.

ACQUISITIONS AND DIVESTMENTS

In 2021, three properties were acquired with 7,400 square metres of lettable area that were subsequently divested to Fastighetaktiebolaget Ess-Sierra, which is a joint venture together with NP3 Fastigheter AB.

Share of the Group's property value



Sagax invested SEK 11 M in Båtyxan 6 in Malmö in 2021. The total investment for tenant improvements is estimated at SEK 15 M and scheduled to be completed in the second quarter of 2022. The property encompasses 14,400 square metres of lettable area and is fully let.

Rest of Europe

Outside the other market segments, Sagax owned 66 properties with 328,000 square metres of lettable area at year end.

Data in brief

	2021	2020
No. of properties	66	59
Lettalbe area, sqm	328,000	299,000
Rental value, SEK M	289	239
Economic vacancy rate, %	–	3
No. of leases	77	42
Properties' market value, SEK M	3,933	3,093
Net operating income, SEK M	236	202
Yield on 31 December, %	6.7	6.9

Distribution of leases, market segment

	Contractual annual rent of segment	% of the Group's contractual annual rent	No. of leases	Average contractual annual rent, SEK M
>2% of Sagax's annual rent	197	6	2	98
1–2% of Sagax's annual rent	34	1	1	34
<1% of Sagax's annual rent	71	2	74	1
	302	9	77	4

Market segment's property portfolio

Country	No. of properties	Lettalbe area	Share
Denmark	2	6,500	2%
Germany	5	64,000	20%
France excluding Paris	22	87,700	27%
Spain excluding Madrid & Barcelona	37	169,800	52%
Total	66	328,000	100%

Segment's share of Sagax

8%	9%	9%
Rental value	Properties' market value	Lettalbe area

Sagax's property portfolio in the Rest of Europe segment consists of 66 properties with 328,000 square metres of lettable area. The segment represents 9% of Sagax's lettable area and 8% of the rental value.

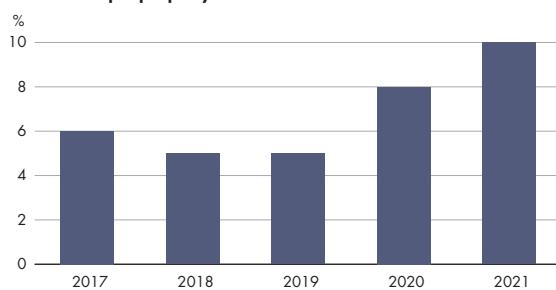
The total investments, including property acquisitions, amounted to SEK 541 (1,603) M, corresponding to 11% of the Group's investments in 2021.

PROPERTY MANAGEMENT

Rental revenue amounted to SEK 255 M (221) and net operating income for 2021 increased 17% to SEK 236 M (202), primarily as a result of property acquisitions.

At year end, rental revenue was derived from 77 leases. The average lease term was 8.7 years (9.3). During the year, Sagax signed three new leases regarding lettable area encompassing 4,700 square metres. Tenants served notice of vacating premises for one lease encompassing 3,100 square metres during the year, resulting in net leasing in Rest of Europe of 1,600 square metres during 2021.

Share of the Group's property value



ACQUISITIONS AND DIVESTMENTS

Seven properties were acquired in Paris for SEK 541 M in 2021, encompassing 31,500 square metres of lettable area. No properties were divested during the year.



Four properties were acquired in Tarragona, Spain in the fourth quarter of 2021. The properties are located 90 km from Barcelona and encompass 12,000 square metres of lettable area. All premises are fully let.

Market value of property portfolio

On 31 December 2021, the market value of the property portfolio was SEK 46,067 M. In 2021, Sagax's property yield was 6.0% and its weighted yield requirement was 6.3%.

INTERNATIONAL ACCOUNTING STANDARDS

Sagax prepares its consolidated financial statements according to the EU-approved International Financial Reporting Standards (IFRS).

Sagax has decided to measure its properties at fair value according to the Fair Value Method, according to Level 3 of IFRS 13.

MARKET VALUE

The total market value of Sagax's 673 properties (673) was SEK 46,067 M (37,548) on 31 December 2021. The change in the carrying amount of the properties during 2021 is explained below. Property valuation is subject to some uncertainty and frequently based on assumptions regarding future trends for a number of parameters.

Net investments in 2021 amounted to SEK 4,132 M (4,795) or 11% (15%) of the opening property value. In addition, translation from foreign currency affected the amount by SEK 518 M (-1,146). The value trend of the properties has been positive since 2010. The weighted yield requirement was 6.3% (6.5) on 31 December 2021.

The total recognised unrealised change in value during the year was SEK 3,870 M (1,274).

REVALUATION OF PROPERTIES

The value of the property portfolio rose by SEK 597 M (100) net as a result of lease renegotiations, new lettings and tenants moving out during the year; refer to the table below entitled Unrealised changes in value. The general change in market value affected property values by SEK 3,273 M (1,154), primarily due to lower yield requirements in the property market. The change in market value corresponds to 7.1% of year-end market value of the properties.

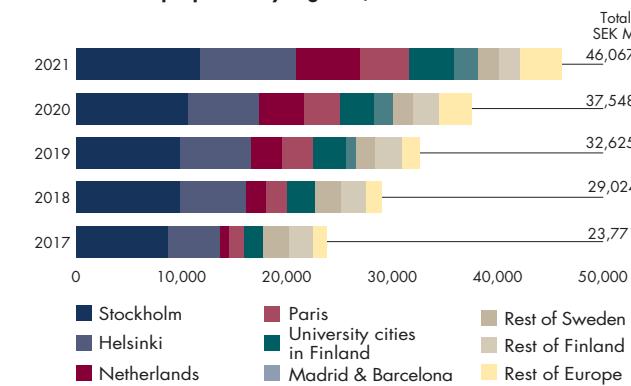
PROPERTIES WITH THE HIGHEST MARKET VALUE

On 31 December 2021, the total market value of Sagax's ten largest properties (in terms of value) was SEK 7.4 billion (6.8). Bank loans corresponded to 16% (18) of the property portfolio's total market value. Sagax's ten properties with the highest appraised value, categorised alphabetically, are presented in the table on page 33.

EXTERNAL MARKET VALUATIONS

Sagax has chosen independent valuation companies to assess the fair value of its properties. The external market valuations are undertaken each quarter and encompass the majority of Sagax's properties.

Market value of properties by segment, 2017-2021



Change in the carrying amounts of properties

	SEK M	No.
Carrying amount, 31 December 2020	37,548	673
Acquisition of properties	4,824	89
Investments in the current portfolio	658	
Property sales	-1,351	-89
Currency translation effect	518	
Unrealised changes in value	3,870	
Property portfolio, 31 December 2021	46,067	673

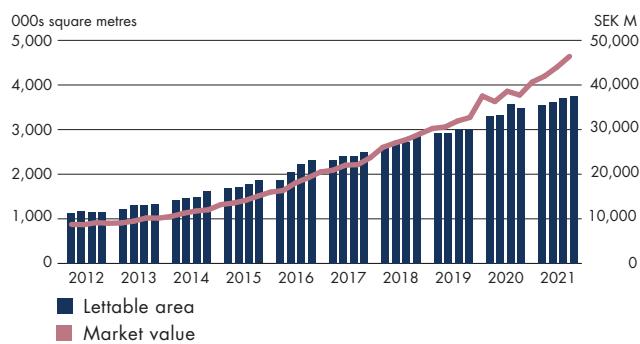
Unrealised changes in value

Amounts in SEK M	Jan-Dec 2021
New lettings/Renegotiations	935
Vacancies/Renegotiations	-338
General change in market value	3,273
Total	3,870

Sagax believes that the use of reputable, independent valuation companies creates the optimal long-term conditions for a fair and trustworthy assessment of the properties' market value. The table below on the dis-

tribution of appraised objects shows the valuation companies that were employed at year end and how many properties they appraised. The valuation techniques and analyses are presented on page 92.

Market value and area of properties



Properties with the highest market value, in alphabetical order

Property	Municipality	Lettable area, sqm
Gjutmästaren 8	Stockholm, Sweden	19,200
Holger-Crafoord Strasse 26	Hechingen, Germany	64,000
Hort de Ses Animes 2	Mallorca, Spain	15,400
Inteckningen 5	Lund, Sweden	24,000
Jordbromalm 3:1	Haninge, Sweden	94,000
Jordbromalm 4:3	Haninge, Sweden	51,400
Koneenkatu 8	Hyvinkää, Finland	61,900
Martinkyläntie 9 A	Vantaa, Finland	52,800
Tikkurilantie 5	Vantaa, Finland	62,300
Väinö Tannerin Tie 1 B	Vantaa, Finland	20,700
Total		465,700

Distribution of valuation objects

Property appraisers	Country	Share of property portfolio
Savills	Sweden	16%
CBRE	Finland	30%
Jones Lang LaSalle	Netherlands	17%
Savills	France	18%
Savills	Spain	16%
Savills	Germany	1%
Cushman & Wakefield RED	Denmark	0%
Total		98%
Internal valuation		2%
Total share of properties, Sagax 2021		100%

Funding

Equity amounted to SEK 31,079 M at year end 2021. Interest-bearing liabilities amounted to SEK 26,354 M, corresponding to a debt ratio of 42%. The interest coverage ratio was 651%. Sagax has a rating of Baa3 with a positive outlook from Moody's Investors Service.

BACKGROUND

Sagax pursues capital-intensive operations. Access to capital is an essential condition for the development of a successful property business. Assets totalled SEK 62,472 M (46,622) at year end. Operations are funded using a combination of equity, interest-bearing liabilities and other liabilities. Equity and interest-bearing liabilities corresponded to 92% (91) of Sagax's year end funding.

Financial expenses amounted to SEK 447 M (481), including SEK 28 M (26) for the interest component attributable to IFRS 16 Leases, and represented the largest operational expense. In 2021, the interest coverage ratio was 651% (575), while the debt ratio was 42% (43) at year end. The financial structure is designed with a clear focus on operating cash flow and interest coverage ratio. This is expected to create both excellent prerequisites for expansion and an attractive return on equity.

Sagax endeavours to have well-balanced fixed interest and loan maturity profiles to secure its operating cash flow. The average fixed interest period was 4.0 years (3.4) at year end. This fixed interest period reduces interest-rate sensitivity but leads to a higher average interest rate than a shorter fixed interest period. At year end, the average loan maturity period was 4.3 (3.4) years, which entails a low refinancing risk, considering the company's debt ratio and position in general. Sagax has no significant credit maturities in 2022.

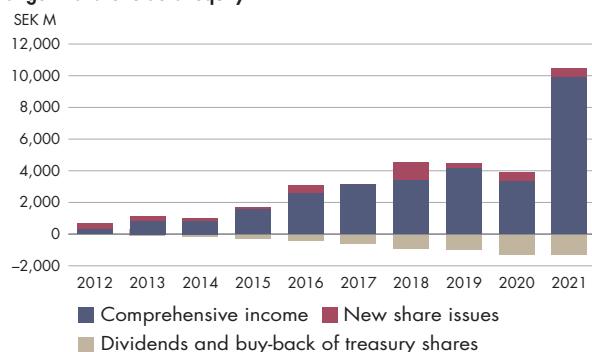
EQUITY

Sagax seeks to gain a balance between an attractive return on equity and an acceptable level of risk. At year end, equity totalled SEK 31,079 M (22,452), corresponding to an equity/assets ratio of 50% (48).

On 31 December 2021, equity was represented by three types of shares: Class A, B and D common shares. The shares are listed on Nasdaq Stockholm, Large Cap. The company's preference shares were redeemed during the year. There are a total of 26,832,854 Class A shares, 290,820,741 Class B shares, and 126,261,329 Class D shares outstanding. The holding of treasury shares amounted to 2,000,000 Class B shares. The chart below shows the changes in equity since 2011, together with explanations of reasons for the changes.

On 31 December 2021, equity amounted to SEK 83.93 (55.19) per Class A and B share and SEK 35.00 (35.00) per Class D share. Class D common shares are entitled to five times the total dividend on Class A and B shares, although not more than SEK 2.00 per share annually.

Change in shareholders' equity



INTEREST-BEARING LIABILITIES

General information on Sagax's interest-bearing liabilities

Interest-bearing liabilities represented 42% (43) of Sagax's funding at year end. Interest-bearing liabilities primarily consist of seven listed unsecured bonds totalling SEK 23,198 M (14,698) within the framework of Sagax's EMTN programme. The remaining interest-bearing debt comprised unsecured commercial papers of SEK 2,891 M (1,081) and liabilities to banks of SEK 265 M (4,109). The bank loans comprise revolving credit facilities and overdraft facilities, and were provided by Nordea, SEB, Swedbank and ING. At year end, interest-bearing liabilities amounted to SEK 26,354 M (19,828), of which SEK 24,009 M (15,403) was denominated in EUR. Interest-bearing liabilities increased in 2021, primarily to finance property acquisitions in the Netherlands,

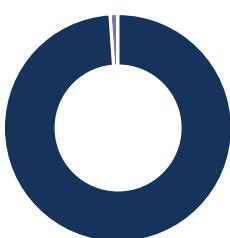
Spain, Finland and France and as well as acquisitions of listed shares. Exchange rate fluctuations increased interest-bearing liabilities by SEK 408 M in 2021 (reduced SEK 750 M for the preceding year).

Net debt in relation to operational earnings can be measured as Net debt/EBITDA. Net debt for 2021 averaged 5.8 (6.4) times EBITDA. Net debt amounted to SEK 16,214 M (17,114) and is calculated as interest-bearing liabilities less interest-bearing assets of SEK 676 M (550), cash and cash equivalents of SEK 84 M (24) and listed shares of SEK 9,380 M (2,140). EBITDA totalled SEK 2,799 M (2,689) and was calculated as net operating income of SEK 2,573 M (2,397) less central administration costs of SEK 147 M (132) plus dividends received from joint ventures and associated companies of SEK 373 M (424).

Financial key figures

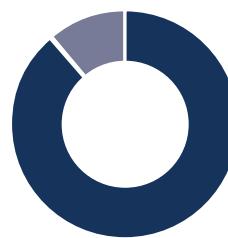
	Financial covenant in EMTN programme	2021 31 Dec	2020 31 Dec
Net debt/total assets	<65%	27%	37%
Interest coverage ratio	>1.8x	9.4x	6.5x
Secured liabilities/total assets	<45%	0%	11%
Rating according to Moody's Investors Services	Baa3, Positive outlook	Baa3, Stable outlook	Baa3, Stable outlook

Distribution between secured and unsecured liabilities



■ Unsecured liabilities and
Commercial paper 99% (SEK 26,165 M)
■ Secured liabilities, 1% (SEK 189 M)

Sources of financing

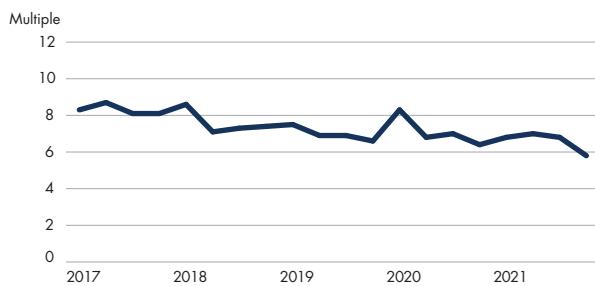


■ Bonds 88% (SEK 23,198 M)
■ Bank loans 1% (SEK 265 M)
■ Commercial paper 11% (SEK 2,891 M)

Change in interest-bearing liabilities

Amounts in SEK M	
Interest-bearing liabilities, 31 December 2020	19,828
Borrowings	13,997
Loan repayment	-7,880
Change in exchange rates	408
Interest-bearing liabilities, 31 December 2021	26,354

Net debt/EBITDA, rolling 12 months



Covenants in loan contracts

Bond loans

Unsecured bonds corresponded to 50% (39) of the year-end market value of the properties. Bonds amounted to SEK 23,198 M (14,698). Sagax's bonds are issued within the scope of the company's EMTN programme and are registered on Euronext Dublin. In 2021, bonds of a nominal EUR 1,000 M, corresponding to SEK 10,126 M, were issued. Note 17 includes an account of the interest-rate terms for bond loans.

Other covenants for the bonds include a requirement that the bond be market listed and that the company publish quarterly reports. In the event of a mandatory bid for the shares in Sagax, bondholders are entitled to request early repayment of the loan.

The obligations of Sagax's EMTN programme include that net debt must be less than 65% of total assets, that the interest coverage ratio must exceed 1.8 times and that secured liabilities must be less than 45% of total assets.

Should Moody's Investors Service lower Sagax's credit rating to below Baa3, 56% of the bond volume issued under Sagax's EMTN programme will be subject to conditions that raise the fixed interest coupon by 1.25 percentage points.

Bank loans

Bank loans corresponded to 1% (11) of the year-end market value of the properties. Bank loans amounted to SEK 265 M (4,125). Bank loans frequently include various types of covenants that must be fulfilled by the debtor. In the event of any breach of the covenants, the bank may request Sagax to repay the loan prematurely. Typically, the covenants consist of certain key performance indicators that must be fulfilled. Examples of undertakings under these covenants include that the debt ratio shall remain below a specific level and that the interest coverage ratio shall exceed a certain level.

The financial covenants in loan contracts are cash-flow based or are related to the debt ratio. Other covenants are that borrowing subsidiaries must be fully owned, that they must not raise further loans, that the lease terms are observed and that creditors are provided with financial information, such as annual reports, in addition to other non-financial covenants.

Should a mandatory bid be made for the shares in Sagax, the banks are entitled, in certain cases, to request early repayment.

Commercial paper

Sagax's commercial paper programmes allow the company to issue in both SEK and EUR. The limits for the three programmes are SEK 2,500 M, EUR 200 M and EUR 500 M. The maximum term for commercial paper is one year, and at year end, commercial paper outstanding totalled SEK 2,891 M (1,081) and had an average remaining term of 0.1 years (0.1). Commercial paper outstanding corresponded to 6% (3) of the year-end market value of the properties.

Sagax has an obligation to have long-term, unutilised credit facilities available that cover all commercial paper outstanding at any one time.

Financial policy

The financial policy indicates guidelines and rules as to how financial operations in Sagax are to be pursued. The financial policy is adopted by the Board each year and states how the various risks in Sagax's financial operations are to be limited and the risks that Sagax may assume. The aim is that financial management must:

- Ensure the short- and long-term supply of capital.
- Adjust the financial strategy and management of financial risks on the basis of the development of operations to ensure that a long-term stable capital structure is attained and maintained.
- Attain optimal net financial items within the set risk framework.

Green funding

Sagax has had a green funding framework since 2019. A bond of SEK 750 M with a maturity date in June 2023 was issued under the framework, of which SEK 500 M at a floating rate and SEK 250 M at a fixed rate. Funding under the green framework can be used for acquisitions, projects and refinancing of existing properties that meet the set sustainability requirements and for investments in energy savings and renewable energy. The properties that Sagax finances under the framework have either BREEAM In-Use Very good or Sweden Green Building Council Silver level certification. The green investments financed under the framework are mainly investments in solar power.

Loan maturity

Sagax's non-current interest-bearing liabilities amounted to SEK 23,368 M (17,977), or 89% (90) of the total interest-bearing liabilities. Recognised, current interest-bearing liabilities amounted to SEK 2,986 M (1,851), or 11% (9) of interest-bearing liabilities, of which SEK 2,891 M (1,081) pertained to commercial paper. Commercial paper may never have a term exceeding 364 days and is thus always recognised as current.

According to the table on page 37, capital tied-up for 2022 amounted to SEK 95 M, corresponding to 0.3% of interest-bearing liabilities. Commercial paper amounting to SEK 2,891 M with maturity in 2023 and 2024 is recognised in this table since the commercial paper is covered by unutilised long-term revolving credit facilities that mature in 2023 and 2024.

Current interest-bearing liabilities express the funding requirement in the short term and affect the company's refinancing risk. Current repayment and regular bank loans which, contractually, have to be paid within 12 months, represent typical current interest-bearing liabilities in the balance sheet. The current interest-bearing liabilities are repaid via the company's cash flow or through new borrowing for the refinancing of loans that are about to expire.

Sagax seeks to maintain a low share of current interest-bearing funding in an effort to minimise the company's refinancing risk. The company curtails its refinancing risk by agreeing on a predetermined maturity in connection with new borrowing. Sagax also seeks refinancing of the non-current interest-bearing liabilities well in advance. Overall, this working approach is deemed effective in limiting the company's refinancing risk. The average remaining loan maturity period was 4.3 years (3.4) at year end.

Collateral for interest-bearing bank liabilities

As collateral for the interest-bearing liabilities, deeds totalling SEK 4,749 M (10,824) were mortgaged at year end. In addition, collateral is provided in the form of shares and participations in the property-owning Group companies. The company is of the opinion that the terms of the mortgage deeds are commercial.

Fixed interest periods

To limit interest-rate risk, defined as the risk of an impact on earnings or cash flow due to changes in market interest rates, and thus increase

the predictability in profit from property management, Sagax has a significant portion of fixed-rate loans. To limit interest-rate risk for loans at floating interest rates, the company uses various types of fixed income derivatives. Fixed-rate loans, excluding commercial paper, and fixed income derivatives totalled SEK 25,500 M (18,453), or 97% (93) of the company's total interest-bearing liabilities. Fixed-rate loans, excluding commercial paper, and fixed income derivatives in EUR amounted to SEK 23,888 M (15,667) corresponding to 99% (102) of interest-bearing liabilities raised in EUR.

Including fixed income derivatives, the average fixed interest period was 4.0 years (3.4) at year end. The company's profit from property management will be impacted only marginally by general changes in interest rates. The longer fixed interest period reduces interest-rate sensitivity but leads to a higher average interest rate than a shorter fixed interest period. Combined with Sagax's high economic occupancy rate of 96% and a low element of property expenses, the company's profit from property management and cash flow are predictable. The cost of fixing interest rates is a consequence of the size of hedging, maturities and the choice of financial derivatives. Changes in STIBOR and EURIBOR interest rates also result in changes in the relative cost of fixing interest rates.

The average interest rate on the company's interest-bearing liabilities was 1.4% (1.8), including the effect of derivatives, at year end. The bar chart below presents the Group's average interest rates and the share that corresponds to loan margins, costs for the underlying STIBOR or EURIBOR interest rates and the cost of fixing interest rates. Compared with the end of the preceding year, the change is that lower levels of fixed interest rates and loan margins have reduced the interest-rate level by 0.3 of a percentage point and lower costs for fixing interest have reduced the interest-rate level by 0.1 of a percentage point.

Fixed income derivatives

Consequently, Sagax's fixed income derivatives totalling a nominal SEK 2,802 M (6,060), corresponding to 367% (95) of the company's interest-bearing liabilities subject to floating interest rates excluding commercial paper and to 77% (81) including commercial paper, curbed the interest-rate risk on 31 December 2021.

Derivatives consist of interest-rate swaps and interest-rate caps. The counterparties for the derivative contracts were Nordea, SEB, Swedbank, Danske Bank, Société Générale and ING. Fixed income derivatives are denominated in SEK or EUR. The year's changes in the value of financial derivatives is recognised as realised or unrealised changes in value in profit or loss. Unrealised changes in value affect profit for the year but not cash flow or the profit from property management.

Fixed interest period and loan maturity, 31 December 2021

Year of expiry	Fixed interest periods			Loan maturity	
	SEK M	Interest rate	Share	SEK M	Share
2022	3,691	0.5%	13%	95	0%
2023	1,403	0.8%	5%	2,353	9%
2024	5,323	2.0%	19%	6,535	25%
2025	4,113	2.1%	14%	4,138	16%
2026	–	–	–	–	–
>2026	13,861	1.0%	49%	13,232	50%
Total/average	28,391 ¹⁾	1.3% ²⁾	100%	26,354	100%

1) Fixed interest exceeds interest-bearing liabilities by SEK 2,037 M.

2) Based on fixed interest amount.

Nominal interest-rate swaps

An interest-rate swap is a contract between two parties covering an exchange of interest payments during a specified period. By combining a floating interest rate loan (STIBOR or EURIBOR) and an interest-rate swap, a predetermined interest rate during the term of the interest-rate swap can be ensured. The contract results in Sagax gaining a floating rate of interest (corresponding to the interest rate on the loan contract) at the same time that a fixed interest rate (the swap rate of interest) is paid. When the STIBOR and/or EURIBOR is negative, Sagax's ability to secure a fixed interest rate using swaps could be limited due to potential bank requirements for a zero interest floor in underlying bank loan agreements. A zero interest floor means that the interest rate on the bank loan is not permitted to fall below 0%, meaning that the bank excludes payment of interest to the borrower. In such cases, floating interest flows under loans and swaps cannot be offset and floating interest rates are re-introduced as the difference between the zero interest floor of the loan and the negative market rate of the swap. An interest swap can be completed for various maturities such as for 2, 5 or 10 years. The nominal interest-rate swaps on the closing date had an average term of 5.2 years (4.9). At year end, Sagax's interest-rate swaps consisted of a nominal amount of SEK 880 M (2,166), corresponding to 31% (36) of Sagax's fixed income derivatives. No premium is paid for this type of derivative and the value of the derivative is zero on maturity dates.

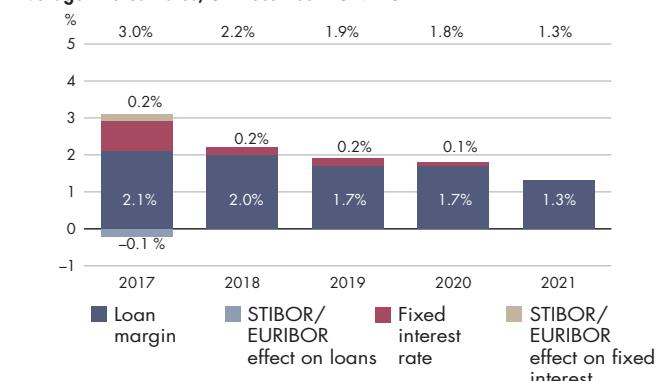
Interest-rate caps

The interest-rate cap entails that if the interest rate exceeds a predetermined rate (strike rate), the company receives interest that exceeds that level. Sagax pays a premium for this type of derivative contract. The value of the interest-rate cap is zero on the maturity dates. The interest-rate caps comprised a nominal amount of SEK 1,922 M (3,894) at year end. An amount corresponding to SEK 1,040 M (2,724) of the interest-rate caps was denominated in EUR. At year end, Sagax's interest-rate caps had an average maturity of 1.0 year (1.6) and an average strike rate of 2.0% (1.9). For the interest-rate caps in SEK, the average maturity was 0.3 years (0.9) with an average strike rate of 2.4% (2.4), and for the interest-rate caps in EUR 1.7 years (2.0) and 1.7% (1.7), respectively.

Valuation of fixed income derivatives

In accordance with the accounting rules, fixed income derivatives must be measured at market value and the change in value recognised in profit or loss. Sagax values all derivatives on a market basis through reconciliation with each counterparty.

Average interest rates, 31 December 2017-2021



The value of derivatives is affected by current interest rates, the rate of interest on the derivatives and the remaining term to maturity.

Other liabilities

Other liabilities amounted to SEK 5,039 M (4,342), corresponding to 8% (9) of the company's total funding. Other liabilities consist mainly of deferred tax liabilities, prepaid income and accrued expenses, as well as lease liabilities in accordance with IFRS 16.

Working capital

Sagax is of the opinion that the existing working capital for the forthcoming 12-month period is sufficient to meet current requirements. In this context, working capital refers to Sagax's potential to gain access to cash and cash equivalents to meet its payment obligations as they fall due. The current operations tie up a limited amount of working capital, since most rental revenue is received in advance, while expenses are paid in arrears.

Sagax's working capital amounted to SEK 1,173 M (-1,867) on 31 December 2021. Changes in working capital are primarily attributable to the Group's holdings of listed shares.

Net debt

Net debt amounted to SEK 16,214 M (17,114). Sagax's holdings of listed shares increased to SEK 9,380 M (2,140) due to higher share prices and acquisitions and mainly comprised shares in NP3 Fastigheter AB, which is recognised as an associated company in the balance sheet, and Nyfosa AB.

Lines of credit

Unutilised credit facilities including back-up facilities for the commercial paper programme amounted to SEK 7,399 M (5,424) on 31 December 2021. At year end, the company had contracts with SEB, Nordea, Danske Bank, Swedbank, ING, Société Générale, J.P. Morgan and Deutsche Bank covering revolving credit facilities totalling SEK 7,186 M (5,061), of which SEK 7,016 M (5,025) was unutilised. Sagax has also reached agreements with SEB, Nordea, Swedbank, Société Générale and ING covering short-term credit facilities totalling SEK 403 M (400), of which SEK 309 M (323) was unutilised at year end. No additional collateral needs to be pledged to utilise these lines of credit. Expenses for these lines of credit amounted to SEK 26 M (22).

SAGAX'S CASH FLOW IN 2021

Cash flow from operating activities before changes in working capital amounted to SEK 2,346 M (2,219). Cash flow from operating activities deviates from profit from property management primarily due to profit from joint ventures and associated companies in 2021 partly being reinvested in these operations. Dividends of SEK 373 M (424) were received during the year from joint ventures and associated companies, an amount that is included in recognised cash flow.

Changes in working capital had a positive impact of a net SEK 33 M (338) on cash flow. Investing activities had a negative net impact of SEK -7,023 M (-5,543) on cash flow, and pertained mainly to property acquisitions. Cash flow from financing activities contributed SEK 4,703 M (2,926) net during the year, of which SEK 13,997 M (7,886) as a result of loans raised. A total of SEK 7,880 M (4,791) in capital repayments was charged to cash flow from financing activities and SEK 792 M (679) was paid in dividends to shareholders during the year. In total, cash and cash equivalents increased SEK 59 M (-62) in 2021; see the cash flow statement on page 74.

Fixed income derivatives, 31 December 2021

Fixed interest, years	Nominal amount, SEK M	Market value, SEK M	Average interest ¹⁾
2022	800	-	2.5%
2023	1,153	-2	1.5%
2024	220	1	0.8%
2025	-	-	-
2026	-	-	-
>2026	629	-73	1.7%
Total/average	2,802	-75	1.8%

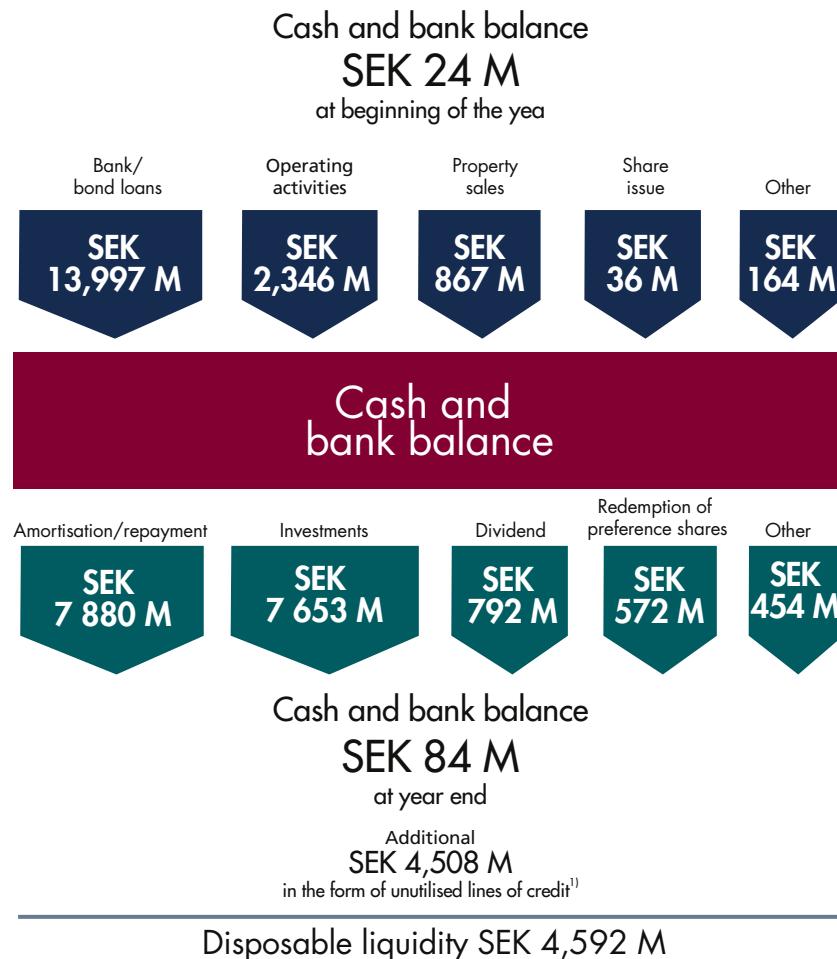
1) The average strike rate has been used for interest-rate caps.

Net debt

Amounts in SEK M	2021 31 Dec	2020 31 Dec
Interest-bearing liabilities	26,354	19,828
Interest-bearing assets	-676	-550
Listed shares	-9,380	-2,140
Cash and cash equivalents	-84	-24
Net debt	16,214	17,114

Trend in capital structure





¹⁾ Credit facilities corresponding to a volume of commercial papers outstanding of SEK 2,891 M are not included in available liquidity.

CREDIT RATING

Sagax has a rating of Baa3 with a positive outlook from Moody's Investor Service. This rating is an investment grade category and is assessed as beneficial for Sagax, since this enables efficient access to the European capital markets, which means in turn lower refinancing risk, lower financing costs and longer tenors.

CURRENCY EXPOSURE

Sagax owns properties in five countries in the eurozone. Net assets in EUR at year end amounted to EUR 658 M, see the table alongside. The market value of the properties in the eurozone amounted to EUR 3,147 M and other assets to EUR 113 M at year end. Currency exposure is lowered when the company raises loans in EUR. Interest-bearing liabilities amounted to EUR 2,342 M. Other liabilities amounted to EUR 260 M. Net assets in EUR totalled EUR 658 M corresponding to 22% of equity.

In 2021, Sagax invested a corresponding SEK 4.2 billion net in properties in the Netherlands, France, Spain and Finland. This was financed by increased borrowing in EUR corresponding to SEK 8.3 billion.

Currency exposure

Amounts in EUR M	2021 31 Dec	2020 31 Dec
Investment properties	3,147	2,492
Leases, right-of-use assets	7	7
Other fixed assets	56	57
Cash and bank balances	6	2
Other current assets	43	32
Total assets	3,260	2,590
Interest-bearing liabilities	2,342	1,532
Deferred tax liabilities	173	131
Fixed income derivatives	0	2
Other liabilities	87	80
Total liabilities	2,602	1,746
Net assets	658	844

Joint ventures and associated companies

Profit from property management in joint ventures and associated companies amounted to SEK 713 M (565).

Sagax's share of changes in the value of properties amounted to SEK 2,464 M (759) and of derivatives was

SEK 108 M (-18). The total share amounted to SEK 9,818 M (6,833).

Hemsö Intressenter AB

Via Hemsö Intressenter AB, Sagax indirectly owns 15% of Hemsö Fastighets AB, with the remaining 85% owned by the Third Swedish National Pension Fund (AP3).

Hemsö contributed SEK 271 M (223) to Sagax's profit from property management during 2021 after profit for Hemsö Intressenter was charged with interest expenses.

Hemsö Fastighets AB conducts operations in Sweden, Germany and Finland. Operations consist of owning, managing and developing public properties. The property portfolio encompasses 441 properties with a total property value of SEK 76 billion at 31 December 2021. 94% of rental revenue derives from tax-financed operations.

An average remaining lease term of 9.6 years (9.8) combined with financially stable tenants and a low vacancy rate ensure stable rental revenue. The occupancy rate remained high, at 98% (98), at year end. The yield in 2021 was 4.0% (4.5).

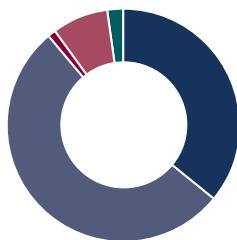
In 2021, 38 properties were acquired for SEK 3,456 M and five were divested for SEK 2,030 M. Moreover, SEK 4,133 M was invested in the existing property portfolio, of which SEK 3,294 M pertained to new production and SEK 839 M to new lettings and maintenance.

At year end, Hemsö's interest-bearing liabilities totalled SEK 42,498 M (38,652), of which unsecured bonds amounted to SEK 33,555 M (29,227). Sustainable funding amounted to 17% of the interest-bearing liabilities.

The partnership between the Third Swedish National Pension Fund and Sagax is governed by a shareholder agreement. The shareholder agreement regulates, among other things, the composition of the Board, the focus of operations, profit appropriation and certain funding issues as well as put and call options between the two shareholders regarding Sagax's shareholding in the company.

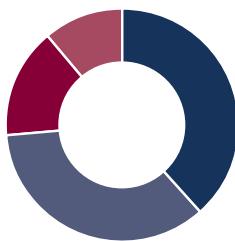
Hemsö has an A+ rating from Fitch Ratings and an A- rating from Standard & Poor's. For more information, refer to the company's website, hemso.se.

Capital structure 31 December 2021



- Equity 36 %
- Non-covered loan 53 %
- Reserve for financial derivatives 1 %
- Deferred tax liability 8 %
- Interest-bearing liability, right-of-use assets 1 %

Property value per segment 31 December 2021



- Retirement homes 38%
- Schools 35%
- Healthcare 15%
- Judicial system 12%

Hemsö

	2021 Jan-Dec	2020 Jan-Dec
Sagax's participating interest, %	15	15
Rental revenue, SEK M	3,614	3,270
Profit from property management, SEK M	2,145	1,810
Profit for the year, SEK M	8,189	3,333
Sagax's share of comprehensive income for the year, SEK M	1,149	431
Sagax's share of profit from property management, SEK M	271	223
	2021 31 Dec	2020 31 Dec
No. of properties	441	392
Rental value, SEK M	3,899	3,429
Properties' market value, SEK M	75,737	62,240
Lettable area, sqm	2,218,000	2,005,000
Lease term, years	9.6	9.8
Economic vacancy rate, %	2	2
Interest-bearing liabilities, SEK M	42,498	38,652
Loan maturity, years	6.8	6.7
Fixed interest, years	6.3	6.2
Market value of fixed income derivatives, SEK M	161	-231
Sagax's carrying amount, SEK M	4,568	2,318

Summary of property portfolio

Segment	No. of properties	Rental revenue, SEK M	Lettable area, sqm	Lease term, years	Economic occupancy rate, %	Properties' market value, SEK billion
Retirement homes	223	1,392	965	9.4	98	29.0
Schools	136	1,119	718	10.9	99	26.7
Healthcare	57	624	308	8.1	96	11.5
Judicial system	25	479	226	8.5	96	8.6
Total	441	3,614	2,218	9.6	98	75.7

Söderport Property Investment AB

Sagax owns 50% of Söderport Property Investment AB, with the remaining share owned by Nyfosa AB. The partnership between Nyfosa and Sagax is governed by a long-term shareholder agreement, according to which the parties have equally large controlling rights regarding Söderport. The shareholder agreement determines, among other things, rules for decision-making in respect of investments and sales. The shareholder agreement also regulates pre-emption rights and how share sales in Söderport may be conducted.

Söderport's operations consist of owning, managing and developing properties in Sweden. On behalf of Söderport, Sagax handles the financial administration and most of the property management of the Söderport Group. Nyfosa is responsible for property management in Gothenburg. Söderport also owns 78.1% of Torslunda Property Investment AB, which is thus included as a subsidiary in Söderport's consolidated financial statements. Torslunda Property Investment AB owns and manages mainly office properties in Gothenburg and Stockholm. The market value of the property portfolio amounted to SEK 2,690 M.

Söderport contributed SEK 236 M (217) to Sagax's profit from property management in 2021.

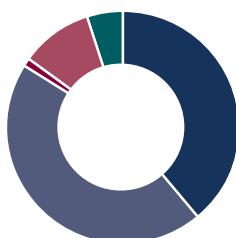
A corresponding 73% of Söderport's rental value of SEK 900 M was located in Stockholm on 31 December 2021. Söderport's economic vacancies amounted to SEK 43 M (51) at year end, corresponding to a vacancy rate of 5% (6). Of the economic vacancies, SEK 21 M (21) comprised fixed-term rent discounts provided for new lettings. At year end, Stockholm accounted for 93% of the economic vacancies. In 2021, 102 new leases were signed with a total lettable area of 49,000 square metres. During the year, tenants served notice of terminating 57 leases on a total of 74,000 square metres. Consequently, net leasing amounted to -25,000 square metres. Agreements were also reached in 2021 regarding extensions of leases corresponding to a total area of 72,000 square metres.

During the year, two properties were acquired for SEK 81 M and one property was divested. The acquired properties have a lettable area of 2,700 square metres. A total of SEK 249 M was invested in the existing property portfolio during the year.

The yield in 2021 was 5.2% (5.8).

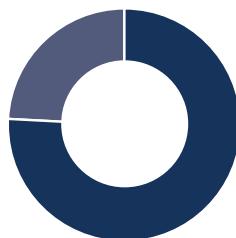
Söderport's interest-bearing liabilities at year end amounted to SEK 6,209 M (6,354), with an average weighted loan maturity of 2.4 years (3.5). The average weighted fixed interest term was 2.3 years (3.1).

Capital structure 31 December 2021



■ Equity 39 %
■ Covered loans 45 %
■ Reserve for financial derivatives 1 %
■ Deferred tax liability 10 %
■ Other non-interest-bearing liabilities 5 %

Property value per segment 31 December 2021



■ Stockholm 76 %
■ Sweden, other 24 %

Söderport

	2021 Jan-Dec	2020 Jan-Dec
Sagax's participating interest, %	50	50
Rental revenue, SEK M	853	818
Profit from property management, SEK M	504	466
Profit for the year, SEK M	1,900	844
Sagax's share of comprehensive income for the year, SEK M	905	404
Sagax's share of profit from property management, SEK M	236	217

	2021 31 Dec	2020 31 Dec
No. of properties	83	82
Rental value, SEK M	901	899
Properties' market value, SEK M	12,882	11,909
Lettalbe area, sqm	743,000	778,000
Lease term, years	4.6	4.8
Economic vacancy rate, %	5	6
Interest-bearing liabilities, SEK M	6,209	6,354
Loan maturity, years	2.4	3.5
Fixed interest, years	2.3	3.1
Market value of fixed income derivatives, SEK M	-124	-219
Sagax's carrying amount, SEK M	2,622	1,909

Summary of property portfolio

Segment	No. of properties	Rental value, SEK M	Lettalbe area, sqm	Lease term, years	Economic occupancy rate, %	Properties' market value, SEK M
Stockholm	70	661	476,000	4.6	94	9,812
Rest of Sweden	13	240	266,500	4.5	99	3,070
Total	83	901	742,500	4.6	95	12,882

Fastighetsaktiebolaget Ess-Sierra

Sagax owns 50% of Fastighetsaktiebolaget Ess-Sierra, with the remainder owned by NP3 Fastigheter AB. Ess-Sierra was founded in December 2020 and its operations entail owning and managing 33 properties that

are let to Beijer Byggmaterial AB. The lettable area amounts to 181,000 square metres, of which 91% comprises warehouse premises/building materials retail and 9% office premises.

Ess-Sierra

	2021 Jan-Dec	2020 Jan-Dec
Sagax's participating interest, %	50	50
Rental revenue, SEK M	89	5
Profit from property management, SEK M	59	3
Profit for the year, SEK M	109	49
Sagax's share of comprehensive income for the year, SEK M	54	19
Sagax's share of profit from property management, SEK M	30	1

Ess-Sierra

	2021 31 Dec	2020 31 Dec
No. of properties	33	37
Rental value, SEK M	86	91
Properties' market value, SEK M	1,429	1,440
Lettable area, sqm	181,000	203,000
Lease term, years	6.6	6.8
Economic vacancy rate, %	–	–
Interest-bearing liabilities, SEK M	786	842
Loan maturity, years	2.9	4.0
Fixed interest, years	1.8	3.2
Market value of fixed income derivatives, SEK M	–	–
Sagax's carrying amount, SEK M	291	264

ASSOCIATED COMPANIES**NP3 Fastigheter AB**

Sagax owns 21.8% of the votes and 15.3% of the capital in NP3 Fastigheter AB. NP3 Fastigheter AB is a property company focusing on commercial investment properties with high yields mainly in northern Sweden. The company's property portfolio encompassed 446 properties with a total property value of SEK 17.3 billion and a rental value of SEK 1,538 M on 31 December 2021. NP3 Fastigheter AB is listed on Nasdaq Stockholm, Large Cap. For more information, refer to the company's website, np3fastigheter.se.

Fastighetsbolaget Emilshus AB

Sagax owns 25.9% of the votes and 25.4% of the capital in Fastighetsbolaget Emilshus AB. Emilshus acquires, develops and manages commercial properties in Småland. The company's property portfolio included 97 properties with a total property value of SEK 4.8 billion and a rental value of SEK 361 M on 31 December 2021. For more information, refer to the company's website, emilshus.com.

Sagax's associated companies

	NP3 Fastigheter AB		Fastighetsbolaget Emilshus AB	
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
Sagax's participating interest, %	15	14	25	25
Rental revenue, SEK M	1,238	1,091	280	183
Profit from property management, SEK M	661	558	131	86
Profit for the year, SEK M	2,020	660	469	176
Sagax's share of comprehensive income for the year, SEK M	309	146	119	18
Sagax's share of profit from property management, SEK M	101	78	33	19
	2021 31 Dec	2020 31 Dec	2021 31 Dec	2020 31 Dec
	446	388	97	69
No. of properties	1,538	1,236	361	235
Rental value, SEK M	17,335	12,582	4,827	2,714
Carrying amount of properties, SEK M	1,784,000	1,436,000	580,700	360,427
Lettable area, sqm	4.1	4.2	6.3	5.0
Lease term, years	7	7	3	3
Economic vacancy rate, %	10,467	7,668	2,839	1,731
Interest-bearing liabilities, SEK M	2.9	1.9	2.6	2.0
Loan maturity, years	2.0	1.7	2.0	1.0
Fixed interest, years	–9	–73	10	–1
Market value of fixed income derivatives, SEK M	1,900	1,257	437	197
Sagax's carrying amount, SEK M				

Current earnings capacity

Sagax focuses on the long-term growth of the company's profit from property management. To facilitate assessments of the company's position, Sagax's estimated earnings capacity on an annual basis and a summary of the trend in the earnings capacity at each year end since 2016 are presented below.

CURRENT EARNINGS CAPACITY

The table below shows Sagax's earnings capacity on a 12-month basis on 1 January 2022. It is important to note that this capacity cannot be compared with a forecast for the forthcoming 12 months because it does not contain assessments about, for example, future vacancies, the interest rate scenario, currency effects, rent trends or changes in value. Sagax reports its current earnings capacity in conjunction with interim reports and year-end reports.

The rental value is based on contractual rental revenue on an annual basis, with supplements for estimated market rents for vacant premises. Property expenses are based on the actual outcome in the past year adjusted for the holding period. Central administration costs are based on actual outcomes over the most recent 12-month period. Net financial items are calculated based on interest-bearing liabilities and assets on the balance sheet date. Expenses for interest-bearing liabilities are based on the Group's estimated average interest rate, plus financing costs allocated over time. Dividends attributable to the company's holdings of listed shares were not taken into account in the earnings capacity. Tax is calculated at the standard tax rate of 18% (19). Sagax's share of profit in joint ventures and associated companies is calculated in accordance with the same assumptions as for Sagax, taking into account the size of the participation.

CHANGE IN CURRENT EARNINGS CAPACITY IN 2021

In the table on the next page, Sagax's reported earnings capacity between 2016 and 2021 and the changes between the various year ends are reported broken down into changes in the existing property portfolio, property acquisitions, property divestments and currency effects. Data on investments and divestments during the years concerned is also presented in the table. It can be noted that investments in the existing property portfolio can have an impact on the earnings capacity subject to a certain time lag, depending on whether these are still classed as ongoing investments and if, for example, occupancy has occurred.

Property acquisitions in 2021 resulted in an increase of SEK 370 M in rental value and a net increase of SEK 40 M in property expenses. Vacancies in the acquired property portfolio increased the vacancy value by SEK 14 M. Net operating income rose a total of SEK 317 M due to property acquisitions during the year.

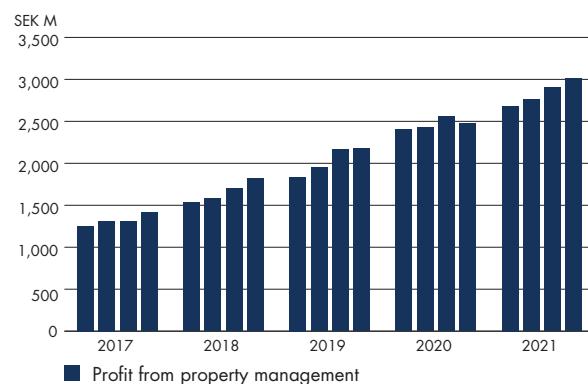
Sales of properties during the year reduced the rental value by SEK 94 M at the same time as property expenses declined by SEK 16 M. Net operating income decreased by a total of SEK 69 M due to property sales during the year. The trend in the EUR exchange rate resulted in an increase of SEK 32 M in net operating income.

Net financial items changed 5% to SEK -354 M mainly due to a lower average interest-rate levels. Profit after standard tax accruing to holders of the Class A and B shares increased 29% (14) to SEK 2,218 M (1,723), corresponding to SEK 6.98 (5.40) per common Class A and B share.

Current earnings capacity

Amounts in SEK M	1 Jan 2022	1 Jan 2021
Rental value	3,459	3,024
Vacancy	-135	-159
Rental revenue	3,324	2,865
Property expenses	-563	-495
Net operating income	2,761	2,370
Central administration	-147	-132
Joint ventures	780	638
Net financial items	-354	-372
Lease expenses	-28	-26
Profit from property management	3,012	2,479
Tax	-542	-471
Profit after tax	2,470	2,008
- of which, holders of preference shares	-	34
- of which, holders of Class D shares	252	252
- of which, holders of Class A and B shares	2,218	1,723

Current earnings capacity before tax



Trend in current earnings capacity 2016–2021

Amounts in SEK M	2016					2017					2018				
	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2017	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2018	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2019
Rental value	32	31	399	-36	1,880	34	30	166	-13	2,099	53	54	322	-17	2,510
Vacancy	1	-1	-63	2	-121	16	-1	-22	6	-122	-4	-3	-7	4	-132
Rental revenue	34	30	336	-34	1,759	51	30	144	-7	1,977	49	51	315	-13	2,378
Property expenses	-18	-4	-59	8	-268	-29	-4	-35	3	-333	-34	-14	-40	6	-395 ¹⁾
Net operating income	16	26	278	-26	1,491	22	26	110	-4	1,644	22	26	110	-4	1,644
Central administration					-68					-77					-132
Share of profit of joint ventures					271					290					372
Net financial items					-418					-448					-387
Profit from property management					1,277					1,410					1,816
Tax					-281					-310					-400
Profit after tax					996					1,100					1,416
of which, accrues to															
– holders of preference shares						117					34				34
– holders of Class D shares						37					127				204
– holders of Class A and B shares						843					939				1,178
Investments and divestments	252	-	3,477	-949		346	-	1,384	-41		456	-	3,026	-24	

Amounts in SEK M	2019					2020					2021				
	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2020	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2021	Change existing portfolio	Currency effect	Property acquisitions	Property divestments	1 Jan 2022
Rental value	58	25	271	-128	2,735	64	-73	302	-3	3,024	118	40	370	-94	3,459
Vacancy	14	-1	-21	4	-135	-13	3	-15	1	-159	31	-2	-14	9	-135
Rental revenue	71	23	251	-124	2,600	51	-70	286	-2	2,865	149	38	357	-85	3,324
Property expenses	-21	-4	-39	13	-466	-21	-13	13	-30	-495	-38	-6	-40	16	-563
Net operating income	50	19	212	-111	2,134	38	-57	256	-2	2,370	111	32	317	-69	2,761
Central administration					-122					-132					-147
Share of profit from joint ventures and associated companies					539					638					780
Net financial items					-352					-372					-354
Lease expenses					-22					-26					-28
Profit from property management					2,178					2,479					3,012
Tax					-414					-471					-542
Profit after tax					1,764					2,008					2,470
of which, accrues to															
– holders of preference shares						34					34				–
– holders of Class D shares						216					252				252
– holders of Class A and B shares						1,515					1,723				2,218
Investments and divestments	707	-	2,836	-1,413		666	-	5,585 ²⁾	-1,456 ²⁾		658	-	4,824	-1,351	

1) SEK 30 M was reclassified to lease expenses from 1 January 2019.

2) Includes acquisitions and divestments of a portfolio of 37 properties for which a joint venture was established together with NP3 Fastigheter AB.

Risks and risk management

Sagax is exposed to various risks that may be of significance to the company's future business, earnings and financial position. The company works actively to identify and manage the risks and opportunities that are of importance to the operations.

MARKET RISKS

Changes in values of properties

Sagax recognises its property holdings at fair value according to the accounting standard IAS 40 Investment Property, which stipulates that the properties' consolidated carrying amounts match their assessed market value. Accordingly, declining market values for the company's properties will negatively impact the company's income statement and balance sheet. Declining market values may occur due to a weakened economy, rising interest rates, a change in supply and demand or property-specific circumstances, including vacancies, a deterioration in the technical standard or accidents resulting in material damages.

In addition, company management must make judgements and assumptions that affect property valuations as well as asset and liability items, revenue and expense items recognised in the accounts and other information provided. The actual outcome may differ from these judgements.

Risk management

To assess the properties' market value, Sagax engages the services of external valuation companies. The company believes that the use of reputable, independent valuation companies creates the optimal long-term conditions for a fair and trustworthy assessment of the properties' market value.

The company takes continuous actions to limit its exposure to the events described above through, for example, proactive management, the signing of property insurance agreements and by formulating leases with adequate contractual terms.

A sensitivity analysis for property values in relation to changes in the assumptions on yield requirements, cost of capital, rental revenue and property expenses is presented in Note 13.

Transaction-related risks

Property acquisitions are a feature of the company's day-to-day operations and are, by their very nature, associated with uncertainty. Risks related to the acquisition of properties include the future loss of tenants, environmental conditions, limitations on right-of-use assets and technical faults. Risks connected with the acquisition of property companies include taxes and legal disputes.

In connection with property divestments, it is common for the seller to provide guarantees regarding the validity of the leases, environmental risks and so forth. When selling a property company, it is also common to provide guarantees that no tax disputes or other legal disputes exist that could impact the company in the future. The amounts and time are normally limited in guarantees.

Risk management

Risks are prevented by ensuring that Sagax carries out relevant controls and investigations and that the right skills are found in the organisation or engaged as necessary.

COVID-19 pandemic

The COVID-19 pandemic resulted in greater uncertainty. The impact on Sagax was limited and specific risks related to the pandemic are considered to be minor. Sagax was not impacted by higher rent losses in 2021 due to the COVID-19 pandemic.

FINANCIAL RISKS

Funding

Sagax's funding primarily comprises equity and interest-bearing liabilities. The company's long-term funding comprises listed bonds, credit facilities and commercial paper. Sagax has a rating of Baa3 with a positive outlook from Moody's Investor Service. This rating is an investment grade category and is assessed as beneficial for Sagax, since this enables efficient access to the European capital markets. The conditions on the capital and credit markets can change, which could result in no refinancing of existing liabilities or that refinancing cannot take place on reasonable terms. In addition, a weaker economy and changes in supply and demand for the company's premises could negatively impact the company's income statement, balance sheet and key performance indicators, which could lead to a lower credit rating, thus making it more difficult to refinance existing debt.

Risk management

In order to limit its refinancing risk, Sagax endeavours to have a low percentage of current interest-bearing funding, to secure timely refinancing for non-current interest-bearing liabilities and to use several different sources of funding. Furthermore, the company also monitors relevant key performance indicators to ensure that the long-term credit rating can be maintained. Overall, this working approach is deemed to limit the company's refinancing risk.

The table below shows both the debt ratio's sensitivity to changes in property values and the interest coverage ratio's sensitivity to changes in the properties' occupancy rate.

Effect on debt ratio upon change in value of property portfolio on 31 December 2021

Change, %	-20	-10	0	10	20
Value change, SEK M	-9,213	-4,607	–	4,607	9,213
Debt ratio, %	49	45	42	39	37

Effect on interest coverage ratio upon change in occupancy rate on 31 December 2021

Change, %	-10	-5	0	5	10
Occupancy rate, %	86	91	96	N/A	N/A
Interest coverage ratio, %	582	617	651	N/A	N/A

Interest-rate risk

Interest expenses are the Group's largest current cost item. Interest-rate risk is defined as the risk that changes in the interest rate scenario will affect Sagax's financing cost. The interest-rate risk is attributable to the trend in current interest rates. Conditions in the fixed income market could change, which could in turn impact the interest rate scenario. The Riksbank and the European Central Bank's monetary policy, expectations of financial trends both internationally and nationally and unexpected events impact market interest rates.

Risk management

To reduce Sagax's exposure to a potential rise in interest rates, the Group has a significant portion of fixed-rate loans. To limit interest-rate risk for loans at floating interest rates, interest-rate swaps and interest-rate caps are used. On 31 December 2021, 86% of Sagax's interest-bearing liabilities, excluding commercial paper, were fixed-rate loans. An increase in market interest rates is thus deemed to have a marginal effect on Sagax's interest expenses.

Currency risk

Sagax is exposed to exchange-rate risks due to investments and liabilities in EUR. Sagax's presentation currency is SEK and all balance-sheet items that are in EUR are translated to SEK. Translation differences could have a material effect on the Group's operations, financial position and results of operations in SEK.

At year end, Sagax owned 203 (267) properties in Finland, 5 (5) properties in Germany, 119 (102) properties in France, 121 (89) properties in the Netherlands and 113 (100) properties in Spain, which entailed exposure to the EUR exchange rate.

On the same date, the market value of these properties amounted to SEK 31,179 M (25,014).

The properties are financed with equity and external loans. On 31 December 2021, interest-bearing liabilities denominated in EUR corresponded to SEK 24,009 M (15,339).

Risk management

Currency risk is managed by financing acquisitions of properties through borrowing in EUR. Transaction exposure in the Group is managed by matching revenue and expenses in the same currency.

Exposure

Net exposure on 31 December, assets less liabilities in EUR, amounted to SEK 6,729 M (8,471). In accordance with IAS 21, the currency effects for foreign operations and hedge accounting are recognised under the heading Other comprehensive income. Other currency effects are recognised in profit or loss. A 10% change in the SEK/EUR exchange rate would impact profit from property management by SEK 168 M.

Liquidity risk

The Group defines liquidity risk as the risk of not having access to liquidity or credit lines to cover its payment obligations, including interest payments. A shortage of liquidity to cover due payments could have a negative impact on the Group's operations and financial position.

Risk management

Sagax has a positive operating cash flow and will have limited refinancing requirements over the next few years; see Note 17 where the maturity dates for the Group's funding are presented. Sagax's working capital amounted to SEK 1,173 M (-1,867) at year end. On the same date, unutilised credit facilities amounted to SEK 7,399 M (5,424), including lines of credit corresponding to commercial paper outstanding. No additional collateral needs to be pledged to utilise these credit facilities.

OPERATIONAL RISKS

Rental revenue and rent trends

Sagax's revenue is impacted by long-term demand for premises in the warehouse and light industrial segment, the properties' occupancy rate and the rent level received. Rent-level risk is attributable to trends in current market rents that are affected by the economic climate, democratic growth and the extent of new builds in the market.

Risk management

To limit Sagax's exposure to vacancies and rent losses, Sagax endeavours to offer leases with long-term customer relationships and to prioritise tenants with a high credit rating, despite these entailing slightly lower immediate earnings. This is particularly important in relation to major tenants.

Sagax works continuously to renegotiate existing leases with the aim of minimising the short-term risk. Leases with a term in excess of three years normally include a supplement linked to the Consumer Price Index (CPI) in Sweden and to similar indexes in other markets, meaning they are fully or partially inflation indexed. At year end, 100% of Sagax's rental revenue was linked to the CPI or similar indexes.

Credit risk

The primary counterparty risk to which Sagax is exposed is that tenants could fail to make the payments required by their lease.

Risk management

The geographic distribution of Sagax's property portfolio and the industries of its tenants are highly diversified. Sagax's lease structure helps reduce the risks of vacancies and rent losses.

In conjunction with acquisitions and leases, counterparty risk assessments are carried out and, if necessary, contracts are supplemented by collateral in the form of deposits, bank guarantees, surety provided by the Parent Company or a similar instrument. Sagax works continuously to monitor and evaluate the financial position of its tenants. Sagax's opinion is that the company's tenants, with a small number of exceptions, stand on solid financial ground.

Operating and maintenance costs

The most significant operating expenses include electricity and heating costs for the properties and expenses for property tax. If increases in expenses cannot be offset by regulating leases, this may have a negative effect on the company's earnings. In the event of vacancies, the company's profit is not only impacted by lost rental revenue but also by expenses for such items as power, which were previously paid by the tenants.

SENSITIVITY ANALYSIS

Sagax's exposure to material risks in the company's operations is presented below.

Sensitivity analysis on 31 December 2021¹⁾

Amounts in SEK M	Change	Effect on profit from property management, annual basis	Effect on profit before tax, annual basis	Effect on equity
Economic occupancy rate	+/-1%	+/-34	+/-28	+/-28
Rental revenue	+/-1%	+/-33	+/-27	+/-27
Property expenses	+/-1%	-/+6	-/+4	-/+4
Change in SEK/EUR exchange rate	+/-10%	+/-168	+/-133	+/-673
Changed rent level for contract maturity in 2022	+/-10%	+/-49	+/-40	+/-40

1) Excluding shares in profit of joint ventures and associated companies.

2) Sagax's net exposure to the SEK/EUR exchange rate comprises assets and liabilities recognised in EUR, in addition to revenue and expenses in EUR.

Risk management

Regarding the rental situation for premises in the warehouse and light industrial segment, tenants in this area often assume relatively far-reaching responsibility for operations and maintenance. For the bulk of these expenses, tenants are either charged directly or the expense is passed on by Sagax at cost price. Sagax's exposure to changes in operating expenses is thus relatively limited.

Operational and IT security risks

Digital advances are being made rapidly and creating many opportunities for meeting the requirements of tenants and other stakeholders. However, such digital advances may also be associated with increased risks in connection with, for example, processing personal data or confidential information. The Group's operations are also dependent on well-adapted IT systems, effective internal control, skills development and access to reliable valuation and risk models that provide a basis for reducing operational risks. Shortcomings in IT security or inadequate routines could result in the destruction or loss of data, which could have a negative impact on Sagax's operations.

Risk management

Sagax works continuously on preventive measures and on developing its administrative procedures, policies and guidelines for IT security. Sagax makes use of firewalls, e-mail filters, back-up systems and anti-virus programmes to prevent IT-related service interruptions.

Organisational risk

Sagax's future development is highly dependent on the expertise, experience and commitment of company management and other key individuals. The company could be negatively impacted should one or more key individuals terminate their employment.

Risk management

The company's growth has helped to alleviate this risk in recent years. Regular career development talks are held with all personnel, as a means of identifying the need for skills development. The employment contracts reached are considered to be on commercially competitive terms and Sagax has also established annual incentive programmes to attract new employees and retain existing ones.

LEGAL RISKS

Regulatory compliance and business ethics

Shortcomings in regulatory compliance could result in financial losses, sanctions from supervisory authorities, tarnished reputation and delisting. Certain regulations are open to interpretation (IFRS), meaning that a regulatory body and Sagax may have differing opinions. Risks are also found in occupational health and safety, corruption and human rights. Sagax could be impacted by these risks through the conduct of employees or contractors.

Risk management

- Training in policies for all personnel
- The Sagax Code of Conduct for Suppliers is set as a requirement in agreements.
- Whistle-blower function

Taxes and amended legislation

The Group's operations are conducted in accordance with the Group's interpretation of current tax laws, regulations and legal practice and in accordance with the advice provided by tax consultants. However, the possibility cannot be ruled out that the Group's interpretation could prove to be incorrect or that such regulations or legal practice could change, potentially with retroactive effect. Decisions from tax agencies or administrative courts could change the Group's former or current tax situation, which could negatively impact the Group's operations, earnings and financial position.

In its financial statements, Sagax has taken into account deferred tax based on the difference between an asset's or liability's carrying amount and its tax residual value, which are known as temporary differences; see Note 14. Sagax has also taken into account deferred tax assets regarding accumulated loss carryforwards in its Group companies. The consequence is that Sagax's earnings and equity are exposed to changes in tax legislation in those countries in which the Group conducts operations.

Changes in ownership, which entail a change in the controlling influence over the company, could result in partial or entire restrictions on the ability to utilise losses from previous years. The possibility to utilise the loss carryforwards may also be impacted by amendments to legislation. Other factors that may have negative implications for the company include amendments to legislation or legal practices, including law of tenancy and legislation governing acquisitions and the environment. Sagax's tax expenses are explained in Note 12.

Risk management

Risks are prevented by ensuring that the right skills are found in the organisation or engaged as necessary. In addition, controls and investigations regarding tax-related matters are performed carefully.

Environmental risks

According to applicable environmental legislation in the countries in which Sagax owns properties, the operator is ultimately responsible for pollution and other environmental damage. Under the Swedish Environmental Code, Sagax has no operations requiring any special permits. However, there may be tenants who conduct operations requiring special permits under the Environmental Code, meaning that they are regarded as operators as stipulated.

If the operator is unable to perform or defray post-treatment of a property, however, the party who acquired the property and who knew of or should have detected the pollution when the property was acquired is to assume responsibility. This means that under certain circumstances, claims may be directed at Sagax for land remediation or post-treatment in the event of the occurrence or suspicion of contamination of land, catchment area or ground water for the purpose of returning the property to the condition required according to applicable environmental laws. Such claims could have a negative impact on Sagax.

Each such event or significant decrease in the value of the properties, or environmental issues that are not known or that cannot be identified on the acquisition date, or that occur at a later date, could have a significant negative impact on Sagax's operations and the Group's financial position.

Risk management

It is crucial that the property owner and the operator cooperate on issues concerning the environmental impact of a particular operation.

Sagax performs environmental analyses of the properties that are acquisition candidates to identify environmental and health risks and the company's target is for all new builds to have a sustainability rating.

There are currently no material environmental claims directed at any of the Group companies. Nor has Sagax identified any significant environmental risks.

CLIMATE RISK

Higher sea levels, more rainfall or other changes to the physical environment could entail damage to Sagax's properties. This could mean a greater need for investments in properties in vulnerable areas. Climate change could also entail higher operating expenses.

There could also be the risk of unprofitable investments if climate risk is not considered. In addition, climate policy decisions could affect Sagax, not least in the form of higher taxes or necessary investments.

Risk management

Sagax's target is for all new builds to have a sustainability rating. Properties in the existing portfolio are to be sustainability rated if the right conditions are in place, for example, in connection with large-scale remodelling. In addition, Sagax is monitoring developments of climate-related laws and regulations.

The Sagax share and shareholders

Sagax's shares are listed on Nasdaq Stockholm, Large Cap. The company's market capitalisation on 31 December 2021 amounted to SEK 101 billion.

SHARE CAPITAL

The share capital in Sagax at year end amounted to SEK 780,351,117 and was distributed among a total of 445,914,924 shares, including 2,000,000 Class B shares held in treasury. The quotient value per share is SEK 1.75. Sagax has three classes of shares: Class A, B and D common shares. The shares are listed on Nasdaq Stockholm, Large Cap.

Each Class A share carries one voting right and each Class B and Class D share carries one tenth of a voting right. Each voting member is entitled to vote for the full number of owned and represented shares at the AGM.

In accordance with the resolution of an Extraordinary General Meeting, Sagax redeemed all preference shares in April 2021. In addi-

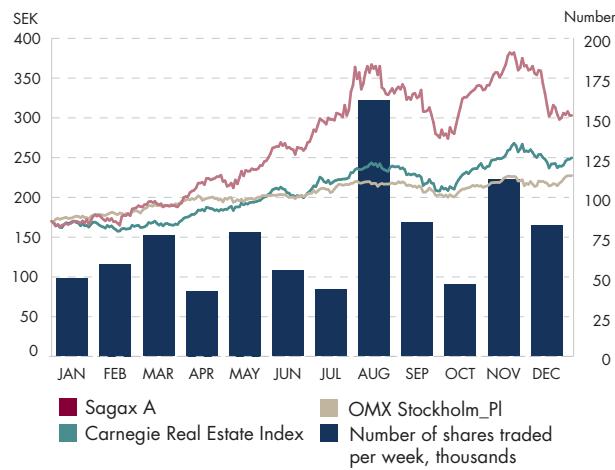
tion, due to the exercise of warrants under the 2018/2021 Incentive Plan, Sagax issued 374,065 Class B common shares in June 2021.

DIVIDEND POLICY

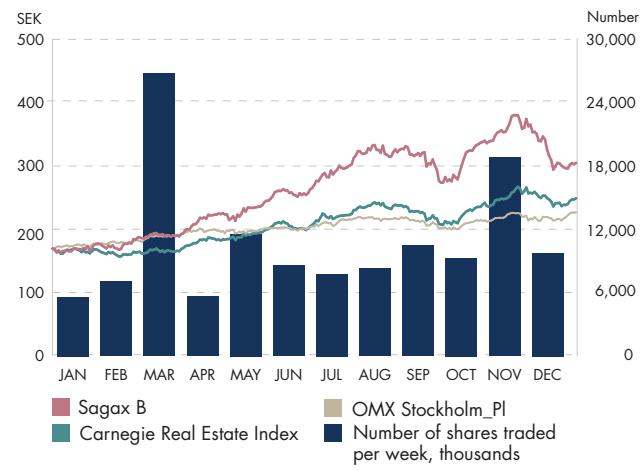
Sagax's dividend policy is that the total dividend will amount to about one third of profit from property management. The Board is also authorised to propose the distribution of non-recurring profits to shareholders. Class D common shares carry entitlement to five times the total dividend on Class A and Class B common shares, although a maximum of SEK 2.00 annually per share.

The Board proposes that the 2022 Annual General Meeting resolve to pay a dividend of SEK 2.15 (1.65) per Class A and Class B share. The

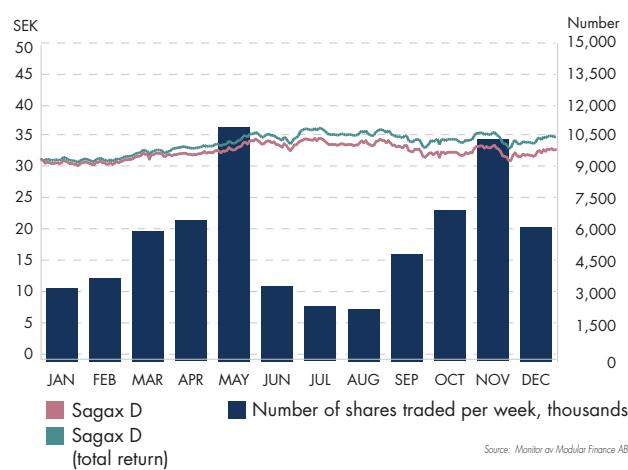
Price performance for Class A share 2021



Price performance for Class B share 2021



Price performance for Class D share 2021



Trading in the shares 2021

	Price paid, SEK		Turnover rate on an annual basis, %		Average trading volume per trading day, SEK M	
	31 Dec 2021	31 Dec 2020	2021	2020	2021	2020
Class A shares	303.00	168.50	3	4	1.0	0.5
Class B shares	305.00	169.60	44	22	134.6	33.4
Class D shares	33.40	32.05	55	58	9.0	8.3

Board also proposes a dividend of SEK 2.00 (2.00) per Class D share through a quarterly payment of SEK 0.50, in accordance with the Articles of Association. The proposed dividend amounts to a total of SEK 935 M (776), corresponding to 33.5% (32.5) of profit from property management.

INCENTIVE PROGRAMMES FOR EMPLOYEES

Sagax has three warrant programmes for the company's employees. In total, Sagax's employees hold 1,163,628 warrants, corresponding to 0.5% of the number of Class A and Class B shares outstanding. The company's CEO and Board Members do not participate in the programmes. These programmes are valid for three years, and encompass the periods 2019-2022, 2020-2023 and 2021-2024. The subscription price corresponds to the price paid for the Class B share at the start of the warrant programme, converted using the average share price trend for the listed property companies in accordance with Carnegie's Real Estate Index (CREX) during the corresponding period. Accordingly, the warrants will have a value on condition that the price performance of the Sagax share exceeds the average for the listed property companies during each three-year period.

The Sagax Board of Directors has proposed to the AGM on 11 May 2022 that it resolve to approve a corresponding incentive programme providing entitlement to the company's employees, with the exception of the CEO and the Board Members, to subscribe for new common shares in June 2025.

No additional warrants or convertibles are outstanding.

LIQUIDITY PROVIDER

Carnegie Investment Bank serves as liquidity provider for the company's Class A and D shares within the framework of Nasdaq Stockholm's liquidity provider system. Under the agreement with Carnegie, the liquidity provider establishes buy and sell prices in the order book for Class A and D shares, at the same time as a guaranteed volume of shares is provided on the buy and sell pages of the order book. The purpose of the agreement is to promote share liquidity.

SHARE PRICE RELATIVE TO THE COMPANY'S PERFORMANCE

Profit from property management per Class B share after dilution on a rolling 12-month basis amounted to SEK 7.99 (6.62), which, compared with the share price of the Class B share at the end of the period, corresponded to a multiple of 38.2 (25.5).

EQUITY AND NAV PER CLASS A AND B SHARE

Equity per Class A and B share after dilution amounted to SEK 83.84 (55.09). NAV per Class A and B share amounted to SEK 97.92 (66.38). The share price for the Class B share at the end of the period was 364% (308) of equity per Class B share and 311% (255) of NAV per Class B share.

Largest shareholders, 31 December 2021¹⁾

	No. of shares			Percentage of		Verification date
	Class A shares	Class B shares	Class D shares	Share capital	Votes ²⁾	
David Mindus and companies	10,848,800	66,917,112	1,192,228	17.7%	25.8%	31 Dec 2021
Staffan Salén and companies	4,264,928	32,970,660	95,600	8.4%	11.0%	31 Dec 2021
Rutger Arnhult and companies	5,797,053	6,342,938	17,385,738	6.6%	11.9%	22 Oct 2021
Fourth Swedish National Pension Fund	5,716	16,267,423	10,021,678	5.9%	3.8%	31 Dec 2021
Third Swedish National Pension Fund	–	24,927,658	–	5.6%	3.6%	31 Dec 2021
SEB Fonder	–	12,578,849	–	2.8%	1.8%	31 Dec 2021
Avanza Pension	49,699	737,312	11,229,666	2.7%	1.8%	31 Dec 2021
Vanguard	–	5,898,303	3,667,507	2.1%	1.4%	30 Nov 2021
Länsförsäkringar Fonder	–	8,529,678	–	1.9%	1.2%	31 Dec 2021
BlackRock	–	6,466,097	10,729	1.5%	0.9%	31 Dec 2021
Filip Engelbert and companies	241,000	1,869,784	4,200,000	1.4%	1.2%	31 Dec 2021
Swedbank Robur Fonder	500,000	5,651,800	–	1.4%	1.6%	31 Dec 2021
Norges Bank	–	3,793,967	1,775,800	1.2%	0.8%	31 Dec 2021
Erik Selin and companies	1,081,866	2,367,116	1,656,868	1.1%	2.2%	31 Dec 2021
ODIN Fonder	–	3,955,739	–	0.9%	0.6%	31 Dec 2021
Handelsbanken Fonder	–	3,100,570	539,803	0.8%	0.5%	31 Dec 2021
AMF Pension & Fonder	–	2,875,326	–	0.6%	0.4%	31 Dec 2021
Johan Thorell and companies	203,254	2,332,540	158,912	0.6%	0.7%	31 Dec 2021
Folksam	–	2,661,471	–	0.6%	0.4%	31 Dec 2021
Nordnet Pensionsförsäkring	19,466	395,684	2,186,855	0.6%	0.4%	31 Dec 2021
Total 20 largest shareholders	23,011,782	210,640,027	54,121,384	64.5%	72.2%	
Other shareholders	3,821,072	80,180,714	72,139,945	35.0%	27.8%	
Sub-total	26,832,854	290,820,741	126,261,329	99.6%	100.0%	
Shares held by AB Sagax	–	2,000,000	–	0.4%	0.0%	
Total	26,832,854	292,820,741	126,261,329	100.0%	100.0%	
– of which, Board and employees	15,741,274	108,349,815	6,650,092	29.3%	39.7%	

1) Ownership structure on 31 December is based on information from Monitor and Euroclear Sweden.

2) Voting rights for treasury shares held by AB Sagax have been excluded.

Ownership structure, 31 December 2021¹⁾

No. of shares	No. of shareholders	Shareholder category	No.	Share of voting power	Shareholders by country	No.	Share of voting power
1–500	16,672	Private individuals residing in Sweden	20,779	8%	Sweden	21,477	83%
501–1,000	1,814	Private individuals residing abroad	117	0%	Switzerland	50	6%
1,001–2,000	1,332	Companies/institutions in Sweden	698	75%	USA	23	3%
2,001–5,000	1,339	Companies/institutions abroad	1,384	17%	UK	73	2%
5,001–10,000	634				Luxembourg	32	1%
10,001–50,000	785				Other countries	1,323	4%
50,001–	402				Total	22,978	100%
Total	22,978					22,978	100%

1) Including shares held by AB Sagax.

Key performance indicators per Class B share

	2021 31 Dec	2020 31 Dec	2019 31 Dec	2018 31 Dec	2017 31 Dec
Share price at year end, SEK	305.00	169.60	136.20	64.70	49.10
Profit from property management after dilution, SEK	7.99	6.62	5.51	4.30	3.70
Cash flow after dilution, SEK ¹⁾	6.58	6.09	4.86	3.94	3.26
Equity after dilution, SEK	83.84	55.09	46.78	35.67	27.13
Net asset value, SEK	97.92	66.38	56.77	44.22	35.04
Share price/Profit from property management, multiple	38.2	25.6	24.7	15.0	13.3
Share price/Cash flow, multiple ¹⁾	46.4	27.9	28.0	16.4	15.1
Share price/Equity, %	364	308	292	182	181
Share price/Net asset value, %	311	255	240	147	140

1) Cash flow pertains to cash flow from operating activities before changes in working capital.

Share price performance and volatility

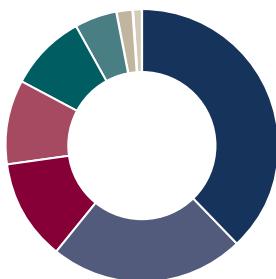
Performance ^{1,2)}	Sagax Class A share	Sagax Class B share	Sagax Class D share	Carnegie Real Estate Index	OMX Stockholm PI
1 year	80%	80%	4%	47%	35%
2 years	118%	124%	-8%	41%	52%
3 years	295%	371%	5%	121%	97%
4 years	487%	525%	14%	150%	82%
5 years	555%	650%	20%	177%	94%

Volatility ¹⁾	Sagax Class A share	Sagax Class B share	Sagax Class D share	Carnegie Real Estate Index	OMX Stockholm PI
1 year	33%	27%	13%	20%	15%
2 years	37%	32%	18%	26%	20%
3 years	37%	26%	12%	20%	14%
4 years	35%	24%	11%	15%	14%
5 years	36%	26%	11%	15%	14%

1) Calculated on 31 December 2021.

2) The trend does not include reinvested dividend for Sagax shares or the Carnegie Real Estate Index and OMX Stockholm PI.

Shareholder category, share of equity



- Other Swedish legal entities, 38%
- Owners resident abroad, 23%
- Social insurance funds, 12%
- Swedish natural persons, 10%
- Fund companies, 9%
- Other financial companies, 5%
- Pension foundations, 2%
- Interest organisations, 1%
- Non-categorised legal entities, 0%

Source: Euroclear Sweden

Net asset value, 31 December 2021

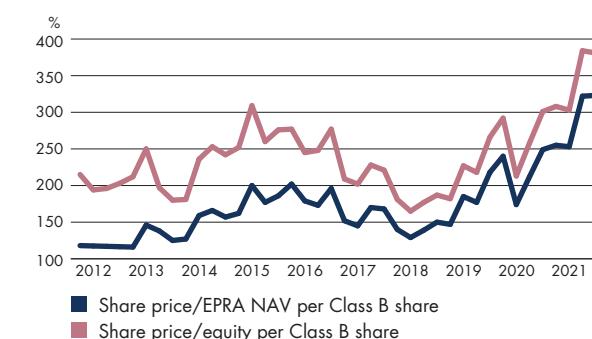
	Per Class A and B share after dilution, SEK M	SEK
Equity	31,079	98
Deduction for equity for Class D shares	-4,419	-14
Reversal of derivatives	74	0
Reversal of temporary differences	3,383	11
Reversals due to joint ventures	1,019	3
Net asset value	31,136	98

Share price/profit from property management per common share



- Share price/profit from property management per Class B share, rolling 12 months

Share price in relation to equity and EPRA NAV



- Share price/EPRA NAV per Class B share
- Share price/equity per Class B share

Voting rights and proportion of share capital

Class of share	No.	Voting rights per share	Number of votes	Proportion of voting rights	Proportion of share capital
Class A shares	26,832,854	1.0	26,832,854.00	39%	6%
Class B shares	292,820,741	0.1	29,282,074.10	43%	66%
Class D shares	126,261,329	0.1	12,626,132.90	18%	28%
Total	445,914,924		68,741,061.00	100%	100%

Organisation and employees

For the company to be competitive, it is important for employees to take responsibility and to feel a sense of involvement in the business. A competent organisation is critical to the company's development.

LEGAL STRUCTURE

At year end, the Group consisted of 361 Group companies with domiciles in Sweden, Finland, the Netherlands, France, Spain and Denmark. The properties in Germany are directly owned by five Swedish companies. The Parent Company owned 50% of Söderport Property Investment AB, Fastighetsaktiebolaget Ess-Sierra and Hemsö Intressenter AB, which in turn owned 30% of Hemsö Fastighets AB. In addition, Sagax owned 25.4% of the votes and 25.9% of the capital in Fastighetsbolaget Emilshus AB and 21.8% of the votes and 15.3% of the capital in NP3 Fastigheter AB. No properties are owned by the Parent Company.

ORGANISATION

The company's domicile and head office are in Stockholm, where the company's Group functions of accounting, tax, finance and business development are located. In Finland, France, the Netherlands and Spain, the operations are headed by the managing directors of each operation.

EMPLOYEES

Sagax's long-term development is dependent on highly skilled employees. For this reason, it is important that the company is an attractive employer that can attract and has the ability to retain highly skilled personnel in the long term.

Sagax offers a flexible and creative environment where decision paths are short. Skills development is important for Sagax and career development discussions are held annually, in part to provide incentives for the development of each employee. When hiring, great importance is attached to skills and relevant experience as well as personal qualifications and qualities. Recruitment always takes place in competition. As part of Sagax's recruitment process, the final candidates always meet employees in various parts of the company, and key individuals are also evaluated by the CEO and at least one Board member. Various tests may also be conducted in certain cases.

Sagax usually holds an annual conference attended by all of its employees, where the company's development, challenges and opportunities are discussed for two days. Due to COVID-19, Sagax did not arrange a conference in 2021. Quarterly virtual presentations of Sagax's interim reports were held for all employees to maintain a common foundation of knowledge and increase understanding of the company's operations.

Sagax has managed to remain a relatively small organisation despite its rapid expansion. All 87 of Sagax's employees are permanently employed. The average number of employees during the year was 81. 17 employees were recruited in 2021 – eight in Finland, three in France, three in Spain, two in Sweden and one in the Netherlands. Seven employees left the company during the year.

Operating structure



1) Company management.

Number of Group companies

Domicile	No.
Sweden	126
Finland	166
Netherlands	56
France	7
Spain	4
Denmark	2
Total	361

Number of employees

Country	Total
Sweden	36
Finland	28
France	10
Netherlands	7
Spain	6
Total	87

The guidelines for remuneration of senior executives are presented in the corporate governance section.

INCENTIVE PLANS FOR EMPLOYEES

Sagax has three warrant programmes for the company's employees. The programmes are for three years and are targeted at all employees. The company's CEO and Board members do not participate in incentive programmes. Sagax employees held a total of 1,163,628 warrants with the right to subscribe for common shares corresponding to 0.5% of the number of Class A and B shares outstanding.

NON-DISCRIMINATION

Employees are to have the same opportunities and the same rights and obligations regardless of sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age. This applies, for example, to salary structure, opportunities for promotion, skills development and the right to good working conditions. These efforts are to be pursued as a partnership between employer and employees. Every employee is responsible for actively participating in non-discrimination efforts.

PROPERTY CARETAKING

Property caretaking and on-call duties are outsourced. Tenants outside the large cities are generally responsible for property caretaking themselves.



Multi-year summary

Consolidated statement of comprehensive income

Amounts in SEK M	2021	2020	2019	2018	2017
Rental revenue	3,100	2,898	2,581	2,247	1,870
Other revenue	23	10	27	30	4
Operating and maintenance costs	-324	-311	-306	-256	-190
Site leasehold fees	-	-	-	-22	-19
Property tax	-153	-141	-121	-93	-77
Property administration	-73	-60	-47	-37	-29
Net operating income	2,573	2,397	2,133	1,869	1,558
Central administration	-147	-132	-122	-132	-77
Profit from joint ventures and associated companies	2,718	1,033	917	830	727
- of which, profit from property management	713	565	441	312	278
- of which, change in the value of properties and financial instruments	2,572	741	690	677	606
- of which, tax	-558	-272	-214	-160	-157
- of which, other	-9	-	-	-	-
Financial income	113	39	20	35	19
Financial expenses	-419	-455	-446	-481	-444
Financial expense, interest component of leases	-28	-26	-24	-	-
Profit including profit of joint ventures	4,809	2,857	2,478	2,121	1,783
- of which, profit from property management	2,805	2,389	2,001	1,603	1,334
Realised changes in value:					
Properties	6	-30	-40	-22	1
Financial instruments	-10	1	-	36	3
Unrealised changes in value:					
Properties	3,870	1,274	1,301	1,265	1,113
Financial instruments	1,868	228	889	211	504
Profit before tax	10,543	4,330	4,627	3,611	3,405
Deferred tax	-624	-511	-416	-435	-390
Current tax	-112	-108	-100	-10	-49
Profit for the year	9,807	3,711	4,111	3,166	2,965
Translation differences for foreign operations	282	-693	217	363	254
Share of other comprehensive income for joint ventures	8	-13	13	3	5
Translation differences pertaining to hedge accounting	-141	355	-143	-49	-84
Tax on items that may be reversed to profit or loss	6	14	3	-29	-13
Comprehensive income for the year	9,963	3,374	4,201	3,454	3,126

Condensed consolidated statement of financial position

Amounts in SEK M	31 Dec 2021	31 Dec 2020	31 Dec 2019	31 Dec 2018	31 Dec 2017
Investment properties	46,067	37,264	32,333	28,769	23,755
Investment properties for sale	–	284	292	255	16
Site leaseholds, right-of-use assets	355	368	346	–	–
Joint ventures and associated companies	9,818	6,833	5,693	3,286	2,632
Receivables from joint ventures	8	41	–	–	–
Other fixed assets	772	639	569	18	22
Total fixed assets	57,020	45,429	39,233	32,328	26,426
Cash and bank balances	84	24	86	73	60
Other current assets	5,368	1,168	834	1,289	754
Total current assets	5,452	1,193	921	1,362	814
Total assets	62,472	46,622	40,154	33,690	27,240
Equity	31,079	22,452	19,257	15,416	11,356
Non-current interest-bearing liabilities	23,368	17,977	16,052	13,866	11,938
Deferred tax liabilities	3,087	2,476	2,018	1,599	1,141
Other non-current liabilities	659	657	583	189	475
Total non-current liabilities	27,114	21,110	18,653	15,654	13,553
Current interest-bearing liabilities	2,986	1,851	1,385	1,817	1,679
Other current liabilities	1,293	1,209	858	803	652
Total current liabilities	4,279	3,060	2,243	2,620	2,331
Total liabilities	31,393	24,170	20,896	18,274	15,885
TOTAL EQUITY AND LIABILITIES	62,472	46,622	40,154	33,690	27,240

Key performance indicators and data per share

	2021	2020	2019	2018	2017
Property-related key figures					
Property yield, %	6.0	6.3	6.4	6.8	6.9
Total yield on property, %	15.7	10.0	10.7	11.7	12.0
Surplus ratio, %	83	83	83	83	83
Occupancy rate by area, %	96	95	95	95	95
Economic occupancy rate, %	96	95	95	95	94
Lettable area, '000s sqm	3,759	3,480	3,022	2,850	2,489
No. of properties	673	673	553	512	495
Financial key figures					
Return on total capital, %	6.0	6.6	6.7	6.8	7.1
Return on equity, %	37	18	24	24	30
Average interest rate, %	1.4	1.8	1.9	2.2	3.0
Fixed interest period incl. derivatives, years	4.0	3.4	3.5	3	2.1
Loan maturity, years	4.3	3.4	3.8	3.6	3.1
Equity/assets ratio, %	50	48	48	46	42
Debt ratio, %	42	43	44	47	50
Net debt/EBITDA	5.8	6.4	6.6	7.4	8.1
Interest coverage ratio, multiple	6.5	5.7	4.9	4.2	3.7
Interest coverage ratio, EMTN programme, multiple	9.4	6.4	5.3	4.3	4.0
Data per Class A and B share¹⁾					
Price of Class B share at the end of the year, SEK	305.00	169.60	136.20	65.70	49.10
Net asset value, SEK	97.92	66.38	56.77	44.22	35.04
Equity, SEK	83.93	55.19	46.86	35.70	27.15
Equity after dilution, SEK	83.84	55.09	46.78	35.67	27.13
Earnings, SEK	30.09	10.80	12.15	9.24	8.86
Earnings after dilution, SEK	30.04	10.78	12.13	9.24	8.85
Profit from property management, SEK	8.01	6.63	5.51	4.31	3.71
Profit from property management after dilution, SEK	7.99	6.62	5.51	4.31	3.70
Cash flow, SEK	6.59	6.10	4.86	3.95	3.27
Cash flow after dilution, SEK	6.58	6.09	4.86	3.95	3.26
Dividend per share, SEK (proposed for 2021)	2.15	1.65	1.30	1.00	0.90
No. of shares at year end, millions	317.7	317.3	317.1	316.8	316.5
No. of shares at year end after dilution, millions	318.0	317.9	317.5	317.1	316.7
Average no., millions	317.5	317.1	316.9	316.7	316.5
Average no. after dilution, millions	318.0	317.7	317.3	316.9	317.0
Data per Class D share					
Share price at year end, SEK	33.40	32.05	36.35	31.70	29.92
Equity, SEK	35.00	35.00	35.00	35.00	35.00
Earnings, SEK	2.00	2.00	2.00	2.00	2.00
Dividend per share, SEK (proposed for 2021)	2.00	2.00	2.00	2.00	2.00
No. of shares at year end, millions	126.3	125.8	107.8	101.9	63.6
Average no., millions	126.2	118.4	105.7	83.0	43.1

1) Excluding 2,000,000 Class B shares bought back by Sagax.

Events after the end of the year

On 1 February 2022, it was announced in a press release that Sagax had acquired a total of nine properties for a corresponding price of SEK 452 M through seven separate transactions. The properties comprise a lettable area of 42,900 square metres, primarily comprising premises for warehouses and industrial purposes. The annual rent corresponds to SEK 34 M. The occupancy rate is 98% and the remaining average lease term is 4.5 years. Closing took place in the first quarter of 2022. The acquisitions will be recognised in the following Sagax segments: Netherlands (SEK 211 M), Helsinki (SEK 176 M), Madrid & Barcelona (SEK 13 M) and Rest of Europe (SEK 52 M).

On 17 February 2022, it was announced in a press release that Sagax had issued an unsecured bond loan of EUR 300 M in the European capital market as part of its EMTN programme. The bond loan has a maturity of four years and extends to 24 February 2026. The annual yield is 1.69%. The bond will be used to refinance existing liabilities and the company's operating activities.

As a result of Russia's invasion of Ukraine, uncertainty about macroeconomic developments has increased. Sagax does not operate in Ukraine or Russia. Sagax is thus only indirectly affected by the war and its consequences. The company is following developments to identify and, if possible, address any risks.

Corporate Governance Report

Sagax's owners govern the company directly and indirectly through various decision-making systems. The corporate governance applied at Sagax meets the requirements stated in the Swedish Companies Act, the Swedish Annual Accounts Act, the Swedish Corporate Governance Code (the Code) and Nasdaq Stockholm's Rule Book for Issuers.

ARTICLES OF ASSOCIATION

According to the Articles of Association, AB Sagax is a public company (publ.). The Board is domiciled in Stockholm, Sweden. The company, directly or through subsidiaries, is to own, manage and operate activities involving real estate trading and to conduct other compatible operations. For further information, see Sagax's website www.sagax.se.

SWEDISH CORPORATE GOVERNANCE CODE

The Swedish Corporate Governance Code came into effect on 1 July 2005. As of 1 July 2008, the Code applies to all companies with shares traded on Nasdaq Stockholm. The Code is intended to serve as one component of self-regulation in the Swedish business sector. It is based on the "comply or explain" principle, meaning that it is not necessary to comply with all of the regulations all of the time, and that it is not wrong to deviate from one or more individual regulations in the Code if there is a reason which is explained. The Code addresses the decision-making systems through which the owners directly or indirectly govern the company. The main emphasis is on the Board in its capacity as the central player in corporate governance. The Code is managed by the Swedish Corporate Governance Board and is available at www.corporategovernanceboard.se. Regulations in the corporate governance area for listed companies can be found in the Swedish Companies Act, the stock exchanges' listing requirements and regulations and opinions from the Swedish Securities Council.

The Board of Directors has chosen to add two members to the Audit Committee rather than three in accordance with the Code. The reason is that the Board of Directors consists of six members in total, and having two members on these committees is considered appropriate.

The entire Board of Directors has chosen to only meet the company's auditors in the presence of the CEO, which is natural since he is the company's largest shareholder.

The date of birth of Board members and management is not presented as this information is not relevant when assessing expertise and experience. Education, Board assignments and work experience are presented.

GENERAL MEETING

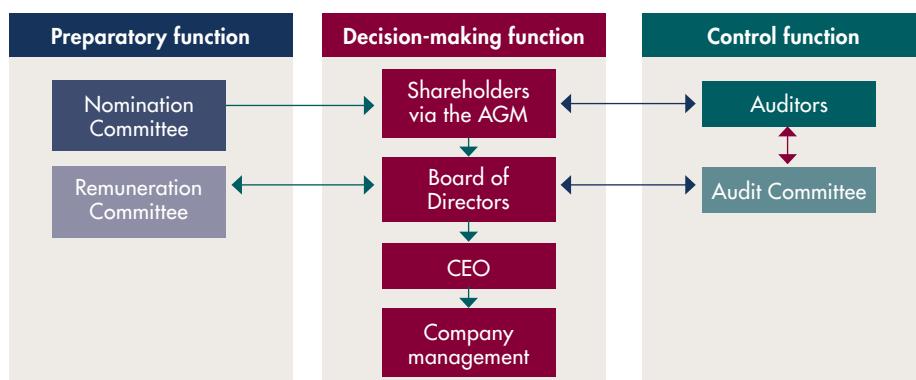
The AGM is the company's highest decision-making body. At the AGM, all shareholders are given the opportunity to exercise influence over the company represented by their respective shareholdings. In addition to the obligatory items stipulated in the Articles of Association, the following resolutions were made:

Annual General Meeting 5 May 2021

The AGM of Sagax on 5 May 2021 resolved:

- To adopt the Board's adjusted proposed dividend of SEK 1.65 per Class A and Class B common share and SEK 2.00 per Class D common share for the 2020 financial year, with quarterly distributions of SEK 0.50 per Class D common share.
- To discharge the Board Members and the CEO from personal liability for the 2020 financial year.
- That the number of Board Members be six for the period until the next AGM.
- To re-elect the Board Members Johan Cederlund, Filip Engelbert, David Mindus, Staffan Salén, Johan Thorell and Ulrika Werdelin. Staffan Salén was appointed Chairman of the Board.
- To pay fees in the amount of SEK 330,000 to the Board Chairman and SEK 180,000 to each other non-executive Board member elected by the AGM. The fees also include remuneration for committee work.
- To establish principles for the composition of a Nomination Committee for the 2021 AGM.
- To re-elect Ernst & Young AB as auditors, with Oskar Wall as the auditor-in-charge. Fees to the auditors are to be paid based on approved invoices.
- To establish guidelines for remuneration of senior executives.

MANAGEMENT STRUCTURE



- To introduce the Incentive Plan 2021/2024 through the: a) issue of warrants to the subsidiary Satrap Kapitalförvaltning AB and; b) approval of the transfer of the warrants to employees of the Company or its subsidiaries.
- Resolution concerning authorisation of the Board of Directors to increase the share capital through new issues of shares, warrants and/or convertibles.
- To authorise the Board, on one or more occasions prior to the next Annual General Meeting, to make decisions to acquire common shares, warrants and/or convertibles. The company's holdings at any time may not exceed a tenth of the total number of shares in the company.

Ahead of the AGM on 11 May 2022

The 2022 AGM of Sagax will be held on 11 May 2022 at 3:00 p.m. at Citykonferensen on Malmskillnadsgatan 46 in Stockholm, Sweden. Shareholders will be able to exercise their voting rights through postal voting in accordance with Article 9 of Sagax's Articles of Association, or through physical attendance or via a proxy.

Shareholders intending to participate in the AGM by postal voting must:

- Be registered in the shareholders' register maintained by Euroclear Sweden AB ("Euroclear") on Tuesday, 3 May 2022.
- Notify the company of their participation by voting in advance using the special form not later than Thursday, 5 May 2022. More information is available on the company's website: www.sagax.se. The completed form is to be sent to AB Sagax, c/o Euroclear Sweden AB, Box 191, SE-101 23 Stockholm, Sweden or by e-mail to GeneralMeetingService@euroclear.com. The completed form may also be sent electronically using a BankID signature according to the instructions on anmalan.vpc.se/euroclearproxy.

Shareholders intending to attend the AGM in person must:

- Be registered in the shareholders' register maintained by Euroclear Sweden AB ("Euroclear") on Tuesday, 3 May 2022.
- Notify the company of their intention to participate not later than Thursday, 5 May 2022 via anmalan.vpc.se/euroclearproxy, by telephone +46 8 402 92 96 weekdays between 09:00 a.m. and 4:00 p.m. or at the following address: AB Sagax, "Årsstämma", c/o Euroclear Sweden, Box 191, SE-101 23 Stockholm, Sweden. Notification should include name, personal identification number or corporate registration number, address and telephone number.

Notice to convene the AGM, including resolution proposals, is presented on the company's website: www.sagax.se.

NOMINATION COMMITTEE

The 2021 AGM resolved to assign the Chairman of the Board to contact the three largest shareholders or groups of shareholders in terms of votes, pertaining to directly registered shareholders and nominee-registered shareholders, according to Euroclear's transcript of the shareholders' register at 30 September 2021 and ask each to appoint one representative, in addition to the Chairman of the Board, to constitute the Nomination Committee for the period until a new Nomination Committee has been appointed according to authorisation from the next AGM. The majority of the members of the Nomination Committee are to be independent in relation to the company and company management. At least one of the Nomination Committee's members must

be independent in relation to the company's largest shareholder or the group of shareholders, in terms of votes, that works together in respect of the administration of the company. The CEO or another member of executive management must not be a member of the Nomination Committee. Board Members may be appointed to the Nomination Committee but are not to constitute a majority of its members. If more than one Board Member is appointed to the Nomination Committee, at least one of them is required to be dependent in relation to the company's major shareholders. The Nomination Committee is to elect its chairman from among its own members. The Chairman of the Board or any other Board member is not to be elected chairman of the Nomination Committee. The composition of the Nomination Committee must be announced no later than six months prior to the 2022 AGM. The Nomination Committee announced on 9 November 2021 has the following composition:

- Björn Alsén, Chairman, representing David Mindus and companies.
- Håkan Engstam, representing Rutger Arnhult and companies.
- Erik Salén, representing the Salén family and companies.
- Staffan Salén, Chairman of the Sagax Board of Directors.

The Nomination Committee has, in accordance with the requirements of the Swedish Annual Accounts Act and the Code, decided on a diversity policy for election to the Board. The policy states that "The Board must have an appropriate composition in terms of expertise and experience. It is considered important that members are also shareholders in the company. It is of the utmost importance that the selection of members is non-discriminatory on the grounds of sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation and age." The Nomination Committee held two minuted meeting and also maintained contact by telephone and e-mail.

BOARD OF DIRECTORS

According to the Articles of Association, Sagax's Board is to comprise at least three and at most eight members, with no deputies. Sagax's Board of Directors consists of six members, who were elected at the 2021 AGM. The Board comprises Board Members Johan Cederlund, Filip Engelbert, Staffan Salén, Johan Thorell, Ulrika Werdelin and CEO David Mindus. Staffan Salén was appointed Chairman of the Board at the 2021 AGM. The term of all Board Members runs until the end of the next AGM. For further information about the Members of the Board, see page 66-67.

Board of Directors' work plan

The Board's tasks are governed by the Swedish Companies Act and the Articles of Association. The Board's work is also governed by the formal work plan adopted by the Board every year at the statutory Board meeting or the AGM. The formal work plan describes the Board's tasks and the division of responsibility between the Board and the CEO. The directive issued to the CEO and the instructions on financial reporting are adopted at the same time.

- The Board's tasks include deciding on the acquisition and disposal of companies and properties, procurement of loans and guarantees, organisational issues, forecasts and full-year and interim reports.
- According to the formal work plan, the Board must meet at least five times per calendar year in addition to the statutory meeting and strategy meeting.
- The work plan regulates the issues that must always be considered at these five meetings and the statutory meeting.

Chairman of the Board

According to the Board's work plan, it is the Chairman of the Board's responsibility to ensure that the Board performs its work effectively and fulfils its obligations. It is also the responsibility of the Chairman to carry out the assignments instructed by the AGM as regards the establishment of the Nomination Committee, participate in its work, and ensure that the Board's work is evaluated once a year. In addition, the Chairman of the Board is to ensure that Board matters are not handled in a way that contravenes the provisions of the Swedish Companies Act or the Articles of Association, and ensure that Board members are familiar with legislation on insider trading and the company's insider policy.

The Board's work in 2021

Sagax's Board held 32 minutes meetings in 2021, one of which was a statutory meeting. The main issues at the meetings for the year were acquisition and divestment of properties, funding issues and the adoption of interim reports and forecasts. The Board was also informed of the current state of the business. According to its investment strategy, Sagax aims to continue its growth through the acquisition of new properties and investments in existing properties. The company invests in properties that fulfil the Group's requirements for returns and risk. Each investment is considered separately when decisions are made. The Chairman of the Board ensured that the Board's work was evaluated and the results then discussed by the Board. The financial targets adopted by the Board were followed up as budgets and quarterly reports were adopted.

BOARD COMMITTEES

Remuneration Committee

At its statutory meeting on 5 May 2021, the Board appointed a Remuneration Committee consisting of the Board of Directors. The Board has adopted an instruction concerning the work of the Remuneration Committee. The task of the Remuneration Committee is to prepare issues concerning remuneration and other terms and conditions of employment for company management. The Remuneration Committee held one meeting about remuneration. The Committee's report is available from the Sagax website: www.sagax.se.

Audit Committee

The members of the Audit Committee, which was appointed at the Board's statutory meeting on 5 May 2021, are Johan Thorell and Staffan Salén. The Audit Committee meets the company's auditors three times a year. The Board has adopted an instruction concerning the work of the Audit Committee. The task of the Audit Committee is to maintain and increase the efficiency of contacts with the Group's auditors, exercise supervision over accounting and financial statements procedures, evaluate the auditors' work and monitor the development of accounting policies and requirements. The Audit Committee held three minutes meetings with the auditor in 2021, as well as one minutes meeting in 2022. During these meetings, topics including the auditors' examination of the company's financial reporting and internal controls were presented and discussed. The auditors' observations and opinions were subsequently reported to the Board.

FUNDAMENTAL STRUCTURE FOR BOARD WORK AT SAGAX

DEC December Board meeting

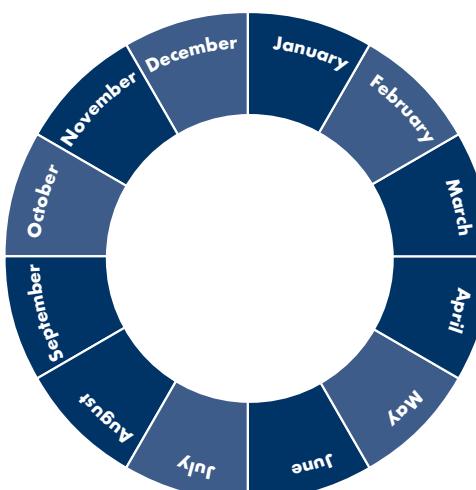
- Budget for the forthcoming year
- State of the business
- Financing issues and risks
- Capital structure
- Evaluation of the Board of Directors
- Evaluation of company management
- Organisational issues

OCT October Board meeting

- Interim financial report and forecast
- Accounting and auditing issues, as well as the audit report
- Profit outcomes
- State of the business
- Financing issues and risks
- Internal control
- Organisational issues

OCT Strategy meeting in October

- Strategy issues
- State of the business
- Financing issues and risks
- Organisational issues



FEB February Board meeting

- Year-end report and forecast
- Accounting and auditing issues, as well as the audit report
- Profit outcomes
- State of the business
- Financing issues and risks
- Organisational issues
- Reports from Board committees
- Forthcoming AGM

MAY May Board meeting

- Interim financial report and forecast
- Profit outcomes
- State of the business
- Financing issues and risks
- Organisational issues
- Forthcoming AGM

MAY Board statutory meeting

- Formal work plan and policy documents
- Board committees
- Signatory power
- Authorisation manual
- Meeting plan

STOCK MARKET INFORMATION

The company is required to provide rapid, correct, relevant and reliable information. The company submits interim reports concerning the business on a quarterly basis, and a year-end report and annual report for the entire financial year. Sagax uses its website to rapidly provide information to the stock market. Significant events are announced through separate press releases.

OTHER DISCLOSURES CONCERNING THE BOARD AND MANAGEMENT

There are no conflicts of interest between the Board or management on the one hand and the company on the other. Board Members Johan Cederlund, Filip Engelbert, Johan Thorell and Ulrika Werdelin are independent in relation to the company, company management and the company's principal owners. Board member David Mindus, who is also Sagax's CEO, is dependent in relation to the company. Staffan Salén and David Mindus each represent in excess of 10% of the voting rights and are thus considered to be dependent in relation to the company's principal owners. Independence in relation to the company and its principal owners entails that there are no extensive business connections with the company, and that the Board Members represent less than 10% of the shares or voting rights at year end.

No special agreements have been reached between Sagax and major shareholders, customers, suppliers or other parties that caused any Board members or executive management to be chosen for these posts. There are no restrictions on the rights of Board Members or senior executives to sell their Sagax securities. None of the Group's member companies has entered into agreements that entitle Board Members or members of executive management to benefits after their respective assignments end. However, members of executive management are entitled to a salary for a certain period when their employment has been terminated by the company; see Note 5.

REMUNERATION OF THE BOARD AND SENIOR EXECUTIVES

The AGM on 5 May 2021 resolved to pay a total of SEK 1,050,000 in director fees, of which SEK 330,000 to the Chairman of the Board and SEK 180,000 to each other non-executive Board member elected by the AGM. The CEO receives no compensation for his Board assignment for Sagax. Fees to the auditors are to be paid based on approved invoices.

The 2021 AGM resolved on guidelines on remuneration of the CEO and other members of Sagax management. Variable cash remuneration encompassed by these guidelines aims to promote Sagax's business strategy and long-term interests. Sagax has long-term share-related incentive programmes that were resolved by general meetings and thus are not encompassed by these guidelines. The remuneration shall be on market terms and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits. Fulfilment of the criteria for payment of variable cash remuneration is measured for a period of one year. The variable cash remuneration may amount to a maximum of 50% of the fixed annual salary. The period of notice for termination of employment by Sagax may be a maximum of six months. The period of notice for termination of employment by the senior executive may be a maximum of six months. Severance pay is not paid. For more information about Sagax's guidelines for remuneration of senior executives, see Sagax's website: www.sagax.se.

AB Sagax has complied with the guidelines resolved by the AGM. For further information about remuneration of company management, see Note 5.

AUDIT

The auditors are required to examine the company's annual report and accounting, as well as the management by the Board and the CEO. The auditors are required to attend, and present a report at, the Board meeting where the decision is made whether to adopt the annual accounts for the preceding financial year. The auditors are required to submit an auditor's report to the AGM after every financial year. The auditor also reviewed the interim report for January-September 2021, and submitted a review report concerning the interim financial information. The auditors are elected by the AGM for a one-year term.

The 2021 AGM elected the authorised accounting firm Ernst & Young AB, with Authorised Public Accountant Oskar Wall as the signing auditor-in-charge for the period until the 2022 AGM. Oskar Wall has been Sagax's auditor since 2019.

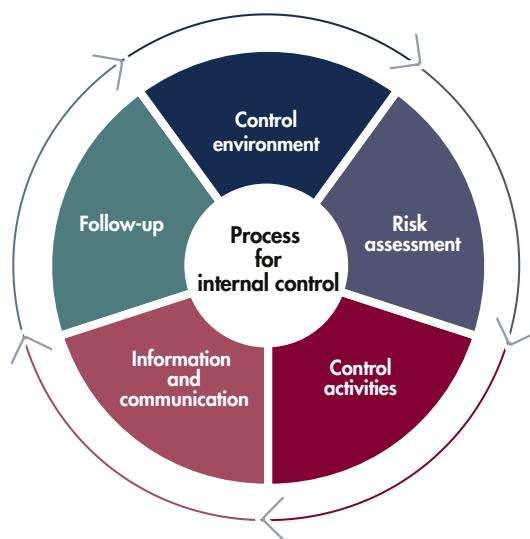
The company's auditor-in-charge attended one Sagax Board meeting in 2021 and one in 2022.

INTERNAL CONTROL

According to the Companies Act and the Code, the Board is responsible for internal control. This report on the company's internal control has been prepared in accordance with the Code. It concerns the company's financial statements.

Control environment

The basis for internal control consists of the control environment, which as a whole forms the organisational structure, culture and values governing Sagax. The control environment comprises all of Sagax's policies, guidelines, processes, standards and procedures. The company has a relatively small organisation. Property caretaking and on-call services have been outsourced, and in certain cases the tenants are responsible for



their own property caretaking. Administrative services have been purchased for the Danish and German operations concerning tax accounting and accounting records. Administrative property management in the various countries is handled by the local offices in each country. Control and follow-up of the business take place locally and from the Stockholm office. Sagax's internal control is based on the principles of clear divisions of responsibility, limited mandates, well-defined decision-making paths, and regular follow-ups that have been documented and communicated in governing documents such as the Board's formal work plan, financial policy, authorisation manuals and reporting instructions. Internal policies, guidelines and manuals are also important to internal control. Current documents are regularly updated when changes are made to legislation, accounting standards or listing requirements.

Risk assessment

Risk management is built into the company's processes and various methods are used to evaluate and limit risks and to ensure that the risks faced by Sagax are managed in accordance with established policies and guidelines.

In accordance with the formal work plan, the Audit Committee reviews internal control at least once annually with the company's auditors, and the review is presented to the Board at the following Board meeting. Risks are identified, and measures are established to reduce these risks. The significant risks that Sagax has identified related to the financial reporting are misstatements in the accounts and the valuation of properties, taxes and VAT, and the risk of fraud, losses or misappropriation of assets.

INTERNAL RULES AND POLICIES ADOPTED BY THE SAGAX BOARD

Non-discrimination policy	Anti-corruption policy	Health and safety policy	Financial policy
Sagax's non-discrimination policy aims to clarify that the principle of equal treatment applies at Sagax, meaning that no discrimination or other type of victimisation may occur. These efforts are to be pursued as a partnership between employer and employees.	The policy aims to clarify the company's views on corruption and to reduce any uncertainty about what can be regarded as corruption. Violation of the policy constitutes grounds for dismissal by the company.	Sagax's long-term goals are dependent on highly skilled and professional employees. For this reason, it is important that the company is an attractive employer that can attract and has the ability to retain highly skilled personnel in the long term. The health and safety policy stipulates guidelines for how Sagax continuously follows up operations to prevent ill-health and accidents at work.	The financial policy sets out guidelines and rules as to how financial operations in Sagax are to be pursued and also provides guidance in the daily work of the employees of the financing department. It states how the various risks in the financial operations are to be limited and how to report on Sagax's financial affairs to the Board.
Sustainability policy	Information policy	Insider Policy	Dividend policy
The sustainability policy clarifies guidelines for Sagax's long-term sustainability work. Sagax's overriding objective is the generation of the maximum possible risk-adjusted return to the company's owners, and to achieve this goal, the company operations are consistently conducted with a long-term perspective. Sagax's work with sustainability issues is a natural part of operations and helps to achieve the company's goals.	The purpose of Sagax's information policy is to ensure that stock market players receive rapid, simultaneous, accurate, relevant and reliable information about the company. Information to the public is primarily issued in the form of press releases and financial reports.	Sagax's insider policy is intended to reduce the risk that an employee could violate applicable market abuse laws. The insider policy is a supplement to the market abuse laws in force and, in some respects, its requirements are stricter than those of the law. The insider policy applies to employees, all people in an insider situation, parties closely related to these insiders and other people who have been informed that the policy applies to them.	Sagax's dividend policy is intended to allow for continued growth and adequate preparedness to take advantage of business opportunities. The Board also considers it to be of great importance that expansion can occur while preserving freedom of action and financial stability. Accordingly, the Board considers it to be appropriate that the dividend, including the dividend on Class D shares, corresponds to one-third of profit from property management.

Control activities

The identified risks concerning financial reporting are managed via the company's control structures, resulting in several control activities. These activities are intended to prevent, detect and correct errors and discrepancies and include analytical follow-up at several levels of the organisation and comparison of profit/loss items, account reconciliations, follow-up and reconciliation of Board resolutions and policies adopted by the Board, approval and accounting of business transactions, proxy and authority structures, authorised signatories, Group-wide definitions, templates, reporting tools and accounting and valuation principles. Standardised reporting procedures and clear work plans and divisions of responsibility are important parts of Sagax's control activities.

When Sagax's financial statements are prepared, specific attention is given to examining and analysing significant income statement and balance-sheet items. Risk management concerning these items is the highest priority. Regarding the income statement, the main items prioritised are rental revenue, financial items and changes in value, which are partially dependent on judgments. With respect to the balance sheet, major emphasis is placed on analysing the items of investment properties and interest-bearing liabilities. System controls, process description and various intra-Group directives are used to ensure that no material misstatements have occurred or could occur.

Property managers have a clear profit responsibility for the properties in their charge. Together with the analysis performed at Group level, their regular analyses of the properties' financial results are an important part of internal controls to ensure that the financial statements are free of material misstatements. Sagax continuously develops its system support for the operation.

Information and communication

The aim of Sagax's information and communications policy is to provide efficient and accurate information about its financial statements. The company's insider and financial policies also address information and communication about the financial statements. Policies and guidelines for financial statements, as well as updates and amendments, are available to the relevant employees. The percentage of employees who confirmed that they had studied the policies in 2021 was 99%. The company's rules and regulations are designed according to Swedish law, Nasdaq Stockholm regulations and the Swedish Corporate Governance Code.

Company management presents the quarterly report to all employees after it has been communicated in accordance with the rules and regulations. The Board receives additional information about risk management, internal control and financial statements from the auditors via the Audit Committee, or at Board meetings attended by the auditors.

Governance and monitoring

Profit outcomes are continuously followed up at several levels of the company, i.e. at both the property and Group levels. They are checked against both budget and forecasts. The results are analysed by both the administration and accounts departments. This is then reported to CEO and the Board. According to the Board's instruction to the Audit Committee, the company's auditors must report directly to the Audit Committee at least twice annually. The auditors must report their observations from their examination and their assessment of the internal control. Their observations are then presented to the Board at the following Board meeting. Minutes from the Audit Committee meetings are incorporated into Board materials prior to the next Board meeting.

Need for internal auditing

The effectiveness of internal auditing largely depends on the company's organisational structure and the size of the organisation. Sagax has a relatively small organisation, with the administration of finance, accounting and property managed from the company's Stockholm, Helsinki, Rotterdam, Paris and Barcelona offices. Profit/loss and the balance sheet are followed up quarterly, by the various functions in the company and by company management. As a result of these considerations, the company does not see a need for a special internal audit unit.

Whistle-blower function

Sagax's whistle-blower function is available on the company's website. This whistle-blower system is a warning system that enables both employees and external stakeholders to anonymously report any deviations from Sagax's ethical guidelines. The service is administered by an external party to ensure anonymity and professionalism.

Company management



DAVID MINDUS

See page 67.



BJÖRN GARAT

Head of Finance and Deputy CEO since 2012.

Education: MSc in International Economics and Business at Linköping University.

Work experience: Partner and responsible for Corporate Finance at Remium Nordic AB and financial analyst.

Holding in Sagax: 121,530 Class A shares, 1,824,578 Class B shares, 329,099 Class D shares and 63,358 warrants for Class B shares.



AGNETA SEGERHAMMAR

CFO of Sagax since 2018.

Education: MSc in Business and Economics from Uppsala University.

Work experience: CFO and Deputy Managing Director of A Group of Retail Assets Sweden AB (Publ), Director of Finance of Steen & Ström, CFO of Areim, Kista Galleria KB and Jones Lang LaSalle. Previously auditor at PwC.

Holding in Sagax: 22,158 Class B shares and 55,377 warrants for Class B shares.

Auditor



OSKAR WALL

Auditor of the company since 2019.

Authorised Public Accountant at Ernst & Young and member of FAR.

Other audit assignments include Arlandastad Group, Estea AB, Nordika Fastigheter AB, Karolinska Development AB, Stendörren Fastigheter AB, and AB Stockholmshem.

No holding in Sagax on 31 December 2021.

The holding includes own holdings, those of related parties and holdings in related companies on 31 December 2021. Sagax has incentive programmes for all employees, which do not include the company's CEO.

Board of Directors



STAFFAN SALÉN

Board Member since 2004 and Chairman of the Board since 2016.

Member of the Audit and Remuneration Committees.

Education: MSc in Business and Economics from Stockholm University.

Other Board assignments: Chairman of Ework AB, Amapola AB and Westindia AB. Board Member of companies including Strand Kapitalförvaltning AB, Green Landscaping AB and Landauer Ltd.

Current position: President of Salénia AB.

Work experience: Previously Executive Vice President and Communications Director of FöreningsSparbanken AB, Managing Editor of the Finanstidningen financial magazine and financial analyst at Proctor & Gamble. Independent in relation to the company and its principal owners.

Holding in Sagax: 4,264,928 Class A shares, 32,970,660 Class B shares and 95,600 Class D shares.



JOHAN CEDERLUND

Board Member since 2010. Member of the Remuneration Committee.

Education: MSc in Business and Economics from the Stockholm School of Economics and Master of Laws from Stockholm University.

Other Board assignments: Including Chairman of the industrial and retail group Lotorp and Chairman and Board Member of other companies in the Lotorp Group.

Work experience: Previously lawyer and partner of the law firm Vinge, with a focus on company acquisitions, financing and the stock market. Independent in relation to the company and its principal owners.

Holding in Sagax: 154,160 Class B shares and 13,359 Class D shares.



FILIP ENGELBERT

Board Member since 2007. Member of the Remuneration Committee.

Education: Bachelor of Science from Babson College, USA.

Other Board assignments: Chairman of Kroppens Hus AB, Stellar Equipment AB, Karmalicious AB, Tiptapp AB, Ivato AB. Board member of Matterhorn AEH AB, and its subsidiaries Otiva J/F AB, Vatio AB and Aviot AB.

Work experience: Previously CEO of Avito AB, Kontakt East Holding AB and Remium AB.

Independent in relation to the company and its principal owners.

Holding in Sagax: 241,000 Class A shares, 1,869,784 Class B shares and 4,200,000 Class D shares.

The holding includes own holdings, those of related parties and holdings in related companies on 31 December 2021.



DAVID MINDUS

Board Member and CEO since 2004. Member of the Remuneration Committee.

Education: MSc in Business and Economics from Stockholm University.

Other Board assignments: Hemsö Fastighets AB.

Work experience: Previously analyst and business developer in property companies and consulting companies. Dependent in relation to the company and its principal owners.

Holding in Sagax: 10,848,800 Class A shares, 66,917,112 Class B shares and 1,192,228 Class D shares.



JOHAN THORELL

Board Member since 2004. Member of the Audit and Remuneration Committees.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Other Board assignments: Board member of Tagehus Holding AB, Hemsö Fastighets AB, Storskogen Group AB, Kallebäck Property Investors AB, K2A Knaust & Andersson Fastigheter AB and Nicoccino Holding AB.

Current position: CEO of Gryningskust Holding AB.

Work experience: Active in property management since 1996.

Independent in relation to the company and its principal owners.

Holding in Sagax: 203,254 Class A shares, 2,332,540 Class B shares and 158,912 Class D shares.



ULRIKA WERDELIN

Board Member since 2010. Member of the Remuneration Committee.

Education: MSc in Business and Economics from the Stockholm School of Economics.

Current position: CEO and leadership consultant, Lind Leadership Ltd.

Work experience: Former Chief Platform Officer for Accel, a global venture capital firm based in London and Silicon Valley. Prior to that, 25 years in various investment funds and Managing Director of Goldman Sachs International.

Independent in relation to the company and its principal owners.

Holding in Sagax: 49,322 Class A shares, 1,005,690 Class B shares and 264,513 Class D shares.

Remuneration paid to the Board

Name	Assignment	Elected	Independent ¹⁾	Remuneration, SEK	Participation in total number of Board meetings		
					Board meetings	Remuneration Committee	Audit Committee
Staffan Salén	Chairman	2004	No	330,000	31 of 32	1 of 1	3 of 3
Johan Cederlund	Member	2010	Yes	180,000	32 of 32	1 of 1	
Filip Engelbert	Member	2007	Yes	180,000	29 of 32	1 of 1	
David Mindus	CEO/Member	2004	No	–	32 of 32	1 of 1	
Johan Thorell	Member	2004	Yes	180,000	32 of 32	1 of 1	3 of 3
Ulrika Werdelin	Member	2010	Yes	180,000	30 of 32	1 of 1	

¹⁾ Independent in relation to the company and its principal owners means that there are no extensive business connections with the company and that Board members represented less than 10% of the shares or votes at the end of the year.



Sagax has completed a construction of solar panels at Chroomstraat 140 in the Netherlands. The installed solar power facility has produced 331 MWh during 2021 and the annual production corresponds to travelling two million kilometres in an electric car. The property encompasses 7,200 square metres of lettable area and is fully let.

Financial statements

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CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK M	Note	2021	2020
Rental revenue	2	3,100	2,898
Other revenue		23	10
Operating expenses	4	-250	-232
Maintenance costs	4	-74	-79
Property tax	4	-153	-141
Other property expenses	4	-73	-60
Net operating income	3	2,573	2,397
Central administration	5, 6, 21	-147	-132
Profit from joint ventures and associated companies	10	2,718	1,033
- of which, profit from property management		713	565
- of which, changes in value of properties and financial instruments		2,572	741
- of which, tax		-558	-272
- of which, other		-9	-
Financial income	7	113	39
Financial expenses	8	-419	-455
Financial expenses, interest component of leases	8	-28	-26
Profit including profit of joint ventures and associated companies		4,809	2,857
- of which, profit from property management	3	2,805	2,389
Changes in value of properties, realised		6	-30
Changes in value of properties, unrealised	13, 29	3,870	1,274
Changes in value of financial instruments, realised	18	-10	1
Changes in value of financial instruments, unrealised	18, 29	1,868	228
Profit before tax		10,543	4,330
Deferred tax	12, 14	-624	-511
Current tax	12	-112	-108
Profit for the year ¹⁾	3	9,807	3,711
Other comprehensive income – items that may be reversed to profit and loss:			
Translation differences for foreign operations		282	-693
Share of other comprehensive income for joint ventures		8	-13
Translation differences pertaining to hedge accounting in foreign operations		-141	355
Tax on items that may be reversed to profit or loss		6	14
Comprehensive income for the year ¹⁾		9,963	3,374
Earnings per Class A and B share, SEK	28	30.09	10.80
Earnings per Class A and B share after dilution, SEK	28	30.04	10.78
Earnings per Class D share, SEK		2.00	2.00
Average number of common shares, millions		317.5	317.1
Average number of common shares after dilution, millions		318.0	317.7
Average number of Class D shares, millions		126.2	118.4

1) Profit for the year and comprehensive income are attributable in their entirety to the Parent Company's shareholders.

Comments on the consolidated statement of comprehensive income

REVENUE

Rental revenue rose 7% to SEK 3,100 M (2,898). Revenue was primarily affected by property acquisitions. Other revenue amounted to SEK 23 M (10).

PROPERTY EXPENSES

Operating and maintenance costs amounted to a total of SEK 324 M (311). Expenses for property tax increased to SEK 153 M (141). Other property expenses rose to SEK 73 M (60). The increase was primarily due to property acquisitions.

CENTRAL ADMINISTRATION

Costs for the Group's central administration amounted to SEK 147 M (132), corresponding to 4.7% (4.5) of the Group's rental revenue.

Central administration costs in the consolidated income statement comprise expenses for such items as company administration and expenses for maintaining the stock exchange listing. The Parent Company's expenses for items such as Group management, IT, auditing and financial reporting are included in the concept of central administration. Parts of the expenses for Sagax offices in Helsinki, Paris, Rotterdam and Barcelona are also categorised as central administration costs.

PROFIT FROM JOINT VENTURES AND ASSOCIATED COMPANIES

Profit from joint ventures and associated companies pertained to Sagax's shares in the earnings of the company's joint ventures and associated companies; see page 40 for more information.

Profit from joint ventures and associated companies including changes in the value of properties and fixed income derivatives and after tax amounted to SEK 2,718 M (1,033), of which profit from property management accounted for SEK 713 M (565), changes in the value of fixed income derivatives for SEK 108 M (-18) and changes in the value of properties for SEK 2,464 M (759). Profit was charged with deferred tax of SEK 558 M (272), see also Note 23.

FINANCIAL INCOME

Sagax's financial income amounted to SEK 113 M (39) and mainly comprised dividends on listed shares and interest on convertible debentures, see Note 18.

FINANCIAL EXPENSES

Financial expenses amounted to SEK 447 M (481), including SEK 28 M (26) for the interest component for leases. The average interest rate was reduced to 1.4% (1.8) on 31 December 2021 due to refinancing and new borrowing at lower interest rates. Interest-bearing liabilities increased to SEK 26,354 M (19,904) due to financing of property acquisitions and acquisitions of listed shares.

Interest expenses amounted to SEK 386 M (429), costs for loan commitments to SEK 26 M (22) and other financial expenses to SEK 6 M (4). For more information about funding at Sagax, see Note 17.

CHANGES IN VALUE

The change in value recognised for investment properties during the year totalled SEK 3,876 M (1,244), of which SEK 3,870 M (1,274) per-

tained to unrealised changes in value. SEK 3,273 M of the changes in value was due to a general change in market value. SEK 597 M was due to improved earnings, see also Note 13.

The change in the value of financial instruments amounted to SEK 1,966 M (210) for the period, of which SEK 108 M (-18) referred to joint ventures. The change in value attributable to fixed income derivatives amounted to SEK 132 M (-24), of which SEK 108 M (-18) referred to joint ventures. Revaluation of listed shares resulted in an unrealised change in value of SEK 1,700 M (77). Financial instruments attributable to joint ventures were revalued to SEK 147 M (134), see also Note 18.

EARNINGS

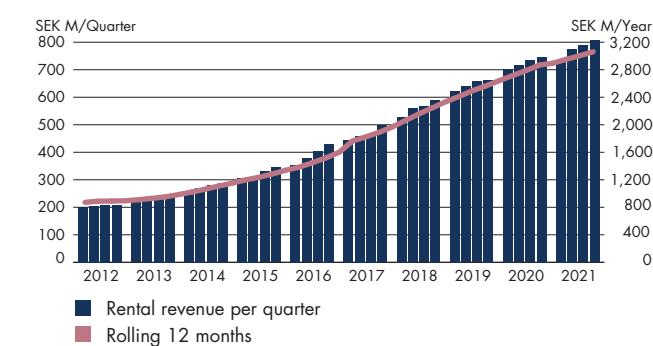
Profit from property management increased 17% to SEK 2,805 M (2,389). The increase in profit from property management was mainly attributable to property acquisitions and higher profit from property management in joint ventures and associated companies. Profit from property management per Class A and B share after dilution rose 21% to SEK 799 (6.62).

Profit after tax for the year was SEK 9,807 M (3,711).

TAX

Sagax recognised a tax expense of SEK 736 M (619). The deferred tax expense for the year amounted to SEK 624 M (511) and the current tax expense to SEK 112 M (108). See also Note 12.

Rental revenue



Profit from property management



CONSOLIDATED STATEMENT OF FINANCIAL POSITION

Amounts in SEK M	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Fixed assets			
Investment properties	13	46,067	37,264
Investment properties for sale	13	–	284
Right-of-use assets, site leaseholds	13	355	368
Tangible fixed assets	21	22	26
Right-of-use assets, other fixed assets	21	35	26
Participations in joint ventures and associated companies	23	8,784	5,945
Receivables from joint ventures	24	8	41
Financial receivables	15	714	587
Financial instruments	18	1,035	888
Total fixed assets		57,020	45,429
Current assets			
Rent receivables		133	123
Prepaid costs and accrued income	16	207	186
Other receivables		256	121
Listed shares	18	4,772	738
Cash and bank balances	31	84	24
Total current assets		5,452	1,193
TOTAL ASSETS		62,472	46,622
EQUITY AND LIABILITIES			
Equity	28		
Share capital		780	808
Other contributed capital		3,578	3,522
Reserves, translation differences		493	338
Retained earnings including profit for the year		26,228	17,785
Total equity		31,079	22,452
Non-current liabilities			
Interest-bearing liabilities	17, 32	23,368	17,977
Deferred tax liabilities	14	3,087	2,476
Financial derivatives	18	74	118
Lease liability		390	394
Other non-current liabilities	19	195	145
Total non-current liabilities		27,114	21,110
Current liabilities			
Interest-bearing liabilities	17	2,985	1,851
Accounts payable		32	42
Accrued expenses and deferred income	20	897	737
Other liabilities		364	430
Total current liabilities		4,279	3,060
Total liabilities		31,393	24,170
TOTAL EQUITY AND LIABILITIES		62,472	46,622

Comments on the consolidated statement of financial position and cash flows

ASSETS

Fixed assets

On 31 December 2021, the property portfolio comprised 673 (673) properties with a lettable area of 3,759,000 square metres (3,480,000). 98% of valuation objects were market appraised by independent valuation agencies. The change in the carrying amount of the properties is explained in Note 13.

Participations in joint ventures and associated companies totalling SEK 8,784 M (5,945) comprise shares in Hemsö Intressenter AB, Söderport Property Investment AB, Fastighetsaktiebolaget Ess-Sierra, NP3 Fastigheter AB and Fastighetsbolaget Emilshus AB. Pursuant to the equity method, shares in profit, share of other comprehensive income, capital contributions and dividends received are recognised in this balance item.

Current assets

Prepaid costs and accrued income of SEK 207 M (186) consist mainly of accrual rent receivables.

Other receivables of SEK 256 M (121) consist mainly of receivables pertaining to promissory notes, VAT, income tax and property tax.

Sagax's listed shares amounted to SEK 4,772 M (738) and primarily comprised listed shares in Nyfosa AB and Cibus Nordic Real Estate AB.

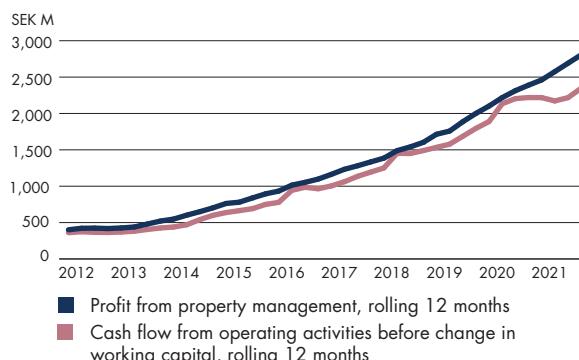
Cash and bank balances amounted to SEK 84 M (24) at year end. Sagax also had unutilised lines of credit amounting to SEK 4,508 M (4,343) at year end. Total disposable liquidity amounted to SEK 4,592 M (4,367). Credit facilities corresponding to commercial papers outstanding, known as back-up facilities, of SEK 2,891 M (1,081) are not included in available liquidity.

EQUITY AND LIABILITIES

Equity

Consolidated equity amounted to SEK 31,079 M (22,452) on 31 December 2021, up SEK 8,627 M in 2021. The change is attributable to comprehensive income in 2021 of SEK 9,963 M, new share issues of SEK 36 M,

Profit from property management and cash flow



redemption of preference shares of SEK -572 M including transaction costs, share dividends for a total of SEK -776 M and incentive programmes of SEK -23 M. Changes in equity are presented on page 75.

Non-current liabilities

The Group's interest-bearing liabilities are described in Note 17. Interest-bearing liabilities increased during the year, mainly because of property investments and investments in listed shares. Exchange rate fluctuations meant that liabilities increased by SEK 408 M (declined 750) in 2021.

The purpose of recognising deferred tax is to take into account any tax consequences of, for example, future sales of assets or the utilisation of loss carryforwards. Comments on tax are presented in Notes 12 and 14. The debt is recognised net per country as deferred tax liabilities of SEK 3,087 M (2,476) in the balance sheet. Loss carryforwards in the Group amounted to SEK 1,723 M (1,026) at year-end.

Sagax's fixed income derivatives comprise only interest-rate cap and nominal interest-rate swaps. The total market value of the fixed income derivatives was SEK -75 M (-118) on the balance sheet date. The surplus value and deficit value, respectively, of the fixed income derivatives are recognised gross in the balance sheet as a receivable of SEK 0 M (0) and a liability of SEK 72 M (118). The quarterly market valuations of derivative contracts affect recognised earnings and equity, but do not impact on the company's cash flow or debt ratio.

Current liabilities

Current interest-bearing liabilities amounted to SEK 2,985 M (1,851), of which SEK 2,891 M (1,081) comprised commercial paper. At year end, accrued expenses and deferred income consisted mainly of prepaid rental revenue and accrued interest expenses.

CASH FLOW

Cash flow from operating activities before changes in working capital amounted to SEK 2,346 M (2,219). Cash flow from operating activities deviates from profit from property management primarily due to profit of joint ventures and associated companies in 2021 partly being reinvested in these operations and only dividends received impacting the cash flow.

Changes in working capital had a positive impact of SEK 33 M (337) on cash flow. Investing activities had an impact of -7,023 M (-5,543) on cash flow, and pertained mainly to property acquisitions and investments in the existing property portfolio. Cash flow from financing activities contributed SEK 4,703 M (2,926) to Sagax, of which SEK 6,117 M (3,095) net as a result of the refinancing of investments and repayments. In total, cash and cash equivalents changed SEK 59 M (-62); see the cash flow statement on page 74.

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK M	Note 31	2021	2020
Profit before tax		10,543	4,330
Changes in value of financial instruments		-1,858	-228
Change in value of properties		-3,876	-1,244
Result from ownership of joint ventures and associated companies		-2,718	-1,033
Dividend from joint ventures and associated companies		373	424
Dissolution of allocated borrowing costs		41	47
Other items not included in cash flow		-13	-21
Tax paid		-146	-55
Cash flow from operating activities before changes in working capital		2,346	2,219
Cash flow from changes in current receivables		-71	77
Cash flow from changes in current liabilities		103	260
Cash flow from operating activities		2,379	2,557
Acquisition of properties		-4,824	-5,585
Property sales		867	1,426
Investments in existing properties		-658	-666
Acquisition of listed shares		-1,949	-256
Acquisition of financial instruments		-7	-7
Acquisition of joint ventures and associated companies		-214	-260
Capital contribution to joint ventures and associated companies		-271	-150
Dividend to joint ventures and associated companies		-	-41
Increase in other fixed assets		-16	-10
Decrease in other fixed assets		50	6
Cash flow from investing activities		-7,023	-5,543
Issue of Class D shares		-	508
Issue of Class B shares, incentive plan		36	20
Redemption of preference shares		-572	-
Dividend paid to shareholders		-792	-679
Incentive plan		-24	-9
Borrowings		13,997	7,886
Repayment of loans		-7,880	-4,791
Redemption of financial derivatives		-21	-8
Increase in other non-current liabilities		11	1
Decrease in other non-current liabilities		-52	-
Cash flow from financing activities		4,703	2,926
Cash flow for the year		59	-60
Exchange rate differences in cash and cash equivalents		-	-2
Change in cash and cash equivalents		59	-62
Cash and cash equivalents at beginning of period		24	86
Cash and cash equivalents at end of period		84	24

CONSOLIDATED CHANGES IN EQUITY

Amounts in SEK M	Share capital	Other contributed capital	Reserves, translation differences	Profit earned incl. profit for the year	Total equity
Equity, 31 December 2019	776	3,046	675	14,760	19,257
Dividends	–	–	–	–697	–697
Issue of Class D shares	32	481	–	–	513
Transaction costs	–	–5	–	–	–5
Issue of Class B shares, incentive plan	1	19	–	–	20
Incentive plan	–	–	–	5	5
Redemption of incentive plan	–	–	–	–14	–14
Profit for 2020	–	–	–	3,711	3,711
Other comprehensive income 2020	–	–	–337	–	–337
Equity, 31 December 2020	808	3,542	338	17,765	22,452
Dividends	–	–	–	–776	–776
Issue of Class B shares, incentive plan	1	36	–	–	36
Incentive plan	–	–	–	7	7
Redemption of incentive plan	–	–	–	–31	–31
Redemption of preference shares	–29	–	–	–543	–571
Transaction costs	–	–	–	–1	–1
Profit for 2021	–	–	–	9,807	9,807
Other comprehensive income 2021	–	–	155	–	155
Equity 31 December 2021	780	3,578	493	26,228	31,079

1) Equity is attributable in its entirety to the Parent Company's shareholders.

Parent Company

Profit after tax for the Parent Company amounted to SEK 1,328 M (589). During the year, the Parent Company's fees for property and company management from Group companies amounted to SEK 60 M (57) and fees from joint venture to SEK 21 M (19).

The Parent Company's assets primarily comprise shares and participations in subsidiaries or joint ventures, as well as receivables from Group companies. The Parent Company's assets totalled SEK 34,220 M (23,453), of which receivables from Group companies accounted for SEK 21,033 M (15,323).

Cash flow from operating activities before changes in working capital amounted to SEK –131 M (–121). A net of SEK 9,722 M (2,816) was invested in 2021, as capital contributions and through loans to Group companies and joint ventures. Cash flow from financing activities contributed SEK 9,902 M (2,965) during the year. The Parent Company's cash flow statement is presented on page 78.

PARENT COMPANY INCOME STATEMENT

Amounts in SEK M	Note	2021	2020
Net sales	27	88	77
Administration costs	5, 6, 21	–107	–94
Loss before financial income and expenses		–19	–17
Profit from participations in Group companies	11	1,154	511
Profit from participations in joint ventures		96	85
Financial income	7	745	434
Financial expenses	8	–751	–475
Profit before appropriations		1,224	538
Group contributions received/paid		106	52
Profit before tax		1,330	591
Tax on net profit for the year	12	–2	–2
Profit for the year		1,328	589

PARENT COMPANY BALANCE SHEET

Amounts in SEK M	Note	2021 31 Dec	2020 31 Dec
ASSETS			
Fixed assets			
<i>Tangible fixed assets</i>			
Equipment	21	1	1
<i>Financial assets</i>			
Participations in Group companies	22	12,344	7,449
Participations in joint ventures	23	735	585
Receivables from Group companies	25	1,725	1,654
Financial receivables	15	–	–
Total fixed assets		14,805	9,690
Current assets			
Receivables from Group companies	25	19,308	13,669
Prepaid costs and accrued income	16	58	45
Other receivables		19	48
Cash and bank balances	32	31	–
Total current assets		19,416	13,762
TOTAL ASSETS		34,220	23,453
EQUITY AND LIABILITIES			
Equity			
Restricted equity	28		
Share capital		780	808
Statutory reserve		150	121
Total restricted equity		930	929
Unrestricted equity			
Share premium reserve		1,955	2,708
Retained earnings		1	1
Profit for the year		1,328	589
Total unrestricted equity		3,283	3,298
Total equity		4,213	4,227
Untaxed reserves		30	30
Non-current liabilities			
Non-current interest-bearing liabilities	17	8,992	10,673
Non-current liabilities to Group companies	26	14,829	3,554
Deferred tax liabilities	14	4	4
Total non-current liabilities		23,825	14,231
Current liabilities			
Current interest-bearing liabilities	17	2,982	1,148
Current liabilities to Group companies	26	2,885	3,514
Accounts payable		1	1
Other liabilities		128	145
Accrued expenses and deferred income	20	156	157
Total current liabilities		6,152	4,965
Total liabilities		29,977	19,196
TOTAL EQUITY AND LIABILITIES		34,220	23,453

PARENT COMPANY STATEMENT OF CASH FLOWS

Amounts in SEK M	Note 31	2021	2020
Profit before tax		1,330	591
Items not affecting cash flow			
Profit from participations in Group companies		-1,154	-511
Intra-Group interest income		-443	-433
Intra-Group interest expenses		189	172
Unrealised exchange rate differences		-77	50
Other items not included in cash flow		27	17
Tax paid		-3	-8
Cash flow from operating activities before changes in working capital		-131	-121
Cash flow from changes in current receivables		-19	-23
Cash flow from changes in current liabilities		-	-7
Cash flow from operating activities		-150	-151
Participations in Group companies		-3,741	-601
Receivables from Group companies		-5,830	-2,069
Capital contribution to joint ventures		-150	-150
Increase in other fixed assets		-	-
Decrease in other fixed assets		-	4
Cash flow from investing activities		-9,722	-2,816
Issue of new shares		-535	527
Dividend paid to shareholders		-792	-679
Incentive plan		-30	-14
Borrowings		3,030	4,409
Repayment of loans		-3,063	-1,401
Liabilities to Group companies		11,275	131
Decrease in other non-current liabilities		-	-8
Increase in other non-current liabilities		17	-
Cash flow from financing activities		9,902	2,965
Cash flow for the year		31	-1
Cash and cash equivalents, 1 January		-	1
Cash and cash equivalents, 31 December		31	-

PARENT COMPANY CHANGES IN EQUITY

Amounts in SEK M	Note 28	Share capital	Statutory reserve	Unrestricted equity	Total equity
Equity, 31 December 2019		776	121	2,924	3,821
Issue of Class D shares		32	–	481	513
Transaction costs		–	–	–5	–5
Bonus issue of Class A and B shares		–	–	–	–
Issue of Class B shares, incentive plan		1	–	19	20
Dividends		–	–	–697	–697
Redemption of 2017-2020 Incentive Plan		–	–	–14	–14
Profit for 2019		–	–	589	589
Equity, 31 December 2020		808	121	3,298	4,227
Redemption of preference shares		–29	29	–571	–571
Transaction costs		–	–	–2	–2
Issue of Class B shares, incentive plan		1	–	36	37
Dividends		–	–	–776	–776
Redemption of 2018-2021 incentive plan		–	–	–30	–30
Profit for 2021		–	–	1,328	1,328
Equity 31 December 2021		780	150	3,283	4,213

Accounting policies and notes

NOTE 1 ACCOUNTING POLICIES

INFORMATION ABOUT THE COMPANY

The Annual Report and consolidated financial statements for AB Sagax (publ), Corporate Registration Number 556520-0028, relating to the 2021 financial year have been approved by the Board of Directors for publication on 19 April 2022. The year-end report was presented on 11 February 2022. The Parent Company is a Swedish public limited-liability company with its registered office in Stockholm, Sweden. The company's address is AB Sagax (publ), Engelbrektsplan 1, SE-114 34 Stockholm, Sweden. AB Sagax is a property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment. The company is listed on Nasdaq Stockholm, Large Cap. The Group's operations are described in the Board of Directors' Report. The Annual Report and consolidated financial statements will be proposed for adoption at the Annual General Meeting on 11 May 2022.

BASIC ACCOUNTING PRINCIPLES

General

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS), endorsed by the EU, and the interpretations of the International Financial Reporting Interpretations Committee (IFRIC). In addition, the consolidated financial statements have been prepared in accordance with Swedish law applying Recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups of the Swedish Financial Reporting Board.

The functional currency for the Parent Company is SEK, which is also the presentation currency for the Parent Company and the Group. All amounts are in millions of Swedish kronor (SEK M) unless otherwise specified, and refer to the financial year from 1 January to 31 December 2021. Figures in parentheses refer to the corresponding date or period in the preceding year. Rounding-off differences may occur.

In accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, Sagax regards the EUR as the functional currency of the operations in Finland, Germany, the Netherlands, France and Spain. For the operations in Denmark, the DKK is regarded as the functional currency. In preparing the consolidated financial statements, the balance sheets of the Group's foreign operations are translated from their functional currencies into SEK based on the exchange rates applying on the balance sheet date. Revenue and expense items are translated at the average exchange rate for the year, and transactions of primarily properties and companies are translated according to the difference in the acquisition price and the price on divestment. Any translation differences that arise are recognised in other comprehensive income and as a reserve in consolidated equity. When a foreign operation is divested, the accumulated translation differences are recognised together with the gain or loss from the divestment.

Assets and liabilities are recognised at cost, except for investment properties and some financial assets and liabilities, which are meas-

ured at fair value, and deferred tax, which is recognised at the nominal amount.

Group

The consolidated financial statements encompass Sagax and its subsidiaries. Subsidiaries are companies in which the Parent Company has a controlling influence, directly or indirectly. Sagax holds, directly or indirectly, 100% of the voting rights in all of its subsidiaries. The consolidated financial statements were prepared in accordance with the acquisition method, whereby acquisitions of a subsidiary are considered a transaction in which the Parent Company indirectly acquires the assets of the subsidiary and assumes its liabilities. The acquired company's revenue and expenses as well as its identifiable assets and liabilities are included in the consolidated financial statements as of the date of the acquisition. Companies that are divested are included in the consolidated financial statements until the Parent Company's controlling influence ceases. Intra-Group transactions are eliminated in their entirety.

Joint arrangements

A joint venture is a joint arrangement through which the parties who have joint controlling interests are entitled to the net assets. Associated companies are companies over which the holding company exercises significant influence and are classified as neither a subsidiary nor a joint venture. Shares in joint ventures and associated companies are recognised according to the equity method, meaning that shares are initially recognised at cost. The carrying amount is subsequently increased or decreased by the Group's share of profit and other comprehensive income after the acquisition date. The Group's share of profit is included in the Group's profit and the Group's share of other comprehensive income is included in other comprehensive income. Dividends from joint ventures and associated companies are recognised as a decrease in the carrying amount of the investment. If the Group's share of losses in a joint venture or associated company exceed the holding in this company and, where applicable, non-current receivables from the company form part of the Group's net investment, the Group only recognises losses if the Group has committed to obligations or paid payments on the company's behalf.

A joint operation is a joint arrangement through which the parties are entitled to the assets and have obligations for the liabilities pertaining to the arrangement. The Group reports its assets and liabilities including its share of all joint assets and liabilities and its revenue and expenses from the joint operation, as well as its shares of the operations' joint revenue and expenses.

CRITICAL ASSESSMENTS AND ESTIMATES

IFRS requires that Sagax makes assessments and assumptions that affect the Group's reported assets, liabilities, revenue and expenses. These assessments are based on historical experience and other factors deemed appropriate under the prevailing circumstances. The actual

outcome may differ from these assessments if other assumptions are made or other conditions are present. Additional factors that can affect the assessment of the Group are discussed in Note 32 Financial risk management.

When Sagax acquires a company with one or more properties, the acquisition is classified as an asset acquisition or a business combination. A business combination comprises an input and a substantive process applied to these inputs and that contribute to the ability to create. An acquisition of such an operation is regarded as a business combination, whereby the full amount of deferred tax is recognised on the difference between the assessed property value and the residual value for tax purposes. The acquisition of a property company without the above-mentioned components is to be regarded as an asset acquisition, whereby no deferred tax attributable to the acquisition is recognised. Acquisitions that also satisfy the voluntary concentration test, which involves a simplified assessment of whether the fair value of acquired gross assets is substantially concentrated to an identifiable asset or group of assets, can be classified as an asset acquisition. All of the Group's corporate acquisitions during the year were classified as asset acquisition.

Sagax's operations are focused on growth of the cash flow from the operating activities, meaning growth in profit from property management. As a result, financial targets, forecasts and dividend policies, for example, are based on profit from property management. No target is set for amounts of changes in value and these amounts are not included in the basis for dividends. The statement of comprehensive income has been presented with respect for this in order to provide relevant understanding of the operations. Changes in value (not affecting cash flow) are recognised after items affecting cash flow and a disclosure line, entitled "*of which profit from property management*," has been added to the statement.

Determining the carrying amounts of certain assets requires estimation of the effect of uncertain future events.

Concerning the valuation of investment properties, the assessments can have a significant influence on the Group's earnings and financial position. The valuation requires an estimate of future cash flow and the establishment of a yield requirement. The valuations are carried out on a quarterly basis by independent valuation companies, except for the German properties, which have only been valued externally at year end for cost reasons, and properties acquired close to the balance sheet date that are measured at cost. The valuations and assumptions made are discussed under Investment properties in Note 13. External valuations of financial instruments, based on observable market data, such as for example derivatives are obtained quarterly and provide the basis for unrealised changes in value that, pursuant to IFRS, affect the Group's earnings and financial position.

Sagax's Class A, B and D common shares have been categorised as equity instruments.

CHANGED REPORTING RULES, IFRS

Amendments to IFRSs with an impact or a potential impact on Sagax's financial statements are presented below.

Changed accounting rules that came into effect in 2021

No new accounting policies were implemented in 2021 that have a material impact on Sagax's reporting.

New or amended accounting standards and interpretations applicable after 2021

There are no amendments to accounting standards applicable after 2021 that are expected to have a material impact on Sagax's reporting.

Amendments to Swedish regulatory framework

Amendments to the Swedish regulations did not have a material impact on Sagax's financial statements and reporting in 2021.

CLASSIFICATION

Fixed assets and non-current liabilities consist exclusively of amounts expected to be recovered or paid after more than twelve months from the balance sheet date. Current assets and current liabilities consist only of amounts expected to be recovered or paid within twelve months of the balance sheet date.

REPORTING FOR SEGMENTS

The company's internal reporting procedures are based primarily on the geographic division of the market, which reflects assessed market risks. The division of segments corresponds to the Group's internal structure for reporting to the company's CEO, who has been identified as the chief operating decision maker.

REVENUE

Revenues consist primarily of rents for the provision of premises. Rental revenue is distributed linearly, in accordance with IFRS 16.

Rental revenue, which in an accounting perspective is designated operating lease agreements, is recognised in the period to which it applies. Remuneration for property tax is considered to be an integrated part of the lease and is recognised as rental revenue, which is also the case for remuneration for heating and electricity, for example, since Sagax controls the supplier relationship. In cases where rental contracts involve reduced rent during a portion of the lease period that corresponds to a higher rent at a different time, the lower or higher-than-normal rent is distributed over the lease term of the contract.

Rent paid in advance is recognised in the statement of financial position as prepaid rental revenue. Rental revenue from acquired properties are booked as of the occupancy date.

Other revenue primarily comprises remuneration from tenants for prematurely vacating premises or maintenance deficiencies and remuneration from electricity companies for delivery of in-house produced electricity. Government grants for solar power generated electricity are also recognised as other revenue in accordance with IAS 20.

EXPENSES

Expenses are charged to earnings for the period in which they arose. Central administration costs in the consolidated income statement comprise expenses for such items as company administration and expenses for maintaining the stock exchange listing. The Parent Company's expenses for items such as Group management, IT, auditing and financial reporting are included in the concept of central administration. Parts of the expenses for Sagax offices in Barcelona, Helsinki, Paris and Rotterdam are also categorised as central administration costs.

FINANCIAL EXPENSES

Financial expenses refers to interest, fees and other expenses that arise when Sagax takes up interest-bearing liabilities. Expenditures for obtaining mortgage deeds are expensed in the company accounts and capitalised in the consolidated balance sheet. Financial expenses are charged to earnings for the period to which they refer.

Financial expenses also include expenses for fixed income derivatives. Payment streams arising from these contracts are recognised as income for the period to which they refer. Unrealised changes in value are recognised under a separate heading in the income statement and do not affect financial income or expenses. Interest expenses during the production periods of large projects involving new construction, additions or renovations are capitalised and do not affect financial expenses.

COMPENSATION TO EMPLOYEES

Compensation to employees, such as wages, salaries and social security expenses, paid vacations and paid sick leave, etc., are recognised as the employees perform services in return for the compensation. Bonuses are paid and expensed as they are granted and pension premiums are paid and expensed on a monthly basis. For a description of incentive plans, refer to Equity.

Pensions

The Group's employees are subject to various defined-contribution pension plans. Other than fixed contributions to independent companies, Sagax has no further obligations. Sagax has no other post-employment commitments.

EQUITY

All Class A, B and D common shares are recognised as share capital. In connection with the buy-back of treasury shares, equity is reduced by the purchase consideration paid including any transaction costs. If these shares are subsequently divested, the amount received is recognised in equity.

After the AGM has passed a resolution approving the payment of a dividend, these dividends are recognised as a reduction in equity and as an expense pending payment.

Incentive plan

Payment of warrant premiums in connection with incentive programmes is recognised in the Group as an increase of consolidated equity. Salary payments attributable to incentive programmes are recognised in the Group as a reduction of equity and, in the Parent Company, as administration costs. Settlement for any exercise of warrants from outstanding warrant programmes is recognised directly against equity.

Earnings per common share

Earnings per Class A and B common share are defined as profit in relation to the average number of Class A and B common shares after taking into account the profit for the period attributable to Class D common shares' portion; see also Note 28.

Earnings per Class D common share are defined as a corresponding right to dividends, as determined by the Articles of Association, and may not exceed SEK 2.00 per year.

CASH FLOW

The cash flow statement has been prepared according to the indirect method, meaning that net profit or loss is adjusted for non-cash transactions during the year as well as any revenue or expenses associated with the cash flow from investing or financing activities.

INVESTMENT PROPERTIES

Sagax's properties are held for the purpose of generating rental revenue, and are referred to as "investment properties" in accordance with IAS 40. Sagax has decided to measure its properties at fair value and applies the principle of commissioning independent valuation agencies to value all of the investment properties that are not acquired close to the closing of the accounts, for which cases the acquisition price is considered to correspond to the fair value, or for properties that are subject to a divestment agreement, which are valued at the contracted amount. Sagax recognises acquired properties as of closing date.

According to IFRS 13, the aim of fair value measurement is to estimate the price of the asset on the measurement date in an orderly transaction between market participants under current market conditions. The highest and best use of the asset is taken into account in this respect. The valuation is carried out in line with Level 3 of the fair value hierarchy in IFRS 13, unobservable inputs. According to accepted theory, the value of a property consists of the discounted present value of the future cash flows that the asset is expected to generate. The principle method of appraisal used was cash flow calculations in which the present value of net operating income, investments and residual values was calculated. The residual value is calculated by perpetually capitalising the estimated net operating income the year following the last year of calculation by the assigned yield requirement. The present value of cash flow and residual value is calculated by discounting the cash flow and residual value by the cost of capital. For further information about measurement, see Note 13.

The net gain/loss from property sales is recognised when properties are closed, unless special provisions have been stipulated in the purchase agreement. If properties have been closed after the close of a quarter, when the properties are to be measured at market value, they are recognised in the following interim report at a value corresponding to the price agreed between the parties. The changes in the value of these properties are included under the heading unrealised changes in value in the interim report. Consequently, no realised changes in the value are recognised in the quarter in which the properties have been closed. If Sagax concludes a sales agreement during the same quarter, the changes in value are recognised as realised changes in value.

TANGIBLE FIXED ASSETS

Tangible fixed assets consist of equipment, machinery and leasehold improvements, which have been recognised at cost, less deductions for accumulated depreciation according to plan and any impairment carried out. Depreciation takes place straight-line to distribute the cost, less the estimated residual value, over the expected useful life. The useful life of machinery and equipment is five years. For improvements to other properties and right-of-use assets, depreciation takes place over the shorter of the useful life or the lease term.

FINANCIAL INSTRUMENTS

Financial instruments on the asset side of the balance sheet encompass cash and cash equivalents, rent receivables, loan receivables, derivatives and other instruments and on the liabilities side loan liabilities, derivatives, accounts payable and other liabilities. Financial instruments are initially measured at fair value plus any transaction costs. The exception is the category of financial instruments that is measured at fair value through profit or loss and for which any transaction costs have not been taken into account.

Recognition in and derecognition from the balance sheet

Financial assets and financial liabilities are recognised in the balance sheet when the Group becomes a party in accordance with the contractual terms of the instrument. Rent receivables and accounts receivable are recognised when the invoice is sent and the terms of the company's right to receive compensation have been satisfied. Operating liabilities are recognised when the counterparty has delivered the goods or services, regardless of whether or not an invoice has been received. Accounts payable are recognised when the invoice is received.

Financial assets are derecognised from the balance sheet when the rights to payment from the holdings have been terminated or been transferred and all material rights and risks attributable to ownership have been transferred. Financial liabilities are derecognised from the balance sheet when the obligations resulting from the agreement have been realised or are extinguished in some other manner.

Financial assets measured at amortised cost

Receivables are classified at amortised cost if the contractual terms result solely in payments of principal and interest on the principal amount outstanding. Receivables are initially measured at fair value plus any transaction costs. They are subsequently measured at amortised cost based on the effective interest rate method less loss allowance. A loss allowance for expected losses on receivables, based on past history and assessment of risk of loss, is established when the receivable arises.

Interest income is recognised as it is earned (the calculation being based on the yield on the underlying asset, using the effective interest rate).

Current receivables fall due for payment within one year of the balance sheet date. Because the Group recognises property sales on the date of closing, receivables do not normally arise as a result of property sales.

Financial assets measured at fair value through profit or loss

Other financial assets are measured at fair value through profit or loss. This includes fixed income derivatives, listed shares, convertible debentures and options. The fair value for listed shares is determined using quoted prices in accordance with level 1 of the IFRS 13 fair value hierarchy, using indirect and direct observable inputs in accordance with level 2 for fixed income derivatives, and using unobservable inputs in accordance with level 3 for convertible debentures and options for Hemsö Intressenter AB.

Cash and cash equivalents

Cash and cash equivalents comprise bank balances that are recognised at their nominal value at year end.

Financial liabilities

Loans are initially measured at fair value net after transaction costs. The loans are subsequently measured at amortised cost. If there are differences between the borrowing amount, net after transaction costs, and the repayment amount, these are recognised in profit or loss distributed over the lending period by applying the effective interest rate. Accrued interest is recognised under accrued expenses.

Derivatives

Sagax uses fixed income derivatives to reduce interest-rate risks and achieve the desired fixed interest-rate term. Borrowing at a floating interest-rate is replaced by a fixed interest-rate through interest swaps or, alternatively, the interest-rate risk is limited using an interest-rate cap aimed at restricting changes in future cash flows relating to interest payments. The Group does not apply hedge accounting. Instead, it has decided to recognise changes in the fair value of derivatives in profit or loss.

In the statement of financial position, fixed income derivatives with negative values are recognised as non-current liabilities since the amounts will not be settled monetarily.

Derivatives are initially recognised at cost in the statement of financial position when recognised for the first time. All derivatives are subsequently measured at fair value in the balance sheet and changes in value are recognised in profit or loss.

The fair value of fixed income derivatives is based on a discounting of calculated future cash flows in accordance with the contract's terms and due dates, based on market interest rates. To calculate the market value, market interest rates for each term as quoted on the balance sheet date and generally accepted calculation methods are used, entailing that the fair value was established according to observable inputs, meaning Level 2, of the fair value hierarchy according to IFRS 13. Unrealised change in value refers to the change arising during the financial year in the value of the derivatives held by the Group at year end.

INCOME TAX

Income tax refers to current and deferred tax.

Income tax is charged to the consolidated statement of comprehensive income. Deferred tax is recognised in accordance with the balance sheet method. With this method, deferred tax liabilities and assets are reported for all differences between an asset's or liability's carrying amount and its tax residual – that is, temporary differences. This implies that a tax liability or tax asset is triggered when the asset or liability is realised. For Sagax, there are temporary differences relating to properties, derivatives and untaxed reserves. Deferred tax assets attributable to loss carryforwards are recognised when it is likely that future tax surpluses will be available that can be applied to loss carryforwards.

Deferred tax assets and tax liabilities are calculated using the tax rates that are expected to apply to the period when the receivables or liabilities are settled, based on the tax legislation in effect on the balance sheet date.

If the acquisition constitutes a business combination, full deferred tax is recognised on the difference between the fair value according to the acquisition analysis and the tax residual value.

If the acquisition is an asset deal, no deferred tax is recognised on the acquisition date. Deferred tax is recognised on differences between the carrying amounts of the properties and their tax residual values arising after the acquisition date.

Deferred tax is recognised at the nominal value, with no discounting. Aside from the time factor, the fact that properties can often be sold in a corporate wrapper is not taken into account. The real tax expense for a property sale can thus differ from the tax liability previously recognised by Sagax in its accounts.

LEASING

Leases attributable to Sagax's investment properties are to be considered as operating leases. The recognition of these contracts is determined by the revenue principle and Note 2.

Leases in which Sagax is the lessee mainly comprise site leaseholds. The Group recognises a lease liability for site leaseholds based on the premise that the leases are perpetual and a corresponding right-of-use asset is recognised as an investment property. Sagax has chosen to recognise right-of-use assets separately in the balance sheet. Site leasehold fees are recognised as financial expenses in profit or loss. Other leases refer to offices, land leases, passenger cars and office machinery. A right-of-use asset and a lease liability based on the term of the lease are recognised for these items. Rent is distributed in profit or loss between depreciation and interest expenses.

PARENT COMPANY

The Parent Company prepares its annual report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for legal entities. RFR 2 implies that in the annual report of the legal entity, the Parent Company, must apply all EU-approved IFRS and statements as far as possible within the framework of the Annual Accounts Act and taking into consideration the connection between accounting and taxation.

Shares in subsidiaries are recognised in the Parent Company according to the cost method. The carrying amount is tested on a continuous basis by reference to the subsidiaries' consolidated equity. In the event the carrying amount is less than the consolidated value of the subsidiaries, an impairment charge is applied and charged to profit or loss. If an earlier impairment is no longer justified, it is reversed.

Receivables in the Parent Company from subsidiaries are recognised at cost. The loss allowance is deemed to be of an insignificant amount.

Dividends from joint ventures and associated companies are recognised as financial income.

NOTE **2** RENTAL REVENUE

The Group's rental revenue for 2021 amounted to SEK 3,100 M (2,898).

The increased rental revenue was primarily an effect of a larger property portfolio and revenue-increasing investments in the existing property portfolio.

Rental revenue consists of the rental value less the value of premises that were vacant during the year, as well as rent discounts granted. "Rental value" refers to rental revenue received plus the estimated market rent for vacant spaces. Rental value includes additional expenses that are debited, such as surcharges for heating, electricity, property taxes and indexation.

The year of maturity for signed leases is shown in the adjoining table, in which contractual annual rent refers to the annual value of an existing lease. To limit exposure to vacancies and rent losses, Sagax endeavours to secure long-term customer relationships and to prioritise tenants with a high credit rating.

Rent-level risk is attributable to trends in current market rents. Sagax works continuously to renegotiate existing leases with the aim of minimising the short-term risk. The adjoining table below shows contractual future rental revenue relating to existing leases. The remaining average lease term was 5.1 years (5.1).

Sagax has a diverse lease structure, which better allows the company to maintain an even occupancy rate. To reduce the risk of lower rental revenue, Sagax endeavours to achieve high diversification in terms of the length and size of its leases. Sagax's contractual annual rent at the end of the period was distributed between 2,009 leases (1,813), with about 1,200 tenants (1,200). The adjoining table below presents the size of Sagax's leases in relation to the Group's annual contractual annual rent at year end.

The economic occupancy rate was 96% (95) at year end. The total rental value of unleased premises and rent discounts granted was SEK 135 M (159) at year end.

Year of expiry	Area, sqm	Contractual annual rent	
		SEK M	Share
2022	494,000	491	15%
2023	414,000	408	12%
2024	391,000	406	12%
2025	677,000	493	15%
2026	281,000	255	8%
>2026	1,368,000	1,271	38%
Total	3,625,000	3,324	100%

Contractual future rental revenue	31 Dec 2021	31 Dec 2020
Contractual rental revenue, year 1	3,165	2,693
Contractual rental revenue, years 2–5	8,241	7,343
Contractual rental revenue, after year 5	5,439	4,690
Total	16,845	14,726

Share of contractual annual rent	Contractual annual rent		No. of leases	Average contractual annual rent, SEK M	Lease term, years
	SEK M	Share			
>2%	197	6%	2	98	9
1–2%	439	13%	10	44	7
<1%	2,688	81%	1,997	1	5
Total	3,324	100%	2,009	2	5

NOTE **3** REPORTING OF THE GROUP'S MARKET SEGMENTS**REPORTING OF THE GROUP'S MARKET SEGMENTS 2021**

	Stockholm	Helsinki	Nether- lands	Paris	University cities in Finland	Madrid & Barcelona	Rest of Finland	Rest of Sweden	Rest of Europe	Unalloc- ated items	Total Group
	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021	2021
PROFIT ITEMS PER SEGMENT											
Rental revenue	667	665	355	321	350	119	217	150	255	–	3,099
Other revenue	10	1	5	5	1	–	–	1	–	–	23
Property expenses	–112	–133	–37	–81	–78	–14	–23	–10	–19	–43	–550
Net operating income	565	533	323	245	273	105	194	141	236	–43	2,572
Unrealised changes in value	1,266	1,044	656	452	–69	61	92	84	283	–	3,869
Realised changes in value	–27	28	2	–	–10	–	13	–	–	–	6
Total yield	1,804	1,605	981	697	194	166	299	225	519	–43	6,447
Central administration	–	–	–	–	–	–	–	–	–	–147	–147
Financial income and expenses	–	–	–	–	–	–	–	–	–	–334	–334
Profit from joint ventures and associated companies	–	–	–	–	–	–	–	–	–	2,718	2,718
Changes in value of financial instruments	–	–	–	–	–	–	–	–	–	1,858	1,858
Profit before tax	1,804	1,605	981	697	194	166	299	225	519	4,052	10,542
ASSET ITEMS PER SEGMENT											
Market value of the properties	11,755	9,076	6,090	4,678	4,217	2,263	2,054	2,001	3,933	–	46,067
Other assets	–	–	–	–	–	–	–	–	–	16,405	16,405
Total assets	11,755	9,076	6,090	4,678	4,217	2,263	2,054	2,001	3,933	16,405	62,472
Interest-bearing liabilities	–	–	–	–	–	–	–	–	–	26,354	26,354
Other liabilities	–	–	–	–	–	–	–	–	–	5,039	5,039
Total liabilities	–	–	–	–	–	–	–	–	–	31,393	31,393
Equity	–	–	–	–	–	–	–	–	–	31,079	31,079
Total liabilities and equity	–	–	–	–	–	–	–	–	–	62,472	62,472
OTHER INFORMATION											
Investments in properties	207	236	46	23	47	31	31	31	6	–	658
Acquisition of properties	109	971	1,039	667	1,095	268	88	46	541	–	4,824
Property sales	–378	–83	–3	–	–97	–	–743	–46	–	–	–1,350
Net investments	–62	1,124	1,082	690	1,045	299	–624	31	547	–	4,132

The operating segments match Sagax's internal operational monitoring as it is reviewed by the company's CEO.

According to IFRS 8, disclosure must be made if revenue from a single customer exceeds 10%. This was not the case in 2021 and 2020.

NOTE **3** REPORTING OF THE GROUP'S MARKET SEGMENTS, CONT'D.

REPORTING OF THE GROUP'S MARKET SEGMENTS 2020

	Stockholm 2020	Helsinki 2020	Nether- lands 2020	Paris 2020	University cities in Finland 2020	Madrid & Barcelona 2020	Rest of Finland 2020	Rest of Sweden 2020	Rest of Europe 2020	Unalloc- ated items 2020	Total Group 2020
PROFIT ITEMS PER SEGMENT											
Rental revenue	671	593	291	299	335	105	231	151	221	–	2,897
Other revenue	1	5	3	2	–	–	–	–	–	–	11
Property expenses	–108	–130	–30	–76	–72	–15	–22	–7	–19	–32	–511
Net operating income	564	468	264	225	263	90	209	144	202	–32	2,397
Unrealised changes in value	324	64	411	159	40	202	–1	51	25	–	1,275
Realised changes in value	–3	–	–17	–	2	–1	–11	–	–	–	–30
Total yield	885	532	658	384	305	291	197	195	227	–32	3,642
Central administration	–	–	–	–	–	–	–	–	–	–132	–132
Financial income and expenses	–	–	–	–	–	–	–	–	–	–442	–442
Profit from joint ventures and associated companies	–	–	–	–	–	–	–	–	–	1,033	1,033
Changes in value of financial instruments	–	–	–	–	–	–	–	–	–	229	229
Profit before tax	885	532	658	384	305	291	197	195	227	656	4,330
ASSET ITEMS PER SEGMENT											
Market value of the properties	10,552	6,711	4,262	3,465	3,180	1,813	2,527	1,886	3,093	–	37,489
Other assets	–	–	–	–	–	–	–	–	–	9,133	9,133
Total assets	10,552	6,711	4,262	3,465	3,180	1,813	2,527	1,886	3,093	9,133	46,622
Interest-bearing liabilities	–	–	–	–	–	–	–	–	–	19,828	19,828
Other liabilities	–	–	–	–	–	–	–	–	–	4,342	4,342
Total liabilities	–	–	–	–	–	–	–	–	–	24,170	24,170
Equity	–	–	–	–	–	–	–	–	–	22,452	22,452
Total liabilities and equity	–	–	–	–	–	–	–	–	–	46,622	46,622
OTHER INFORMATION											
Investments in properties	297	237	56	22	28	1	14	7	3	–	665
Acquisition of properties	386	32	1,039	519	97	839	–	1,073	1,600	–	5,585
Property sales	–295	–	–55	–	–3	–10	–20	–1,073	–	–	–1,456
Net investments	388	269	1,040	541	122	830	–6	7	1,603	–	4,794

The operating segments match Sagax's internal operational monitoring as it is reviewed by the company's CEO.

According to IFRS 8, disclosure must be made if revenue from a single customer exceeds 10%. This was not the case in 2021 and 2020.

NOTE **4** PROPERTY EXPENSES

In 2021, property expenses amounted to SEK 550 M (512). This amount includes direct property expenses, such as operation, maintenance and property taxes, as well as indirect expenses for property administration. Most of Sagax's leases state that certain property expenses are to be borne by the tenant. Sagax has also signed triple net leases, meaning the tenant itself is the contractual party and bears all operating and maintenance costs. The vast majority of properties located outside Stockholm, Helsinki, Paris and University cities in Finland have triple net leases.

OPERATING AND MAINTENANCE COSTS

Operating and maintenance costs include expenses for electricity, heating, water, property caretaking, insurance and maintenance. In cases where Sagax signs contracts for operating and maintenance costs, the costs are generally passed on to the tenant in the form of rent surcharges. Operating expenses for 2021 amounted to SEK 250 M (232) and maintenance costs to SEK 74 M (79).

SITE LEASEHOLD FEES

The site leasehold is the annual fee Sagax pays for the use of the land. At year end, the number of properties held on leasehold amounted to 71 (76). In 2021, site leaseholds including ground rents amounted to SEK 28 M (26) and referred primarily to Sagax's leaseholds in the City of Stockholm.

PROPERTY TAX

In Sweden, the property tax is a state-levied tax paid annually as a percentage of the assessed property tax value. For Sagax, property tax varies between 0.5 and 1.0%, depending on whether the property is classified as warehouse/industrial premises (0.5%) or as office/retail premises (1.0%). Sagax has five properties in Stockholm for which no property tax is paid. In Finland and the Netherlands, property tax is a municipal charge and tax rates vary among the municipalities. For Sagax's properties, the tax in Finland is between 0.41 and 1.9% and in the Netherlands is between 0.12% and 0.67% of the assessed property tax value. German property tax is set locally, and amounted to 1.26% of the property tax value for Sagax. French property tax is set locally and corresponds to an average of 15% of anticipated rental revenue. Spanish property tax is set locally and is between 0.4% and 1.3% of the property values.

In 2021, property tax totalled SEK 153 M (141).

OTHER PROPERTY EXPENSES

Other property expenses include leasing expenses and management expenses. These expenses amounted to SEK 73 M (60) in 2021.

NOTE **5** EMPLOYEES AND HR EXPENSES

	Group		Parent Company	
	2021	2020	2021	2020
Number of employees				
Average number of employees	80.7	72.4	35.1	33.2
– of whom, men	47.5	42.3	18.1	16.8
Wages, salaries and other remuneration				
Board, CEO and other senior executives	10.2	10.6	10.2	10.6
– of which, bonus	2.4	2.5	2.4	2.5
Other employees	74.3	68.2	27.4	28.0
Total	84.5	78.8	37.6	38.6
Social security expenses				
Board, CEO and other senior executives	4.8	4.5	4.8	4.5
– of which, pension expenses	1.3	0.8	1.3	0.8
Other employees	24.6	19.8	14.2	11.2
– of which, pension expenses	10.1	8.3	4.4	3.7
Total	29.4	24.3	19.0	15.7

BOARD OF DIRECTORS AND CEO

In 2021, the Parent Company had six (six) Board members, including one (one) woman. If the CEO is included, the Group and the Parent Company had three (three) senior executives, including one (one) woman. Group management comprises the CEO, the Head of Finance and the CFO.

In 2021, the CEO was paid a salary of SEK 3.8 M (4.3), including benefits of SEK 5,000 (5,000), and SEK 1.1 M (1.1) in bonus for the 2020 financial year. For 2021, contractual remuneration and benefits to the CEO were SEK 3.3 M per year in fixed salary plus a variable remuneration component of a maximum of four monthly salaries, which is payable in relation to individually set targets. In 2022, the CEO will be paid a contractual amount of SEK 1.1 M in bonus for the 2021 financial year.

For 2022, contractual remuneration to the CEO amounted to SEK 3.3 M in fixed salary plus variable remuneration of a maximum of four monthly salaries, which is payable in relation to individually set targets. A total of SEK 0.4 M (–) relating to pension insurance was also paid. In the event of termination initiated by the company, the CEO is entitled to three months' salary.

Fees totalling SEK 1.1 M (1.1) were paid to the Board of Directors, in accordance with a resolution passed by the AGM on 5 May 2021. Of this total, the Chairman of the Board received SEK 330,000 (300,000), while each of the other four (four) non-executive members received SEK 180,000 (180,000). The CEO receives no remuneration for his Board assignment in Sagax.

OTHER SENIOR EXECUTIVES

Sagax's Group management – senior executives with Group-wide spheres of responsibility – comprises the Head of Finance and the CFO.

In 2021, the Head of Finance and the CFO were paid a total salary of SEK 5.4 M (5.2), including a bonus of SEK 1.4 M (1.4). A total of SEK 0.8 M (0.8) relating to pension insurance was also paid.

NOTE **5** EMPLOYEES AND HR EXPENSES, CONT'D.

Remuneration and benefits will be paid to other senior executives as per contract in the amount of SEK 4.1 M per year in fixed salary plus a variable remuneration component for 2022. The variable remuneration component may not exceed SEK 1.5 M. Pension premiums are paid into defined-contribution pension plans as described in Note 1.

Upon termination initiated by the company, these executives are entitled to four months' salaries or the terms stipulated by current legislation. The period of notice upon termination of employment by the senior executives, excluding the CEO, is four months.

INCENTIVE PROGRAMME

Sagax has three warrant programmes for the company's employees. These programmes are valid for three years, and encompass the periods 2019-2022, 2020-2023 and 2021-2024. Warrants entitle the holder to subscribe for new Class B common shares in June 2022, June 2023 and June 2024, respectively. The subscription price corresponds to the price paid for the Sagax share at the start of the warrant programmes converted using the average share price trend for the listed property companies in accordance with Carnegie's Real Estate Index (CREX) during the corresponding period. Accordingly, the warrants will have a value on condition that the price performance of the Sagax share exceeds the average for the listed property companies during each three-year period. At year end, Sagax employees held a total of 1,163,628 warrants with the right to subscribe for common shares corresponding to 0.5% of the number of Class A and B shares outstanding. The company's CEO and Board Members do not participate in the programmes.

In 2021, Sagax issued 374,065 Class B common shares due to the exercise of warrants. In addition, 102,129 warrants were bought back under the 2018-2021 incentive programme at the corresponding market value on the buy-back date. Costs for buying back the warrants totalled SEK 30 M.

Employees acquired 286,461 warrants for a total of SEK 7 M in 2021.

No additional warrants or convertibles were issued by the company.

SICK LEAVE 2021

Sick leave during 2021 amounted to 1.4% (0.7), of which the proportion of employees on long-term sick leave was 63.6% (0). Sick leave distributed by age category and gender is shown below.

Age	Sick leave
20-29	0.70%
30-49	0.88%
50+	4.25%
Gender	Sick leave
Men	1.39%
Women	1.45%

NOTE **6** REMUNERATION OF AUDITORS

	Group		Parent Company	
	2021	2020	2021	2020
Ernst & Young AB:				
Remuneration for audit	6.0	5.5	0.7	0.5
Remuneration for audit activity in addition to auditing assignment	0.6	0.6	0.1	0.5
Other consulting services provided by the audit company	0.7	–	0.7	–
Total	7.2	6.1	1.5	1.0

NOTE **7** FINANCIAL INCOME

	Group		Parent Company	
	2021	2020	2021	2020
Interest income, subsidiaries	–	–	443	433
Interest income	46	38	–	–
Exchange rate gains	–	–	301	–
Dividends from listed shares	67	2	–	–
Other financial income	0	0	0	1
Total	113	39	745	434

The Group's interest income derives mainly from interest-bearing convertible debentures and listed bonds.

NOTE **8** FINANCIAL EXPENSES

	Group		Parent Company	
	2021	2020	2021	2020
Interest expenses	386	435	202	222
Unutilised lines of credit	26	22	13	10
Interest expenses to subsidiaries	–	–	189	172
Exchange-rate losses	–	–	343	68
Capitalised interest expenses	0	–6	–	–
Other financial expenses	6	4	3	3
Total	419	455	751	475

Financial expenses are expenses that arise for interest-bearing loans, financial derivatives and loan commitments.

The interest component of leases in financial expenses amounted to SEK 28 M (26) and primarily referred to site leasehold fees.

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NOTE 9 LEASE EXPENSES – SITE LEASEHOLD FEES

	Group	
	31 Dec 2021	31 Dec 2020
Fall due for payment within 1 year	22	21
Fall due for payment within 2-5 years	85	80
Fall due for payment in more than 5 years	473	462
Total	580	563

The summary relates to costs for contracted future site leaseholds. Site leaseholds are the fees that an owner of a building on land owned by a municipality pays to the municipality.

Sagax had 71 (76) properties with site leaseholds in Sweden, Finland and the Netherlands at the end of 2021, and the expenses amounted to SEK 26 M (23). Existing site leaseholds expire at a relatively even rate over the next 60 years.

NOTE 10 PROFIT FROM PARTICIPATIONS IN JOINT VENTURES AND ASSOCIATED COMPANIES

	Group	
	2021	2020
Profit from property management:		
Hemsö Intressenter AB	271	223
Söderport Property Investment AB	236	217
NP3 Fastigheter AB	138	104
Fastighetsbolaget Emilshus AB	39	19
Fastighetsaktiebolaget Ess-Sierra	30	1
Total	713	565
Changes in value of properties:		
Hemsö Intressenter AB	1,126	357
Söderport Property Investment AB	709	296
NP3 Fastigheter AB	469	78
Fastighetsbolaget Emilshus AB	114	4
Fastighetsaktiebolaget Ess-Sierra	46	24
Total	2,464	759
Changes in value of financial instruments:		
Hemsö Intressenter AB	42	-17
Söderport Property Investment AB	48	-5
NP3 Fastigheter AB	18	3
Fastighetsbolaget Emilshus AB	-	-
Fastighetsaktiebolaget Ess-Sierra	-	-
Total	108	-18
Tax:		
Hemsö Intressenter AB	-290	-119
Söderport Property Investment AB	-88	-104
NP3 Fastigheter AB	-132	-39
Fastighetsbolaget Emilshus AB	-33	-4
Fastighetsaktiebolaget Ess-Sierra	-15	-7
Total	-558	-272

NOTE 11 PROFIT FROM PARTICIPATIONS IN GROUP COMPANIES

	Parent Company	
	2021	2020
Shares in profit in limited partnerships	1	3
Dividends from subsidiaries	1,153	508
Total	1,154	511

NOTE 12 TAX EXPENSE

Sagax recognises tax expenses in the form of current tax and deferred tax. Current tax is defined as tax to be paid or received relating to taxable profit for the current year. Adjustments of current tax for prior years are also included here.

Deferred tax is defined as the future tax implications of events that have been addressed in the company's accounts or tax returns. Based on the tax-corrected net present value approach, a comparison is made between the carrying amounts and tax bases of assets and liabilities. The difference between these amounts is multiplied by the applicable tax rate and recognised as deferred tax. The intention is to make allowances for the tax implications in connection with, for example, future sales of assets or the utilisation of loss carryforwards. The income tax is allocated in profit or loss to two items: current tax and deferred tax. Current tax is based on the year's taxable income, which may differ from recognised income, with the tax rate for each country. The differences are due to the company's ability to:

- 1) perform tax-related depreciation,
- 2) make direct deductions for certain property-related investments that are capitalised in the company's financial statements, and
- 3) utilise existing loss carryforwards.

Deferred tax was calculated using the tax rate for each country for coming years, as approved on the balance sheet date. Sagax's French operations are classified as part of the SIIC regime by the French tax authorities. Sagax's Spanish operations have applied for classification as SOCIMI. A special feature of these associations is that no income tax is paid. Taxation takes place in different ways instead, for example, through property tax and tax on dividends. The effect of this amount for "differences in foreign tax rates" is included in the table of reconciliation of recognised tax.

On 7 December 2017, pertaining to the 2015 income year, the Tax Agency decided to deny the group company Firethorne AB deductions for loss carryforwards of SEK 1,166 M. In a ruling on 7 February 2019, the Administrative Court upheld the Tax Agency's decision. Sagax believed that the Tax Agency's decision was incorrect and therefore appealed the Administrative Court's ruling to the Administrative Court of Appeal. On 19 October 2021, the Administrative Court of Appeal upheld Firethorne AB's appeal.

NOTE **12** TAX EXPENSE, CONT'D.

Recognised tax expense/tax revenue	Group		Parent Company	
	2021	2020	2021	2020
Current tax expense:				
Computed tax expense	-112	-108	-2	-2
Tax resulting from changes in tax value	-	-	-	-
Total current tax	-112	-108	-2	-2
Deferred tax expense/tax revenue:				
Deferred tax relating to untaxed reserves	3	-	-	-
Deferred tax relating to loss carryforwards	63	-182	-	-
Deferred tax relating to temporary differences in financial instruments	20	-13	-	-
Deferred tax relating to temporary differences in properties	-710	-317	-	-
Total deferred tax	-624	-511	-	-
Total recognised tax expense	-736	-619	-2	-2

The tax revenue and tax expenses that affected Sagax's recognition of current tax and deferred tax are presented below.

Reconciliation of recognised tax	Group		Parent Company	
	2021	2020	2021	2020
Profit before tax	10,543	4,330	1,330	591
Reversal of profit of joint ventures ¹⁾	-2,718	-1,033	-	-
Profit before tax excluding joint ventures	7,826	3,297	1,330	591
Expected tax expense according to Swedish tax rate of 20.6% ²⁾	-1,612	-705	-274	-126
Difference in foreign tax rates	213	137	-	-
Non-deductible expenses	-3	-8	-10	-7
Non-taxable revenue listed shares	388	-	-	-
Other non-taxable revenue	32	38	275	127
Deductible expenses recognised against equity	-	1	-	1
Dissolution of time-limited loss carryforwards	-	-120	-	-
Other tax adjustments	3	28	6	3
Tax resulting from changes in tax value	-4	0	1	-
Tax in conjunction with property divestments	108	3	-	-
Loss carryforwards attributable to company acquisitions	141	3	-	-
Change in deferred tax resulting from change in tax rate	-	7	-	-
Recognised tax	-736	-619	-2	-2

1) Since the tax expense is already taken into account in profit of joint ventures, this profit has been reversed in the reconciliation.

2) The comparative year of 2020 was calculated according to the Swedish tax rate of 21.4%

NOTE **13** INVESTMENT PROPERTIES

The change in the carrying amounts of properties is presented below.

Specification of the year's changes	Group	
	2021	2020
Recognised carrying amount	37,548	32,625
Acquisition of properties	4,824	5,585
Investments in the current portfolio	658	666
Carrying amount of sold properties	-1,351	-1,456
Currency translation effect	518	-1,146
Change in value	3,870	1,274
Carrying amount, 31 December	46,067	37,548

MARKET VALUE

The total market value of Sagax's properties and site leaseholds was SEK 46,067 M (37,548). SEK 40 M (129) of the property value pertained to 2 (16) properties owned through joint operations in Finland. Currency effects accounted for SEK 518 M (-1,146) of the change in value. Amounts have been translated from EUR and DKK at the closing rate: EUR 1 is equivalent to SEK 10.23 (10.04) and DKK 1 is equivalent to SEK 1.38 (1.35). The total recognised unrealised change in value during the year was SEK 3,870 M (1,274). A large number of parameters are taken into account when calculating fair value. 98% of the valuation objects were valued externally on 31 December 2021. Other

properties were acquired in December 2021, and the acquisition price is thus deemed to correspond to the market value. The valuation techniques and general conditions are presented on the following pages. No properties are owned by the Parent Company.

The property yield in 2021 was 6.0% (6.3) in relation to the market value at year end.

In 2021, unrealised changes in value amounted to SEK 3,870 M as follows:

Amounts in SEK M	2021	2020
	935	485
New lettings/Renegotiations	-338	-364
Vacancies/Renegotiations	3,273	1,154
Total	3,870	1,274
Calculation of property yield	31 Dec 2021	31 Dec 2020
Net operating income according to statement of comprehensive income	2,573	2,397
Add-back of site leasehold fees	-26	-25
Holding adjustment for acquisitions and divestments	139	57
Currency translation to closing rate	44	-67
Adjusted net operating income	2,730	2,362
Carrying amount of properties	46,067	37,548
Property yield, %	6.0	6.3

NOTE **13** INVESTMENT PROPERTIES, CONT'D.

Properties with the highest market value, in alphabetical order		
Property	Municipality	Lettalbe area, sqm
Gjutmästaren 8	Stockholm, Sweden	19,200
Holger-Crafoord Strasse 26	Hechingen, Germany	64,000
Hort de Ses Animes 2	Mallorca, Spain	15,400
Inteckningen 5	Lund, Sweden	24,000
Jordbromalm 3:1	Haninge, Sweden	94,000
Jordbromalm 4:3	Haninge, Sweden	51,400
Koneenkatu 8	Hyvinkää, Finland	61,900
Martinkyläntie 9 A	Vantaa, Finland	52,800
Tikkurilantie 5	Vantaa, Finland	62,300
Väinö Tannerin Tie 1 B	Vantaa, Finland	20,700
Total		465,700

VALUATION TECHNIQUE

Valuations were performed in Sweden in accordance with RICS and IVSC's recommendations. Each valuation entity is valued individually, without taking into consideration any portfolio effects, by property appraisers certified by Samhällsbyggarna (Swedish professionals for the built environment). The same applies to Sagax's foreign properties. The principal method of appraisal used was cash flow calculations in which the present value of cash flows and residual values was calculated.

The residual value is calculated by perpetually capitalising the estimated net operating income the year following the last year of calculation by the assigned yield requirement. The present value of cash flow and residual value is calculated by discounting the cash flow and residual value by the cost of capital. The value of any building rights has been added to the present value.

The properties are inspected by the appraisers according to a rolling schedule. These inspections include public areas and a selection of premises with specific emphasis placed on major tenants and vacant premises. The purpose of the inspections is to assess the properties' overall standard and condition, maintenance requirements, market position and the attractiveness of the premises.

ANALYSIS AND GENERAL CONDITIONS

The property valuation is based on observable inputs such as current lease, market rents, actual outcome for operating and maintenance costs, planned investments and current vacancy rates, and non-observable data such as yield requirement and future vacancy levels.

The calculation period was adjusted to the remaining term of existing leases and varies between five and 20 years. As a rule, the calculation period is ten years. Cash flow calculations are based on inflation assumptions made by valuation companies of between 0 and 2.8% per year for the calculation periods with differences between the various countries. Assessments of future net operating income are based on an analysis of current leases and the current rental market. The calculations consider each lease individually. Normally, existing lease agreements are assumed to remain in effect until the end of the lease period. In cases where the rental terms and conditions have been assessed as being on a competitive market level, it has been assumed that the leases can be extended with no change in the terms and conditions or that the premises can be leased to new tenants on comparable terms. In cases where the outgoing rent is not considered to be in line with market-level rent, it has been adjusted to correspond to such a level. The highest and best use of the properties has been assumed when valuing the properties. The cash flow statement considers the market position, rent level, other use, and long-term vacancy rate can for each property.

Operating and maintenance costs are based on an analysis of the historical costs associated with the various properties and on experience and statistics pertaining to similar properties. However, these expenses are of minor importance when valuing Sagax's property portfolio since tenants normally pay these expenses in addition to the agreed rent.

ASSUMED NET OPERATING INCOME IN CONNECTION WITH VALUATION

Net operating income for 2021, as computed by the appraisers, totalled SEK 2,742 M in the valuations. This net operating income can be compared with the net operating income of SEK 2,735 M that Sagax recognises in "Current earnings capacity" as per 1 January 2022, adjusted for site leasehold fees. The net operating income on which the appraisers based their estimated market value is consequently reasonable in comparison with the current earnings capacity at year end.

Unrealised changes in the value of properties 2012-2021

Year	Change in value ¹⁾	CPI change ²⁾	Actual change in value
2012	SEK 134 M	1.5%	0.7%
2013	SEK 136 M	1.3%	0.5%
2014	SEK 436 M	3.3%	0.2%
2015	SEK 677 M	4.5%	0.0%
2016	SEK 1,306 M	7.1%	0.7%
2017	SEK 1,113 M	5.0%	1.4%
2018	SEK 1,265 M	4.8%	1.6%
2019	SEK 1,301 M	4.2%	1.5%
2020	SEK 1,274 M	3.6%	0.4%
2021	SEK 3,870 M	9.3%	2.5%

1) Changes in value in excess of investments.

2) Weighted change in CPI or the equivalent in the markets where Sagax owns properties.

Summary of Sagax's property valuations

Fair value	SEK 46,067 M
Independent valuation	Savills, CBRE, Jones Lang LaSalle and Cushman & Wakefield RED
Calculation period	5-16 years
Assumed inflationary trend	0-2.8%
Operating and maintenance costs	Historical costs for the respective properties and experience and statistics from comparable properties.
Cost of capital, cash flow	4.2-15.6%. Weighted average 7.2%
Cost of capital, residual value	4.5-15.6%. Weighted average 7.4%
Yield requirement	4.0-14.0%. Weighted average 6.3%

CHANGES IN VALUE RELATIVE TO INFLATION

The table above shows the actual changes in value of the properties when inflation expressed as a change of the Consumer Price Index (CPI) is taken into account. Changes in value refers to the change in the market value of the property portfolio that exceeds investments.

COST OF CAPITAL AND YIELD REQUIREMENT

The cost of capital represents a nominal yield requirement on total capital. The cost of capital is based on the nominal yield on five-year government bonds, plus a general risk premium for properties and an entity-specific additional amount. The yield requirement for the assess-

NOTE **13** INVESTMENT PROPERTIES, CONT'D.

ment of residual value was selected on the basis of market information from the sub-market in question, and adapted to the property's phase in its economic lifecycle at the end of the calculation period. The cost of capital for the present value calculation of cash flows (4.2–15.6%), the cost of capital for the present value calculation of residual values (4.5–15.6%) and the yield requirement for the residual value calculations (4.0–14.0%) are based on analyses of transactions carried out and on individual assessments of the risk level and market position of each property.

On 31 December 2021, the weighted cost of capital for discounting cash flows and residual values was 7.2% (7.4) and 7.4% (7.7), respectively. The weighted yield requirement was 6.3% (6.5). This means that if Sagax's property portfolio was to be viewed theoretically as one single property, the market value of SEK 46,067 M would correspond to a yield requirement of 6.3%, a cost of capital of 7.2% for cash flow and a cost of capital of 7.4% for discounting the residual value to present value. As the chart below illustrates, the recognised yield for Sagax corresponds well with the yield requirement established in conjunction with property valuations.

The table below presents the recognised property values' sensitivity to changes in assumptions.

Sensitivity analysis for property values

Amounts in SEK M	Change	Change in value	
		2021	2020
Yield requirement	+/- 0.25% points	-1,412/+1,524	-979/+1,053
Cost of capital	+/- 0.25% points	-953/+972	-896/+921
Rental revenue	+/-5%	+1,958/-2,079	+1,432/-1,427
Property expenses	+/-5%	-290/+276	-234/+235

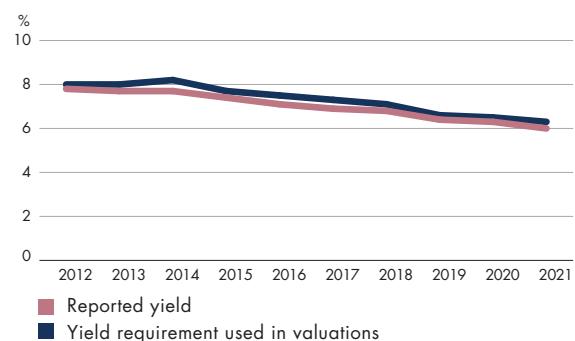
Cost of capital and yield requirement

Weighted average	Cost of capital, cash flow		Cost of capital, residual value		Yield requirement	
	2021	2020	2021	2020	2021	2020
Market segment						
Stockholm	7.0%	7.2%	7.1%	7.2%	5.0%	5.4%
Helsinki	7.6%	8.0%	7.8%	8.4%	6.2%	6.5%
Netherlands	6.0%	6.5%	6.0%	6.5%	6.9%	7.0%
Paris	7.1%	7.5%	7.1%	7.5%	6.0%	6.4%
University cities in Finland	8.0%	8.6%	8.9%	9.4%	7.3%	7.4%
Madrid & Barcelona	7.2%	7.4%	7.2%	7.4%	6.0%	6.3%
Rest of Finland	8.3%	7.3%	8.9%	9.1%	7.2%	7.1%
Rest of Sweden	8.4%	8.4%	8.4%	8.4%	6.3%	6.6%
Rest of Europe	6.5%	6.6%	6.6%	6.8%	8.1%	8.9%
Weighted average	7.2%	7.4%	7.4%	7.7%	6.3%	6.5%
Intervals	Cost of capital, cash flow		Cost of capital, residual value		Yield requirement	
Market segment	2021	2020	2021	2020	2021	2020
Stockholm	4.2-10.2%	4.6-9.9%	6.2-10.2%	4.6-9.9%	4.1-8.0%	4.9-8.0%
Helsinki	5.6-9.6%	5.5-11.8%	5.9-9.6%	6.9-11.8%	4.3-8.0%	4.9-9.8%
Netherlands	5.0-8.1%	5.1-9.2%	5.0-8.1%	5.1-9.2%	5.3-9.0%	5.8-9.1%
Paris	5.0-10.5%	5.0-11.0%	5.0-10.5%	5.0-11.0%	4.0-8.0%	4.0-7.8%
University cities in Finland	5.9-15.6%	5.5-14.0%	7.4-15.6%	7.9-14.0%	5.8-14.0%	5.9-12.0%
Madrid & Barcelona	6.0-9.5%	6.3-10.0%	6.0-9.5%	6.3-10.0%	5.0-7.5%	5.8-7.0%
Rest of Finland	5.9-12.6%	5.5-16.0%	7.6-12.6%	7.5-16.0%	6.0-11.0%	5.5-14.0%
Rest of Sweden	6.7-11.4%	7.1-11.3%	6.7-11.4%	7.1-11.3%	4.6-9.3%	5.2-9.3%
Rest of Europe	4.5-10.0%	4.8-10.0%	4.5-11.0%	4.8-11.0%	5.8-12.0%	5.8-12.5%
Weighted average	7.2%	7.4%	7.4%	7.7%	6.3%	6.5%

The properties' expected future cash flow during the selected calculation period is measured as follows:

- + Rent payments
- Operational payments
- Maintenance
- Site leasehold fees
- = Net operating income
- Investments
- = Cash flow

Yield compared with yield requirement



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NOTE **13** INVESTMENT PROPERTIES, CONT'D.

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Savills

Savills appraises the Swedish, French, Spanish and German properties and is one of the world's leading property consultancies, with 39,000 employees in over 600 offices in more than 70 countries. The company is listed on the London Stock Exchange. See also www.savills.com.

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CBRE

CBRE Finland appraises the Finnish properties. CBRE is the largest real estate consultancy firm in the world with more than 100,000 employees worldwide. See also www.cbre.com.

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NOTE **14** DEFERRED TAX LIABILITIES AND TAX ASSETS

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Deferred tax was calculated using the tax rate for each country for coming years, as approved on the balance sheet date, see Note 1 Accounting policies.

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The Group's loss carryforwards amounted to SEK 1,723 M (1,026), taking into account earnings for 2021. The opportunity to utilise the loss carryforwards is affected by tax regulations governing time-limited restrictions. There are also the more distant time limits to consider regarding the loss carryforward of SEK 35 M (23).

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On 31 December 2021, the Parent Company had no (–) loss carryforwards.

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In the consolidated statement of financial position, the deferred tax assets and tax liabilities are netted by country in accordance with the table below.

Recognised deferred tax liabilities	Group	
	2021	2020
Denmark	11	3
Finland	1,292	1,017
Netherlands	346	177
Spain	12	13
Sweden	1,311	1,159
Germany	115	108
Total	3,087	2,476

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NOTE **15** FINANCIAL RECEIVABLES

	Group	
	31 Dec 2021	31 Dec 2020
Convertible debentures	522	514
Bonds	43	37
Other non-current interest-bearing receivables	110	0
Other non-current receivables	38	36
Total	714	587

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See also Note 18.

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Jones Lang LaSalle appraises the value of the Dutch properties and is a global property consultancy with 91,000 employees and almost 300 offices in 80 countries. See also www.jll.com.

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Cushman & Wakefield | RED appraises the value of Sagax's two properties in Denmark and is a Danish company in partnership with Cushman & Wakefield, a property service company with 51,000 employees and 400 offices in 71 countries. See also www.red.dk.

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Sagax's total deferred tax asset and tax liability are recognised gross below.

Deferred tax assets	Group		Parent Company	
	2021	2020	2021	2020
Financial instruments	–	–	–	–
Loss carryforwards	355	211	–	–
Total	355	211	–	–
Deferred tax liabilities				
Financial instruments	17	36	–	–
Temporary differences in properties	3,398	2,623	4	4
Untaxed reserves	27	30	–	–
Total	3,442	2,689	4	4
Deferred tax liabilities, net	3,087	2,476	4	4

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The residual values for tax purposes for the Group's properties amount to SEK 21,686 M (18,056).

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NOTE **16** PREPAID COSTS AND ACCRUED INCOME

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Allocated borrowing costs	15	–	56	45
Rent discounts distributed over the period and arrangement fees	152	128	–	–
Accrued rental revenue	10	11	–	–
Other	30	45	2	–
Total	207	186	58	45

NOTE **17** INTEREST-BEARING LIABILITIES

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Interest-bearing liabilities, non-current portion	23,368	17,977	8,992	10,625
Commercial paper	2,891	1,081	2,891	1,081
Other interest-bearing liabilities, current portion	95	770	92	70
Total	26,354	19,828	11,975	11,776

Interest-bearing liabilities accounted for 42% (43) of the Group's funding on 31 December 2021. Interest-bearing liabilities consist of seven unsecured listed bonds, an unsecured commercial paper programme of SEK 2,891 M (1,081) and bank loans using the subsidiaries' properties as collateral. The bank loans were provided by Nordea, SEB, Swedbank and ING. At year end, interest-bearing liabilities amounted to SEK 26,354 M (19,828), of which the equivalent of SEK 24,009 M (15,403) was denominated in EUR. Interest-bearing liabilities during 2021 increased primarily as a result of property acquisitions and acquisitions of listed shares. Interest-bearing liabilities rose SEK 408 M (declined SEK 750 M for the preceding year) due to exchange rate fluctuations during the year.

Sagax's non-current interest-bearing liabilities amounted to SEK 23,368 M (17,977), or 89% (91%) of total interest-bearing liabilities.

Current interest-bearing liabilities amounted to SEK 2,986 M (1,851), or 11% (9) of Sagax's interest-bearing liabilities. SEK 2,891 M (1,081) in outstanding commercial paper was termed current in the balance sheet since such commercial paper always has terms of less than one year. However, the commercial paper has been recognised as non-current in the table of Sagax's loan maturity at year end on page 96 since the paper's back-up facilities have a term exceeding one year. The commercial paper was issued by the Parent Company. Sagax has no contractual repayments in 2022. The current interest-bearing liabilities are repaid via the company's cash flow, through extension of loan contracts or through new borrowing for the refinancing of loans that are about to expire. Sagax seeks to maintain a low share of current interest-bearing funding in an effort to minimise the company's refinancing risk. Sagax curtails its refinancing risk by agreeing on a predetermined maturity in connection with new borrowing. Sagax also seeks to refinance its non-current interest-bearing liabilities well in advance. Overall, this working approach is deemed effective in limiting the company's refinancing risk. The average remaining loan maturity period was 4.3 years (3.4) at year end. At year end, Sagax had listed bonds outstanding totalling SEK 23,198 M (14,698). In 2021, bonds of a nominal EUR 1,000 M, corresponding to SEK 10,126 M, were issued. Sagax's bonds are issued within the scope of the company's EMTN programme and are registered on Euronext Dublin. Bonds issued by Sagax on 31 December 2021 are presented below.

Unsecured bonds			
Maturity	Nominal amount	Curren- cy	Interest terms
2019-2023	500	SEK	STIBOR 3 months + 0.90% margin
2019-2023	250	SEK	1.128% fixed interest coupon
2018-2024	500	EUR	2.00% fixed interest coupon
2019-2025	400	EUR	2.25% fixed interest coupon
2020-2027	300	EUR	1.12% fixed interest coupon
2021-2028	500	EUR	0.75% fixed interest coupon
2021-2029	500	EUR	1.00% fixed interest coupon

At year end, Sagax had available liquidity of SEK 4,592 M (4,343), including unutilised lines of credit totalling SEK 4,508 M (4,319). Credit facilities corresponding to commercial paper outstanding of SEK 2,891 M (1,081) are not included in available liquidity. At year end, the company had contracts with SEB, Nordea, Danske Bank, Swedbank, ING, Société Générale, J.P. Morgan and Deutsche Bank covering revolving credit facilities totalling SEK 7,186 M (5,061) available to Sagax, of which SEK 7,016 M (5,025) was unutilised at year end. Sagax has also reached agreements with SEB, Nordea, Swedbank, Société Générale and ING covering short-term credit facilities totalling SEK 403 M (400), of which SEK 309 M (323) was unutilised at year end. Other lines of credit amounted to SEK 75 M (100), of which SEK 75 M (75) was unutilised. Expenses for these lines of credit amounted to SEK 26 M (22) in 2021. No additional collateral needs to be pledged to utilise these lines of credit.

The table below shows the years in which Sagax's interest-bearing liabilities fall due for final payment.

The fixed interest structure of the loans is described in the table below. Purchased interest-rate swaps have been taken into consideration in view of their contractual interest rates and terms. An interest-rate cap of SEK 1,922 M is recognised in the table at the interest rate applying on the balance sheet date and the year of maturity when the various interest-rate caps expire.

Sagax's bonds are listed. The market value exceeded amortised cost by SEK 184 M (466) on 31 December. Other interest-bearing liabilities primarily have a short fixed interest period entailing that amortised cost essentially matches the fair value.

Net debt	31 Dec 2021	31 Dec 2020
Interest-bearing liabilities	26,354	19,828
Interest-bearing assets	-676	-550
Liquidity	-84	-24
Listed shares ¹⁾	-9,380	-2,140
Net debt	16,214	17,114

¹⁾ Includes listed shares in companies recognised as associated companies.

NOTE **17** INTEREST-BEARING LIABILITIES, CONT'D.

Loan maturity, years	Amount	Share
2022	95	0%
2023	2,353	9%
2024	6,535	25%
2025	4,138	16%
2026	–	–
>2026	13,232	50%
Total	26,354	100%

1) Commercial paper amounting to SEK 2,891 M with maturity in 2023 and 2024 is recognised since the commercial paper is covered by unutilised long-term revolving credit facilities that mature in 2023 and 2024.

The average loan maturity was 4.3 years (3.4)

NOTE **18** FINANCIAL INSTRUMENTS

Derivatives	Group	
	31 Dec 2021	31 Dec 2020
Surplus values of financial derivatives	3	0
Deficit values of financial derivatives	-75	-118
Total	-72	-118

Changes in value of financial instruments, unrealised	Group	
	31 Dec 2021	31 Dec 2020
Fixed income derivatives	32	-6
Currency derivatives	2	–
Listed shares	1,700	77
Convertible debentures	-12	23
Financial instruments attributable to joint ventures	147	134
Total	1,868	228

Changes in value of financial instruments, realised	Group	
	31 Dec 2021	31 Dec 2020
Fixed income derivatives	-10	1
Total	-10	1

The earnings impact for 2021 amounted to SEK 1,858 M (228), of which SEK -10 M (1) was a realised change in value.

Listed shares were revalued at the closing price on the balance sheet date with an unrealised earnings impact of SEK 1,700 M (77). The carrying amount of listed shares amounted to SEK 4,772 M (738) on 31 December 2021.

Sagax's ownership in Hemsö Intressenter AB is governed by a shareholder agreement with the Third Swedish National Pension Fund. The shareholder agreement regulates, among other things, put and call options between the two shareholders regarding Sagax's shareholding in the company. In accordance with IFRS 9, financial instruments attributable to Hemsö Intressenter AB were market valued at SEK 1,035 M (888).

In 2019, Sagax invested in the French property company Groupe BMG through a convertible loan. Groupe BMG is a property company focusing on commercial properties outside Sagax's markets. The term of the loan is five years and Sagax has a right but not an obligation to con-

Fixed interest, years	Amount	Average interest	Share
2022	3,691	0.5%	13%
2023	1,403	0.8%	5%
2024	5,323	2.0%	19%
2025	4,113	2.1%	14%
2026	–	–	–
>2026	13,861	1.0%	49%
Total/average	28,391 ¹⁾	1.3% ²⁾	100%

1) Fixed interest exceeds interest-bearing liabilities by SEK 2,037 M.

2) Based on fixed interest amount.

The average fixed interest period was 4.0 years (3.4).

vert the loan to shares at the earliest after three years. The conversion right will be assigned a value if Groupe BMG's net asset value increases. Remeasurements in 2021 amounted to SEK -12 M (23).

Sagax's financial strategy is based on low interest-rate risk, to be achieved through measures such as fixed income derivatives. According to IFRS, fixed income derivatives are to be measured on market terms. The valuation principles are stated in Note 1 Accounting Policies. Changes in the value of the fixed income derivatives portfolio arise, for example, as an effect of changed market interest rates and changes to the remaining lease term. Fixed income derivatives have been measured at market value in accordance with valuations received from the counterparties. Derivatives consist of nominal interest-rate swaps and an interest-rate cap. Sagax's counterparties for the derivative contracts are Nordea, SEB, Swedbank, Danske Bank, ING and Société Générale. Sagax's fixed income derivatives are denominated in SEK or EUR.

The table on the following page shows the fixed interest structure of the derivatives. The average interest rates for the derivatives are recognised at the terms applying at year end. On 31 December 2021, the market value of Sagax's fixed income derivatives portfolio was SEK -75 M (-118).

Sagax's fixed income derivatives comprised a total nominal value of SEK 2,802 M (6,060) at year end. The fixed income derivatives curbed Sagax's interest-rate risk at year end, corresponding to 367% (95) of the company's interest-bearing liabilities subject to floating interest rates, excluding commercial paper and 77% (81) including commercial paper. Derivatives distributed by counterparty are presented on the following page. The weighted average interest rate for fixed income derivatives was 1.8%, but because none of the interest-rate caps had a strike rate at year end that impacted the weighted average interest rate for the company, it was the interest-rate swaps' average weighted interest rate of 1.3% that impacted the Group's recognised interest rate of 1.4% at year end.

Including fixed income derivatives, the average fixed interest period was 4.0 years (3.4) at year end. The company's profit from property management will be impacted only marginally by changes in interest rates.

The year's changes in the value of financial derivatives is recognised as realised or unrealised changes in value in Sagax's profit or loss. Unrealised changes in value affect profit before tax but not cash flow or the profit from property management.

NOTE 18 FINANCIAL INSTRUMENTS, CONT'D.

Derivative contracts, 31 December 2021

Amounts in SEK M	No.		Nominal amount		Share		31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	Average remaining maturity		Average interest rate	Market value	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020					31 Dec 2021	31 Dec 2020		31 Dec 2021	31 Dec 2020
Nominal interest-rate swaps:															
Deutsche Pfandbriefbank	–	1	–	453	–	7%	–	1.3	–	0.7%	–	–9	–	–	–9
Nordea	–	4	–	838	–	14%	–	5.2	–	0.6%	–	–32	–	–	–32
Swedbank	1	1	251	246	9%	4%	1.0	2.0	0.5%	0.5%	–3	–6	–	–	–6
SEB	1	1	629	629	22%	10%	6.9	7.9	1.7%	1.7%	–73	–72	–	–	–72
Sub-total	2	7	880	2,166	31%	36%	5.2	4.9	1.3%	1.0%	–76	–119	–	–	–119
Interest-rate cap:															
Deutsche Pfandbriefbank	–	3	–	912	–	15%	–	2.8	–	2.0%	–	–	–	–	–
Danske Bank	1	1	220	216	8%	4%	2.5	3.5	0.8%	0.8%	1	–	–	–	–
ING	1	1	445	437	16%	7%	1.5	2.5	2.0%	2.0%	–	–	–	–	–
HSBC	–	1	–	371	–	6%	–	0.7	–	1.3%	–	–	–	–	–
Nordea	2	3	186	441	7%	7%	1.5	0.4	1.3%	2.2%	–	–	–	–	–
Société Générale	1	1	271	266	10%	4%	1.3	2.3	2.0%	2.0%	–	–	–	–	–
Swedbank	–	2	–	451	–	7%	–	0.0	–	1.5%	–	–	–	–	–
SEB	1	1	800	800	29%	13%	0.1	1.1	2.5%	2.5%	–	–	–	–	–
Sub-total	6	12	1,922	3,894	69%	64%	1.0	1.6	2.0%	1.9%	1	–	–	–	–
Total	8	20	2,802	6,060	100%	100%	2.3	2.8	1.8%	1.6%	–75	–118	–	–	–
– of which contracts in SEK	3	8	1,512	2,536	54%	47%	3.0	4.0	2.1%	1.8%	–73	–100	–	–	–
– of which contracts in EUR	5	14	1,290	3,524	46%	53%	1.5	1.9	1.4%	1.4%	–2	–18	–	–	–

Fixed income derivatives, 31 December 2021

Fixed interest, years	Nominal amount, SEK M	Market value, SEK M	Average interest ⁽¹⁾
2022	800	–	2.5%
2023	1,153	–2	1.5%
2024	220	1	0.8%
2025	–	–	–
2026	–	–	–
>2026	629	–73	1.7%
Total/average	2,802	–75	1.8%

1) The average strike rate has been used for interest-rate caps.

The table above presents the distribution of fixed income derivatives over time and how average interest rates and market values are allocated per year of expiry.

The liquidity flows attributable to credits are presented below. Assumptions have also been applied to these regarding STIBOR and EURIBOR rates as they were quoted on the balance sheet date. Other liabilities are short term and fall due for payment within one year.

Future liquidity flows for interest-bearing liabilities and fixed income derivatives, 31 Dec 2020

Year	Opening balance liabilities	To be repaid	Closing liabilities	Interest payment	Derivatives payment:	Total payments
2021	19,904	–1,823	18,081	–325	–25	–2,173
2022	18,081	–1,660	16,421	–299	–21	–1,981
2023	16,421	–4,289	12,132	–263	–17	–4,568
2024	12,132	–5,019	7,113	–129	–17	–5,165
2025	7,113	–4,103	3,010	–52	–17	–4,172
>2025	3,010	–3,010	–	–34	–42	–3,086
Total	–19,904		–1,103	–138	–21,145	

The table below shows future liquidity flows attributable to fixed income derivatives, which comprise interest paid minus interest received. To calculate the variable component of a fixed income derivative, STIBOR and EURIBOR rates were used across the entire term of the derivatives as they were quoted on the balance sheet date. The above assumptions include the combined payment obligation for contractual loans and fixed income derivatives totalling SEK 27,736 M (21,145) over the remaining term. For comparison, the estimated liquidity flows on 31 December 2021 and 31 December 2020 are recognised.

OTHER FINANCIAL INSTRUMENTS IN THE STATEMENT OF FINANCIAL POSITION

The statement of financial position includes receivables and liabilities to be considered as financial instruments measured at cost. With the exception of listed bonds, amortised cost essentially corresponds to market value at year end, see Note 17.

Future liquidity flows for interest-bearing liabilities and fixed income derivatives, 31 Dec 2021

Year	Opening balance liabilities	To be repaid	Closing liabilities	Interest payment	Derivatives payment:	Total payments
2022	26,354	–2,986	23,368	–329	–14	–3,329
2023	23,368	–895	22,473	–323	–11	–1,229
2024	22,473	–5,113	17,359	–221	–11	–5,345
2025	17,359	–4,116	13,243	–142	–11	–4,269
2026	13,243	–	13,243	–124	–11	–135
>2026	13,243	–13,243	–	–165	–21	–13,430
Total	–26,354		–1,303	–79	–	–27,736

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NOTE 18 FINANCIAL INSTRUMENTS, CONT'D.

Categorization of financial instruments

	Group 31 Dec 2021		Group 31 Dec 2020	
	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through profit or loss	Financial assets and liabilities measured at amortised cost	Financial assets and liabilities measured at fair value through profit or loss
Financial assets				
Fixed income derivatives	–	0	–	0
Financial instruments attributable to joint ventures	–	1,035	–	888
Rent receivables	133	–	123	–
Convertible debentures	–	522	–	514
Bonds	44	–	37	–
Listed shares	–	4,772	–	738
Other receivables	297	–	54	–
Cash and cash equivalents	84	–	24	–
Total	558	6,329	238	2,141
Financial liabilities				
Fixed income derivatives	–	74	–	118
Interest-bearing liabilities	26,354	–	19,828	–
Accounts payable	32	–	41	–
Other liabilities	147	–	191	–
Accrued expenses and deferred income	897	–	737	–
Total	27,430	74	20,798	118

NOTE 19 OTHER NON-CURRENT LIABILITIES

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Deposits from tenants	195	145	–	–
Total	195	145	–	–

NOTE 20 ACCRUED EXPENSES AND DEFERRED INCOME

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Accrued property tax	32	24	–	–
Accrued financial expenses	277	228	134	138
Prepaid rental revenue	418	370	–	–
Other interim liabilities	170	115	22	19
Total	897	737	156	157

NOTE 21 TANGIBLE FIXED ASSETS

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Accumulated cost at the beginning of the year	34	17	6	6
Investments during the year	–	17	–	–
Reclassification to properties	–4	–	–	–
Total	30	34	6	6
Accumulated depreciation at the beginning of the year	–8	–7	–5	–5
Depreciation for the year	–1	–1	–	–
Total	–8	–8	–5	–5
Carrying amount	22	26	1	1

Tangible fixed assets primarily comprise property projects under development, and also equipment and adaptations for Sagax's offices in Stockholm, Helsinki, Paris, Rotterdam and Barcelona. A right-of-use asset for offices, cars and office equipment that Sagax leases is recognised in the amount of SEK 35 M (26).

NOTE 22 PARTICIPATIONS IN GROUP COMPANIES

The Parent Company AB Sagax's directly owned and indirectly owned subsidiaries are shown below. All of the following directly owned subsidiaries in which the participation is less than 100% are owned jointly with other wholly owned Group companies.

Directly owned subsidiaries	Corp. Reg. No.	Domicile	Share	Number of shares/participations	Carrying amount 31 Dec 2021	Carrying amount 31 Dec 2020
Bilhornet KB	969685-9124	Stockholm	100%	1	1	3
Firethorne AB	556014-2571	Stockholm	100%	14,372,924	661	661
Sagax Alpha AB	556527-1540	Stockholm	100%	1,000	1	1
Sagax Beta AB	556546-4558	Stockholm	100%	1,000	132	132
Sagax Bruket Fastigheter AB	556022-3934	Stockholm	100%	20,000,000	740	740
Sagax Eur AB	559205-4240	Stockholm	100%	1,000	1	1
Sagax Euro MTN AB (publ)	559209-9690	Stockholm	100%	1,000	127	127
Sagax EURO MTN NL B.V.	KVK78311764	Rotterdam	100%	1	0	0
Sagax Europa AB	556715-1914	Stockholm	100%	1,000	714	713
Sagax Fastighet Egah Almuk AB	559075-2720	Stockholm	100%	1,000	0	0
Sagax Finland Holding AB	556923-4262	Stockholm	100%	50,000	373	373
Sagax Finland Oy	2104952-4	Helsinki	51%	2,500	27	27
Sagax Invest AB	556640-8547	Stockholm	100%	1,000	30	30
Sagax Jordbro AB	556734-4741	Stockholm	100%	1,000	75	75
Sagax Lund AB	556740-3505	Stockholm	100%	1,000	35	35
Sagax Macrohuset AB	559025-5013	Stockholm	100%	1,000	0	0
Sagax Nederland B.V.	KVK66495202	Rotterdam	100%	1,000	128	128
Sagax Projektutveckling AB	559029-0473	Stockholm	100%	1,000	0	0
Sagax Real Estate SL	B67228676	Barcelona	100%	325,000,000	3,353	796
Sagax Småland AB	556768-9509	Stockholm	100%	1,000	122	121
Sagax Stockholm 7 AB	556909-6109	Stockholm	100%	1,000	98	98
Sagax Stockholm 8 AB	556909-6091	Stockholm	100%	500	4	4
Sagax Stockholm 12 AB	559011-4350	Stockholm	100%	1,000	14	14
Sagax Stockholm 13 AB	559019-6837	Stockholm	100%	1,000	0	0
Sagax Stockholm 19 AB	559081-6665	Stockholm	100%	1,000	260	260
Sagax Stockholm 25 AB	559128-7916	Stockholm	100%	1,000	15	15
Sagax Stockholm 26 AB	559163-6575	Stockholm	100%	1,000	0	0
Sagax Stockholm 27 AB	559214-7093	Stockholm	100%	1,000	0	0
Sagax Stockholm 28 AB	559235-3634	Stockholm	100%	1,000	491	0
Sagax Stockholm Tio AB	556954-1955	Stockholm	100%	1,000	265	265
Sagax Stockholm Två AB	556713-4837	Stockholm	100%	1,000	1,185	1,185
Sagax Under AB	556563-6924	Stockholm	100%	810,000	307	0
Storstockholms Industrifastigheter AB	556695-9572	Stockholm	100%	1,000	210	210
Svenskasagax Holding SAS	FR808512826	Paris	100%	200,000	2,921	888
Veddesta Properties AB	556573-9124	Stockholm	100%	1,000	53	53
Total					12,343	6,955

Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile	Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile
Alpha I Oy	2155931-3	Finland	Helsinki	Gila Fastighets AB	556659-0260	Sweden	Stockholm
Asunto Oy Leivonhovi ¹¹	0150230-1	Finland	Lahti	Grepens KB	916452-1354	Sweden	Lidköping
Breidán 4 Fastighets KB	969715-9268	Sweden	Stockholm	Huan SL	B-58240185	Spain	Barcelona
Cephyr AB	556646-0753	Sweden	Stockholm	IJA Fastighet AB	556801-3956	Sweden	Stockholm
EVAF B-FROST Finland Properties Oy	2115360-4	Finland	Vihti	Jobegu AB	556697-8937	Sweden	Stockholm
Fastighets AB Bergkällavägen	559288-0685	Sweden	Stockholm	KB Kolsva 1	916608-8386	Sweden	Stockholm
Fastighets AB Microhuset	559016-3159	Sweden	Stockholm	KB Sagax Jordbromalm 6:13	969636-7763	Sweden	Stockholm
Fastighets AB Råfilmen	556742-6167	Sweden	Stockholm	KB Slänten 17	969667-0604	Sweden	Stockholm
Fastighetsaktiebolaget Apicius	559015-8902	Sweden	Stockholm	Keskinäinen Koy Ruosilankulma	1937007-9	Finland	Helsinki
Fastighetsbolaget Bärebo Gräsanden AB	556737-4151	Sweden	Stockholm	Keskinäinen Koy Virkatie 10	2475125-5	Finland	Vantaa
Fastighetsbolaget Erikseger AB	556749-8133	Sweden	Stockholm	Klingan Tre Fastigheter AB	556726-7942	Sweden	Stockholm
Fastighetsbolaget Reqlaget AB	556591-6706	Sweden	Stockholm	Koskelo Holding Oy	2009577-2	Finland	Espoo
Fastighetsförvaltning Skultuna 3 KB	969646-0196	Sweden	Stockholm	Koy Ansakulma	2705230-2	Finland	Vantaa
Förvaltningsbolaget Hedenhög i Huddinge AB	556468-6615	Sweden	Stockholm	KOy Espoon Karaportti 8	2547952-1	Finland	Espoo
				Koy Espoon Koskelontie 27 A	2691505-7	Finland	Espoo
				Koy Espoon Mäkinmiekentie 4	2886834-6	Finland	Espoo
				KOy Espoon Olarioluoma 8	2298118-8	Finland	Espoo

NOTE **22** PARTICIPATIONS IN GROUP COMPANIES, CONT'D.

Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile	Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile
KOy Espoon Ruukintie 20	0783679-1	Finland	Espoo	Koy Peltolamminkatu 40	0804138-4	Finland	Tampere
Koy Forssan Koikkurintie 2	2731647-8	Finland	Forssa	Koy Pirkkalan Lasikaari 1	3004484-8	Finland	Pirkkala
Koy Gunnarlankatu 5	2128395-1	Finland	Lohja	Koy Pirkkalan Muuraintie 3	2787835-8	Finland	Pirkkala
Koy Helsingin Konalankuja 5	2702587-3	Finland	Helsinki	Koy Pirkkalan Ohitustie	2611143-8	Finland	Tampere
Koy Helsingin Muonakulma	2756538-6	Finland	Helsinki	Koy Pirkkalan Vesalanportti	2229677-0	Finland	Pirkkala
Koy Helsingin Muonamiehen-raitti	2809177-6	Finland	Helsinki	Koy Porin Korjaamokatu 1	2612408-7	Finland	Pori
KOy Helsingin Puusepänkatu 2	1589532-9	Finland	Helsinki	Koy Porin Raja-Hiltantie 8	2731631-2	Finland	Pori
Koy Helsingin Ristipellonkulma	2773506-6	Finland	Helsinki	Koy Rauman Äyhöjärventie 5	2731635-5	Finland	Rauma
Koy Helsingin Ruosilantie 14	2773505-8	Finland	Helsinki	Koy Ristipellontie 17	2447642-5	Finland	Helsinki
Koy Helsingin Ruosilantie 16	2773508-2	Finland	Helsinki	Koy Rovaniemen Teollisuustie 28	2731633-9	Finland	Rovaniemi
Koy Helsingin Valokaari 8	2702507-2	Finland	Helsinki	Koy Rovaniemen Teollisuustie 29	3242172-3	Finland	Rovaniemi
Koy Hollolan Tarmontie 2-4	2103880-9	Finland	Hollola	Koy Ruosilantie 18	0744708-3	Finland	Helsinki
Koy Hyvinkää Hakakalliontie 7	2731622-4	Finland	Hyvinkää	Koy Salvesenintie 6	2172935-1	Finland	Jyväskylä
Koy Hämeenlinnan Autotehtaantie 1	2702571-8	Finland	Hämeenlinna	Koy Seinäjoen Yrittäjäntie 2	2731618-7	Finland	Seinäjoki
Koy Joensuu Muuntamontie 3	2832727-5	Finland	Joensuu	Koy Sähkötie 8	2565951-4	Finland	Vantaa
KOy Juhanilanmäki	0734652-2	Finland	Vantaa	Koy Tampereen Hautalankatu 19-20	2945481-5	Finland	Tampere
KOy Jyväskylän Ahjokatu 26	1994773-9	Finland	Jyväskylä	Koy Tampereen Hautalankatu 31	2945486-6	Finland	Tampere
Koy Jyväskylän Metsälehmuksentie 6	2933938-2	Finland	Vaajakoski	Koy Tampereen Joentautiinkatu 3	2731623-2	Finland	Tampere
KOy Jyväskylän Metsäraivio 2	2945477-8	Finland	Jyväskylä	Koy Tampereen Nuutisarankatu 19	2612407-9	Finland	Tampere
Koy Jyväskylän Savelankatu 5	2854809-4	Finland	Jyväskylä	Koy Tampereen Patamäenkatu 7	1636010-7	Finland	Tampere
Koy Jyväskylän Yritystie 1	2854808-6	Finland	Jyväskylä	Koy Tampereen Uurastajankatu 3	2028664-0	Finland	Tampere
Koy Kampo	3191082-4	Finland	Vantaa	Koy Terässammon Yrityskeskus	1740299-7	Finland	Jyväskylä
Koy Kankitie	3004485-6	Finland	Jyväskylä	Koy Turun Kuormakatu 17	2466740-8	Finland	Turku
Koy Karkkilan Sähkökiinteistö ¹⁾	1536323-4	Finland	Karkkila	Koy Turun Postikatu 3	2955735-5	Finland	Turku
Koy Kempeleen Vihikari 10	2878206-7	Finland	Kempele	Koy Turun Rydöntie 7	2955742-7	Finland	Turku
Koy Keski-Suomen Talo ¹⁾	0712443-6	Finland	Jyväskylä	Koy Turun Uhrilähteenkatu 2	2955741-9	Finland	Turku
Koy Kiimingin Hallitie 2	2765013-4	Finland	Oulu	Koy Turun Urusvuorenkatu 3	3088275-3	Finland	Turku
Koy Koivuhaanportti 10	0741876-8	Finland	Vantaa	Koy Tuusulan Pakkasraitti 4	2652079-2	Finland	Tuusula
Koy Kokkolan Mottisenkatu 6	3242387-6	Finland	Kokkola	Koy Tuusulan Uusi Mutka	2414008-3	Finland	Tuusula
Koy Kokkolan Patamäentie 1	2832725-9	Finland	Kokkola	Koy Valdo	3191083-2	Finland	Vantaa
Koy Konekeskus	0825860-4	Finland	Jyväskylä	Koy Vantaan Ansatie 4	0598169-6	Finland	Vantaa
Koy Kotkan Kisällinkatu 10	2612405-2	Finland	Kotka	Koy Vantaan Hakamäenkuja 8-10	2541642-4	Finland	Vantaa
Koy Kuopion Lukkosalmensuomi	2190203-8	Finland	Kuopio	Koy Vantaan Hakamäenkulma	2696847-4	Finland	Vantaa
Koy Kuopion Mestarinkatu 5	2731637-1	Finland	Kuopio	Koy Vantaan Honkanummentie 5	1044118-4	Finland	Vantaa
Koy Lahden Ansiokatu 8	2731639-8	Finland	Lahti	Koy Vantaan Juurakkotie 3	2814954-4	Finland	Vantaa
Koy Lahden Jatkokatu 1	2612409-5	Finland	Lahti	Koy Vantaan Kiitoradantie 14	1898385-0	Finland	Vantaa
Koy Lapuan Metsäkiventie 4	2119444-9	Finland	Lapua	Koy Vantaan Klinkkerikaari 2	0558383-1	Finland	Vantaa
Koy Larin Kyöstinkatu 28	2731644-3	Finland	Hämeenlinna	Koy Vantaan Kärkkäjä	1832321-1	Finland	Vantaa
Koy Liedon Avantintie 20	2612411-6	Finland	Lieto	Koy Vantaan Lumijälki	3089291-9	Finland	Vantaa
Koy Lohjan Ratakatu 26	2731642-7	Finland	Lohja	Koy Vantaan Martinkyläntie 9 A	2599495-3	Finland	Vantaa
Koy Luomannotto 5	2731645-1	Finland	Espoo	Koy Vantaan Niitykulma	2756539-4	Finland	Vantaa
Koy Lyhtykulma	2681286-7	Finland	Helsinki	Koy Vantaan Niittyvillankuja 2	2731626-7	Finland	Vantaa
Koy Muuramen Punasilta	2097941-2	Finland	Muurame	Koy Vantaan Nuolitie 20	2825579-3	Finland	Vantaa
Koy Nimismiehenpelto	0658624-1	Finland	Espoo	Koy Vantaan Porttisuoontie 9	2112915-3	Finland	Vantaa
Koy Oulun Johdinkuja 5	2265934-0	Finland	Oulu	Koy Vantaan Sanomatietie 3	2634936-6	Finland	Vantaa
Koy Oulun Jääsalontie 17	2731625-9	Finland	Oulu	Koy Vantaan Sarkatietie 2	1971094-2	Finland	Vantaa
Koy Oulun Kaapelitie 4	2303033-3	Finland	Oulu	Koy Vantaan Taivaltie 4	0625322-8	Finland	Vantaa
Koy Oulun Kempeleenkatu 9	3243920-2	Finland	Oulu	Koy Vantaan Tiilitie 9	2591653-3	Finland	Vantaa
Koy Oulun Lumijoentie 2	2878202-4	Finland	Oulu	Koy Vantaan Tikkurilantie 146	2702493-4	Finland	Vantaa
Koy Oulun Moreenikuja 2	2765012-6	Finland	Oulu	Koy Vantaan Tikkurilantie 5	2319111-0	Finland	Vantaa
Koy Oulun Nuottasaarentie 4	3242173-1	Finland	Oulu	Koy Vantaan Trukkikuja 1	2613719-5	Finland	Vantaa
Koy Oulun Äimäkuja 2	3242386-8	Finland	Oulu	Koy Vantaan Tulkintie 29	1635180-9	Finland	Vantaa
Koy Oulun Äimäkuja 3	3242352-6	Finland	Oulu	Koy Vantaanlaaksontie 6	2298116-1	Finland	Vantaa
Koy Oulun Äimätie 1	3242351-8	Finland	Oulu	Koy Vesalankadun hallit	2339358-0	Finland	Pirkkala
Koy Oulun Äimätie 5	3242349-7	Finland	Oulu	Koy Virkatie 7	2565952-2	Finland	Vantaa
Koy Tiilitie 11	3237837-4	Finland	Vantaa				
Koy Pakkasraitti 14	2880525-7	Finland	Tuusula				

NOTE 22 PARTICIPATIONS IN GROUP COMPANIES, CONT'D.

Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile	Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile
Koy Virkatie 8 A	2565960-2	Finland	Vantaa	Sagax Finland Holding 11 Oy	2753789-5	Finland	Helsinki
Koy Virkatie 8 B	2565956-5	Finland	Vantaa	Sagax Finland Holding 12 Oy	2807403-6	Finland	Helsinki
Koy Väinö Tannerin Tie 1	3007067-5	Finland	Vantaa	Sagax Finland Holding 13 Oy	2913112-7	Finland	Helsinki
Koy Väiski	3191085-9	Finland	Vantaa	Sagax Finland Holding 14 Oy	2913111-9	Finland	Vantaa
Koy Ylivieskan Kettukallionkatu 3	3242171-5	Finland	Ylivieska	Sagax Finland Holding 15 Oy	2915842-6	Finland	Helsinki
Koy Ylivieskan Kiskotie 2	2731628-3	Finland	Ylivieska	Sagax Finland Holding 16 Oy	2915844-2	Finland	Helsinki
Koy Ylöjärven Teollisuusitie 11	2607210-9	Finland	Ylöjärvi	Sagax Finland Holding 17 Oy	2945479-4	Finland	Helsinki
Koy Ylöjärven Vanha Vaasantie 13	2607206-1	Finland	Ylöjärvi	Sagax Finland Holding 18 Oy	3085889-2	Finland	Helsinki
Koy Ylöjärven Vanha Vaasantie 3	2952073-9	Finland	Ylöjärvi	Sagax Finland Holding 19 Oy	3105016-6	Finland	Helsinki
Koy Yrityspaja	1731678-1	Finland	Jyväskylä	Sagax Finland Holding 20 Oy	3219292-4	Finland	Helsinki
Koy Ärrävaura	2404395-3	Finland	Vantaa	Sagax Finland Holding 21 Oy	3241805-7	Finland	Helsinki
Kugghjulet 3 AB	556034-5901	Sweden	Stockholm	Sagax Finland Holding 22 Oy	3243385-5	Finland	Helsinki
Leverantören 1 AB	556921-3928	Sweden	Stockholm	Sagax Finland RE Ky	3190931-3	Finland	Helsinki
M/K Pirkkala I Oy	2776589-8	Finland	Pirkkala	Sagax Finland Real Estate Oy	2553679-2	Finland	Helsinki
M/K Pirkkala II Oy	2829129-2	Finland	Pirkkala	Sagax Hallenstraat 16 B.V.	KVK66500133	Netherlands	Rotterdam
Marcato Fastigheter AB	556438-8527	Sweden	Stockholm	Sagax Haninge AB	556730-5080	Sweden	Stockholm
Marcato Förvaltnings AB	556248-7982	Sweden	Stockholm	Sagax Helsingborg KB	969716-9374	Sweden	Stockholm
Montajes y Equipamientos SL	B-35292119	Spain	Barcelona	Sagax HoldCo 1 B.V.	KVK70337136	Netherlands	Rotterdam
Murarnas Hus AB	556565-2343	Sweden	Stockholm	Sagax HoldCo 2 B.V.	KVK71059679	Netherlands	Rotterdam
Panncentralen 1 Fastighets AB	556606-2583	Sweden	Stockholm	Sagax HoldCo 3 B.V.	KVK73374350	Netherlands	Rotterdam
Parque Empresarial Butarque SL	B-82308966	Spain	Madrid	Sagax HoldCo 4 B.V.	KVK75791013	Netherlands	Rotterdam
Primo Veddesta Fastigheter AB	559111-8087	Sweden	Stockholm	Sagax HoldCo 5 B.V.	KVK78137667	Netherlands	Rotterdam
Sagax Ackumulatorn i Huddinge AB	556623-1170	Sweden	Stockholm	Sagax HoldCo 6 B.V.	KVK80927467	Netherlands	Rotterdam
Sagax Almere 1 B.V.	KVK67193439	Netherlands	Rotterdam	Sagax HoldCo 7 B.V.	KVK84741716	Netherlands	Rotterdam
Sagax Alpha KB	969667-5777	Sweden	Stockholm	Sagax HoldCo 8 B.V.	KVK84741783	Netherlands	Rotterdam
Sagax Atan AB	559165-0006	Sweden	Stockholm	Sagax Holding 1 ApS	35669752	Denmark	Herlev
Sagax Beta KB	969680-2256	Sweden	Stockholm	Sagax Huskvarna AB	556703-0555	Sweden	Stockholm
Sagax Beta Komplementär AB	556646-6891	Sweden	Stockholm	Sagax Industrial 1 B.V.	KVK68504691	Netherlands	Rotterdam
Sagax Bidco 8 AB	559320-1691	Sweden	Stockholm	Sagax Industrial 2 B.V.	KVK68504802	Netherlands	Rotterdam
Sagax Bidco 9 AB	559320-1709	Sweden	Stockholm	Sagax Industrial 3 B.V.	KVK69131589	Netherlands	Rotterdam
Sagax Bidco 10 AB	559320-1717	Sweden	Stockholm	Sagax Industrial 4 B.V.	KVK69131554	Netherlands	Rotterdam
Sagax Bidco 11 AB	559320-1725	Sweden	Stockholm	Sagax Industrial 5 B.V.	KVK69131511	Netherlands	Rotterdam
Sagax Bidco 12 AB	559320-1733	Sweden	Stockholm	Sagax Industrial 6 B.V.	KVK70338744	Netherlands	Rotterdam
Sagax Bidco 13 AB	559320-1741	Sweden	Stockholm	Sagax Industrial 7 B.V.	KVK70338833	Netherlands	Rotterdam
Sagax Bidco 14 AB	559320-1758	Sweden	Stockholm	Sagax Industrial 8 B.V.	KVK70701393	Netherlands	Rotterdam
Sagax Bidco 15 AB	559320-1766	Sweden	Stockholm	Sagax Industrial 9 B.V.	KVK70697620	Netherlands	Rotterdam
Sagax Bidco 16 AB	559320-1774	Sweden	Stockholm	Sagax Industrial 10 B.V.	KVK71061584	Netherlands	Rotterdam
Sagax Bidco 17 AB	559320-1600	Sweden	Stockholm	Sagax Industrial 11 B.V.	KVK71062394	Netherlands	Rotterdam
Sagax Bokbindaren 1 AB	556757-8504	Sweden	Stockholm	Sagax Industrial 12 B.V.	KVK71851240	Netherlands	Rotterdam
Sagax Dess AB	559235-3659	Sweden	Stockholm	Sagax Industrial 13 B.V.	KVK71851178	Netherlands	Rotterdam
Sagax Diameter AB	559276-9839	Sweden	Stockholm	Sagax Industrial 14 B.V.	KVK71851194	Netherlands	Rotterdam
Sagax Donker Duyvisweg 301 B.V.	KVK66641276	Netherlands	Rotterdam	Sagax Industrial 15 B.V.	KVK71851143	Netherlands	Rotterdam
Sagax Dur AB	559235-3675	Sweden	Stockholm	Sagax Industrial 16 B.V.	KVK72572256	Netherlands	Rotterdam
Sagax Eindhoven 1 B.V.	KVK67272177	Netherlands	Rotterdam	Sagax Industrial 17 B.V.	KVK72572299	Netherlands	Rotterdam
Sagax Elb AB	559164-9974	Sweden	Stockholm	Sagax Industrial 18 B.V.	KVK72572310	Netherlands	Rotterdam
Sagax Elektra 11 AB	559092-7595	Sweden	Stockholm	Sagax Industrial 19 B.V.	KVK73376884	Netherlands	Rotterdam
Sagax Eng AB	559164-9966	Sweden	Stockholm	Sagax Industrial 20 B.V.	KVK73377007	Netherlands	Rotterdam
Sagax Finland AB	556759-7975	Sweden	Stockholm	Sagax Industrial 21 B.V.	KVK73377112	Netherlands	Rotterdam
Sagax Finland Asset Management Oy	2513597-2	Finland	Helsinki	Sagax Industrial 22 B.V.	KVK75794446	Netherlands	Rotterdam
Sagax Finland Holding 2 Oy	2547955-6	Finland	Helsinki	Sagax Industrial 23 B.V.	KVK75794462	Netherlands	Rotterdam
Sagax Finland Holding 4 Oy	2590939-2	Finland	Helsinki	Sagax Industrial 24 B.V.	KVK75794497	Netherlands	Rotterdam
Sagax Finland Holding 6 Oy	2608825-8	Finland	Kotka	Sagax Industrial 25 B.V.	KVK17026761	Netherlands	Rotterdam
Sagax Finland Holding 7 Oy	2655160-1	Finland	Helsinki	Sagax Industrial 26 B.V.	KVK80932800	Netherlands	Rotterdam
Sagax Finland Holding 8 Oy	2676625-8	Finland	Helsinki	Sagax Industrial 27 B.V.	KVK80932525	Netherlands	Rotterdam
Sagax Finland Holding 9 Oy	2681285-9	Finland	Helsinki	Sagax Industrial 28 B.V.	KVK80933076	Netherlands	Rotterdam
Sagax Finland Holding 10 Oy	2709703-3	Finland	Forssa	Sagax Industrial 29 B.V.	KVK80933076	Netherlands	Rotterdam
				Sagax Industrial 30 B.V.	KVK84744596	Netherlands	Rotterdam
				Sagax Industrial 31 B.V.	KVK84744774	Netherlands	Rotterdam

NOTE 22 PARTICIPATIONS IN GROUP COMPANIES, CONT'D.

Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile	Indirectly owned subsidiaries	Corp. Reg. No.	Country	Domicile
Sagax Industrial 32 B.V.	KVK84744731	Netherlands	Rotterdam	Sagax Sapla 4 AB	556740-5278	Sweden	Stockholm
Sagax Industrial 33 B.V.	KVK84744642	Netherlands	Rotterdam	Sagax Sapla 5 AB	556683-0377	Sweden	Stockholm
Sagax Industrial 34 B.V.	KVK84744847	Netherlands	Rotterdam	Sagax SEK AB	559199-7415	Sweden	Stockholm
Sagax Industrial 35 B.V.	KVK84744960	Netherlands	Rotterdam	Sagax Skarphallen AB	556979-4588	Sweden	Stockholm
Sagax Industrial 36 B.V.	KVK84744936	Netherlands	Rotterdam	Sagax Skarpnäck AB	556852-4531	Sweden	Stockholm
Sagax Industrial 37 B.V.	KVK84745045	Netherlands	Rotterdam	Sagax Solna AB	556073-1407	Sweden	Stockholm
Sagax Industrial 38 B.V.	KVK84746505	Netherlands	Rotterdam	Sagax Staffanstorp AB	556805-3762	Sweden	Stockholm
Sagax Jykeskeljo Oy	1772102-3	Finland	Jyväskylä	Sagax Stockholm 20 AB	559081-6657	Sweden	Stockholm
Sagax Keskkankaantie 9 Oy	2059988-2	Finland	Hollola	Sagax Stockholm 23 AB	559083-1888	Sweden	Stockholm
Sagax Kista AB	556855-5006	Sweden	Stockholm	Sagax Stockholm 29 AB	559276-9789	Sweden	Stockholm
Sagax Konsumentvägen AB	556717-8305	Sweden	Stockholm	Sagax Stockholm 30 AB	559278-7591	Sweden	Stockholm
Sagax Korsberga AB	556715-1963	Sweden	Stockholm	Sagax Stockholm 31 AB	559296-2095	Sweden	Stockholm
Sagax Kubik AB	559276-9839	Sweden	Stockholm	Sagax Stockholm 32 AB	559296-2079	Sweden	Stockholm
Sagax Kvadrat AB	559276-9771	Sweden	Stockholm	Sagax Stockholm Nio AB	556954-1963	Sweden	Stockholm
Sagax Kvm AB	559128-7809	Sweden	Stockholm	Sagax Sätra AB	556930-2085	Sweden	Stockholm
Sagax Lager AB	559128-7791	Sweden	Stockholm	Sagax Tel B.V.	KVK67390382	Netherlands	Rotterdam
Sagax Lillsjö AB	556674-7365	Sweden	Stockholm	Sagax Terneuzen B.V.	KVK68120370	Netherlands	Rotterdam
Sagax Mellan AB	556541-8778	Sweden	Stockholm	Sagax Tyskland AB	556715-1930	Sweden	Stockholm
Sagax MIX AB	559003-7213	Sweden	Stockholm	Sagax Veddesta 2:42 AB	556804-6436	Sweden	Stockholm
Sagax Moll AB	559235-3683	Sweden	Stockholm	Sagax Yta AB	559128-7908	Sweden	Stockholm
Sagax NEEAH AB	556715-8521	Sweden	Stockholm	Sagax Åprimera AB	556200-9844	Sweden	Stockholm
Sagax Postflyg AB	556791-5052	Sweden	Stockholm	Sagax Älvsjö AB	559035-3149	Sweden	Stockholm
Sagax RE Holding Oy	3219690-9	Finland	Helsinki	Satrap Kapitalförfärltning AB	556748-3309	Sweden	Stockholm
Sagax RE Portfolio 1 Oy	3220027-7	Finland	Helsinki	SCI Svenskasagax 5	538619891	France	Paris
Sagax RE Portfolio 2 Oy	3220036-5	Finland	Lahti	SCI Svenskasagax 6	539294041	France	Paris
Sagax RE Portfolio 3 Oy	3220043-7	Finland	Tampere	Skruvnyceln Holding AB	559105-5743	Sweden	Stockholm
Sagax RE Portfolio 4 Oy	3219621-2	Finland	Jyväskylä	Storstockholms Industri-fastigheter KB	969695-2648	Sweden	Stockholm
Sagax Real Estate ApS	35669744	Denmark	Herlev	Stubbehagen Fastighets AB	556698-0891	Sweden	Stockholm
Sagax Rek AB	559164-9982	Sweden	Stockholm	Svenskasagax 1 SAS	808495303	France	Paris
Sagax Roosendaal 1 B.V.	KVK67470939	Netherlands	Rotterdam	Svenskasagax 2 SAS	822558268	France	Paris
Sagax Rosersberg AB	556740-3596	Sweden	Stockholm	Svenskasagax 3 SAS	834337230	France	Paris
Sagax Sapla 1 AB	556740-5187	Sweden	Stockholm	Svenskasagax 4 SAS	851392084	France	Paris
Sagax Sapla 2 AB	556740-5294	Sweden	Stockholm	T E Real Estate KB	969712-2852	Sweden	Stockholm
Sagax Sapla 3 AB	556740-5286	Sweden	Stockholm	Tillverkaren 1 Fastighets AB	556730-4307	Sweden	Stockholm

1) Joint operations.

NOTE 23 PARTICIPATIONS IN JOINT VENTURES AND ASSOCIATED COMPANIES

Sagax owns 50% of Söderport Property Investment AB. The remaining 50% is owned by Nyfosa AB. Söderport's operations consist of owning, managing and developing properties in Sweden. Söderport owns properties primarily in the warehouse and light industrial segments. Söderport also owns 78.1% of Torslanda Property Investment AB, which is thus included as a subsidiary in Söderport's consolidated financial statements. On behalf of Söderport, Sagax handles the property management in Stockholm and financial administration of the Söderport Group. Nyfosa is responsible for property management in Gothenburg.

Sagax owns 50% of Hemsö Intressenter AB, which in turn owns 30% of Hemsö Fastighets AB. The remaining shares are owned by the Third Swedish National Pension Fund. More information on Hemsö Fastighets AB can be found on the company's website, www.hemso.se.

Sagax also owns 21.8% of the votes and 15.3% of the capital in NP3 Fastigheter AB, which is a cash-flow oriented property company focusing on commercial investment properties mainly in northern Sweden. NP3 Fastigheter AB is listed on Nasdaq Stockholm, Large Cap. More information can be found on the company's website, www.np3fastigheter.se.

In addition, Sagax owns 25.9% of the votes and 25.4% of the capital of Fastighetsbolaget Emilshus AB, which is a property company with the business concept of acquiring, developing and managing high-yield commercial properties in Småland. More information can be found on the company's website, www.emilshus.com.

Sagax owns 50% of Fastighetsaktiebolaget Ess-Sierra, with the remainder owned by NP3 Fastigheter AB. Ess-Sierra was founded in December 2020 and its operations entail owning and managing 33 properties that are let to Beijer Byggmaterial AB. The lettable area amounts to 181,000 square metres.

Sagax recognises shares in profit and participating interests in joint ventures and associated companies according to the equity method. Shares in profit, as well as additional acquisition costs, are recognised across the values of participations in the consolidated financial statements. Consolidated comprehensive income includes the Group's share of comprehensive income in the investment entity.

NOTE 23 PARTICIPATIONS IN JOINT VENTURES AND ASSOCIATED COMPANIES, CONT'D.
Carrying amount joint ventures/associated companies

Joint ventures	Corp. Reg. No.	Domicile	Share	Parent Company	
				31 Dec 2021	31 Dec 2020
Hemsö Intressenter AB	556917-4336	Stockholm	50%	735	585
Total				735	585

Joint ventures/associated companies	Corp. Reg. No.	Domicile	Share of the votes	Group	
				31 Dec 2021	31 Dec 2020
Hemsö Intressenter AB	556917-4336	Stockholm	50%	3,534	2,318
Söderport Property Investment AB	559194-8681	Stockholm	50%	2,622	1,909
NP3 Fastigheter AB	556749-1963	Sundsvall	22%	1,900	1,257
Fastighetsbolaget Emilshus AB	559164-8752	Vetlanda	26%	437	197
Fastighetsaktiebolaget Ess-Sierra AB	559235-3667	Stockholm	50%	291	265
Total				8,784	5,945

Sagax's joint ventures

	Hemsö Intressenter AB		Söderport Property Investment AB		Fastighetsaktiebolaget Ess-Sierra ¹¹	
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
Sagax's participating interest, %	15	15	50	50	50	50
Rental revenue, SEK M	3,614	3,270	853	818	89	5
Profit from property management, SEK M	2,145	1,810	504	466	59	3
Profit for the year, SEK M	8,189	3,333	1,900	844	109	49
Sagax's share of profit from property management, SEK M	271	223	236	217	30	1
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec
No. of properties	441	392	83	82	33	37
Rental value, SEK M	3,899	3,429	901	899	86	91
Carrying amount of properties, SEK M	75,737	62,240	12,882	11,909	1,429	1,440
Lettable area, sqm	2,218,000	2,005,000	743,000	778,000	181,000	203,000
Lease term, years	9.6	9.8	4.6	4.8	6.6	6.8
Economic vacancy rate, %	2	2	5	6	–	–
Interest-bearing liabilities, SEK M	42,498	38,652	6,209	6,354	786	842
Loan maturity, years	6.8	6.7	2.4	3.5	2.9	4.0
Fixed interest, years	6.3	6.2	2.3	3.1	1.8	3.2
Market value of fixed income derivatives, SEK M	161	–231	–124	–219	–	–
Sagax's recognised share value, SEK M	3,534	2,318	2,622	1,909	291	265

¹¹) Ess-Sierra became a joint venture on 11 December 2020

Reconciliation of share value, joint venture

	Hemsö Intressenter AB		Söderport Property Investment AB		Fastighetsaktiebolaget Ess-Sierra	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Sagax's share of equity, %	3,534	2,318	2,490	1,916	294	273
Carrying amount for participation	3,534	2,318	2,622	1,909	291	265

	Hemsö Intressenter AB		Söderport Property Investment AB		Fastighetsaktiebolaget Ess-Sierra	
	Group	Parent Company	Group	Parent Company	Group	Parent Company
Opening balance 1 Jan 2021	2,318	585	1,909	–	265	–
Share of comprehensive income	1,158	–	905	–	60	–
Dividend	–92	–	–200	–	–33	–
Capital contribution	150	150	8	–	–	–
Closing balance 31 Dec 2021	3,534	735	2,622	–	291	–

NOTE 23 PARTICIPATIONS IN JOINT VENTURES AND ASSOCIATED COMPANIES, CONT'D.

Aggregated income statements, joint ventures

	Hemsö Intressenter AB ¹⁾		Söderport Property Investment AB		Fastighetsaktiebolaget Ess-Sierra	
	2021	2020	2021	2020	2021	2020
Profit from property management	542	446	504	466	59	3
Changes in value, properties	2,252	714	1,483	605	77	62
Changes in value, financial instruments	84	-34	99	-11	-	8
Tax	-579	-238	-186	-216	-28	-16
Profit for the year	2,299	888	1,900	844	109	49
Other comprehensive income	17	-26	-	-	-	-
Comprehensive income for the year	2,315	862	1,900	844	109	49
Profit attributable to non-controlling owners	-	-	40	36	-	-
Sagax's share of comprehensive income for the year	1,158	431	905	404	60	19

1) Hemsö Intressenter AB owns 30% of Hemsö Fastighets AB.

Aggregated balance sheets, joint ventures

	Hemsö Intressenter AB ¹⁾		Söderport Property Investment AB		Fastighetsaktiebolaget Ess-Sierra	
	2021	2020	2021	2020	2021	2020
Investment properties	-	-	12,882	11,909	1,429	1,440
Other fixed assets	7,375	5,814	475	272	-	-
Cash and cash equivalents	32	32	386	161	27	21
Other current assets	-	-	91	67	-	4
Total assets	7,407	5,846	13,834	12,409	1,456	1,465
 Equity	 5,896	 4,335	 5,291	 4,136	 589	 546
Interest-bearing non-current liabilities	1,470	1,470	6,208	6,303	786	842
Derivatives	-	-	127	220	-	-
Deferred tax liabilities	-	-	1,361	1,087	36	15
Other non-current liabilities	-	-	348	312	-	34
Interest-bearing current liabilities	-	-	50	50	-	-
Current liabilities	41	41	449	301	45	28
Total equity and liabilities	7,407	5,846	13,834	12,409	1,456	1,465

1) Hemsö Intressenter AB owns 30% of Hemsö Fastighets AB.

Reconciliation of share value, associated companies

	NP3 Fastigheter AB	Fastighetsbolaget Emilshus AB
	31 Dec 2021	31 Dec 2021
Sagax's share of equity, %	1,314	469
Carrying amount for participation	1,900	437
	NP3 Fastigheter AB	Fastighetsbolaget Emilshus AB
	Group	Group
Opening balance 1 Jan 2021	1,257	197
Acquisition	197	121
Share of comprehensive income	493	121
Dividend	-46	-2
Closing balance 31 Dec 2021	1,900	437

Aggregated balance sheets, associated companies

	NP3 Fastigheter AB	Fastighetsbolaget Emilshus AB
	31 Dec 2021	31 Dec 2021
Investment properties	17,335	4,827
Other fixed assets	987	14
Cash and cash equivalents	269	93
Other current assets	127	53
Total assets	18,718	4,987
 Equity	 6,743	 1,848
Interest-bearing non-current liabilities	9,285	2,004
Derivatives	9	-
Deferred tax liabilities	969	171
Other non-current liabilities	106	46
Current liabilities	1,606	918
Total equity and liabilities	18,718	4,987

NOTE 23 PARTICIPATIONS IN JOINT VENTURES AND ASSOCIATED COMPANIES, CONT'D.

Aggregated income statements, associated companies

	NP3 Fastigheter AB	Fastighetsbolaget Emilshus AB
	2021	2021
Profit from property management	759	131
Changes in value, properties	1,642	454
Changes in value, financial instruments	64	13
Tax	-444	-129
Profit for the year	2,020	469
Other comprehensive income	-	-
Comprehensive income for the year	2,020	469
Profit attributable to non-controlling owners	4	-
Sagax's share of comprehensive income for the year	493	121

NOTE 24 RECEIVABLES FROM JOINT VENTURES

Non-current receivables from joint ventures	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Fastighetsaktiebolaget Ess-Sierra	-	34	-	34
Sagax Tsg AB	8	7	-	-
Total	8	41	-	34

NOTE 25 RECEIVABLES FROM GROUP COMPANIES

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Current receivables from Group companies		
Bilhoret KB	49	45
Cephr AB	8	5
Fastighets AB Råfilmen	30	-
Fastighetsaktiebolaget Apicus	295	65
Gila Fastighets AB	2	2
IJA Fastighet AB	-	6
Jobegu AB	0	1
Klingan Tre Fastigheter AB	3	1
Marcato Fastigheter AB	60	44
Marcato Förvaltning AB	50	26
Murarnas Hus AB	3	1
Panncentralen 1 AB	62	97
Sagax Almere 1 B.V.	227	305
Sagax Alpha AB	110	112
Sagax Atan AB	-	10
Sagax Beta AB	62	143
Sagax Bokbindaren 1 AB	189	237
Sagax Bruket AB	286	274
Sagax Donker Duyvisweg 301 B.V.	66	56
Sagax Eindhoven 1 B.V.	30	44
Sagax Elb AB	-	17
Sagax Elektra 11 AB	7	0
Sagax Eur AB	461	458
Sagax Euro MTN AB	37	-
Sagax Fastighet Egah Almuk AB	7	3
Sagax Finland Holding 2 Oy	-	7
Sagax Finland Holding 4 Oy	402	379
Sagax Finland Holding 6 Oy	420	100
Sagax Finland Holding 7 Oy	383	-
Sagax Finland Holding 8 Oy	4	8
Sagax Finland Holding 9 Oy	323	328
Sagax Finland Holding 10 Oy	-	20
Sagax Finland Holding 11 Oy	1	3

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Sagax Finland Holding 12 Oy	135	143
Sagax Finland Holding 13 Oy	6	13
Sagax Finland Holding 14 Oy	51	59
Sagax Finland Holding 16 Oy	269	195
Sagax Finland Holding 17 Oy	127	125
Sagax Finland Holding 19 Oy	199	157
Sagax Finland Holding 20 Oy	51	-
Sagax Finland Holding 21 Oy	10	-
Sagax Finland Holding 22 Oy	70	-
Sagax Finland Oy	1,289	-
Sagax Finland RE Ky	208	-
Sagax Finland Real Estate Oy	987	182
Sagax Hallenstraat 16 B.V.	29	38
Sagax Haninge AB	28	23
Svenska Holding SAS	-	15
Sagax Holding 1 ApS	37	43
Sagax HoldCo 1 B.V.	131	163
Sagax Industrial 1 B.V.	49	130
Sagax Industrial 2 B.V.	37	73
Sagax Industrial 3 B.V.	16	20
Sagax Industrial 4 B.V.	36	51
Sagax Industrial 5 B.V.	135	181
Sagax Industrial 6 B.V.	29	33
Sagax Industrial 8 B.V.	34	40
Sagax Industrial 9 B.V.	15	20
Sagax Industrial 10 B.V.	57	64
Sagax Industrial 11 B.V.	21	24
Sagax Industrial 12 B.V.	63	74
Sagax Industrial 13 B.V.	101	105
Sagax Industrial 14 B.V.	31	32
Sagax Industrial 15 B.V.	72	86
Sagax Industrial 16 B.V.	101	105
Sagax Industrial 17 B.V.	117	68
Sagax Industrial 18 B.V.	328	327

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NOTE 25 RECEIVABLES FROM GROUP COMPANIES,
CONT'D.

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Sagax Industrial 19 B.V.	89	92
Sagax Industrial 20 B.V.	46	50
Sagax Industrial 21 B.V.	281	298
Sagax Industrial 22 B.V.	257	123
Sagax Industrial 23 B.V.	177	130
Sagax Industrial 24 B.V.	369	20
Sagax Industrial 25 B.V.	34	—
Sagax Industrial 26 B.V.	428	—
Sagax Industrial 27 B.V.	138	—
Sagax Industrial 28 B.V.	82	—
Sagax Invest AB	907	—
Sagax Jordbro AB	311	—
Sagax Kista AB	148	130
Sagax Konsumentvägen AB	2	—
Sagax Korsberga AB	—	8
Sagax Lund AB	—	22
Sagax Macrohuset AB	31	30
Sagax Mix AB	44	39
Sagax Projektutveckling AB	22	24
Sagax RE Holding AB	1	—
Sagax RE Holding Oy	208	—
Sagax RE Portfolio 1 Oy	404	—
Sagax RE Portfolio 2 Oy	76	—
Sagax RE Portfolio 3 Oy	429	—
Sagax RE Portfolio 4 Oy	256	—
Sagax Real Estate ApS	1	1
Sagax Real Estate SL	170	1,990
Sagax Resan 1 AB	—	1
Sagax Roosendaal 1 B.V.	20	30
Sagax Rosersberg AB	40	35
Sagax Skarpnäck AB	40	40
Sagax Småland AB	474	445
Sagax Solna AB	15	—
Sagax Stockholm 7 AB	347	—
Sagax Stockholm 8 AB	89	92
Sagax Stockholm 12 AB	2	2
Sagax Stockholm 13 AB	362	293
Sagax Stockholm 15 AB	—	4
Sagax Stockholm 19 AB	—	31
Sagax Stockholm 23 AB	248	265
Sagax Stockholm 25 AB	18	17
Sagax Stockholm 26 AB	69	18
Sagax Stockholm 31 AB	2	—
Sagax Stockholm Tio AB	71	65
Sagax Stockholm Två AB	1,074	2
Sagax Sätra AB	11	11
Sagax Tel B.V.	32	33
Sagax Temple Holding 2 Oy	—	233
Sagax Temple Portfolio 1 Oy	—	335
Sagax Temple Portfolio 2 Oy	—	92
Sagax Temple Portfolio 3 Oy	—	417
Sagax Temple Portfolio 4 Oy	—	315
Sagax Terneuzen B.V.	174	234
Sagax Tyskland AB	407	469
Sagax Veddesta 2:42 AB	3	—
Sagax Yta AB	29	29
Sagax Älvsjö AB	45	—
Satrap Kapitalförvaltning AB	1,522	—
Storstockholms Industrifastigheter AB	214	209
Svenskasagax 2 SAS	355	254
Svenskasagax 3 SAS	—	444
Svenskasagax 4 SAS	189	828
Tillverkaren 1 Fastighets AB	23	20
Veddesta Properties AB	—	8
Total	19,232	13,614

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NOTE 25 RECEIVABLES FROM GROUP COMPANIES,
CONT'D.

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Non-current receivables from Group companies		
Fastighetsaktiebolaget Räfilmen	113	145
Marcato Fastigheter AB	131	—
Panncentralen 1 AB	183	—
Sagax Fastighet Egah Almuk AB	40	39
Sagax Finland Holding 2 Oy	424	265
Sagax Finland Holding 8 Oy	305	263
Sagax Finland Holding 10 Oy	289	285
Sagax Finland Holding 11 Oy	87	90
Sagax Jordbro AB	—	527
Sagax Veddesta 2:42 AB	40	40
Sagax Älvsjö AB	113	—
Total	1,725	1,654

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NOTE 26 LIABILITIES TO GROUP COMPANIES

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Current liabilities to Group companies		
Firethorne AB	881	684
Sagax Atan AB	336	—
Sagax Euro MTN AB	—	1138
Sagax EURO MTN NL B.V.	1	—
Sagax Europa AB	379	37
Sagax Finland AB	111	—
Sagax Finland Oy	—	702
Sagax Finland Asset Management	13	16
Sagax Finland Holding 2 Oy	7	—
Sagax Finland Holding 10 Oy	1	—
Sagax Finland Holding 15 Oy	16	6
Sagax Finland Holding 18 Oy	15	8
Sagax Jordbro AB	—	218
Sagax Lund AB	20	—
Sagax SEK AB	142	68
Sagax Stockholm 19 AB	126	—
Sagax Stockholm 27 AB	93	165
Sagax Stockholm 28 AB	222	186
Sagax Stockholm 29 AB	4	—
Satrap Kapitalförvaltning AB	—	225
Sagax Under AB	283	—
Sagax Veddesta 2:42 AB	146	—
Svenskasagax Holding SAS	1	—
Total	2,797	3,453

Group companies	Parent Company	
	31 Dec 2021	31 Dec 2020
Non-current liabilities to Group companies		
Sagax EURO MTN NL B.V.	3,069	—
Sagax Finland Oy	—	251
Sagax SEK AB	11,486	3,162
Total	14,555	3,413

NOTE 27 TRANSACTIONS WITH RELATED PARTIES

BOARD OF DIRECTORS AND SENIOR EXECUTIVES

In 2021, the Parent Company's Accounts Department provided accounting services to companies that are wholly owned by the CEO, David Mindus. These services are charged at cost price plus a percentage surcharge. Sagax invoiced these companies SEK 44,000 excluding value added tax. The remuneration is deemed to be on market terms. No other transactions took place between Sagax and members of the company's Board, other senior executives or relatives of these in 2021. For remuneration of the Board of Directors and senior executives, see Note 5.

PARENT COMPANY

The Parent Company, AB Sagax, is responsible for stock market issues, such as financial reporting and stock market information. The Parent Company is also responsible for credit market issues, such as borrowing and financial risk management. Services between Group companies and joint ventures are charged at cost price plus a percentage surcharge. The

remuneration is deemed to be on market terms. Intra-Group services comprise management services and internal interest charging. In addition, Sagax has an agreement with Söderport Property Investment AB, which is a joint venture with Nyfosa AB, with Torslunda Property Investment AB, which is a subsidiary of Söderport Property Investment AB, and with Fastighetsaktiebolaget Ess-Sierra, which is a joint venture with NP3 Fastigheter AB for financial and property management. During the year, the Parent Company's fees for property and company management from Group companies amounted to SEK 60 M (57) and fees from joint ventures to SEK 21 M (19).

In the second quarter, Sagax lent SEK 250 M to Fastighetsbolaget Emilshus AB, which is an associated company. The loan and interest were repaid on 30 June 2021 partly in cash and partly by Sagax acquiring preference shares in Emilshus for SEK 100 M issued in July 2021.

NOTE 28 EQUITY

SHARE CAPITAL

In accordance with the resolution of an Extraordinary General Meeting on 19 March 2021, Sagax redeemed all 16,784,028 preference shares in April 2021.

The number of treasury shares amounted to 2,000,000 Class B shares on 31 December 2021. The shares were repurchased in 2013.

The shares have a quotient value of SEK 1.75 per share. All shares were fully paid up. Voting rights and the proportion of share capital per class of share are presented here.

The share capital trend during the past ten years, as registered by the Swedish Companies Registration Office, is described below.

Voting rights and proportion of share capital

Class of share	No. of shares	Voting rights per share	Number of votes	Proportion of votes	Proportion of share capital
Class A shares	26,832,854	1.0	26,832,854.00	39%	6%
Class B shares	292,820,741	0.1	29,282,074.10	43%	66%
Class D shares	126,261,329	0.1	12,626,132.90	18%	28%
Total	445,914,924		68,741,061.00	100%	100%

Share capital trend 2012-2021

Date	Event	Change in share capital	Total share capital	Total number of Class A shares	Total number of Class B shares	Total number of Class D shares	Total number of preference shares	Total number of shares
2012-12-21	Private placement	63,739,890	317,084,110	13,416,822	–	–	50,000,000	63,416,822
2013-03-26	Bonus issue ¹⁾	28,689,713	345,773,824	13,416,822	134,168,220	–	50,000,000	197,585,042
2013-03-26	Private placement	20,457,342	366,231,166	13,416,822	145,858,130	–	50,000,000	209,274,952
2014-04-25	Private placement	5,250,000	371,481,166	13,416,822	145,858,130	–	53,000,000	212,274,952
2014-12-22	Private placement	4,375,000	375,856,166	13,416,822	145,858,130	–	55,500,000	214,774,952
2015-03-24	Private placement	4,812,500	380,668,666	13,416,822	145,858,130	–	58,250,000	217,524,952
2016-11-02	Rights issue	25,261,243	405,929,909	13,416,822	145,858,130	14,434,996	58,250,000	231,959,948
2016-11-02	Private placement	6,676,257	412,606,166	13,416,822	145,858,130	18,250,000	58,250,000	235,774,952
2017-06-09	Cancellation of shares	-72,565,451	340,040,715	13,416,822	145,858,130	18,250,000	16,784,028	194,308,980
2017-06-09	Offset issue	79,928,046	419,338,761	13,416,822	145,858,130	63,563,169	16,784,028	239,622,149
2018-06-01	Rights issue	41,758,875	461,097,636	13,416,822	145,858,130	87,425,383	16,784,028	263,484,363
2018-06-14	Private placement	16,755,580	477,853,216	13,416,822	145,858,130	97,000,000	16,784,028	273,058,980
2018-06-19	Incentive plan ²⁾	212,231	478,065,447	13,416,822	145,979,405	97,000,000	16,784,028	273,180,255
2018-11-06	Private placement	8,575,000	486,640,446	13,416,822	145,979,405	101,900,000	16,784,028	278,080,255
2019-05-10	Private placement	10,325,000	496,965,446	13,416,822	145,979,405	107,800,000	16,784,028	283,980,255
2019-06-03	Bonus issue	278,973,397	775,908,843	26,833,544	291,958,810	107,800,000	16,784,028	443,376,382
2019-07-02	Incentive plan ²⁾	348,175	776,257,018	26,833,544	292,157,867	107,800,000	16,784,028	443,575,439
2020-06-01	Private placement	31,500,000	807,757,018	26,833,544	292,157,867	125,800,000	16,784,028	461,575,439
2020-06-25	Incentive plan ²⁾	504,208	808,261,226	26,832,884	292,446,646	125,800,000	16,784,028	461,863,558
2021-03-23	Conversion of share class	0	808,261,226	26,832,884	292,446,646	126,261,329	16,322,699	461,863,558
2021-04-07	Redemption of preference shares	28,564,723	779,696,503	26,832,884	292,446,646	126,261,329	0	445,540,859
2021-06-30	Incentive plan ²⁾	374,065	780,351,117	26,832,884	292,820,711	126,261,329	0	445,914,924
2021-08-31	Conversion of share class	0	780,351,117	26,832,854	292,820,741	126,261,329	0	445,914,924

1) The quotient value per share was reduced to SEK 1.75 in conjunction with the bonus issue of Class B common shares.

2) New share issues due to the exercise of warrants under the 2015-2018, 2016-2019, 2017-2020 and 2018-2021 incentive programmes.

NOTE 28 EQUITY, CONT'D.

WARRANTS

Sagax has three warrant programmes for the company's employees. These plans are valid for three years, and encompass the periods 2019-2022, 2020-2023 and 2021-2024. Warrants entitle the holder to subscribe for new common shares in June 2022, June 2023 and June 2024, respectively. The subscription price corresponds to the price paid for the Sagax share at the start of the warrant programmes converted using the average share price trend for the listed property companies in accordance with Carnegie's Real Estate Index (CREX) during the corresponding period. Accordingly, the warrants will have a value on condition that the price performance of the Sagax share exceeds the average for the listed property companies during each three-year period. Sagax employees held a total of 1,163,628 warrants with the right to subscribe for Class B common shares corresponding to 0.5% of the number of Class A and B shares outstanding at year end. A new share issue of 374,065 Class B common shares was carried out in June 2021 due to the exercise of warrants under the 2018-2021 incentive programme. The remainder of employees' warrants for the 2018-2021 incentive programme was bought back by AB Sagax for SEK 30 M, which corresponds to the market value on the date of the repurchase. The company's CEO and Board Members do not participate in the programmes.

No additional warrants or convertibles are outstanding.

CONSOLIDATED EQUITY

The share capital corresponds to the Parent Company's share capital. Other contributed capital refers to capital contributed by shareholders. Reserves pertain to currency translation differences arising as a result of foreign operations, shares in the other comprehensive income of joint venture and currency translation differences pertaining to hedge accounting from foreign operations. Profit earned relates to profit earned in the Group.

PARENT COMPANY EQUITY

Under the Swedish Companies Act, equity consists of restricted (non dividend-carrying) and non-restricted (dividend-carrying) equity. Distributions to shareholders may not exceed an amount that ensures full coverage of restricted equity following the dividend payment. Moreover, a dividend may only be paid if it is defensible taking into account the requirements arising from the nature, scope and inherent risks of the operations on the size of the equity and the company's and the Group's consolidation needs, cash and cash equivalents and position otherwise. Dividends are proposed by the Board of Directors in accordance with the stipulations of the Companies Act, and are approved by the AGM.

DIVIDEND

Sagax's Board of Directors proposes that the 2022 AGM resolves to pay a dividend of SEK 2.15 (1.65) per Class A and B common share for each Class A and B common share held on the record date. A total of SEK 683,0 M in dividends is proposed to be distributed to holders of Class A and Class B shares.

The Board proposes that the 2022 AGM approve a dividend of SEK 2.00 (2.00) per Class D share to be paid quarterly in the amount of SEK 0.50 per Class D share during the period between the 2022 and 2023 AGMs. A total of SEK 252.5 M in dividends is proposed to holders of the company's Class D shares.

The Extraordinary General Meeting held on 19 March 2021 resolved on the redemption of all 16,784,028 preference shares, and accordingly the Board proposes no dividend per preference share. The

total proposed dividend amounts to SEK 935.5 M. The dividend corresponds to 33.4% (32.5) of consolidated profit from property management for 2021 and 39.9% (34.9) of consolidated cash flow 2021 before changes in working capital.

EARNINGS PER SHARE

According to the Articles of Association, each Class D share is entitled to five times the total dividend on Class A and B shares, although a maximum of SEK 2.00 per share. Accordingly, when calculating earnings per Class A and B share, profit for the year was reduced by SEK 2.00 per Class D share, by a total of SEK 252.5 M. The calculation is based on the total number of Class D shares at year end (126,261,329).

When calculating earnings per common Class A and B share after dilution due to the warrants outstanding, in accordance with IAS 33, the dilution has been calculated as the number of Class B shares that must be issued to cover the difference between the strike price and market price of all potential Class B shares (warrants) outstanding, assuming it is probable that they will be exercised.

NOTE 29 UNREALISED CHANGES IN VALUE

Unrealised changes in value recognised in profit or loss over the past five-year period are presented below, taking into account the deferred tax effect and year.

	2021	2020	2019	2018	2017	Total
Properties	3,870	1,274	1,301	1,265	1,113	8,823
Financial instruments	1,868	228	889	211	504	3,700
Deferred tax	-624	-511	-416	-325	-356	-2,232
Total	5,674	991	1,774	1,151	1,261	10,291

On 31 December 2021, Sagax's closing accumulated and unrealised changes in the value of the property portfolio totalled SEK 10,835 M for the past ten years.

Unrealised changes in value of properties 2012–2021

Year	Recognised unrealised changes in value, SEK M	Divestment of properties with a change in value, SEK M	Accumulated unrealised changes in value, SEK M
2012	134	-2	132
2013	136	2	270
2014	436	4	710
2015	677	39	1,426
2016	1,306	-180	2,552
2017	1,113	14	3,679
2018	1,265	63	5,007
2019	1,301	-192	6,116
2020	1,274	8	7,398
2021	3,870	-433	10,835
Total	11,512	-677	10,835

NOTE 30 PLEDGED ASSETS AND CONTINGENT LIABILITIES

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Pledged assets for interest-bearing liabilities				
Property mortgages ¹⁾	4,749	10,824	—	—
Pledged participations in subsidiaries ²⁾	529	490	332	352
Pledged participations in joint venture	541	541	—	—
Pledged Group receivables	—	—	622	751
Total	5,819	11,855	954	1,103

1) In Finland, mortgage deeds obtained exceed interest-bearing liabilities by SEK 2,037 M (3,958), in accordance with market practices.

2) Pledged participations in subsidiaries refer to the companies' share of the Group's net assets less a deduction for pledged property mortgages and chattel mortgages.

	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Contingent liabilities				
Sureties for subsidiaries' interest-rate derivatives	—	—	—	30
Sureties for subsidiaries' credits	—	—	4,119	7,708
Total contingent liabilities	—	—	4,119	7,738

NOTE 31 CASH FLOW STATEMENTS

Items included in cash and cash equivalents	Group		Parent Company	
	31 Dec 2021	31 Dec 2020	31 Dec 2021	31 Dec 2020
Cash and bank balances	84	24	31	0
Total	84	24	31	0

Working capital amounted to SEK 1,173 M (−1,867) at 31 December 2021. Changes in working capital are primarily attributable to the Group's holdings of listed shares. On the same date, unutilised credit facilities amounted to SEK 7,399 M (5,424), including lines of credit corresponding to commercial paper outstanding.

Cash flow from operating activities before changes in working capital amounted to SEK 2,346 M (2,219). Dividends received amounted to SEK 67 M (2) and interest received to SEK 22 M (18). Interest paid amounted to SEK 282 M (298). Cash flow from operating activities devi-

ates from profit from property management primarily because a large part of the cash flow in joint ventures and associated companies was reinvested in these operations in 2021. Changes in working capital had a positive impact of SEK 33 M (338) on cash flow.

Investing activities impacted cash flow by SEK −7,023 M (−5,543) and related primarily to net investments of SEK 4,616 M (4,828) in the property business. Investments in new construction, additions and renovations of existing properties amounted to SEK 658 M (666) during the financial year. Property acquisitions impacted consolidated cash flow in the amount of SEK 4,824 M (5,585). Property divestments contributed SEK 867 M (1,426) to cash flow.

Cash flow from financing activities contributed a net amount of SEK 4,703 M (2,926) to Sagax. The Group raised SEK 13,997 M (7,886) in new loans and repaid SEK 7,880 M (4,791). A total of SEK 792 M (679) was distributed to shareholders during the year. In total, cash and cash equivalents increased by SEK 59 M (−62) to SEK 84 M (24) in 2021.

Changes in liabilities attributable to financing activities

	2020					2021				
	31 Dec 2019	Cash flow	Non-cash flow			31 Dec 2020	Cash flow	Non-cash flow		
			Borrowing costs	Change in exchange rates	Reclassification			Borrowing costs	Change in exchange rates	Reclassification
Current interest-bearing liabilities	1,385	−201	—	42	625	1,851	1,108	—	27	—
Non-current interest-bearing liabilities	16,052	3,296	46	−793	−625	17,977	5,009	—	381	—
Total	17,437	3,095	46	750	—	19,828	6,117	—	408	—
										26,353

FUNDING

Sagax's funding primarily comprises equity and interest-bearing liabilities. The company's long-term funding primarily comprises listed bonds, credit facilities and commercial paper. The counterparties of the credit facilities are Swedish and foreign commercial banks. Bonds have special covenants for maintaining a specific level of net debt, interest coverage ratio and percentage of secured liabilities. This means that bond holders have the right to request redemption or repurchase the bonds if the covenants are not met combined with a lowering of the credit rating. The company complies with all of its financial covenants. Sagax is of the opinion that the bonds and facilities are on commercial terms.

FINANCIAL POLICY

The financial policy indicates guidelines and rules as to how financial operations are to be pursued. It is adopted by the Board and states how to limit various risks in Sagax's financial affairs and the risks that the company may take. It also states how to report on Sagax's financial affairs to the Board. The financial policy establishes the division of responsibility and administrative rules, and must also provide guidance in the daily work of the financing department. The financial policy applies to all Sagax companies. Under the financial policy, Sagax is to meet the following:

- A debt ratio of 50%.
- An interest coverage ratio of more than 300%.
- Net debt in relation to the Group's run rate EBITDA of at least 8 times.

REFINANCING RISK

Sagax endeavours to secure a long, average remaining term of interest-bearing liabilities in order to limit its refinancing risk, defined as the risk that refinancing existing debt cannot take place on reasonable terms.

Sagax curtails the refinancing risk by agreeing on a certain maturity in connection with new borrowing. Sagax also strives to refinance its non-current interest-bearing liabilities well in advance. In addition, Sagax works actively on following up factors that could impact Sagax's credit rating. In order to meet the shorter terms under the framework of the commercial paper programme and other liquidity requirements, Sagax has agreed, unutilised credit frameworks with several different banks. Overall, this working approach is deemed effective in limiting the company's refinancing risk.

A sensitivity analysis is presented on page 111 showing the effects of a change in property values on Sagax's debt ratio. A sensitivity analysis is presented there showing the effects of a change in the occupancy rate on Sagax's interest coverage ratio.

CHANGE IN VALUES OF FIXED INCOME DERIVATIVES

To limit the interest-rate risk, defined as the risk of an impact on earnings or cash flow due to changes in market interest rates, and thus increase the predictability of profit from property management, Sagax uses nominal interest-rate swaps and interest-rate caps. Sagax's fixed income derivatives comprised a nominal total of SEK 2,802 M (6,060) at year end, of which interest-rate caps amounted to SEK 1,922 M (3,894) and interest-rate swaps amounted to SEK 880 M (2,166).

The financial derivatives are measured at market value each quarter and their value is affected by the financial markets' expectations regarding the development of underlying market interest rates over

the term of the derivative. The changes in value are recognised as revenue in profit or loss, but do not affect cash flow. Over time, all other things being equal, the provision in the balance sheet will be gradually reversed and recognised as revenue until the end of the derivative's term.

Sagax's earnings are also affected by the company's shares in the profit of joint venture, which – like Sagax – use fixed income derivatives to reduce their interest-rate risks and measure their derivatives at market value on a quarterly basis.

LIQUIDITY RISK

Sagax has positive operating cash flow and will have limited refinancing requirements over the next few years; see Note 17 where the maturity dates for the Group's funding are presented. Sagax's working capital, excluding prepaid rental revenue, amounted to SEK 1,173 M (-1,867). On the same date, unutilised credit facilities amounted to SEK 7,399 M (5,424), including lines of credit corresponding to commercial paper outstanding. No additional collateral needs to be pledged to utilise these credit facilities.

INTEREST-RATE RISK

Interest expenses are the Group's largest current cost item. Interest-rate risk is defined as the risk that changes in the interest rate scenario will affect Sagax's financing cost. The interest-rate risk is attributable to the trend in current interest rates. To reduce Sagax's exposure to a rise in interest rates, the Group has a significant portion of fixed-rate loans. To limit interest-rate risk for loans with floating interest rates, interest-rate swaps and interest-rate caps are used. Calculated on the existing funding terms for the Group's interest-bearing liabilities on 31 December 2021, a rise in market interest rates of 1 percentage point would have increased Sagax's annualised interest expenses by SEK 23 M (36). A reduction in market interest rates of 1 percentage point would have lowered Sagax's interest expenses by SEK 22 M (3) on an annual basis. Taking into account Sagax's derivatives, the average fixed interest period was 4.3 (3.4) at year end.

COUNTERPARTY RISK

Counterparty risk refers to the risk that is deemed to exist at any time that Sagax's counterparties are unable to fulfil their contractual obligations. Sagax limits its counterparty risk by setting the requirement that its counterparties have a high credit rating. Sagax's counterparties are Swedish or foreign banks with a rating of at least A- (Standard & Poor's) or A3 (Moody's Investment Services).

CURRENCY RISK

At year end, Sagax owned 203 (267) properties in Finland, five (5) properties in Germany, 119 (102) properties in France, 121 (89) properties in the Netherlands and 113 (100) properties in Spain, which entailed exposure to the EUR exchange rate. The properties are financed by way of equity and external liabilities. On 31 December 2021, interest-bearing liabilities denominated in EUR corresponded to SEK 24,009 M (15,339). On the same date, the market value of the properties in Finland, Germany, France, the Netherlands and Spain was SEK 31,179 M (25,014). Net exposure on 31 December 2021, assets less liabilities in EUR, amounted to SEK 6,729 M (8,471). Currency translation effects for foreign operations and hedge accounting are recognised in Other comprehensive income. Other currency translation effects are recognised in profit or loss.

NOTE 32 FINANCIAL RISK MANAGEMENT, CONT'D.

Effect on debt ratio upon change in value of property portfolio on 31 December 2021

	-20%	-10%	0%	+10%	+20%
Value change, SEK M	-9,213	-4,607	-	4,607	9,213
Debt ratio, %	49	45	42	39	37

Effect on interest coverage ratio upon change occupancy rate on 31 December 2021

	-10%	-5%	0%	+5%	+10%
Occupancy rate, %	86	91	96	N/A	N/A
Interest coverage ratio, %	582	617	651	N/A	N/A

Effect on debt ratio upon change in value of property portfolio on 31 December 2020

	-20%	-10%	0%	+10%	+20%
Value change, SEK M	-7,510	-3,755	-	3,755	7,510
Debt ratio, %	51	47	43	39	37

Effect on interest coverage ratio upon change occupancy rate on 31 December 2020

	-10%	-5%	0%	+5%	+10%
Occupancy rate, %	86	90	95	100	N/A
Interest coverage ratio, %	514	544	575	605	N/A

SENSITIVITY ANALYSIS

Sagax's exposure to material risks in the company's operations is presented below.

Sensitivity analysis on 31 December 2021¹⁾

Amounts in SEK M	Change	Effect on profit from property management, annual basis	Effect on profit before tax, annual basis	Effect on equity
Economic occupancy rate	+/-1%	+/-34	+/-28	+/-28
Rental revenue	+/-1%	+/- 33	+/-27	+/-27
Property expenses	+/-1%	- /+6	- /+4	- /+4
Interest expenses for liabilities in SEK including fixed income derivatives	+/-1% point	-12/+12	-10/+10	-10/+10
Interest expenses for liabilities in EUR including fixed income derivatives	+/-1% point	-11/+10	-9/+8	-9/+8
Change in SEK/EUR exchange rate ²⁾	+/- 10%	+/-168	+/-133	+/-673
Changed rent level for contract maturity in 2022	+/- 10%	+/-49	+/-40	+/-40

1) Excluding shares in profit of joint ventures and associated companies.

2) Sagax's net exposure to the SEK/EUR exchange rate comprises assets and liabilities recognised in EUR, in addition to revenue and expenses in EUR.

NOTE **33** SIGNIFICANT EVENTS AFTER THE CLOSE OF THE FINANCIAL YEAR

On 1 February 2022, it was announced in a press release that Sagax had acquired a total of nine properties for a corresponding SEK 452 M based on seven separate transactions. The properties comprise a lettable area of 42,900 square metres, primarily comprising premises for warehouses and industrial purposes. The annual rent corresponds to SEK 34 M. The occupancy rate is 98% and the remaining average lease term is 4.5 years. Closing will take place in the first quarter of 2022. The acquisitions will be recognised in the following Sagax segments: Netherlands (SEK 211 M), Helsinki (SEK 176 M), Madrid & Barcelona (SEK 13 M) and Rest of Europe (SEK 52 M).

On 17 February 2022, it was announced in a press release that Sagax had issued an unsecured bond loan of EUR 300 M in the European capital market as part of its EMTN programme. The bond loan has a maturity of four years and extends to 24 February 2026. The annual yield is 1.69%. The bond will be used to refinance existing liabilities and for the company's operating activities.

As a result of Russia's invasion of Ukraine, uncertainty about macroeconomic developments has increased. Sagax does not operate in Ukraine or Russia. Sagax is thus only indirectly affected by the war and its consequences. The company is following developments to identify and, if possible, address any risks.

NOTE **34** APPROPRIATION OF RETAINED EARNINGS**The following amount is at the disposal of the AGM:**

Retained earnings	556,191.38
Share premium reserve	1,954,669,738.56
Profit for the year	1,327,591,851.81
Total	3,282,817,781.75
To the shareholders, SEK 2.15 per Class A and Class B common share	682,955,229.25
To the shareholders, SEK 2.00 per Class D common share	252,522,658.00
To be carried forward in the share premium reserve	2,347,339,894.50
Total	0
Total	3,282,817,781.75

STATEMENT OF THE BOARD OF DIRECTORS ON THE PROPOSED DISTRIBUTION OF UNAPPROPRIATED EARNINGS AND AUTHORIZATION TO BUY BACK COMPANY SHARES

Pursuant to Chapter 18, Section 4 of the Swedish Companies Act, the Board of Directors must make a statement in respect of the proposed distribution of unappropriated earnings. Moreover, Chapter 19, Section 22 of the Companies Act stipulates that the Board must make a statement on the proposal to pass a resolution concerning the buy-back of own shares.

Consolidated equity has been calculated in compliance with IFRS standards, as adopted by the EU, the interpretations of these (IFRIC) and Swedish law through the application of Recommendation RFR 1 Supplementary Accounting Rules for Corporate Groups of the Swedish Financial Reporting Board. The Parent Company's equity has been calculated in accordance with Swedish law, applying recommendation RFR 2 Accounting for Legal Entities of the Swedish Financial Reporting Board.

The Board of Directors proposes that the AGM resolve to pay a dividend to the shareholders of SEK 2.15 per Class A and Class B common share for the 2021 financial year. 13 May 2022 is proposed as the record date for payment of dividends on common shares. The dividend is expected to be paid by Euroclear on the third working day after the record date.

The Board of Directors proposes that the AGM resolve to pay a dividend to shareholders of SEK 2.00 per Class D common share for the 2021 financial year, in quarterly amounts of SEK 0.50 per Class D common share. The Board of Directors proposes Thursday 30 June 2022; Friday 30 September 2022; Friday 30 December 2022 and Friday 31 March 2023 as the record dates for the payments of dividends on Class D common shares. The dividend is expected to be paid by Euroclear Sweden AB on the third working day after each record date.

The Board also proposes that the AGM resolve that the new Class D common shares that may be issued under the authorisation granted according to Item 13 of the agenda for the AGM shall provide entitlement to dividends, according to the above, from the date on which they are entered into the shareholders' register administered by Euroclear Sweden AB. If the authorisation is fully utilised, paid dividends for the forthcoming Class D common shares will amount to a maximum of SEK 89,182,984.

The proposed dividend payment in 2022 corresponds to 33.4% of consolidated profit from property management for 2021 and 39.9% of consolidated cash flow from operating activities before changes in working capital in 2021. If the authorisation to issue common shares is fully utilised, as proposed to the 2022 AGM, the proposed payment will instead correspond to a maximum of 36.5% of consolidated profit from property management for 2021 and a maximum of 43.7% of con-

NOTE **34** PROPOSED APPROPRIATION OF PROFITS, CONT'D.

solidated cash flow from operating activities before changes in working capital during 2021. The Board has established that the company will have full coverage for its restricted equity after the proposed payment.

The Board considers that the proposed dividend to the shareholders and the proposed authorisation to buy back shares are defensible based on the criteria contained in the second and third paragraphs, Section 3, Chapter 17 of the Swedish Companies Act (nature, scope and risks of the business, consolidation requirements, liquidity and other financial circumstances).

In the Board's opinion, the company's and the Group's equity after the proposed dividend, and after any utilisation of the authorisation to buy back shares, will be sufficient in view of the nature and scope of the business and the associated risks. In this context, the Board has taken into account such factors as the Company's and the Group's historical and budgeted performance, investment plans and the general economic environment.

The proposed dividend constitutes 22.2% of the Parent Company's equity and 3.0% of consolidated equity on 31 December 2021. Should the authorisation to issue Class D common shares be fully utilised, the proposed dividend payment will instead correspond to a maximum of 24.3% of Parent Company equity and a maximum of 3.3% of consolidated equity on 31 December 2021. In view of the nature and performance of the business, the company and the Group have a solid equity/assets ratio. Against this background, the Board considers that

the company and the Group are in a good position to cope with future business risks and withstand any losses that may be incurred. Planned investments have been taken into account in the proposed dividend and the proposed authorisation to buy back treasury shares. Nor will the payment of the dividend and utilisation of the authorisation to buy back treasury shares have any adverse impact on the company's or the Group's ability to make further commercially motivated investments in accordance with adopted plans.

The proposed payment and any utilisation of the authorisation to buy back shares will not affect the company's and the Group's ability to meet its payment obligations in a timely manner. The Board has assessed other known circumstances that may be significant to the company's and the Group's financial position and that have not been addressed in the above. No circumstance was discovered during the assessment that would cast doubt on the defensibility of the proposed distribution or the proposed authorisation to buy back treasury shares.

Furthermore, the Board takes into account that it is the Board's responsibility, in connection with the potential utilisation of the authorisation to buy back shares, to prepare a reasoned statement in accordance with Chapter 19, Sections 22 and 29 of the Swedish Companies Act regarding whether such an acquisition of own shares, with respect to the prevailing circumstances at the time, is justified considering the parameters stipulated in Chapter 17, Section 3, second and third paragraphs of the Companies Act.

Stockholm, April 2022
AB Sagax (publ)
Board of Directors

SIGNING OF THE ANNUAL REPORT

The undersigned signatories give their assurance that the consolidated financial statements and Annual Report have been prepared in accordance with the IFRS standards adopted by the EU and generally accepted accounting policies and provide a true and fair view of the Group's and the company's financial position and results, and the Board of Directors' Report on the Group provides a true and fair overview of the development of the Group's and the company's business, position and results and describe significant risks and uncertainties faced by the companies included in the Group.

Stockholm, 19 April 2022

Staffan Salén
Chairman of the Board

Johan Cederlund
Board Member

Filip Engelbert
Board Member

Johan Thorell
Board Member

Ulrika Werdelin
Board Member

David Mindus
Board Member and
Chief Executive Officer

Our audit report was submitted on 19 April 2022

Oskar Wall
Authorised Public Accountant
Ernst & Young AB

Auditor's report

To the general meeting of the shareholders of AB Sagax (publ), corporate identity number 556520-0028

REPORT ON THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

Opinions

We have audited the annual accounts and consolidated accounts of AB Sagax (publ) except for the corporate governance statement on pages 59-67 for the year 2021. The annual accounts and consolidated accounts of the company are included on pages 3-114 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 59-67. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters. For each matter below, our description of how our audit addressed the matter is provided in that context.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

We have fulfilled the responsibilities described in the Auditor's responsibilities for the audit of the financial statements section of our report, including in relation to these matters. Accordingly, our audit included the performance of procedures designed to respond to our assessment of the risks of material misstatement of the financial statements. The results of our audit procedures, including the procedures performed to address the matters below, provide the basis for our audit opinion on the accompanying financial statements.

Valuation of investment properties

Description	How our audit addressed this key audit matter
The fair value of the Groups investment properties amounted to SEK 46 067 million on 31 December 2021. As at 31 December 2021, 98 % of all of the properties in the portfolio have been valued by external valuation experts and 2 % internally. The valuations are prepared in accordance with the discounted cash flow model, whereby the future cash flows are forecast. The required yields for the properties are assessed on each property's unique risk profile and observable transactions in the market for properties with a similar nature. Based on the high degree of assumptions and assessments which are made in connection with the property valuations, we believe that this area is a particularly important area in our audit. A description of the valuation of the property portfolio is stated in the section on accounting principles and in the section on significant assessments in note 1 "Accounting principles" and note 13 "Investment properties".	In our audit we have evaluated the company's process for property valuation by evaluating the valuation methodology, and input data in the externally and internally prepared valuations. We have evaluated the skills of the company and the skills and objectivity of the external experts. We have made comparisons to known market information. We have reviewed the valuation model used. We have also reviewed the reasonability of the adopted assumptions such as yield requirements, vacancy rates, rental income and operating costs for a sample of the Investment properties. We have reviewed the disclosures provided in the annual accounts.

OTHER INFORMATION THAN THE ANNUAL ACCOUNTS AND CONSOLIDATED ACCOUNTS

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 3-114. The renumeration report for 2021 is also other information. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or related safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS

Report on the audit of the administration and the proposed appropriations of the company's profit or loss

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of AB Sagax (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated (loss be dealt with) in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional skepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the ESEF report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for AB Sagax (publ) for the financial year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the ESEF report #[checksum] has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the ESEF report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of AB Sagax (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with Chapter 16,

Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU)

2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 59–67 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's standard RevR 16. The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2–6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

Ernst & Young AB, Box 7850, 103 99 Stockholm, was appointed auditor of AB Sagax (publ) by the general meeting of the shareholders May 5, 2021 and has been the company's auditor since May 8, 2008.

Stockholm, 19 April 2022

Ernst & Young AB

Oskar Wall

Authorised Public Accountant

Changes in the property portfolio

In 2021, Sagax invested SEK 5,483 M in properties, of which SEK 4,824 M referred to acquisitions and SEK 658 M to investments in the existing property portfolio. Properties were divested for a total of SEK 1,351 M during the year. Net investments amounted to SEK 4,132 M.

PROPERTY ACQUISITIONS

In 2021, Sagax acquired 89 (174) properties for a total of SEK 4,824 M (5,585); see below. In Finland, France, the Netherlands and Spain, properties were acquired for a total of SEK 4,669 M, corresponding to 97% of the Group's property acquisitions during the year.

At the end of the year, agreements were signed for five property acquisitions for a total of SEK 458 M. Possession of these properties had not yet been taken at year end.

PROPERTY SALES

In 2021, 89 properties with total lettable area of 98,000 square metres were divested. The total sales price was SEK 1,340 M.

Property acquisitions January-December 2021

Property / Address	Municipality	Segment	Lettable area, sqm
Landningsbanan 21	Stockholm	Stockholm	700
Reglaget 3	Stockholm	Stockholm	1,547
Väinö Tannerin tie 1 A	Vantaa	Helsinki	545
Väinö Tannerin tie 1 A	Vantaa	Helsinki	8140
Väinö Tannerin tie 1 B	Vantaa	Helsinki	20,654
Väinö Tannerin tie 1 C	Vantaa	Helsinki	30,054
Veemweg 17-35	Barneveld	Netherlands	7,197
17 Avenue du Parc	Chilly Mazarin	Paris	1,994
2/3/5 Rue de la Butte du Moulin, ZA de la porte de la forêt	Collégien	Paris	5,000
8 Rue Léonard de Vinci	Lisses	Paris	3,208
Kalkylatorn 7	Borlänge	Rest of Sweden	2,190
Pumpen 6	Kalmar	Rest of Sweden	1,275
Spettet 7	Kalmar	Rest of Sweden	688
First quarter			83,192
Veddesta 1:12	Järfälla	Stockholm	2,528
Högberghaara 9	Tuusula	Helsinki	5,085
Ketelweg 18A-22	Alblasserdorp	Netherlands	10,170
Linschotenstraat 100	Rotterdam	Netherlands	1,515
Stadionweg 39	Rotterdam	Netherlands	6,046
De Run 4242	Veldhoven	Netherlands	5,457
Chroomstraat 91	Zoetermeer	Netherlands	3,163
Koperstraat 44	Zoetermeer	Netherlands	2,590
13 Rue Gutenberg	Bussy-Saint-Georges	Paris	7,686
16 Rue Condorcet	Chennevières-sur-Marne	Paris	1,863
10 Rue Ampere	Igny	Paris	2,302
18 Bis voie de Mons	Villeneuve-le-Roi	Paris	550
5 Rue Louis Armand	Villeneuve-Saint-Georges	Paris	1,803
Francisco Gervas 7. P.I. Valportillo	Alcobendas	Madrid & Barcelona	5,510
Valportillo Primera, 20	Alcobendas	Madrid & Barcelona	788
Hort de Ses Animes 2	Palma de Mallorca, Spain	Rest of Europe	15,436
Second quarter			72,492
Bolstoen 6C	Amsterdam	Netherlands	210
Bolstoen 6D	Amsterdam	Netherlands	270
Pleimuiden 7	Amsterdam	Netherlands	871
Lange Amerikaweg 76	Apeldoorn	Netherlands	765
Gildestraat 29	Borne	Netherlands	1,354
Brugsteen 13	Breda	Netherlands	534
Trekpot 2A-2E	Breda	Netherlands	1,948
Zilverstraat 27	The Haag	Netherlands	729

Property acquisitions January-December 2021

Property / Address	Municipality	Segment	Lettable area, sqm
Zilverstraat 35	The Haag	Netherlands	606
Buy's Ballotstraat 3	Dordrecht	Netherlands	795
Labradoriet 300-320	Dordrecht	Netherlands	1,822
Wismarweg 3	Groningen	Netherlands	1,009
Vestaweg 5	Leeuwarden	Netherlands	8,561
Majoraan 9	Monferland	Netherlands	780
Kelvinweg 1	Nissewaard	Netherlands	1,179
Waalhaven Z.z 6, Pottumstraat 3-7	Rotterdam	Netherlands	4,821
Vouwersweg 110	Sittard-Geleen	Netherlands	1,220
Nevadadreef 72-78	Utrecht	Netherlands	1,390
Philipsstraat 13-15	Zoetermeer	Netherlands	1,312
Trawlerweg 8-12	Zwolle	Netherlands	930
423 Rue Audemars	Buc	Paris	1,470
2 Boulevard de France	Combs-la-Ville	Europe	7,030
10-12-14, 15-15 bis Rue Gutenberg	Magny-en-Vexin	Paris	5,874
3 Avenue Ferdinand de Lesseps	Morangis	Paris	4,529
2 Rue du Midi-Pyrénées	Valenton	Paris	5,058
Autokeskuksentie 12	Pirkkala	Finland, university cities	2,940
Autokeskuksentie 14	Pirkkala	Finland, university cities	3,100
Autokeskuksentie 16	Pirkkala	Finland, university cities	8,488
Autokeskuksentie 18	Pirkkala	Finland, university cities	85
Autokeskuksentie 20	Pirkkala	Finland, university cities	5,023
Haikanvuori 10	Pirkkala	Finland, university cities	2,246
Vesalantie 14	Pirkkala	Finland, university cities	1,452
Jasperintie 310	Tampere	Finland, university cities	5,758
Calle Louis Pasteur 4	Alcala de Henares	Madrid & Barcelona	6,500
Av Conde Romanones 7	Pinto	Madrid & Barcelona	13,998
Calle Cormoranes 5-9	Pinto	Madrid & Barcelona	6,056
54 Chemin des Barmettes	Bélineux, France	Rest of Europe	3,480
Third quarter			108,137
Häradsallmänning 1:34	Järfälla	Stockholm	0
Tiilitie 11	Vantaa	Helsinki	4,358
Bolderweg 33-35	Almere	Netherlands	4,176
Goeseelsstraat 3	Breda	Netherlands	725
Takkebijsters 8	Breda	Netherlands	3,808
Meerenakkerweg 18-20	Eindhoven	Netherlands	19,355
Wekkerstraat 37-53	Eindhoven	Netherlands	7,465
Weteringweg 7-9	Pijnacker-Nootdorp	Netherlands	2,764
12 Chemin du Moulin Basset	Saint Denis	Paris	13,151
1 Avenue de la Pépinière	Saint Witz	Paris	3,382
Muuraintie 3	Pirkkala	Finland, university cities	3,734
Salvesenintie 6	Jyväskylä	Finland, university cities	13,635
Kempeleentie 9	Oulu	Finland, university cities	3,810
Nuottasaarentie 4	Oulu	Finland, university cities	2,586
Äimäkuja 2	Oulu	Finland, university cities	12,157
Äimäkuja 3	Oulu	Finland, university cities	3,700
Äimätie 1	Oulu	Finland, university cities	3,741
Äimätie 5	Oulu	Finland, university cities	2,669
Kuormakatu 17	Turku	Finland, university cities	6,746
Paseo Flores 36	Coslada	Madrid & Barcelona	559
Paseo Flores 38	Coslada	Madrid & Barcelona	495
Mario Roso de Luna 31	Madrid	Madrid & Barcelona	1,565
Calle Muga 2	Montcada i Reixac	Madrid & Barcelona	2,276
Mottisenkatu 6	Kokkola	Rest of Finland	1,712
Teollisuustie 29	Rovaniemi	Rest of Finland	4,856
Kettukallionkatu 3	Ylivieska	Rest of Finland	2,265
43 Rue Mère Elise Rivet	Brignais, France	Rest of Europe	1,450
Calle Ferro 14-16	Tarragona, Spain	Rest of Europe	4,055
Calle Plom 11	Tarragona, Spain	Rest of Europe	2,141
Calle Plom 7	Tarragona, Spain	Rest of Europe	2,328
Calle Plom 9	Tarragona, Spain	Rest of Europe	2,645
Fourth quarter			138,309
Total			402,130

Property sales January–December 2021

Property / Address	Municipality	Segment	Lettable area, sqm
Valsverket 10	Stockholm	Stockholm	16,440
Sarasuontie 1	Oulu	Finland, university cities	300
First quarter			16,740
Urheilutie 41	Jyväskylä	Finland, university cities	964
Kalkylatorn 7	Borlänge	Rest of Sweden	2,190
Pumpen 6	Kalmar	Rest of Sweden	1,275
Spettet 7	Kalmar	Rest of Sweden	688
Second quarter			5,117
Asmalamenttie 4	Jyväskylä	Finland, university cities	308
Keskikankaantie 9	Hollola	Rest of Finland	19,223
Nuottaniementie 2	Joensuu	Rest of Finland	418
Third quarter			19,949
Veddesta 1:13	Järfälla	Stockholm	0
Konalankuja 2	Helsinki	Helsinki	0
Konalankuja 5	Helsinki	Helsinki	0
Vanha Valtatie 191	Tuusula	Helsinki	1,203
Jan Frederik Vlekkeweg 10-01 - 10-03	Tilburg	Netherlands	695
Runkotie 2	Jyväskylä	Finland, university cities	226
Ruokomäentie 50	Jyväskylä	Finland, university cities	1,897
Korvenkyläntie 10	Muurame	Finland, university cities	1,151
Liikekuja 4	Muurame	Finland, university cities	600
Linnavuorentie 15	Nokia	Finland, university cities	876
Isterintie 64	Oulu	Finland, university cities	395
Järvenkorventie 4	Oulu	Finland, university cities	450
Kurtintie 2	Oulu	Finland, university cities	278
Ruotutie 3	Oulu	Finland, university cities	490
Taakakepintie 1	Oulu	Finland, university cities	551
Valtatie 61	Oulu	Finland, university cities	773
Kanslerintie 10	Turku	Finland, university cities	450
Juhanintie 1	Pori	Rest of Finland	172
Koikkantie 1	Pori	Rest of Finland	903
Suolaketie 2	Porvoo	Rest of Finland	597
Kirkkoluodontie 1	Raahe	Rest of Finland	512
Maunulantie 1	Raahe	Rest of Finland	372
Pajuniityntie 8	Raahe	Rest of Finland	683
Rantakatu 57	Raahe	Rest of Finland	310
Kansanpellontie	Haapavesi	Rest of Finland	550
Vuorikatu 2	Heinola	Rest of Finland	600
Tiilikankaantie 1	Hollola	Rest of Finland	584
Jussilankatu 5	Hyvinkää	Rest of Finland	1,280
Muovikatu 4	Hyvinkää	Rest of Finland	6,795
Sillankorvankatu 66	Hyvinkää	Rest of Finland	451
Huhdintie 10-12	Karkkila	Rest of Finland	1,152
Joutsenonkatu 32	Imatra	Rest of Finland	1,012
Vallinkoskentie 2	Imatra	Rest of Finland	320
Kauppankatu 8	Jämsä	Rest of Finland	590
Makkolankatu 10	Kajaani	Rest of Finland	429
Koivuharjunkatu 55	Kemi	Rest of Finland	617
Pelkosenniementie 4	Kemijärvi	Rest of Finland	308
Karhulantie 35 A	Kotka	Rest of Finland	2,765
Koikkantie 25	Kotka	Rest of Finland	225
Peurantie 5	Kotka	Rest of Finland	486
Pokakuja 1	Kotka	Rest of Finland	437
Turvalantie 31	Kotka	Rest of Finland	298
Kyminasementie 6	Kouvola	Rest of Finland	664
Valtakatu 16	Kouvola	Rest of Finland	2,336
Haapaniemenskatu 6	Kuopio	Rest of Finland	138
Sandelsinkatu 1	Kuopio	Rest of Finland	315
Turuntie 563	Kirkkonummi	Rest of Finland	310
Eteläinen Liipolankatu 9	Lahti	Rest of Finland	421
Lahdenkatu 48	Lahti	Rest of Finland	698

Property sales January–December 2021

Property / Address	Municipality	Segment	Lettable area, sqm
Hirvikoskentie 213	Loimaa	Rest of Finland	307
Melliläntie 103	Loimaa	Rest of Finland	349
Kauppakuja 1	Lohja	Rest of Finland	1,054
Puistokatu 23	Lohja	Rest of Finland	674
Puistokatu 10	Mänttä-Vilppula	Rest of Finland	383
Runttimäentie 8	Mänttä-Vilppula	Rest of Finland	157
Karhunkierros 1	Numijärvi	Rest of Finland	2,885
Ketunkopintie 2	Nurmijärvi	Rest of Finland	608
Puistotie 3	Nurmijärvi	Rest of Finland	495
Pihlajavedentie 21	Savonlinna	Rest of Finland	1,070
Asematie 13	Orivesi	Rest of Finland	415
Sodankyläntie 8	Pelkosenniemi	Rest of Finland	423
Kuopiontie 24	Pieksämäki	Rest of Finland	586
Uotilan Vanhatie 37	Rauma	Rest of Finland	225
Juvantie 13	Mikkeli	Rest of Finland	486
Kärkänskatu 18	Salo	Rest of Finland	486
Valkiavuorentie 2	Seinäjoki	Rest of Finland	397
Rahtimiehentie 1	Suomussalmi	Rest of Finland	430
Karhite 2	Hämeenlinna	Rest of Finland	600
Viertokatu 33	Hämeenlinna	Rest of Finland	335
Oksapolku 1	Järvenpää	Rest of Finland	1,054
Vanhankyläntie 65	Järvenpää	Rest of Finland	341
Wärtsilänskatu 54	Järvenpää	Rest of Finland	441
Huhdintie 14	Urjala	Rest of Finland	850
Sointulantie 2	Valkeakoski	Rest of Finland	423
Kurolantie 1	Varkaus	Rest of Finland	690
Kyllikinkatu 1	Varkaus	Rest of Finland	466
Haapaniementie 41	Viitasaari	Rest of Finland	237
Merenlahdentie 16	Lappeenranta	Rest of Finland	515
Onninkatu 1	Lappeenranta	Rest of Finland	573
Puistokatu 12	Äänekoski	Rest of Finland	456
Fourth quarter			55,776
Total			97,582

Stockholm

Property listing – Stockholm

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Kumla Hage 2	Kumla Gårdsväg 22	Botkyrka	4,111	500	–	4,611
Kumla Hage 6	Segersbyvägen 3	Botkyrka	1,000	400	–	1,400
Kumla Hage 7	Segersbyvägen 5	Botkyrka	1,050	900	–	1,950
Tumba 7:234	Gustav de Laval's Väg 10-12	Botkyrka	16,531	540	–	17,071
Tuna Äng 3	Tuna Gårdsväg 4	Botkyrka	7,650	1,896	–	9,546
Jordbromalm 3:1	Dåntorpsvägen 4-30	Haninge	92,150	1,830	–	93,980
Jordbromalm 6:10*	Rörvägen 7	Haninge	4,690	1,328	–	6,018
Jordbromalm 6:13	Lagervägen 7	Haninge	13,300	2,800	–	16,100
Jordbromalm 6:82	Rörvägen 9	Haninge	–	–	–	–
Jordbromalm 4:3	Lillsjövägen 7	Haninge	47,329	4,106	–	51,435
Söderbymalm 7:49	Hantverkarvägen 31	Haninge	8,020	800	–	8,820
Ackumulator 1	Regulatorvägen 21	Huddinge	5,099	4,174	–	9,273
Cirkelsägen 1	Speditionsvägen 18	Huddinge	8,609	–	–	8,609
Heden 1	Mälrvägen 15	Huddinge	3,410	650	–	4,060
Heden 4	Lövbacksvägen 4, 6	Huddinge	4,658	–	–	4,658
Klingen 3	Svarvarvägen 14 B	Huddinge	1,600	230	–	1,830
Kugghjulet 3	Lännavägen 62	Huddinge	5,214	206	–	5,420
Skiftnyckeln 2	Svarvarvägen 8 B	Huddinge	1,130	225	–	1,355
Slänten 17	G:a Södertäljevägen 125	Huddinge	3,284	1,094	–	4,378
Telegrafen 1	Kommundvägen 27 B	Huddinge	616	910	–	1,526
Jakobsberg 22:14	Brantvägen 2	Järfälla	2,000	650	–	2,650
Sollentuna Häradsallmänning 1:34	Katrinedalsvägen	Järfälla	–	–	–	–
Veddesta 1:12	Saldovägen 11	Järfälla	2,247	281	–	2,528
Veddesta 1:27	Saldovägen 22	Järfälla	2,490	192	–	2,682
Veddesta 2:20	Kontovägen 1-5	Järfälla	10,902	2,182	–	13,084
Veddesta 2:42	Girovägen 3	Järfälla	3,942	440	–	4,382
Skarpnäs 12:9	Svarvarvägen 8	Nacka	2,360	200	–	2,560
Trosta 1:27	Trosta 187	Sigtuna	3,810	–	–	3,810
Märsta 17:2	Maskingatan 8 A	Sigtuna	3,621	–	–	3,621
Märsta 24:18	Turbingatan 2	Sigtuna	1,033	862	–	1,895
Rosersberg 11:105	Metallvägen 47	Sigtuna	6,345	855	–	7,200
Elektrikern 2	Djupdalsvägen 27	Sollentuna	2,150	507	–	2,657
Rankan 1	Sollentunaholmsvägen 13, 15	Sollentuna	6,810	540	–	7,350
Reglaget 2	Bergkällavägen 20-22	Sollentuna	1,335	1,760	–	3,095
Reglaget 3	Bergkällavägen 22	Sollentuna	1,547	–	–	1,547
Resan 1	Konsumentvägen 2	Sollentuna	1,210	–	–	1,210
Romben 2	Staffans väg 2	Sollentuna	6,930	5,910	–	12,840
Romben 3	Staffans väg 4	Sollentuna	12,142	5,525	–	17,667
Verkmästaren 4	Ekensbergsvägen 117	Solna	10,907	5,045	–	15,952
Domnarvet 16*	Fagerstagatan 7	Stockholm	2,403	1,997	–	4,400
Domnarvet 17*	Fagerstagatan 5	Stockholm	6,549	1,395	–	7,944
Domnarvet 34*	Garpenbergsgatan 3	Stockholm	1,460	560	–	2,020
Domnarvet 40*	Gunnebogatan 34	Stockholm	2,048	532	–	2,580
Elektra 11	Västberga Allé 38, 40 and 50	Stockholm	9,570	970	–	10,540
Fabrikören 9*	Konsumentvägen 9-11	Stockholm	3,111	955	–	4,066
Finspång 4*	Finspångsgatan 55	Stockholm	2,315	470	–	2,785
Finspång 6*	Finspångsgatan 49-51	Stockholm	6,989	1,380	–	8,369
Flyghallen 1*	Flygfältsgatan 15	Stockholm	741	2,328	–	3,069
Gjutmästaren 8	Bryggerivägen 7, 9, 11, 13	Stockholm	14,585	4,573	–	19,158
Grossisten 1*	Grossistvägen 7	Stockholm	1,460	454	–	1,914
Hangaren 1*	Flygfältsgatan 1-11	Stockholm	6,850	4,037	–	10,887
Hangaren 3*	Posiflygsgatan 2-12	Stockholm	2,466	1,150	–	3,616
Horndal 1*	Fagerstagatan 29	Stockholm	7,055	1,270	–	8,325
Hällsätra 2*	Stensätravägen 3	Stockholm	8,223	2,716	–	10,939
Induktorn 15	Ranhammarsvägen 6	Stockholm	392	60	–	452
Induktorn 24	Ranhammarsvägen 12, 14	Stockholm	6,961	4,657	–	11,618
Induktorn 35*	Ranhammarsvägen 10	Stockholm	3,610	–	–	3,610

*) Held on a leasehold

Property listing – Stockholm

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Kolsva 1*	Fagerstagatan 26	Stockholm	4,800	365	–	5,165
Konsumenten 1*	Konsumentvägen 4, 8	Stockholm	6,115	1,788	–	7,903
Landningsbanan 21*	Flygfältsgatan 2C	Stockholm	350	350	–	700
Leverantören 1	Varuvägen 32	Stockholm	1,900	400	–	2,300
Miklaholt 2*	Haukadalsgatan 10	Stockholm	876	1,046	–	1,922
Miklaholt 3	Haukadalsgatan 2-8	Stockholm	2,880	2,711	–	5,591
Murmästare-Ämbetet 1*	Murmästarvägen 21-45	Stockholm	11,353	682	–	12,035
Murmästare-Ämbetet 2*	Murmästarvägen 17-19	Stockholm	7,345	640	–	7,985
Murmästare-Ämbetet 3*	Murmästarvägen 1	Stockholm	9,939	1,410	–	11,349
Panncentralen 1*	Partihandlarvägen 50-52	Stockholm	10,711	2,314	–	13,025
Räffilmen 1*	Harpsundsvägen 181	Stockholm	1,410	–	–	1,410
Sillö 3*	Edsvallabacken 20-24	Stockholm	5,853	1,146	–	6,999
Skultuna 3*	Finspångsgatan 44	Stockholm	8,908	2,926	–	11,834
Stensätra 16*	Stensätravägen 2-4	Stockholm	9,725	1,740	–	11,465
Säteritaket 1*	Maltesholmsvägen 88	Stockholm	934	1,532	–	2,466
Tillverkaren 1	Grossistvägen 1-5	Stockholm	2,675	–	–	2,675
Varubilen 1*	Konsumentvägen 13-17	Stockholm	7,917	1,835	–	9,752
Vitå 1	Torshamnsgatan 10	Stockholm	9,449	–	–	9,449
Vitå 2	Viderögatan 3-5	Stockholm	5,750	3,296	–	9,046
Stolen 1	Gribbylundsvägen 2	Täby	1,534	1,317	–	2,851
Njursta 1:23	Saturnusvägen 2	Upplands Väsby	6,850	750	–	7,600
Librobäck 4:23	Börjegatan 77 B-C	Uppsala	13,903	1,260	–	15,163
Runö 7:73 & 7:74	Sågvägen 26	Österåker	3,022	–	–	3,022
Total			532,219	104,550	0	636,769

*) Held on a leasehold

Helsinki

Property listing – Helsinki

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Karaportti 8 (49-54-185-1)	Karaportti 8	Espoo	10,561	5,552	–	16,113
Kiilaniityntie 1 (49-82-3-5)	Kiilaniityntie 1	Espoo	2,483	747	–	3,230
Koskelontie 27 A (49-82-2-7)	Koskelontie 27	Espoo	4,053	1,189	–	5,242
Luomannotto 5 (49-22-6-5-L)	Luomannotto 5	Espoo	1,497	163	–	1,660
Mänkimiehentie 4 (49-43-14-6)	Mänkimiehentie 4	Espoo	16,318	2,122	–	18,440
Nimismiehenpelto 4 A (49-47-2-6)	Nimismiehenpelto 4 A	Espoo	1,150	–	–	1,150
Nimismiehenpelto 4 B (49-47-2-7)	Nimismiehenpelto 4 B	Espoo	2,430	380	–	2,810
Nimismiehenpelto 6 (49-47-2-5)	Nimismiehenpelto 6	Espoo	7,171	1,599	–	8,770
Olarinluoma 8 (49-22-3-4)*	Olarinluoma 8	Espoo	4,933	–	–	4,933
Tillinmäentie 1 (49-42-11-5)*	Tillinmäentie 1	Espoo	9,275	3,374	–	12,649
Hernepellontie 11 (91-36-66-1-L1)*	Hernepellontie 11	Helsinki	560	440	–	1,000
Hyttitie 8 (91-38-172-4)	Hyttitie 8	Helsinki	3,359	471	–	3,830
Linnanpajantie 26 (91-47-262-5-L1)*	Linnanpajantie 26	Helsinki	1,897	275	–	2,172
Lyhtytie 7 (91-40-153-22-C)*	Lyhtytie 7	Helsinki	576	264	–	840
Muonamiehentie 12 (91-46-130-26)*	Muonamiehentie 12	Helsinki	2,295	–	–	2,295
Muonamiehentie 14 (91-46-130-27)*	Muonamiehentie 14	Helsinki	1,000	400	–	1,400
Puusepänkatu 2 (91-43-59-5)*	Puusepänkatu 2	Helsinki	7,460	400	–	7,860
Ristipellontie 16 (91-32-39-3)	Ristipellontie 16	Helsinki	2,199	2,146	–	4,345
Ristipellontie 17 (91-32-36-6)	Ristipellontie 17	Helsinki	2,128	565	–	2,693
Ruosilantie 1 (91-32-41-3)	Ruosilantie 1	Helsinki	5,342	1,735	–	7,077
Ruosilantie 14 (91-32-42-12)	Ruosilantie 14	Helsinki	12,231	5,111	–	17,342
Ruosilantie 16 (91-32-42-19)	Ruosilantie 16	Helsinki	27,994	9,898	–	37,892
Ruosilantie 18 (91-32-42-18)	Ruosilantie 18	Helsinki	5,486	2,319	–	7,805
Valokaari 8 (91-40-149-9)	Valokaari 8	Helsinki	9,393	2,328	–	11,721
Högberginhaara 9 (858-411-5-212)	Högberginhaara 9	Tuusula	4,275	810	–	5,085
Pakkasraitti 14 (858-411-1-149)	Pakkasraitti 14	Tuusula	4,447	702	–	5,149
Pakkasraitti 4 (858-411-1-150) (858-411-1-172)	Pakkasraitti 4	Tuusula	2,917	504	–	3,421
Palkkitie 3 (858-401-3-355)	Palkkitie 3	Tuusula	12,313	1,450	–	13,763
Ansatie 3 (92-40-500-7) (92-40-500-2)	Ansatie 3	Vantaa	9,421	2,427	–	11,848
Ansatie 4 (92-40-502-2)	Ansatie 4	Vantaa	9,774	2,254	–	12,028
Hakamäenkuja 10 (92-68-106-4)	Hakamäenkuja 10	Vantaa	796	300	–	1,096
Hakamäenkuja 4-6 (92-68-106-5)	Hakamäenkuja 4-6	Vantaa	2,325	391	–	2,716
Hakamäenkuja 8 (92-68-106-3)	Hakamäenkuja 8	Vantaa	552	549	590	1,691
Juhanilanmäki (92-41-102-3 et al)	Juhanilantrie 4	Vantaa	9,441	2,770	–	12,211
Juurakkotie 3 (92-68-13-11)	Juurakkotie 3	Vantaa	4,762	1,812	–	6,574
Kiitoradantie 14 (92-52-253-1)	Kiitoradantie 14	Vantaa	3,448	894	–	4,342
Klinkkerikaari 2 (92-26-114-13)	Klinkkerikaari 2	Vantaa	6,286	–	–	6,286
Koivuhaankuja 1 (92-68-200-1)	Koivuhaankuja 1	Vantaa	1,637	1,122	–	2,759
Koivuvaarankuja 2 (92-12-202-1)	Koivuvaarankuja 2	Vantaa	19,413	10,112	–	29,525
Kärkikuja 2 (92-41-109-7)	Kärkikuja 2	Vantaa	3,572	1,136	–	4,708
Lumijälki 2 (92-40-504-1)	Lumijälki 2	Vantaa	8,788	1,339	–	10,127
Martinkyläntie 9 A (92-17-113-4)	Martinkyläntie 9 A	Vantaa	41,412	11,394	–	52,806
Niittytie 13 (92-68-11-9)	Niittytie 13	Vantaa	2,355	1,327	–	3,682
Niityvillankuja 2 (92-68-10-23)	Niityvillankuja 2	Vantaa	5,209	872	–	6,081
Nuolitie 20 (92-41-266-1)	Nuolitie 20	Vantaa	7,532	896	–	8,428
Pavintie 3-7 (92-96-101-4) (92-96-101-7)	Pavintie 3-7	Vantaa	22,217	2,307	–	24,524
Portisuontie 9 (92-64-0004-0003-P)	Portisuontie 9	Vantaa	3,860	610	–	4,470
Sanomatie 3 (92-17-113-3)	Sanomatie 3	Vantaa	2,854	474	–	3,328
Sarkatie 2 (92-14-203-2)	Sarkatie 2	Vantaa	990	805	–	1,795
Sähkötie 8 (92-50-1-13)	Sähkötie 8	Vantaa	6,267	730	–	6,997
Taivaltie 4 (92-16-119-4)	Taivaltie 4	Vantaa	2,972	1,075	–	4,047
Tiilitie 11 (92-26-118-15)	Tiilitie 11	Vantaa	4,029	329	–	4,358
Tiilitie 9 (92-26-118-16)	Tiilitie 9	Vantaa	4,469	588	–	5,057
Tikkurilantie 146 (92-41-252-3)	Tikkurilantie 146	Vantaa	8,090	2,670	–	10,760
Tikkurilantie 5 (92-66-22-1)	Tikkurilantie 5	Vantaa	57,367	4,930	–	62,297
Trukkikuja 1 (92-75-200-1)	Trukkikuja 1	Vantaa	3,360	2,228	–	5,588
Tulkintie 29 (92-40-503-1)	Tulkintie 29	Vantaa	10,181	3,971	–	14,152
Vantaanlaaksontie 6 (92-16-114-9 et al)*	Vantaanlaaksontie 6	Vantaa	10,045	3,763	–	13,808
Virkatie 10 (92-52-101-5)	Virkatie 10	Vantaa	1,552	1,441	–	2,993
Virkatie 7 (92-52-105-1)	Virkatie 7	Vantaa	10,800	100	–	10,900

*] Held on a leasehold

Property listing – Helsinki

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Virkatie 8 A (92-52-101-24)	Virkatie 8 A	Vantaa	–	–	–	–
Virkatie 8 A (92-52-101-25)	Virkatie 8 A	Vantaa	10,015	60	–	10,075
Virkatie 8 B (92-52-101-21)	Virkatie 8 B	Vantaa	3,951	1,285	–	5,236
Väinö Tannerin tie 1 A (92-51-200-11)	Väinö Tannerin tie 1 A	Vantaa	–	–	545	545
Väinö Tannerin tie 1 A (92-51-200-11)	Väinö Tannerin tie 1 A	Vantaa	–	–	8,140	8,140
Väinö Tannerin tie 1 B (92-51-200-11)	Väinö Tannerin tie 1 B	Vantaa	20,654	–	–	20,654
Väinö Tannerin tie 1 C (92-51-200-11)	Väinö Tannerin tie 1 C	Vantaa	30,054	–	–	30,054
Total			516,193	111,905	9,275	637,373

Netherlands

Property listing – Netherlands

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Bolderweg 33-35	Almere	3,347	829	–	4,176
Rondebeltweg 21	Almere	–	–	–	–
Rondebeltweg 31	Almere	–	2,635	–	2,635
Rondebeltweg 41-43-49-51	Almere	20,068	3,100	–	23,168
Transistorstraat 80	Almere	1,238	932	173	2,343
Veluwezoom 15	Almere	4,094	1,289	–	5,383
Versterkerstraat 10	Almere	6,522	4,504	–	11,026
Bolstoer 6c	Amsterdam	170	40	–	210
Bolstoer 6d	Amsterdam	150	120	–	270
Pleimuiden 7	Amsterdam	725	146	–	871
Lange Amerikaweg 76	Apeldoorn	625	140	–	765
Snelliusweg 10	Arnhem	1,794	295	–	2,089
Kolding 9	Barendrecht	526	143	216	885
Veemweg 17-35	Barneveld	3,533	3,664	–	7,197
De Maas 40	Best	2,257	468	–	2,725
De Rijn 7a-7c, 9	Best	2,145	930	–	3,075
Handelsweg 23, Hallenstraat 16	Bladel	6,100	900	–	7,000
Gildestraat 29	Borne	1,279	75	–	1,354
Kruisbroeksestraat 7-15, Ladonkseweg 26	Boxtel	5,789	300	–	6,089
Brugsteen 13	Breda	460	74	–	534
Goeseelsstraat 3	Breda	725	0	–	725
Minervum 7147	Breda	672	577	–	1,249
Takkebijsters 8	Breda	2,587	1,221	–	3,808
Trekkpot 2a-2e	Breda	1,948	–	–	1,948
Het Sterrenbeeld 26-30	Den Bosch	2,108	808	–	2,916
Het Zuiderkruis 11	Den Bosch	4,000	270	–	4,270
Kerketuineweg 35	The Haag	5,470	1,848	–	7,318
Zilverstraat 27	The Haag	596	133	–	729
Zilverstraat 35	The Haag	500	106	–	606
Aventurijn 600	Dordrecht	376	632	–	1,008
Buys Ballotstraat 3	Dordrecht	795	–	–	795
Debijestraat 5, Röntgenstraat 1	Dordrecht	1,917	500	–	2,417
Donker Duyvisweg 301	Dordrecht	9,130	2,472	–	11,602
Laan van Kopenhagen 100	Dordrecht	866	1,245	–	2,111
Labradoriet 300-320	Dordrecht	1,706	116	–	1,822
Pieter Zeemanweg 17	Dordrecht	21,411	1,928	–	23,339
Roelofshoeveweg 19	Duiven	1,770	425	–	2,195

Property listing – Netherlands

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
De Witbogt 22-22a	Eindhoven	1,080	843	–	1,923
Dillenburgstraat 12-14	Eindhoven	2,623	2,197	–	4,820
Dillenburgstraat 35	Eindhoven	2,320	805	–	3,125
Esp 100	Eindhoven	2,356	1,314	–	3,670
Esp 125	Eindhoven	2,922	866	–	3,788
Esp 241	Eindhoven	2,510	408	–	2,918
Hoevenweg 11-11a	Eindhoven	2,976	2,923	–	5,899
Hurksestraat 20-22	Eindhoven	11,608	988	–	12,596
Meerenakkerweg 18-20	Eindhoven	17,615	1,740	–	19,355
Wekkerstraat 37-53	Eindhoven	7,465	0	–	7,465
Kopersteden 1	Enschede	18,262	2,451	–	20,713
De Hooge Akker 21	Geldrop-Mierlo	1,750	390	–	2,140
Franklinweg 35	Gorinchem	2,477	530	–	3,007
Gotenburgweg 38	Groningen	780	490	–	1,270
Wismarweg 3	Groningen	805	204	–	1,009
Oudeweg 42	Haarlem	5,312	1,920	–	7,232
Diamantlaan 10	Haarlemmermeer	2,668	709	–	3,377
Diamantlaan 14-16	Haarlemmermeer	811	898	–	1,709
Jacobus Ahrendlaan 1	Haarlemmermeer	3,997	2,222	–	6,219
Liebrugweg 1	Haarlemmermeer	480	930	–	1,410
Opaallaan 31	Haarlemmermeer	500	620	–	1,120
Opaallaan 35	Haarlemmermeer	1,563	609	–	2,172
Grasbeemd 12	Helmond	2,400	340	–	2,740
David Ricardostraat 5	Hengelo	433	482	–	915
Franciscusweg 4	Hilversum	1,546	112	–	1,658
De Marowijne 4	Hoorn	9,353	1,460	–	10,813
Bergveste 12-14	Houten	2,537	850	–	3,387
Voorveste 1-3	Houten	1,834	672	–	2,506
Christiaan Huygensstraat 35	Lansingerland	3,675	–	–	3,675
Vestaweg 5	Leeuwarden	7,441	1,120	–	8,561
Schoenerweg 45	Maastricht	8,838	350	–	9,188
Nijverheidsweg 25	Mijdrecht	3,500	44	–	3,544
Kwartelweg 1	Moerdijk	3,220	262	–	3,482
Majoraan 9	Monferland	640	140	–	780
Kelvinweg 1	Nissewaard	1,113	66	–	1,179
Ketelweg 18a-22	Papendrecht	5,620	4,550	–	10,170
Groothandelsweg 5	Pijnacker-Nootdorp	3,153	560	–	3,713
Weteringweg 7-9	Pijnacker-Nootdorp	2,059	422	283	2,764
Konstruktieweg 7	Roermond	5,721	823	–	6,544
Belder 1	Roosendaal	2,912	764	–	3,676
Borchwerf 39	Roosendaal	6,100	900	–	7,000
Driemansteeweg 66	Rotterdam	448	848	–	1,296
Linschotenstraat 100	Rotterdam	1,035	480	–	1,515
Stadionweg 39	Rotterdam	–	–	6,046	6,046
Waalhaven Z.z 6, Potumstraat 3-7	Rotterdam	4210	611	–	4,821
Admiraal de Ruyterstraat 2*	Schiedam	8,116	4,022	–	12,138
Fortunaweg 11	Schiedam	970	142	–	1,112
Dr. Nolenslaan 126	Sittard-Geleen	3,522	1,203	–	4,725
Vouwersweg 110	Sittard-Geleen	1,000	220	–	1,220
Ekkersrijt 4302	Son en Breugel	2,907	878	–	3,785
Ekkersrijt 4311-4313	Son en Breugel	1,859	463	–	2,322
Ekkersrijt 7501	Son en Breugel	1,793	1,706	–	3,499
Innovatieweg 10	Terneuzen	1,907	1,838	–	3,745
Innovatieweg 12	Terneuzen	608	2,018	–	2,626
Innovatieweg 14	Terneuzen	4,953	2,800	–	7,753
Innovatieweg 4	Terneuzen	3,024	700	–	3,724
Innovatieweg 6	Terneuzen	5,002	1,901	–	6,903
Innovatieweg 8	Terneuzen	2,679	1,953	–	4,632
Damzigt 54-58	Utrecht	1,522	675	–	2,197
Nevadadreef 72-78	Utrecht	900	490	–	1,390
Proostwetering 30	Utrecht	8,259	244	–	8,503
Savannahweg 57-59	Utrecht	1,323	599	–	1,922
Savannahweg 63-65	Utrecht	2,983	542	–	3,525
Zonnebaan 23-45	Utrecht	9,381	8,004	–	17,385

*) Held on a leasehold

Property listing – Netherlands

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
De Vest 62	Valkenswaard	7,121	2,425	–	9,546
John F. Kennedylaan 38	Valkenswaard	1,562	500	–	2,062
De Run 4242	Veldhoven	4,346	959	152	5,457
De Run 8421	Veldhoven	1,421	169	–	1,590
Magalhaesweg 10	Venlo	14,177	618	–	14,795
Magalhaesweg 16	Venlo	10,114	228	–	10,342
Magalhaesweg 6	Venlo	12,614	–	–	12,614
Noorderpoort 4	Venlo	727	1,063	–	1,790
Van Heemskerkweg 9	Venlo	4,589	1,064	–	5,653
De Amfoor 1	Venray	4,532	1,124	–	5,656
Coenecoop 395	Waddinxveen	984	79	–	1,063
Bijsterhuizen 2511	Wijchen	3,387	689	–	4,076
Rechte Tocht 10	Zaanstad	439	268	–	707
Huis ter Heideweg 18-58	Zeist	14,154	5,403	–	19,557
Chroomstraat 140	Zoetermeer	5,744	1,500	–	7,244
Chroomstraat 91	Zoetermeer	2,242	921	–	3,163
Koperstraat 44	Zoetermeer	2,162	428	–	2,590
Philipsstraat 13-15	Zoetermeer	1,031	281	–	1,312
Trawlerweg 8-12	Zwolle	855	75	–	930
Total		442,976	120,970	6,870	570,816

Paris

Property listing – Paris

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
202 Route de Pontoise	Argenteuil	2,189	521	–	2,710
51 Rue de Presles	Aubervilliers	9,375	–	–	9,375
39 Boulevard du Général Delambre	Bezons	700	650	–	1,350
19 Avenue Albert Einstein	Blanc Mesnil	10,931	2,635	–	13,566
73 à 79 Avenue du 14 juillet et 48 à 54 Avenue Andrei Sakharov	Bondy	3,677	1,519	–	5,196
6 Rue des Prés d'Aulnay	Brétigny-sur-Orge	–	515	–	515
423 Rue Audemars	Buc	1,470	–	–	1,470
6 Rue de la Guyonnerie	Bures-sur-Yvette	170	667	–	837
13 Rue Gutenberg	Bussy Saint Georges	5,303	2,383	–	7,686
477 Rue Marcel Paul	Champigny sur Marne	1,589	–	–	1,589
16 bis Rue de Paris	Champlan	250	400	–	650
16 Rue Condorcet	Chennevières-sur-Marne	1,863	–	–	1,863
22 Rue Aman Jean	Chevry	2,400	–	–	2,400
17 Avenue du Parc	Chilly Mazarin	1,685	309	–	1,994
2/3/5 Rue de la Butte du Moulin, ZA de la Porte de la Forêt	Collégien	3,831	1,169	–	5,000
51 Allée du Clos des Charmes	Collégien	2,651	543	–	3,194
Allée des Portes de la Forêt	Collégien	–	–	635	635
2 Boulevard de France	Combs-La-Ville	5,885	1,145	–	7,030
2 Rue de la Borne Blanche	Combs-La-Ville	6,582	835	–	7,417
3 Avenue du 8 mai 1945	Corbeil-Essonnes	–	–	538	538
14 Rue Georges Méliès	Cormeilles-en-Parisis	2,590	830	–	3,420
2 Allées des Terres Rouges	Cormeilles-en-Vexin	1,762	684	–	2,446
Route de Choisy, Carrefour Pompadour, ZA La Basse Quinte	Créteil	–	–	658	658
65 Avenue Georges Politzer	Elancourt	4,405	1,593	–	5,998
28-48 Rue Vladimir Jankelevitch	Émerainville	3,346	1,324	–	4,670
35 Boulevard de Beaubourg	Émerainville	2,379	1,556	–	3,935
56 Boulevard de Beaubourg	Émerainville	837	162	–	999
8-10 Rue de Chevilly	Fresnes	5,563	975	–	6,538
3 Avenue des Morillons	Garges-Lès-Gonesse	2,853	815	–	3,668
125 Avenue Louis Roche	Gennevilliers	333	322	–	655
141 Avenue Laurent Cély	Gennevilliers	1,305	867	–	2,172
16-18 Boulevard Gallieni	Gennevilliers	6,798	1,141	–	7,939
84 Avenue Paul Vaillant Couturier, 8-20-26 Rue Traversière	Gennevilliers	2,706	2,214	–	4,920
7 Rue Jean-Jacques Rousseau	Grigny	1,854	2,444	–	4,298
16 Rue de la Patelle	Herblay	6,600	800	–	7,400
21-23 Rue du Gros Murger	Herblay	10,151	2,174	–	12,325
10 Rue Ampère	Igny	1,932	370	–	2,302
17 Rue Branly et 28 Rue Jacquard	Lagny-sur-Marne	2,327	796	–	3,123
52/51 Rue Freycinet	Lagny-sur-Marne	1,562	748	–	2,310
17 Rue Levaissor et Les Garennes	Les Mureaux	–	–	533	533
10 Avenue des Tropiques	Les Ulis	765	1,347	–	2,112
10 Avenue des Tropiques	Les Ulis	–	–	3,639	3,639
12 Avenue des Tropiques	Les Ulis	3,426	1,730	–	5,156
3 Avenue de l'Atlantique	Les Ulis	1,510	190	–	1,700
4 Avenue du Parana	Les Ulis	3,643	520	–	4,163
4 Avenue du Parana	Les Ulis	2,461	395	–	2,856
7-12 Avenue des Tropiques	Les Ulis	1,056	4,900	–	5,956
La Mare aux Plantards	Lieusaint	1,996	2,488	–	4,484
Rue des longs rideaux	Limeil-Brévannes	7,109	1,167	–	8,276
14-16 Rue des Cerisiers - ZA des Églantiers	Lisses	1,079	277	–	1,356
5-7-9 Rue des Cerisiers - ZA des Églantiers	Lisses	2,655	1,836	–	4,491
8 Rue Léonard de Vinci	Lisses	2,400	808	–	3,208
14 Rue des Campanules	Lognes	2,459	641	–	3,100
10-12-14, 15-15 bis Rue Gutenberg	Magny en Vexin	5,709	165	–	5,874
4 Rue Galvani	Massy	544	259	–	803
4 Rue Galvani	Massy	3,106	1,551	–	4,657
9 Rue du Buisson aux Fraises	Massy	4,257	4,224	–	8,481
107 Rue Marcelin Berthelot	Moissy-Cramayel	–	1,229	–	1,229

Property listing – Paris

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Rue de l'Ancienne Sucrerie	Montereau	–	–	441	441
51 et 53 Avenue de Sénart, 8 et 10 allée du bois Renaud	Montgeron	881	4,468	–	5,349
97 Avenue Jean Jaurès	Montgeron	–	137	–	137
98 Avenue Jean Jaurès	Montgeron	1,170	788	–	1,958
Le Bas Montjoie - RN 20	Monlhéry	–	–	334	334
33-35 Route de Calais, RN1	Montmagny	–	–	609	609
1 ter Rue du Marais	Montreuil	840	200	–	1,040
3 Avenue Ferdinand de Lesseps	Morangis	3,890	639	–	4,529
39 Avenue des Guilleraines	Nanterre	1,450	793	–	2,243
6 Rue des Peupliers	Nanterre	1,432	1,433	–	2,865
ZAC des Hautes Patures	Nanterre	–	–	635	635
9 Avenue de la Foulée, ZAC des Saints Pères	Nanteuil-lès-Meaux	–	–	516	516
164 Avenue Jean Jaurès	Neuilly-sur-Marne	–	–	635	635
49 Rue des Frères Lumières	Neuilly-sur-Marne	6,700	–	–	6,700
8-10 Rue de la Mare Blanche	Noisiel	2,308	822	–	3,130
20-24 Rue du Ballon	Noisy-Le-Grand	5,398	433	–	5,831
Route Nationale 48	Orgeval	–	–	635	635
166-168 Rue Denis Diderot	Pantin	977	475	–	1,452
85 et 87 Rue Carlier Bresson	Pantin	6,528	714	–	7,242
3 Rue Rouvet et 18 Rue Barbanègre	Paris	–	473	–	473
ZA Porte Ouest, CD91	Pierrelaye	–	–	1,202	1,202
Avenue Ozanne	Porcheville	3,514	328	–	3,842
1 Rue Denis Papin	Roissy-en-Brie	154	264	–	418
12 Chemin du Moulin Basset	Saint Denis	4,429	8,722	–	13,151
2 Rue André Ampère	Saint Ouen l'Aumone	2,200	330	–	2,530
1 Avenue de la Pépinière	Saint Witz	2,041	1,341	–	3,382
2 à 4 Rue de la Sablière et Rue du Petit Fief	Sainte-Geneviève-des-Bois	295	342	–	637
Route Nationale 19	Servon	–	–	483	483
1-5 Rue de la Sablière	Sucy-en-Brie	2,620	436	–	3,056
63 Grande Rue	Survilliers	36,325	3,428	–	39,753
10-13 avenue Jean d'Alembert	Trappes	2,300	–	–	2,300
25 Rue Henri Farman	Tremblay	1,315	478	–	1,793
1-3 Place Thomas Edison	Valenton	3,880	1,331	–	5,211
2 Rue du Midi-Pyrénées	Valenton	4,311	747	–	5,058
Lieudit "La Fosse Montalbot" - 26 Chemin du Port Brun	Vigneux-sur-Seine	2,076	–	–	2,076
Rue de la Prairie, "Complexe Industriel	Villebon-Sur-Yvette	5,090	1,210	–	6,300
Prairie de Villebon sur Yvette"	Villemoisson-sur-Orge	–	–	–	–
46 Avenue des Gardes Messiers	Villeneuve le Roi	550	–	–	550
18 bis Voie de Mons	Villeneuve-Saint-Georges	1,393	410	–	1,803
5 Rue Louis Armand	Wissous	2,250	–	–	2,250
4 Route de Paray					
Total		270,346	87,575	11,492	369,412

University cities in Finland

Property listing – University cities in Finland

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Autokeskuksentie 12 (604-408-0004-0716)	Autokeskuksentie 12	Pirkkala	2,940	–	–	2,940
Autokeskuksentie 14 (604-408-0004-0716)	Autokeskuksentie 14	Pirkkala	3,100	–	–	3,100
Autokeskuksentie 16 (604-408-0004-0716)	Autokeskuksentie 16	Pirkkala	991	7,497	–	8,488
Autokeskuksentie 18 (604-408-0004-0716)	Autokeskuksentie 18	Pirkkala	85	–	–	85
Autokeskuksentie 20 (604-408-0004-0716)	Autokeskuksentie 20	Pirkkala	5,023	–	–	5,023
Haikanvuori 10 (604-408-0004-0711)	Haikanvuori 10	Pirkkala	2,246	–	–	2,246
Lasikaari 1 (604-419-3-242)*	Lasikaari 1	Pirkkala	4,914	700	–	5,614
Muuraintie 3 (604-402-1-662)	Muuraintie 3	Pirkkala	3,044	690	–	3,734
Vesalantie 14 (604-418-1-551)	Vesalantie 14	Pirkkala	1,452	–	–	1,452
Vesalantie 15 (604-406-1-15)	Vesalantie 15	Pirkkala	1,736	–	–	1,736
Ahjokatu 26 (179-15-8-12)*	Ahjokatu 26	Jyväskylä	1,554	689	–	2,243
Ahlmaninkatu 2 E (179-5-130-1-L1)*	Ahlmaninkatu 2 E	Jyväskylä	34	1,595	–	1,629
Harkkotie 6 (179-401-18-187)	Harkkotie 6	Jyväskylä	655	–	–	655
Kankitie 3 (179-19-9-14)	Kankitie 3	Jyväskylä	5,368	531	–	5,899
Kuormajantie 26 (179-19-100-3)	Kuormajantie 26	Jyväskylä	4,294	1,093	–	5,387
Metsäraivio 2 (179-26-77-11)*	Metsäraivio 2	Jyväskylä	1,123	–	–	1,123
Nisulankatu 78 (179-11-53-3-L1)*	Nisulankatu 78	Jyväskylä	407	877	–	1,283
Onkapannu 3 (179-6-112-65)	Onkapannu 3	Jyväskylä	2,350	669	125	3,144
Onkapannu 4 B (179-6-112-51)	Onkapannu 4 B	Jyväskylä	1,601	548	–	2,149
Onkapannu 6 (179-6-112-62)	Onkapannu 6	Jyväskylä	1,184	–	–	1,184
Onkapannu 8 (179-6-112-63)	Onkapannu 8	Jyväskylä	1,043	–	–	1,043
Palokärjentie 7 (179-48-1-12)	Palokärjentie 7	Jyväskylä	901	19	–	920
Puulaakintie 8 (179-19-67-4-L1)*	Puulaakintie 8	Jyväskylä	1,385	0	0	1,385
Salvesenintie 6 (179-401-87-96)	Salvesenintie 6	Jyväskylä	9,078	4,557	–	13,635
Savelankatu 3 (179-6-112-51)	Savelankatu 3	Jyväskylä	1,175	–	–	1,175
Savelankatu 5 (179-6-112-52)	Savelankatu 5	Jyväskylä	4,607	–	–	4,607
Savelankatu 7 (179-6-112-45)	Savelankatu 7	Jyväskylä	2,067	–	–	2,067
Sepänkatu 4 (179-2-37-6)*	Sepänkatu 4	Jyväskylä	519	2,893	–	3,411
Valmetintie 11 (179-401-87-126)	Valmetintie 11	Jyväskylä	4,742	–	–	4,742
Yritystie 1 (179-19-69-9)	Yritystie 1	Jyväskylä	10,820	–	–	10,820
Vihikari 10 (244-401-219-2)	Vihikari 10	Kempele	13,117	5,134	–	18,251
Avantintie 20 (423-455-1-502)	Avantintie 20	Lieto	5,600	–	–	5,600
Punasillantie 15 (500-402-6-384)	Punasillantie 15	Muurame	4,300	–	–	4,300
Soininkatu 1 (680-6-6040-21)	Soininkatu 1	Raisio	537	–	–	537
Ahertajankatu 2 (837-65-7065-1)	Ahertajankatu 2	Tampere	1,661	–	247	1,908
Hautalankatu 19 (837-37-5817-1)	Hautalankatu 19	Tampere	2,618	200	–	2,818
Hautalankatu 20 (837-37-5818-1)	Hautalankatu 20	Tampere	1,972	684	–	2,656
Hautalankatu 31 (837-37-5819-2)	Hautalankatu 31	Tampere	1,650	660	–	2,310
Jasperintie 310 (604-418-1-567)	Jasperintie 310	Tampere	4,209	1,549	–	5,758
Patamäenkatu 7 (837-302-781-17)	Patamäenkatu 7	Tampere	16,366	8,637	283	25,286
Peltolamminkatu 40 (837-323-5957-10)*	Peltolamminkatu 40	Tampere	536	–	–	536
Rantaperkiönkatu 2 (837-303-896-1)	Rantaperkiönkatu 2	Tampere	490	–	–	490
Tuotekatu 3 (837-330-6123-11)*	Tuotekatu 3	Tampere	10,047	639	–	10,686
Turvesuonkatu 14 (837-263-2472-5)	Turvesuonkatu 14	Tampere	433	–	–	433
Uurastajankatu 3 (837-48-5932-18)	Uurastajankatu 3	Tampere	9,465	1,977	730	12,172
Joentautinkatu 3 (837-230-3555-9-B)	Joentautinkatu 3	Tampere	6,199	1,173	–	7,372
Nuutisarankatu 19 (837-302-785-17)	Nuutisarankatu 19	Tampere	4,044	–	–	4,044
Hallitie 2 (564-409-47-159)	Hallitie 2	Oulu	3,578	–	–	3,578
Kempeleenkatu 9 (564-9-21-1)	Kempeleenkatu 9	Oulu	2,310	700	800	3,810
Lumijoentie 2 (564-9-23-40)	Lumijoentie 2	Oulu	6,778	–	–	6,778
Mittarikuja 5 (564-84-8-5)*	Mittarikuja 5	Oulu	6,900	300	–	7,200
Moreenikuja 2 (564-83-32-13)	Moreenikuja 2	Oulu	5,539	105	–	5,644
Nuottasaarentie 4 (564-9-27-9)	Nuottasaarentie 4	Oulu	2,586	–	–	2,586
Äimäkuja 2 (564-10-2-16)	Äimäkuja 2	Oulu	12,157	–	–	12,157
Äimäkuja 3 (564-10-2-13)	Äimäkuja 3	Oulu	3,700	–	–	3,700
Äimätie 1 (564-10-9-2)	Äimätie 1	Oulu	3,741	–	–	3,741
Äimätie 5 (564-10-9-1-L1)*	Äimätie 5	Oulu	2,669	–	–	2,669

*) Held on a leasehold

Property listing – University cities in Finland

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Kaapelitie 4 (564-84-8-6)	Kaapelitie 4	Oulu	26,189	41,400	–	67,589
Jääsalontie 17 (564-9-31-1-S)	Jääsalontie 17	Oulu	2,619	2,217	–	4,836
Metsälehmuksentie 6 (179-72-19-1)	Metsälehmuksentie 6	Vaajakoski	12,514	1,410	–	13,924
Teollisuustie 11 (980-428-39-8)	Teollisuustie 11	Ylöjärvi	4,700	397	–	5,097
Vanha Vaasantie 13 (980-428-17-3)	Vanha Vaasantie 13	Ylöjärvi	6,872	2,083	–	8,955
Vanha Vaasantie 3 (980-428-17-40)	Vanha Vaasantie 3	Ylöjärvi	4,633	672	–	5,305
Kuormakatu 17 (853-92-30-1-L1)*	Kuormakatu 17	Turku	3,981	2,765	–	6,746
Total			323,755	101,053	2,194	427,003

Madrid & Barcelona

Property listing – Madrid & Barcelona

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Calle Louis Pasteur 4	Alcalá	6,500	–	–	6,500
Ctra. M-300 (Av. de Madrid), P.I. Las Matillas	Alcalá	4,745	–	–	4,745
Calle Valdelaparra 29	Alcobendas	7,632	4,328	–	11,960
Francisco Gervas 7, P.I. Valportillo	Alcobendas	4,142	1368	–	5,510
Valportillo Primera, 20	Alcobendas	788	–	–	788
Av Conde Romanones 7	Azuqueca	13,411	587	–	13,998
Calle Potassi, P.I. Acisa	Castellbisbal	3,300	–	–	3,300
Calle Or 14	Cerdanyola	904	106	–	1,010
Calle del Progrés 139	Cornellà	375	183	–	558
Paseo de las Flores 7	Coslada	9343	2199	–	11,542
Paseo Flores 36	Coslada	444	25	90	559
Paseo Flores 38	Coslada	437	25	33	495
Calle Raurell 36, P.I. Camí Ral	Gava	1,599	460	–	2,059
Paseo del Ferrocarril 383	Gava	4,235	878	–	5,113
Calle Juan Jose Vidal 4, P.I. Las Mezquitas	Getafe	7081	–	–	7,081
Av Sant Julià 104	Granollers	8,236	1,011	–	9,247
Av Sant Julià 97	Granollers	6,273	905	–	7,178
Calle Daza Valdes 7 pta 11-12	Leganes	814	–	–	814
Calle Daza Valdes 7 pta 13-22	Leganes	4,855	–	–	4,855
Calle Daza Valdes 7 pta 1-5	Leganes	2,020	–	–	2,020
Calle Daza Valdes 7 pta 6-7	Leganes	804	–	–	804
Calle Daza Valdes 7 pta 8	Leganes	402	–	–	402
Calle Daza Valdes 7 pta 9-10	Leganes	804	–	–	804
Calle de Montserrat Roig 25-29	L'Hospitalet	3,171	–	–	3,171
Calle Ingeniero Torres Quevedo 20	Madrid	773	256	–	1,029
Calle Ingeniero Torres Quevedo 22	Madrid	773	256	–	1,029
Calle Ingeniero Torres Quevedo 24	Madrid	773	256	–	1,029
Calle Ingeniero Torres Quevedo 26	Madrid	970	346	–	1,316
Calle Ingeniero Torres Quevedo 28	Madrid	929	248	–	1,177
Calle Roso de Luna 33-35	Madrid	948	297	–	1,245
Calle Roso de Luna 37-39	Madrid	948	297	–	1,245
Calle Roso de Luna 41-43	Madrid	948	343	–	1,291
Mario Roso de Luna 31	Madrid	1,111	129	325	1,565
Av Via Sèrgia 77, P.I. Plà d'en Boet II	Mataró	4,046	–	–	4,046
Calle Octave Lecante 8, P.I. Can Magarola	Mollet	4,107	572	–	4,679

Property listing – Madrid & Barcelona

Address	Municipality	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Av la Ferreria 12	Montcada	14,054	1,898	–	15,952
Av La Ferreria 28	Montcada	779	245	–	1,024
Av La Ferreria 30	Montcada	789	244	–	1,033
Av La Ferreria 76-78	Montcada	1,792	311	80	2,183
Calle del Téxtil 6	Montcada	1,131	1087	10	2,228
Calle Muga 2	Montcada	1,972	304	–	2,276
Av Prat de la Riba 186	Pallejà	3,479	–	–	3,479
Calle Galileo 2 Nave 1	Parets	1,186	300	–	1,486
Calle Galileo 2 Nave 12	Parets	1,099	217	–	1,316
Calle Galileo 2 Nave 2	Parets	1,186	300	–	1,486
Calle Galileo 2 Nave 7	Parets	1,042	274	–	1,316
Calle Galileo 2 Nave 8	Parets	995	321	–	1,316
Calle Galileo 2 Nave 9	Parets	940	300	–	1,240
Calle Marconi 3	Parets	3,080	230	–	3,310
Paseo Fluvial 10	Parets	2,923	263	–	3,186
Calle Las Arenas 10-12	Pinto	1,491	360	–	1,851
Calle Metalurgia 1-3	Pinto	730	180	–	910
Calle Metalurgia 4	Pinto	800	54	–	854
Calle Metalurgia 6	Pinto	800	81	–	881
Calle Metalurgia 8-10	Pinto	1,600	108	–	1,708
Calle Metalurgia 9	Pinto	867	160	–	1,027
Cormoranes, 5-9	Pinto	6,056	–	–	6,056
Av de Sentmenat 47	Polinyà	3,222	388	–	3,610
P.I. Can San Joan Parc 17	Rubí	5,404	2,558	–	7,962
Calle Técnica 71	Sant Andreu	505	152	–	657
Calle Técnica 73	Sant Andreu	495	152	–	647
Calle Técnica 75	Sant Andreu	486	152	–	638
Calle Técnica 77	Sant Andreu	476	152	–	628
Calle Técnica 79	Sant Andreu	456	152	–	608
Calle Técnica 81	Sant Andreu	456	152	–	608
Calle Técnica 83	Sant Andreu	573	229	–	802
Calle Torre Bovera 21 Nave 15	Sant Andreu	589	250	–	840
Calle Principat d'Andorra 55	Sant Boi	2,704	–	–	2,704
Calle de la Masía 1-3-5	Sant Esteve Sesrovires	8,095	300	–	8,395
Calle Bronce 2	Seseña	0	–	–	0
Calle Monte Naranco 10-11	Seseña	5,400	–	–	5,400
Calle Monte Naranco 12-13-14	Seseña	8,098	–	–	8,098
Calle Monte Naranco 9	Seseña	2,700	–	–	2,700
Calle Tejada del Tietar 2-3	Seseña	5,430	–	–	5,430
Av Can Vinyalets Nave 4	Sta Perpetua	1,752	590	–	2,342
Av Can Vinyalets Nave 6	Sta Perpetua	1,752	590	–	2,342
Av Can Vinyalets Nave 7	Sta Perpetua	2,172	476	–	2,648
Calle Lleida 6, Parc Activitats Econòmiques	Vic	3,895	–	–	3,895
Calle Caldereros 4, P.I. Mohedano	Yunquera	4,500	–	–	4,500
Calle Caldereros 5, P.I. Mohedano	Yunquera	6,800	200	–	7,000
Calle Caldereros 6, P.I. Mohedano	Yunquera	3,298	–	–	3,298
Total		226,690	26,908	2,436	256,034

Rest of Finland

Property listing Rest of Finland

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Rekolankulma 4 (10-16-3-11)	Rekolankulma 4	Alavus	494	—	—	494
Korjaamonkatu 1 (609-33-5-3)	Korjaamonkatu 1	Pori	2,620	—	—	2,620
Kruuti-Jussintie 3 (609-30-2-1)	Kruuti-Jussintie 3	Pori	984	—	76	1,060
Raja-Hiltantie 8 (609-30-4-1)	Raja-Hiltantie 8	Pori	1,278	435	—	1,713
Tavaratie 4 (609-9-35-5)	Tavaratie 4	Pori	1,027	—	—	1,027
Alkrogintie 2 (638-414-1-287-L1)*	Alkrogintie 2	Porvoo	396	—	—	396
Västanbyntie 4 (710-13-108-1)	Västanbyntie 4	Ekenäs	796	—	—	796
Koikkurintie 2 (61-6-165-7-4)	Koikkurintie 2	Forsa	1,230	322	—	1,552
Murrontie 3 (61-15-277-12)	Murrontie 3	Forsa	26,176	4,880	—	31,056
Rajakatu 22 (69-401-6-427)	Rajakatu 22	Haapavesi	519	—	—	519
Tarmontie 2-4 (98-435-7-400 et al)	Tarmontie 2-4	Hollola	11,900	2,210	300	14,410
Hakakalliontie 7 (106-24-2307-2)	Hakakalliontie 7	Hyvinkää	895	783	—	1,678
Koneenkatu 8 (106-7-606-16)	Koneenkatu 8	Hyvinkää	47,716	14,230	—	61,946
Kolisevantie 21 (224-3-38-11)	Kolisevantie 21	Karkkila	240	—	—	240
Kaivontekijänkatu 4 (143-9-6-5)	Kaivontekijänkatu 4	Ikalis	571	—	—	571
Muuntamontie 3 (167-9-903-25)	Muuntamontie 3	Joensuu	2,713	—	—	2,713
Viemannintie 1 (174-401-14-122)	Viemannintie 1	Juankoski	551	—	—	551
Kettukalliontie 27 (205-5-164-9-L2)*	Kettukalliontie 27	Kajaani	597	—	—	597
Varistie 8 (205-8-16-8)	Varistie 8	Kajaani	908	—	82	990
Tampionkatu 12 (214-13-902-5)	Tampionkatu 12	Kankaanpää	490	—	—	490
Mottisenkatu 6 (272-17-2-11)	Mottisenkatu 6	Kokkola	1,712	—	—	1,712
Patamäentie 1 (272-34-1-12)	Patamäentie 1	Kokkola	3,264	—	—	3,264
Patamäentie 10 (272-34-3-2)	Patamäentie 10	Kokkola	800	—	—	800
Paloasemantie 13 (273-401-11-103)	Paloasemantie 13	Kolari	623	—	—	623
Kisällinkatu 10 (285-46-160-1)	Kisällinkatu 10	Kotka	2,324	—	—	2,324
Pultikatu 9 (285-46-134-1)	Pultikatu 9	Kotka	1,037	—	90	1,127
Kaupinkatu 19 (286-11-22-5-L1)*	Kaupinkatu 19	Kouvola	675	—	—	675
Jauratie 1 (290-405-26-376)	Jauratie 1	Kuomo	444	—	—	444
Lukkosalmentie 14 (297-22-3-4-L1)*	Lukkosalmentie 14	Kuopio	1,755	—	—	1,755
Mestarinkatu 5 (297-24-14-3-3)	Mestarinkatu 5	Kuopio	1,790	852	—	2,642
Mäkitie 3 (301-4-25-10)	Mäkitie 3	Kurikka	539	—	—	539
Aniankatu 9 (398-4-379-5)	Aniankatu 9	Lahti	2,027	—	—	2,027
Ansiokatu 8 (398-23-116-7)	Ansiokatu 8	Lahti	1,711	700	—	2,411
Jatkokatu 1 (398-9-9050-2)	Jatkokatu 1	Lahti	4,980	—	—	4,980
Vanhanradankatu 42 (398-20-246-8)	Vanhanradankatu 42	Lahti	26,441	646	—	27,087
Vesijärvenkatu 3 (398-1-25-3)	Vesijärvenkatu 3	Lahti	—	—	487	487
Metsäkiventie 4 (408-14-1413-1)	Metsäkiventie 4	Lapua	5,799	314	—	6,113
Kerantie 25 (422-9-124-1)	Kerantie 25	Lieksa	529	—	—	529
Gunnarlankatu 5 (444-13-662-1)	Gunnarlankatu 5	Lohja	7,507	976	—	8,483
Ratakatu 26 (444-15-360-6)	Ratakatu 26	Lohja	1,168	385	—	1,553
Ratakatu 28 (444-15-360-1)	Ratakatu 28	Lohja	1,224	—	—	1,224
Teollisuustie 9 (541-134-4-3)	Teollisuustie 9	Nurmekoski	519	—	—	519
Välttäjätie 7 (895-18-7-4-L1)*	Välttäjätie 7	Ususkaupunki	520	—	—	520
Outokummuntie 8 (309-11-1105-1)	Outokummuntie 8	Oulunkylä	540	—	—	540
Kaaritie 7 (593-4-50-5)	Kaaritie 7	Pieksämäki	534	—	—	534
Varikonkatu 5 (598-12-9-9)	Varikonkatu 5	Jakobstad	899	—	91	990
Verstastie 3 (791-421-5-66)	Verstastie 3	Pulkkila	574	—	—	574
Äyhönpäätie 5 (684-11-1104-1)	Äyhönpäätie 5	Rautjärvi	999	153	—	1,152
Teollisuustie 28 (698-9-9025-10)*	Teollisuustie 28	Rovaniemi	1,019	268	—	1,287
Teollisuustie 29 (698-9-9038-9-L1)*	Teollisuustie 29	Rovaniemi	4,856	—	—	4,856
Ratakatu 2 (491-1-25-1)	Ratakatu 2	Mikkeli	334	—	—	334
Yrittäjäkatu 10 (491-6-34-8)	Yrittäjäkatu 10	Mikkeli	474	—	—	474
Perämiehenkatu 7 (734-4-8-32-L1)*	Perämiehenkatu 7	Salo	1,039	—	—	1,039
Yrittäjätie 2 (743-5-24-8)	Yrittäjätie 2	Seinäjoki	2,435	534	—	2,969

*) Held on a leasehold

Property listing Rest of Finland

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Lohitie 3 (777-406-27-66)	Lohitie 3	Suomussalmi	573	–	–	573
Autotehtaantie 1 (109-40-103-10 et al)	Autotehtaantie 1	Hämeenlinna	10,652	1,090	–	11,742
Larin Kyöstinkatu 30 (109-8-38-3)	Larin Kyöstinkatu 30	Hämeenlinna	2,398	267	–	2,665
Ruununmyllyntie 13 (109-16-86-8)	Ruununmyllyntie 13	Hämeenlinna	17,715	–	–	17,715
Köpingintie 7 (905-451-33-0)	Köpingintie 7	Vaasa	535	–	–	535
Hiidenmäentie 20 (927-454-4-0)	Hiidenmäentie 20	Vihti	16,956	3,316	–	20,272
Mustasuoantie 9 (931-401-1-362)	Mustasuoantie 9	Viitasaari	453	–	34	487
Kettukallionkatu 3 (977-10-26-2)	Kettukallionkatu 3	Ylivieska	2265	–	–	2,265
Kiskotie 2 (977-3-7-1)	Kiskotie 2	Ylivieska	724	324	–	1,048
Total			235,463	32,685	1,160	269,308

*) Held on a leasehold

Rest of Sweden

Property listing – Rest of Sweden

Property listing	Address	Municipality	Lettable area in sqm			
			Warehouse/ Industrial	Offices	Other	Total
Mörten 17	Bruksgatan 7 C	Eslöv	7,640	–	–	7,640
Geväret 1, Värjan 2	Mossvägen 16	Falköping	6,115	–	–	6,115
Arendal 1:10	Synnerödsvägen 7	Gothenburg	3,381	1,115	–	4,496
Högsbo 34:18*	J A Wettergrens Gata 10	Gothenburg	2,914	2,420	–	5,334
Bronsen 1, 4, 5, 6, 7	industrigatan 87	Helsingborg	8,426	–	–	8,426
Plankan 2	Brännerigatan 2	Höganäs	7,187	–	–	7,187
Kristianstad 3:35	Björkhemsvägen 12	Kristianstad	8,737	–	–	8,737
Grepén 9, Grepén 12, Grepén 14	Skogvaktarevägen 11, 15 & 17	Lidköping	6,954	–	–	6,954
Infeckningen 5	Magistratsvägen 16-18	Lund	12,924	7,506	3,359	23,789
Stockholmsledet 12	Emdalavägen 3	Lund	5,438	380	–	5,818
Bredablick 4*	Sallerupsvägen 34	Malmö	17,795	–	–	17,795
Båtyxan 5*	Järnyxegatan 15-17	Malmö	4,865	775	–	5,640
Båtyxan 6*	Stenyxegatan 1	Malmö	10,928	3,463	–	14,391
Vevaxeln 4	Vevaxelgatan 2	Malmö	1,080	1,758	–	2,838
Lommen 6, Anden 1	Långgatan 74 & 80	Mellerud	7,265	–	–	7,265
Pollaren 1	Barlastgatan 10	Norrköping	40,730	–	–	40,730
Pollaren 2	Barlastgatan 10	Norrköping	7,700	–	–	7,700
Kamaxeln 6*	Batterivägen 11	Skövde	1,267	1,013	–	2,280
Borggård 1:344	industrivägen 4	Staffanstorp	8,976	324	–	9,300
Trävaran 1	Tommarpsvägen 116	Trelleborg	11,199	–	–	11,199
Ratten 6	Kardanvägen 28	Trollhättan	1,161	1,481	–	2,642
Gräsanden 7	Skaragatan 15	Vara	6,946	1,801	–	8,747
Nedervara 3:4	Gamla Tegelbruket	Vara	10,220	–	–	10,220
Bockaberg 2:2	Solbergavägen 44	Vetlanda	16,720	2,807	–	19,527
Snickaren 3	Snickarvägen 4	Vetlanda	11,430	1,570	–	13,000
Snäppan 5	Drottning Kristinas väg 6	Åmål	4,190	–	–	4,190
Total			232,188	26,413	3,359	261,960

*¹) Held on a leasehold

Rest of Europe

Property listing – Rest of Europe

Address	Municipality, country	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Holger-Craoord Strasse 26	Hechingen, Germany	8,836	287	1,083	10,206
Holger-Craoord Strasse 26	Hechingen, Germany	10,213	10	12	10,235
Holger-Craoord Strasse 26	Hechingen, Germany	18,205	91	865	19,161
Holger-Craoord Strasse 26	Hechingen, Germany	6,644	4,074	1,680	12,398
Holger-Craoord Strasse 26	Hechingen, Germany	10,531	1,456	–	11,987
Skjernvej 6	Aalborg, Denmark	3,055	514	–	3,569
Lokesvej 1	Hillerød, Denmark	2,003	887	–	2,890
Lieu-Dit Obergrund	Baltzenheim, France	1,974	214	–	2,188
54 Chemin des Barmettes	Béligneux, France	3,050	430	–	3,480
43 Rue Mère Elise Rivet	Brignais, Lyon, France	1,000	450	–	1,450
2 Route de Laigneville	Cauffry, France	9,600	–	–	9,600
35 Avenue des Frères Montgolfier	Chassieu, Lyon, France	7,344	600	–	7,944
42 Avenue du Progrès	Chassieu, Lyon, France	16,106	216	–	16,322
2 Avenue de l'Industrie	Chassieu, Lyon, France	5,834	–	–	5,834
42 Rue de Vaucanson	Décines-Charpieu, Lyon, France	1,725	1,430	–	3,155
1130 Avenue Oehmichen-Technoland	Étupes, France	2,635	439	–	3,074
33 Route de Douai - 141 Rue Gustave Delouy	Lesquin, Lille, France	–	–	558	558
5737 Chemin des Tuilleries	Limonest, Lyon, France	–	–	504	504
5 Rue des Drapiers	Metz, France	–	1,898	–	1,898
Route d'Heyrieux	Mions, Lyon, France	–	–	543	543
18 ter, 98 et 100 Rue de Reckem, Rue de Vertuquet	Neuville-en-Ferrain, Lille, France	16,000	1,397	–	17,397
1 Rue des Fauvettes	Ostwald, Strasbourg, France	–	2,233	–	2,233
101 Rue des Généraux Altmayer	Saint-Avold, France	586	689	–	1,275
Route de Verdun	Toul, France	2,793	586	–	3,379
Rue Gay Lussac	Valenciennes, Lille, France	–	–	635	635
4 Rue des Alpes, Zone d'Activité Est	Vaulx-en-Velin, Lyon, France	2,658	91	–	2,749
5 avenue Karl Marx	Vaulx-en-Velin, Lyon, France	1,740	400	–	2,140
Boulevard Laurent Bonnevay and Allée des Savoies	Vénissieux, Lyon, France	–	–	712	712
Rue François Meunier Vial, Boulevard Burdeau	Villefranche-sur-Saône, Lyon, France	–	–	635	635
Av Tercera 12, P.I. Campollano	Albacete, Spain	4,593	–	–	4,593
Calle Galileo Galilei 14	Alicante, Spain	5,760	–	–	5,760
Calle Obenque 1, P.I. Casa Grande	Alicante, Spain	3,912	–	–	3,912
Calle Xàtiva	Alicante, Spain	4,808	–	–	4,808
Calle Vitoria 280, Ctra Madrid-Irún	Burgos, Spain	4,695	–	–	4,695
Calle de la Mojarral 53, P.I. Tres Caminos	Cádiz, Spain	4,309	–	–	4,309
Av Europa 229-231, Cdad. del Transporte	Castellón, Spain	5,212	–	–	5,212
Av Avinyonet, Calle Dr. Ferran 2	Girona, Spain	329	–	–	329
Av Europa 56-57, P.I. Nord	Girona, Spain	3,908	–	–	3,908
Av Roses	Girona, Spain	10,637	–	40	10,677
Calle Mestre Falla 60, P.I. Les Mates	Girona, Spain	5,009	–	–	5,009
Calle Torre Vedruna	Girona, Spain	3,917	–	–	3,917
P.I. Plà de Sant Joan	Girona, Spain	5,648	–	4,367	10,015
Av Sant Antoni de Portmany 2	Ibiza, Spain	2,426	–	–	2,426
Ctra Ibiza a St.Antoni KM 2-4, P.I. Can Negre	Ibiza, Spain	2,989	–	–	2,989
Calle Cordonera 3, P.I. la Portalada	La Rioja, Spain	3,950	–	–	3,950
Calle Diego Vega Sarmiento 62, P.I. Miller	Las Palmas, Spain	3,587	–	–	3,587
Del Sau 11 Parcelas 6-7-8-9-15-16-17	Las Palmas, Spain	3,707	–	–	3,707
Av Indústria s/n, P.I. El Segre	Lleida, Spain	3,084	–	–	3,084
Hort de Ses Animes 2	Mallorca, Spain	–	–	15,436	15,436
Calle Artruix 16, P.I. Maó	Menorca, Spain	3,500	–	–	3,500
Calle Venezuela Parcela 10-12, P.I. Oeste	Murcia, Spain	3,998	–	–	3,998
Calle Vilma-Londres, P.I. Cabezo Beaza	Murcia, Spain	3,524	–	–	3,524
Calle Primera Parcela 206, P.I. Montalvo 3	Salamanca, Spain	3,855	–	–	3,855
Calle Montsant, P.I. Casanova	Sant Fruitós de Bages, Spain	2,646	–	–	2,646
Calle Turdetanos 1	Seville, Spain	12,964	1,373	121	14,458
Calle Plom 7	Tarragona, Spain	1,857	471	–	2,328
Calle Plom 9	Tarragona, Spain	2,125	520	–	2,645
Calle Plom 11	Tarragona, Spain	1,720	421	–	2,141

Property listing – Rest of Europe

Address	Municipality, country	Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Calle Ferro 14-16	Tarragona, Spain	3,194	861	–	4,055
Calle Luxemburg 8, P.I. Tecnoparc	Tarragona, Spain	3,625	–	–	3,625
Calle Plom 30, P.I. Riu Clar	Tarragona, Spain	3,735	356	–	4,091
Calle Po-Rin 12, P.I. Oriola	Tarragona, Spain	3,518	–	–	3,518
Ctra València 8, P.I. Francolí	Tarragona, Spain	4,788	–	–	4,788
Calle Charza-Las Palmitas	Tenerife, Spain	3,386	–	–	3,386
Calle Laura Grote de la Puerta 2, P.I. El Mayorazgo	Tenerife, Spain	3,554	–	–	3,554
Av de Los Huetos 64	Vitoria-Gasteiz, Spain	4,054	–	–	4,054
Total		281,054	22,394	27,191	330,639

Total Sagax

Property listing – Total Sagax

		Lettable area in sqm			
		Warehouse/ Industrial	Offices	Other	Total
Total		3,060,883	634,453	63,977	3,759,313

Definitions

Sagax applies the European Securities and Market Authority's (ESMA) Guidelines on the Alternative Performance Measures. Alternative performance measures refer to financial measures of historical or future earnings trends, financial position, financial results or cash flows that are not defined or stated in the applicable rules for financial reporting, which in Sagax's case is IFRS. The basis of the alternative performance measures provided is that they are used by company management to assess the financial performance and thus are considered to provide valuable information to shareholders and other stakeholders.

The table below presents definitions of Sagax's key performance indicators. The calculation of alternative performance measures is described separately below.

Key performance indicators	Description	Reason for alternative performance measure
Cash flow per Class A and B share	Profit before tax adjusted for items not included in cash flow less tax paid in relation to the average number of Class A and B shares. Dividends on Class D shares and preference shares for the period have also been deducted from profit before tax. Dividends received from joint ventures have been added to profit before tax.	The KPI shows the amount of cash flow for the period that can be considered to be attributable to owners of Class A and Class B shares.
Debt ratio	Interest-bearing liabilities at the end of the period in relation to total assets at the end of the period.	The KPI shows financial risk.
Dilution	Dilution due to outstanding warrants has been calculated, in line with IAS 33, as the number of Class A and B shares to be issued to cover the difference between the strike price and market price for all potential Class A and B shares (warrants) outstanding, insofar as it is probable that they will be utilised.	Not an APM.
Earnings per Class A and B share	Profit in relation to the average number of Class A and B shares after taking into account the portion of profit for the period represented by dividends on Class D shares and preference shares.	Not an APM.
Earnings per Class D share	Class D shares are entitled to five times the dividend on Class A and B shares, although not more than SEK 2.00 per share per year.	The KPI shows the shareholders' share of profit.
EBITDA	Net operating income less central administration costs plus dividends received from joint ventures and associated companies.	Sagax uses EBITDA so that the EBITDA/Net debt KPI shows financial risk.
Economic occupancy rate	Contractual annual rent directly after the end of the period as a percentage of rental value directly after the end of the period.	The key performance indicator shows the economic degree of utilisation of the Group's properties.
Equity/assets ratio	Equity in relation to total assets.	The KPI shows financial risk.
Equity per Class A and B share	Equity at the end of the period in relation to the number of Class A and B shares at the end of the period after taking into account equity attributable to Class D shares and preference shares.	The KPI shows the owner's share of equity.
Equity per Class D share	Equity at the end of the period in relation to the number of common shares at the end of the period after taking into account equity attributable to preference shares. Equity is restricted to SEK 35.00 per Class D share.	The KPI shows the owner's share of equity.
EURIBOR	EURIBOR, or the Euro Interbank Offered Rate, is a daily reference rate based on the average of the interest rates at which euro interbank term deposits are being offered by one prime bank to another within the EMU zone.	Not an APM.
Fixed income derivatives	Agreements on lending rates that may include the factors of time, inflation and/or maximum interest rates. Usually signed to hedge interest rates for interest-bearing loans.	Not an APM.
IFRS	International Financial Reporting Standards, to be applied for consolidated financial statements by companies whose securities are listed on a regulated market.	Not an APM.
Interest coverage ratio	Profit from property management, excluding profit from joint ventures but including dividends from joint ventures, after reversal of financial expenses in relation to financial expenses.	The KPI shows financial risk.
Interest coverage ratio, EMTN programme	Profit from property management after reversal of financial income and expenses as a percentage of net financial items.	The KPI shows financial risk.
Interest-rate swaps	An agreement between two parties to swap interest rate conditions on loans in the same currency. The swap entails that one party exchanges its floating interest rate for a fixed rate, while the other party receives a fixed rate in exchange for a floating rate. The purpose of an interest-rate swap is to reduce interest-rate risk.	Not an APM.
Joint ventures	Partnership form whereby several owners have a shared controlling influence.	Not an APM.
Lease term	Remaining term of a lease.	The key performance indicator shows the risk of future vacancies.
Net asset value	Recognised equity according to the balance sheet with reversal of reserves for fixed income derivatives, deferred tax on temporary differences on property values and deferred tax on reserves for fixed income derivatives.	An established indicator of the Group's net asset value that facilitates analyses and comparisons with EPRA NAV.
Net debt	Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents, and listed shares.	The KPI shows the Group's indebtedness.
Net debt according to EMTN programme	Interest-bearing liabilities less listed securities and cash and cash equivalents.	The KPI shows the Group's indebtedness.

DEFINITIONER

Key performance indicators	Description	Reason for alternative performance measure
Net debt according to EMTN programme/Total assets	Interest-bearing liabilities less listed securities and cash and cash equivalents in relation to total assets.	The KPI shows financial risk.
Net debt/Total assets	Interest-bearing liabilities less interest-bearing assets, cash and cash equivalents, and listed shares as a percentage of total assets.	The KPI shows financial risk.
Occupancy rate by area	Contracted area directly after the end of the period as a percentage of total lettable area directly after the end of the period.	The KPI shows the occupancy situation.
Profit from property management	Profit excluding changes in value and tax.	An indicator of the earnings generation in the operations, excluding changes in value.
Profit from property management per Class A and B share after dilution	Profit from property management for the period reduced by dividends on Class D shares and preference shares, divided by the average number of Class A and B shares after dilution.	An indicator of the earnings generation of the assets, excluding the changes in value accruing to holders of Class A and B shares.
Profit from property management per Class A and B share, annual growth rate	Profit from property management for the period reduced by dividends on Class D shares and preference shares, divided by the average number of Class A and B shares after dilution. Outcome this year compared with last year.	An indicator of the earnings generation of the assets, excluding the changes in value accruing to holders of Class A and B shares.
Property	Pertains to properties held under title or site leasehold.	Not an APM.
Property yield	Net operating income for the period (including property administration) with add-back of site leasehold fees, recalculated to 12 months, adjusted for the holding periods of the properties during the period as a percentage of the carrying amounts of the properties at the end of the period.	The KPI shows the earnings generation of the operations before financial expenses and central administration costs are taken into account.
Rental value	The contractual annual rent applicable directly after the end of the period, with supplements for estimated market rents for vacant premises.	The key performance indicator shows the Group's income potential.
Return on equity	Profit for the period, recalculated to 12 months, as a percentage of average equity (opening and closing balances) divided by 2 for the period.	The KPI shows how shareholders' capital yields interest during the period.
Return on total capital	Profit for the period, recalculated to 12 months, after net financial items after reversal of financial expenses as a percentage of average total assets for the period.	The KPI shows the ability to generate earnings on the Group's assets, excluding financing costs.
Run rate EBITDA	Net operating income according to current earnings capacity less central administration costs plus dividends received from joint ventures and associated companies.	Sagax uses EBITDA so that the EBITDA/Net debt, run rate key performance indicator shows financial risk.
Run rate yield	Net operating income (including property administration) according to current earnings capacity with add-back of site leasehold fees, as a percentage of the carrying amounts of the properties at the end of the period.	The KPI shows the earnings generation of the operations before financial expenses and central administration costs are taken into account.
Secured liabilities/total assets	Liabilities secured with pledged assets as a percentage of total assets.	The KPI shows financial risk for bond holders.
STIBOR	STIBOR, or Stockholm Interbank Offered Rate, a daily reference rate based on the average of the interest rates at which banks offer to lend unsecured funds to other banks in SEK in the Swedish wholesale money market.	Not an APM.
Surplus ratio	Net operating income for the period as a percentage of rental revenue for the period.	The KPI shows the profitability of the properties.
Total return on property	Total of yield and property revaluations during the period as a percentage of the closing average property value adjusted for revaluations for the period.	The key performance indicator shows earnings generation and value growth for the properties for a period.
Total return on shares	Total of the change in the share price during the period and the dividend paid during the period as a percentage of the share price at the end of the preceding year.	The KPI shows the total return that accrues to shareholders.
Triple net lease	A type of lease whereby the tenant pays, in addition to the rent, all costs incurred on the property that would normally have been paid by the property owner. These include operating expenses, maintenance, property tax, site leasehold fees, insurance, property caretaking, etc.	Not an APM.

The calculation of alternative performance measures is presented in the tables below.

Amounts in SEK M unless otherwise stated	2021	2020	Amounts in SEK M unless otherwise stated	2021	2020
Return on equity			Occupancy rate by area		
Profit after tax	9,807	3,711	Contracted area, '000 sqm	3,625	3,312
Average equity	26,766	20,855	Total lettable area, '000 sqm	3,759	3,480
Return on equity	37%	18%	Occupancy rate by area	96%	95%
Return on total capital			Debt ratio		
Profit from property management	2,805	2,389	Interest-bearing liabilities	26,354	19,828
Financial expenses	447	481	Total assets	62,472	46,622
Profit before financial expenses	3,252	2,870	Debt ratio	42%	43%
Average total capital	54,725	43,388			
Return on total capital	6%	7%			

Calculation of alternative performance measures is presented in the tables below, cont'd.

Amounts in SEK M unless otherwise stated	2021	2020	Amounts in SEK M unless otherwise stated	2021	2020
Yield					
Net operating income	2,573	2,397	Lease term		
Add-back of site leasehold fees	-26	-25	Contractual future rental revenue	16,782	14,746
Holding adjustment, acquisitions/divestments	139	57	Contractual annual rent	3,311	2,865
Currency translation to closing rate	44	-67	Lease term, years	5.1	5.1
Adjusted net operating income	2,730	2,362	Profit from property management per Class A and B share, annual growth rate		
Carrying amount of properties	46,067	37,548	Profit from property management per Class A and B share after dilution, last year, SEK	6.62	5.51
Yield	6.0%	6.3%	Profit from property management per Class A and B share after dilution, current year, SEK	7.99	6.62
EBITDA rolling 12 months			Annual growth rate	21%	20%
Net operating income	2,573	2,397	Cash flow per Class A and B share		
Central administration	-147	-132	Profit before tax	10,543	4,330
Dividends from joint ventures and associated companies	373	424	Items not affecting cash flow	-8,051	-2,055
EBITDA	2,799	2,689	Tax paid	-146	-55
Equity per Class A and B share			Dividends attributable to preference and Class D shares	-253	-285
Equity	31,079	22,452	Cash flow	2,093	1,935
Equity attributable to preference and Class D shares	-4,419	-4,940	Cash flow per Class A and B share after dilution, SEK	6.58	6.09
Adjusted equity	26,660	17,512	Net debt		
No. of shares	317,653,595	317,279,530	Interest-bearing liabilities	26,354	19,828
No. of shares after dilution	317,984,595	317,891,458	Interest-bearing assets	-676	-550
Equity per Class A and B share, SEK	83.93	55.19	Cash and cash equivalents and listed shares	-9,464	-2,164
Equity per Class A and B share after dilution, SEK	83.84	55.09	Net debt	16,214	17,114
Economic occupancy rate			Net debt according to EMTN programme		
Contractual annual rent	3,324	2,865	Interest-bearing liabilities	26,354	19,828
Rental value	3,459	3,024	Listed securities ¹⁾	-9,380	-2,140
Economic occupancy rate	96%	95%	Cash and cash equivalents	-84	-24
Run rate yield			Net debt according to EMTN programme	16,890	17,664
Net operating income according to current earnings capacity	2,761	2,370	Net debt according to EMTN programme/Total assets		
Add-back of site leasehold fees	-26	-25	Net debt according to EMTN programme	16,890	17,664
Adjusted net operating income	2,735	2,345	Total assets	62,472	46,622
Carrying amount of properties	46,067	37,548	Net debt according to EMTN programme/Total assets	27%	38%
Run rate yield	5.9%	6.2%	Net debt/EBITDA		
Run rate EBITDA			Net debt	16,214	17,114
Net operating income according to current earnings capacity	2,761	2,370	EBITDA	2,799	2,689
Central administration	-147	-132	Net debt/EBITDA	5.8x	6.4x
Dividends from joint ventures and associated companies	373	424	Net debt/run rate EBITDA		
Run rate EBITDA	2,987	2,662	Net debt	16,214	17,114
Profit from property management			EBITDA, run rate	3,006	2,662
Profit after tax	9,807	3,711	Net debt/EBITDA run rate	5.4x	6.4x
Tax	1,294	891	Net debt/Total assets		
Changes in value	-8,297	-2,213	Net debt	16,214	17,114
Profit from property management	2,805	2,389	Total assets	62,472	46,622
Profit from property management per Class A and B share after dilution			Net debt/Total assets	26%	37%
Profit from property management	2,795	2,389			
Dividends attributable to preference and Class D shares	-253	-285			
Adjusted profit from property management	2,543	2,104			
Profit from property management per Class A and B share after dilution, SEK	7.99	6.62			

1) Includes listed shares in companies recognised as associated companies.

Calculation of alternative performance measures is presented in the tables below, cont'd.

Amounts in SEK M unless otherwise stated	2021	2020	Amounts in SEK M unless otherwise stated	2021	2020
Earnings per Class A and B share after dilution			Equity/assets ratio		
Profit after tax	9,807	3,711	Equity	31,079	22,452
Dividends attributable to preference and Class D shares	-253	-285	Total assets	62,472	46,622
Adjusted profit after tax	9,554	3,426	Equity/assets ratio	50%	48%
Earnings per Class A and B share, SEK	30.04	10.78	Net asset value		
Interest coverage ratio			Equity	31,079	22,452
Profit from property management	2,805	2,389	Equity attributable to preference and Class D shares	-4,419	-4,940
Add-back of profit from property management JV	-713	-565	Reversal of derivatives	74	118
Dividend from joint ventures	373	424	Reversal of temporary differences	3,383	2,590
Financial expenses	447	481	Reversals due to joint ventures	1,019	881
Corrected profit from property management	2,912	2,729	Net asset value	31,136	21,101
Interest coverage ratio	6.5x	5.7x	NAV per Class A and B share after dilution, SEK	97.92	66.38
Interest coverage ratio, EMTN programme			Secured liabilities/total assets		
Profit from property management	2,805	2,389	Secured liabilities	189	5,086
Financial expenses	334	442	Total assets	62,472	46,622
Profit from property management before financial expenses	3,139	2,831	Secured liabilities/total assets	0%	11%
Interest coverage ratio	9.4x	6.4x	Surplus ratio		
			Net operating income	2,573	2,397
			Rental revenue	3,100	2,898
			Surplus ratio	83%	83%

Financial calendar

Interim report January-March 2022	11 May 2022
Annual General Meeting 2022	11 May 2022
Interim report January-June 2022	14 July 2022
Interim Report January-September 2021	27 October 2022

Schedule of dividend payments to holders of Class D shares

June 2022¹⁾

■ Final day for trading including dividend rights	28 June 2022
■ First day for trading excluding dividend rights	29 June 2022
■ Record date for dividend payment	30 June 2022
■ Expected payment date by Euroclear ²⁾	5 July 2022

December 2022¹⁾

■ Final day for trading including dividend rights	28 December 2022
■ First day for trading excluding dividend rights	29 December 2022
■ Record date for dividend payment	30 December 2022
■ Expected payment date by Euroclear ²⁾	4 January 2023

September 2022¹⁾

■ Final day for trading including dividend rights	28 September 2022
■ First day for trading excluding dividend rights	29 September 2022
■ Record date for dividend payment	30 September 2022
■ Expected payment date by Euroclear ²⁾	3 October 2022

March 2023¹⁾

■ Final day for trading including dividend rights	29 March 2023
■ First day for trading excluding dividend rights	30 March 2023
■ Record date for dividend payment	31 March 2023
■ Expected payment date by Euroclear ²⁾	5 April 2023

¹⁾ Proposed by the Board.

²⁾ Payment is made on the third banking day following the record date for Swedish issuers. Sagax is unable to affect this date.

**Sustainability Report
2021**

A B | S A G A X

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Sagax's sustainability definitions

Sagax follows the definition of sustainability found in the UN report “Our Common Future,” which defines sustainable development as “development that meets the needs of the present without compromising the ability of future generations to meet their own needs.”

The sustainability year in brief

ENERGY CONSUMPTION

Sagax's target is to reduce energy use by 30% between 2018 and 2025. The actual outcome for 2021 was 155 kWh/sqm compared with 146 kWh/sqm last year. The accumulated outcome since 2018 is -6 %.

-6 % since 2018

SOLAR POWER FACILITIES

Sagax started installing solar power facilities in 2018. Sagax installed solar power facilities at 17 properties in 2021. The installed solar power facilities have an estimated annual production of 3,049 MWh, corresponding to traveling 16 million kilometres in an electric car. The installed output is 4,980 kWp.

**17 installed
in 2021**

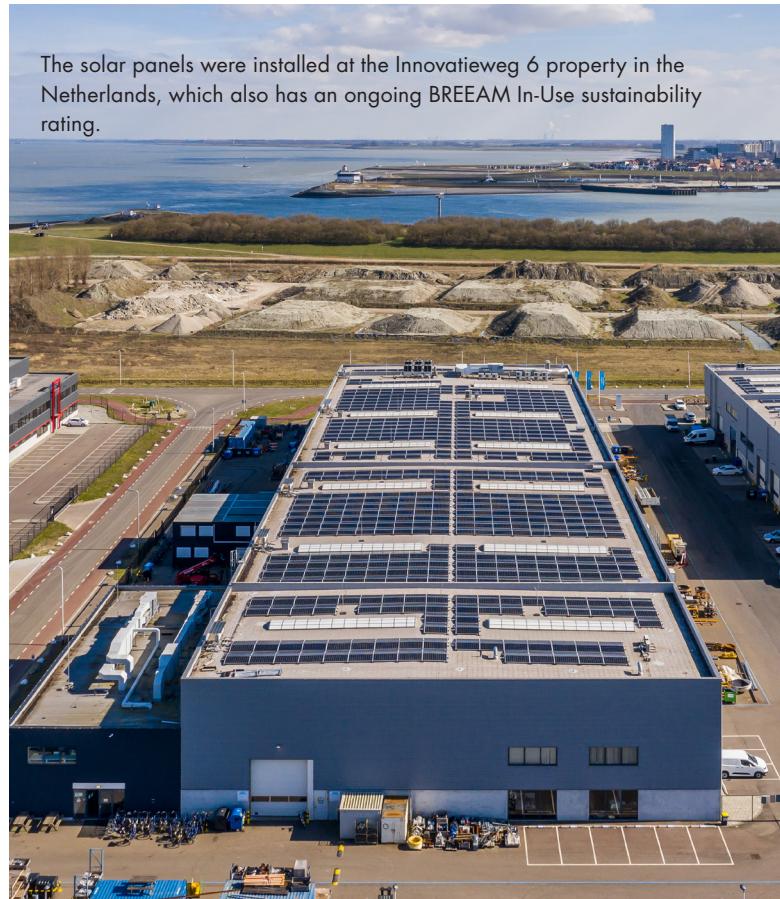
SUSTAINABILITY RATING

In 2021, Sagax continued its work on securing sustainability ratings for its property portfolio. Several ratings processes were initiated during the year for both new production and the existing portfolio. At year end, 28 rating certifications were in progress, most under BREEAM In-Use. At year end, 232,000 square metres of the property portfolio had a sustainability rating, an increase of 38,000 square metres.

**232,000
square metres**



Installation of the electric vehicle charging stations at Ruosilantie 14 in Finland, which also has an ongoing BREEAM In-Use sustainability rating.



The solar panels were installed at the Innovatieweg 6 property in the Netherlands, which also has an ongoing BREEAM In-Use sustainability rating.

Sustainability strategy and governance

SUSTAINABILITY TRENDS AND DRIVING FORCES

Changes in the area of sustainability are largely driven by global agreements with associated goals, such as the EU sustainability agenda, the Global Compact's ten principles, the UN Sustainable Development Goals and the Paris Climate Agreement. Under the latter, the countries that have signed the Agreement undertake to limit global warming to 2°C and pursue efforts to limit it to 1.5°C by reducing greenhouse gas emissions. In addition, there are several regulations and standards that provide guidelines on how companies can measure and follow up their sustainability activities, for example, the Task Force on Climate-related Financial Disclosure (TCFD), Greenhouse Gas Protocol (GHG Protocol) and EU taxonomy for sustainable activities (EU taxonomy). Sagax reports its annual carbon emissions according to the GHG Protocol. The EU is also preparing revisions and even stricter sustainability reporting requirements through the Corporate Sustainability Reporting Directive (CSRD). Sagax will be subject to the reporting requirements under CSRD, which are proposed to come into effect in 2024 and apply to the 2023 financial year.

The EU taxonomy is part of the EU action plan on financing sustainable growth. This action plan has three overriding objectives: reorienting capital flows towards a more sustainable economy, mainstreaming sustainability into risk management and fostering transparency and long-termism. The EU taxonomy will be central for financial institutions and banks in identifying sustainable investments. For more information about the EU taxonomy and how it affects Sagax, see page 153.

The construction and property sector accounts for about one fifth of Sweden's climate impact and, under the framework of the EU taxonomy, is highlighted as one of seven sectors with the greatest environmental impact. The building impacts the climate over its life cycle through construction, demolition, management (energy), renovations and remodelling. The largest climate impact is when new buildings are constructed. Sagax's investment activities primarily focus on acquiring existing buildings. Sagax carries out few new build projects. Accordingly,

it is primarily the choice of materials in remodelling, sources of energy and supply systems that are most significant as regards Sagax's climate impact. Sagax's tenants are largely responsible for their supply of energy.

Investments in measure to improve energy efficiency and the environment require a profitable performance and operations. In 2021, Sagax continued to report a strong financial performance, creating opportunities, for example, to continue to invest in energy and environmental activities. The return on equity was an average of 27% in the past five years, while profit from property management per Class A and B shares has increased an average of 21% per year during the same period. In 2021, Sagax invested SEK 47 M in 17 solar power facilities, geothermal energy, LED lighting and property automation, among other things. Securing sustainability ratings for more properties continued in 2021. Sagax obtains sustainability ratings for new builds and large-scale remodelling. In addition, Sagax regularly obtains sustainability ratings for existing buildings. A total of 28 rating certifications were in progress at year end.

SUSTAINABILITY STRATEGY

Sagax's sustainability strategy is based on the company's business concept, policies, external frameworks and materiality analysis, which is updated annually.

Sagax complies with main rule (Chapter 3, Section 3) of the Swedish Companies Act as regards the company's objects. The overriding object of the operations is the long-term generation of the maximum possible risk-adjusted return to the shareholders. To achieve this goal the company operations are consistently conducted with a long-term perspective. Sagax's opinion is that the profit objective does not conflict with sustainable enterprise: Being a good employer, a good supplier and a well-liked customer while ensuring that the company's decent conduct in society and attempts to limit its environmental impact are all fundamental conditions for Sagax's long-term ability to generate profits for its shareholders.

SUSTAINABILITY ACTIVITIES BASED ON

LAWS	EXTERNAL FRAMEWORKS AND INITIATIVES	INTERNAL INITIATIVES
Companies Act	UN Sustainable Development Goals	Sustainability policy
Environmental Code	UN Global Compact	Health and safety policy
Annual Accounts Act	Global Reporting Initiative (GRI)	Anti-corruption policy
Other applicable laws	Environmental certification of properties	Code of Conduct for Suppliers Other policies

The long-term approach is illustrated by the inclusion in its management strategy to build long-term customer relationships and to limit the number of property transactions in the company's operations. The company's policy is to abstain from maximising rent levels at all points of time in favour of signing leases of a longer duration with solvent tenants. This reduces the risk of vacancies, while leading to lower costs for letting premises and adapting premises to tenant needs.

The company is dependent on highly skilled and professional employees. For this reason, it is important that the company is an attractive employer that can attract and has the ability to retain highly skilled personnel in the long term.

Overall, the company's strategies are designed to ensure that Sagax's operations generate a long-term sustainable return and strong cash flows. Sagax's sustainability activities are thus a natural part of the company's business model and help to achieve the company's goals. Regarding information to understand the company's performance, position and earnings, refer to the reporting in the 2021 Annual Report.

Sustainability activities are anchored through clear internal communication and division of responsibilities.

GOVERNANCE OF SUSTAINABILITY ACTIVITIES

The planning, governance and monitoring of sustainability activities follow the company's organisational structure with well-defined delegation of responsibilities and authorities. This sustainability work is supported by policies, guidelines, overall objectives, external laws, rules and regulations.

Sagax regards the precautionary approach of the Swedish Environmental Code and laws and regulations as minimum requirements. Sagax follows the ten principles of the UN Global Compact. They encompass the areas of human rights, labour, environment and anti-corruption.

An analysis has previously been performed of the UN's 17 Sustainable Development Goals (SDGs) from Agenda 2030 to which Sagax's operations can contribute. It is assessed that the sustainability activities that can contribute to primarily achieving the targets in the following SDG:

- Good health and well-being (Goal 3).
- Affordable and clean energy (Goal 7).
- Decent work and economic growth (Goal 8).

- Sustainable cities and communities (Goal 11).
- Responsible consumption and production (Goal 12).
- Climate action (Goal 13).
- Peace, justice and strong institutions (Goal 16).

CLIMATE RISKS AND RISK MANAGEMENT

Climate change causes over time changing weather conditions, rising sea levels and other effects to the physical environment. This increases the risk of damage to property. For property owners, these risks could have a material negative impact on the operations due to the dependence on physical infrastructure for generating revenue. These risks could increase in the longer term since climate change is ongoing and there is uncertainty about what such changes will entail. This could mean a greater need for investments in properties situated in areas vulnerable to climate changes. Climate change could also result in higher operating expenses. Investments therefore risk become unprofitable investments if climate risk is not considered appropriately.

Environmental-policy decisions could also affect Sagax, not least in the form of higher taxes or necessary investments. In addition, the company's operations could also be affected by higher environmental requirements set by supervisory authorities, investors, tenants or other stakeholders. Such additional requirements could negatively impact the company's operations, earnings and financial position.

External factors entail risks that could impact Sagax. The company's long-term supply of capital and capital costs could be negatively affected if Sagax's sustainability activities do not meet market requirements. There is also the risk of additional costs for investments in the property portfolio due to, for example, changes in legislation or changed customer behaviour. In addition, Sagax's property portfolio could experience the effects of climate change, such as an elevated risk of flooding. Other risks include corruption, environmental pollution and higher energy costs. Furthermore, Sagax is exposed to risks related to suppliers and their non-compliance with Sagax's Code of Conduct.

Sagax's handling of environmental and climate risks and other risks and risk management are described in more detail on pages 45-48.

UN SUSTAINABLE DEVELOPMENT GOALS



The 2030 Agenda and the Sustainable Development Goals (SDGs) are an agenda for sustainable development adopted by the UN General Assembly. Sagax's sustainability activities can primarily affect the following SDGs: 3, 7, 8, 11-13 and 16.

Sustainability targets

FOCUS AREAS	TARGET	OUTCOME
Environmental and resource efficiency	Reduce energy use by 30% between 2018 and 2025.	–6 % since 2018.
	Reduce the climate impact from the business.	2021: –57% for Scope 1 and 2. Sagax collected more Scope 3 data in 2021.
	The electricity agreements signed by Sagax are to be green, as far as possible.	Sagax has signed agreements for renewable electricity in Sweden, Finland and the Netherlands.
	Strive to implement green leases for new lettings and renegotiation.	2021: 41 new green leases. Total number of green leases at year end: 43
	<i>For 2022</i> the target is to sign 30 new green leases.	
	Regularly identify potential investments in solar panels in the property portfolio.	2021: 17 new installations Total number of installations at year end: 25
	<i>For 2022</i> the target is to start installation of at least 15 solar power facilities.	
	Increase the number of properties in the property portfolio with a sustainability rating. <i>For 2022</i> the target is to environmentally certify at least 40 properties. All new buildings and large-scale remodelling must have a sustainability rating under Miljöbyggnad, level Silver at a minimum, Very Good according to BREEAM, LEED Gold or the equivalent in another certification system.	2021: 5 properties were sustainability rated. Total number of sustainability rated properties at year end: 25 properties corresponding to 6% of the total lettable area.
Business ethics	Zero incidents of corruption.	Zero
	Sagax's main suppliers are to implement and comply with the Sagax Code of Conduct for Suppliers.	Sagax agreed with all its main suppliers in Sweden and the Netherlands that they would comply with the Code of Conduct. In 2021, Sagax also determined how the Code of Conduct can be implemented in its other countries of operation next year.
Financial sustainability	Sagax's return on equity, measured over a five-year period, should not fall below 15% per year. Profit from property management per Class A and B share should increase by a minimum of 15% per year.	2021: 37% and 21%, respectively Five-year average: 27%
Professional and dedicated employees	Zero incidents of discrimination.	Zero
	Zero accidents related to Sagax's properties.	Zero

Sagax's four focus areas

FOCUS AREAS

Environmental and resource efficiency

Business ethics

Financial sustainability

Professional and dedicated employees

Four focus areas for Sagax's sustainability activities were identified based on the materiality analysis, Sagax's strategies, influence on the business environment and stakeholder expectations. For detailed information about the materiality analysis, refer to page 154 (Detailed information on sustainability).

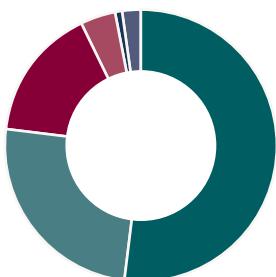
ENVIRONMENTAL AND RESOURCE EFFICIENCY

Energy consumption

Heating premises and the use of electricity account for the largest share of properties' energy use.

The majority of Sagax's tenants are responsible for their own heating and/or electricity supply. Since tenants pay for these costs themselves, they are directly affected by any electricity and heating savings. Tenants are interested in making energy savings since the use of electricity and heating usually represents a large amount of the tenants operating expenses for the leased premises. It is thus also important that Sagax pursues a continuous dialogue with tenants to achieve energy savings and to enhance the efficiency of tenants' energy use and thereby reduce their climate footprint. Sagax had the target of signing 20 new green leases in 2021. A total of 41 green leases were signed in 2021. The target for 2022 is to sign at least 30 new green leases. One of the aims of green leases is to promote cooperation on environmental and sustainability issues with the tenants. This also creates more opportunities for collecting energy data for a larger share of the portfolio. Sagax's long-term aim is to collect energy data for all properties regardless of whether Sagax or the tenant is responsible for the energy supply.

Heating sources in Sagax's property portfolio



- District heating, 52%
- Electricity, 25%
- Gas, 16%
- Renewable sources (of which renewable electricity 4%) 7%
- Oil, 1%
- Other (incl. waste heat) 2%

For about half of Sagax's properties heating is from district heating. At year-end 2021, district heating as a heating source had declined to 52% (55) of the company's lettable area, while electric heating increased to 25% (21). The lower percentage of district heating as a source of heating and a higher share of electricity were due to changes to the composition of the property portfolio. The most common sources of heating are electricity in France and Spain, district heating in Sweden and Finland and gas in the Netherlands. Oil heating continued to be phased out in 2021. Oil heating declined to 1% (3).

Energy efficiency and investments in renewable energy

Sagax's properties with large floor areas and flat roofs in industrial zones are particularly well suited for solar power facilities. Sagax installed 17 solar power facilities in 2021 and started pilot studies for further investments in solar power. Sagax had a total of 25 solar power facilities installed on property roofs. Annual electricity production generates an average of 7,900 MWh.

Sagax installed charging stations for electric vehicles for tenants in several properties in Finland during the year and a pilot project in France will be commissioned after year end. Sagax also strives to reduce emissions from the company's own vehicles. About half of Sagax's company cars are electric or hybrid vehicles. Sagax's travel policy states that short journeys are preferably to be by rail so as to minimise the environmental impact of the business.

Sagax takes regular measures to reduce consumption. In 2021, Sagax invested SEK 47 M in projects aimed at reducing energy use, such as installing solar power and geothermal heating facilities, upgrading heating and ventilation control systems, replacing LED lighting and providing extra insulation for buildings and windows. Energy use in the properties for which Sagax is responsible for the energy supply amounted to 155 kWh/sqm (146) in 2021, including electricity for building operations. The outcome variations are affected by new or divested properties and tenants moving in or vacating the premises. In comparable portfolios, the use of energy declined 2% in Sweden and increased 2% in Finland. Energy from renewable sources increased from 38% to 54%. Sagax's target is to reduce energy use (kWh/sqm) by 30% between 2018 and 2025.

Carbon emissions and climate impact

Sagax's target is to reduce its climate impact from the business.

In 2021, Sagax's emissions from energy use in its own operations, meaning direct emissions and emissions from purchased energy (Scope 1 and 2), continued to decline. Sagax's carbon emissions for the properties for which Sagax is responsible for the energy supply amounted to 4,044 tonnes (9,493) in 2021, down 57% on the preceding year. Action that have contributed to reduce emissions from the company's own operations included energy savings, installing renewable energy, purchases of green energy and changing to renewable district heating.

For district heating, Sagax has to use the local supplier and environmental performance varies greatly. In 2021, Sagax signed agreements for renewable district heating for some of the Swedish portfolio as part of efforts to reduce the climate impact of the properties. Only renewable and carbon-free electricity, from hydropower with a guarantee of origin in Sweden and wind power from Finland and the Netherlands, is used in the properties for which Sagax provides electricity for tenants.

In 2021, Sagax collected data from more sources of emissions, specifically for other direct emissions (Scope 3), in order to gain a correct and comprehensive analysis of emissions from both the company's own operations and in the value chain. Emissions from travel, waste and transportation account for a small share of Scope 3 emissions. Emissions from the category of let premises, meaning for which tenants arrange contracts for electricity and heat consumption, represented about two-thirds of total emissions in 2021. Access to data is affected by this circumstance. Data for energy use corresponds to about one-fourth of the total lettable area for the entire property portfolio.

Sagax intends to update its targets in 2022.

Sustainability ratings for buildings

Sagax currently has 25 properties (20) with a sustainability rating, representing 6% of the total lettable area, two of which are certified under Green Building, one at the Silver level of Miljöbyggnad and 22 BREEAM In-Use. At the end of 2021, Sagax had a total of 28 sustainability rating processes ongoing for an additional 4% of the total lettable area. Most of these are BREEAM In-Use with the aim of achieving a Very Good rating. Other rating certifications that are in progress are BREEAM for new builds, Miljöbyggnad and Green Building.

Sagax's target is that new buildings that are constructed will be sustainability rated. Sagax also has its existing properties rated. Sagax is currently evaluating which properties are suitable for a sustainability rating. The focus is to secure sustainability ratings for properties that have a significant market value or lettable area of more than 5,000 square metres. The target for 2022 is to environmentally certify at least 40 properties.

Such ratings contributes to make properties more sustainable and enhances their environmental performance. The relevant certifications for Sagax are: a minimum Silver rating according to Miljöbyggnad, Very Good according to BREEAM and Gold according to LEED. BREEAM assesses environmental performance, such as energy use, indoor climate, water control, waste management, land use and impact on the local environment. BREEAM also analyses and scores the location of the building in relation to public transport, the choice of building materials and the pollution that may be generated. Ratings from Miljöbyggnad sets requirements for energy, use of materials and

indoor environment. LEED scores a number of criteria in the areas of energy consumption, choice of building materials, water control and waste management, which are aggregated to provide an assessment of the property's environmental impact. Ratings involve an audit and rating from an independent assessor.

In addition to certification, Sagax carries out inspections to check any existence of hazardous substances and pollutants in buildings and land in connection with new builds, extensions and remodelling. If hazardous substances are detected, such as asbestos or PCB, Sagax will take sanitisation measures. No such substances were discovered and no sanitisation took place in 2021.

BUSINESS ETHICS

Anti-corruption

Sagax complies with applicable law and regulations in the company's various markets. The company's aim is to be transparent and credible.

A high level of sound business ethics is fundamental to Sagax's long-term maximisation of value. The company does not conduct any operations in countries with extensive corruption problems. Sagax works actively to counteract the risk of bribery, corruption, discrimination and crimes against human rights. Sagax's anti-corruption policy has been adopted by the Sagax Board and encompasses all employees. The company must never be involved in or permit corruption. The company does not accept that employees receive gifts that can be equated with bribes. The limit for receiving and giving gifts follow the Swedish Tax Agency's guidelines on gifts. The anti-corruption policy is communicated to the organisation at the annual employee conference and is always available to staff. Corruption has not historically been a problem in the operations and the management is not aware of any incidents of corruption in 2021.

Whistleblower function

Sagax has a whistleblower function that is administered by an external party and available on the Group's website. The purpose of the function is to enable both employees and external partners to report any wrongdoing. All whistleblower cases are handled in accordance with established procedures. The company's aim is to provide swift feedback to the person making a report through the whistleblower function. All cases are handled confidentially.

Code of Conduct and follow-up of supplier requirements

Sagax's suppliers are viewed as an extension of Sagax's own operations. Therefore, Sagax has prepared a Code of Conduct for Suppliers to ensure that working conditions at the companies that deliver products and services to Sagax fulfil Sagax's requirements in terms of health and safety and ethical standards as well as that the assignments are conducted in an environmentally responsible manner. The Code of Conduct is to be signed and added as an appendix to framework agreements that are signed. Sagax agreed with all its main suppliers in Sweden and the Netherlands that they would comply with the Code of Conduct. Sagax monitored compliance of the Code of Conduct among its main suppliers in Sweden in 2021. The investigation included all areas of the Code of Conduct, such as business ethics, anti-corruption, anti-discrimination, occupational health and safety, work environment, the environment, loyalty and service.

The results showed that all suppliers investigated had procedures and work processes in place to ensure compliance with the Code of Conduct.

In 2021, Sagax also determined how the Code of Conduct can be implemented in its other countries of operation next year.

FINANCIAL SUSTAINABILITY

Business model

Sagax is a listed property company whose business concept is to invest in commercial properties, primarily in the warehouse and light industrial segment.

Sagax's business model is characterised in all areas by a long-term approach. Short-term gains are subordinate to the company's long-term value creation. Accordingly, sustainability work is integrated into the business model.

Properties designed as warehouses and for light industries are attractive investment opportunities, since they generate a high yield combined with a low rate of new production and stable occupancy rates. Sagax invests in add-on acquisitions and in existing properties. Property acquisitions and investments in the existing portfolio aim to increase cash flow and diversify rental revenue, thereby reducing the company's operational and financial risks.

Sagax's financial structure is designed with a clear focus on operating cash flow and interest coverage ratio. This is expected to create both excellent prerequisites for expansion and an attractive return on equity.

Sagax pursues efficiency and sustainability in its management strategy. The management strategy includes working actively to build long-term customer relationships. The company's policy is to abstain from maximising rent levels at all points of time in favour of signing leases of a longer duration with solvent tenants. This is regarded as being advantageous since it reduces the risk of vacancies, while leading to lower costs for letting premises and adapting premises to tenant needs.

Sagax endeavours to attract reputable and creditworthy tenants. The company primarily signs triple net leases under which the tenant pays property expenses that would otherwise have been paid by the property owner.

Sagax invests primarily in regions experiencing stable population growth and that have diversified business activities.

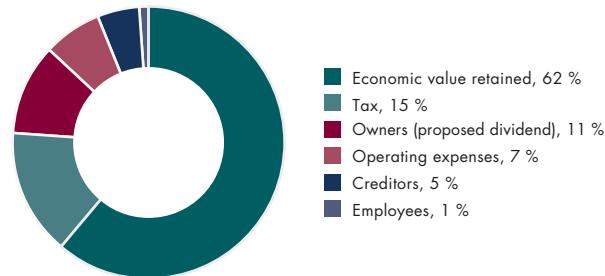
Direct value generated and distributed

Long-term value creation is key to the company's strategy. Financial targets include that Sagax's return on equity over a five-year period is to be not less than 15% and profit from property management per Class A and B share should increase by a minimum of 15% per year.

The Board has overall responsibility for guiding operations towards the financial targets allowed by the scope of the company's policies. The outcome is followed up every quarter in conjunction with interim reports.

Detailed information about Sagax's financial position is available in the company's financial statements on pages 70-114. The economic value generated amounted to SEK 12.1 billion (5.7) in 2021 and mainly comprised rental revenue, profit from joint ventures and associated companies and changes in the value of properties. Of the value created, SEK 3.3 billion (2.8) accrued to various stakeholders, of which the single largest item was tax, which amounted to SEK 1.3 billion (0.9) in 2021. The retained economic value amounted to SEK 8.8 billion (3.0).

Economic value distributed



PROFESSIONAL AND DEDICATED EMPLOYEES

The development of the company is dependent on highly skilled employees. For this reason, it is important that the company is an attractive employer that can attract and has the ability to retain highly skilled personnel. In exchange, employees are expected to assume responsibility of their work duties and also serve as good representatives of the company's values and culture.

Attractive employer

Sagax attaches great value to offering favourable employment conditions for its employees. In addition to offering competitive employment conditions, the company has, for a number of years, also offered all employees the opportunity to participate in an Incentive Plan, refer to the 2021 Annual Report. The purpose is to increase employee involvement in the development of the company. Sagax takes a positive view of employees owning shares in the company and the diversity policy for the Sagax Board highlights the importance of Board members also having significant shareholdings in the company.

In 2021, 17 employees (18) were recruited and seven employees (ten) left the company. The Group had 87 employees (77) at year end. No employees were covered by collective agreements in 2021.

Flexible and creative work environment

Sagax offers a flexible and creative environment where decision paths are short. Sagax offered remote working for all its employees in 2021. During this period, the efficiency of processes and procedures continued to be improved using digital tools. It was possible to return to working from the office after restrictions were lifted in the second half of 2021.

Skills development and provision of skills

An important aspect for the operations is ensuring that employees have the right skills and opportunities to develop. Sagax employees have an average of 12 years of experience from relevant work duties, of which six years of experience at Sagax. The expertise of the organisation is central to the development of the company and skills development is an aspect that could be crucial for retaining high performance employees. The risk that key personnel leave the company is a natural operational risk for a company such as Sagax. The company endeavours to minimise this risk through market-based remuneration and a continuous dialogue with the company's employees.

Appraisals were held with every employee in 2021. The topics discussed at these appraisals included the employee's development during the year and the need for continued skills development. Employees who express a wish to participate on courses or otherwise develop their skills are encouraged to do so by the company.

Sagax holds an annual conference attended by all of its employees, where the company's development, challenges and opportunities are discussed for two days. The aim of these conferences is to inform employees about Sagax's policies and create a shared foundation of values and knowledge for the entire organisation. Due to COVID-19, Sagax was unable to arrange a conference in 2021. Sagax holds quarterly virtual presentations of interim reports for all employees. A conference with all employees is planned to be held as usual in spring 2022.

Non-discrimination

The ability to attract and retain skilled and competent employees is important to Sagax's development. Beyond the principle reasons against discrimination, it is consequently important that no discrimination exist for the reason that it could otherwise lead to the risk of highly skilled employees leaving Sagax. When hiring, great importance is attached to skills and relevant experience as well as personal qualifications and qualities. Recruitment always takes place in competition. As part of Sagax's recruitment process, the final candidates always meet employees from various parts of the company, and key individuals are also evaluated by the CEO and at least one Board member. Sagax has a clear anti-discrimination policy according to which Sagax must regularly take active measures to combat discrimination and

victimisation and promote equal rights and opportunities regardless of sex, transgender identity or expression, ethnicity, religion or other expression of faith, disability, sexual orientation or age. This applies, for example, to recruitment, salary structure, opportunities for promotion and skills development. No reports of discrimination based on the grounds of discrimination were made in 2021.

Employee survey

An employee survey was carried out in connection with the employee appraisals to investigate whether any discrimination or victimisation exists, or the risks pertaining to this, and to monitor and evaluate the work environment. The survey and follow-up were based on Sagax's occupational health and safety policy, anti-discrimination policy and anti-corruption policy. Employees responded to a number of questions on job satisfaction, teamwork, stress, workload, equal opportunities, diversity and equal treatment, and assigned a score of 1 to 5 to their answers, with 1 being very good and 5 very poor. The average score in the survey was 1.7 (1.6). Compared with the preceding year, Sagax's employees said that they had less opportunity to combine their work and private lives and influence their working hours, while the flow of information between colleagues and managers has improved. Sagax employees returned to performing their duties at their workplaces in the latter part of 2021, which could explain the changes in the employee survey between the years. None of the respondents had experienced discrimination. 94% (97) of those surveyed know what to do if they themselves or a colleague experiences discrimination.

EU taxonomy

ANALYSIS AND REPORTING ACCORDING TO EU TAXONOMY

The EU taxonomy will become valid, in part, in 2022 (pertaining to the 2021 financial year). Sagax is continuously analysing developments and emerging regulations and their implications for the company. According to the regulations, Sagax is not subject to any requirement to report in accordance with the EU taxonomy. The main reason that the reporting requirements do not apply is the fact that Sagax has fewer employees than the limit set by the reporting requirements.

However, Sagax believes it to be valuable to the company's stakeholders to describe the extent to which the company's activities are eligible under the EU taxonomy.

Therefore, the table below presents the extent to which the company's activities are taxonomy-eligible, specified by the key performance indicators (KPIs) of turnover, capital expenditure (CapEx) and operating expenditure (OpEx) for the 2021 financial year. The KPIs do not include joint ventures or associated companies.

Proportion of taxonomy eligibility

	SEK M	Proportion of taxonomy-eligible economic activities (%)	Proportion of taxonomy non-eligible economic activities (%)
Turnover	3,100	100	–
CapEx	4,132	100	–
OpEx	74	100	–

Turnover was calculated based on the company's financial reporting of rental revenue. CapEx was calculated in accordance with the financial reporting presented in Note 13, regarding costs for acquiring fixed assets. These correspond to Sagax's net investments. OpEx comprises maintenance costs related to the ongoing and daily management of the properties and comprises costs for ongoing and scheduled maintenance according to the recommendations of FAR, the institute for the accountancy profession in Sweden. For more detailed information, refer to Note 4 regarding OpEx and the Multi-year summary on page 55.

Sagax has commenced an initial analysis of the extent to which the company's activities are aligned with the EU taxonomy. The analysis is based on the company's activities, such as acquisitions and ownership of buildings, construction of new buildings and renovations and eligible projects and measures described in the delegated acts on construction and property activities. An important factor that is expected to affect the extent of taxonomy alignment is the proportion of the property portfolio that has energy class A (EU-EPC), or has an energy class that corresponds to the 15% of the most energy efficient properties in the region or country in question. Another important factor is the extent to which a climate risk and vulnerability analysis has been carried out according to current needs. This will result in outcomes in the form of KPIs per activity and the extent to which these KPIs are taxonomy-aligned. The disclosures above will be applicable in 2023 for the 2022 financial year.

Detailed information on sustainability

GENERAL INFORMATION

In accordance with Chapter 6, Section 11 of the Swedish Annual Accounts Act, Sagax has decided to prepare a statutory Sustainability Report as a separate report to its Annual Report. Page references between 3-142 refer to the 2021 Sagax Annual Report. Sustainability risks are described in the sections where material risks have been identified, see pages 45-48 and 110-111. The Board of Directors is ultimately responsible for Sagax's sustainability work. The report was reviewed by Ernst & Young AB.

In 2019, Sagax adjusted its sustainability report in order to provide a report in accordance with the Core level of the Global Reporting Initiative (GRI) Standards. The GRI Construction and Real Estate Sector Supplement was followed. Comparative figures for 2020 and 2019 are provided in the report.

The Board of Sagax adopts the company's overall sustainability policy and related policies, which are updated annually. All of these policies are available on Sagax's website. Sagax's sustainability policy clarifies its sustainability targets. These targets are monitored, evaluated and updated every year. In addition, sustainability risks are assessed every year.

Boundaries

The sustainability report encompasses Sagax and its subsidiaries. Joint ventures and associated companies are not included in the sustainability report.

STAKEHOLDER DIALOGUE AND MATERIALITY ANALYSIS

The basis of the report consists of stakeholder dialogues that are regularly conducted in the company's normal business operations and a materiality analysis. Sagax must follow applicable laws and regulations and adopt a long-term approach in its work, adhering to principles that guarantee a high moral and ethical level in internal and external relationships.

Stakeholder analysis

Sagax's operations affect and are affected by various groups of stakeholders, and thus, the stakeholder perspective is also incorporated into Sagax's sustainability agenda. Interaction with Sagax's stakeholders provides the company with in-depth knowledge about the expectations and concerns of its stakeholders, thus offering insight into risks and opportunities. The company's stakeholders are divided into five categories, with the stakeholder dialogues taking on different forms and conducted continuously, see table below. Alongside direct contact with Sagax's stakeholders, employees attended sustainability seminars to expand their knowledge. An employee survey focusing on the work environment and anti-discrimination was carried out in 2021, as it was in prior years.

STAKEHOLDER GROUPS	FORM OF DIALOGUE	MOST MATERIAL ISSUES	
Shareholder	<ul style="list-style-type: none"> ■ Board meetings, of which one meeting each year is a strategy meeting ■ Meetings with owner representatives for special discussions about corporate governance ■ General Meeting ■ Financial statements 	<ul style="list-style-type: none"> ■ Financial performance ■ More efficient energy consumption ■ Anti-corruption ■ Regulatory requirements ■ Highly skilled employees ■ Attractive employer 	
Employees	<ul style="list-style-type: none"> ■ Employee dialogue ■ Workshops ■ Business planning ■ Annual conference for all employees ■ Regular reviews with all employees about the company's policies 	<ul style="list-style-type: none"> ■ Financial performance ■ More efficient energy consumption ■ Professional development ■ Professional work environment ■ Climate adaptation 	
Lenders	<ul style="list-style-type: none"> ■ Individual meetings with banks and representatives from the capital markets ■ Dialogue when preparing financial statements 	<ul style="list-style-type: none"> ■ Financial stability ■ More efficient energy consumption ■ Anti-corruption 	<ul style="list-style-type: none"> ■ Climate adaptation ■ Diversity and equal opportunity ■ Certification of buildings ■ Regulatory requirements
Tenants	<ul style="list-style-type: none"> ■ Customer meetings ■ Regular dialogue about property management with each facility management firm of the properties ■ Dialogue between tenants and the specially appointed asset manager for each property 	<ul style="list-style-type: none"> ■ More efficient energy consumption ■ Good opportunities for recycling/waste management ■ Good opportunities for charging electric vehicles ■ Certification of buildings 	
Suppliers	<ul style="list-style-type: none"> ■ In procurement, following-up framework agreements and purchase orders ■ At supplier meetings 	<ul style="list-style-type: none"> ■ Anti-corruption ■ Legal and regulatory compliance ■ Certification of buildings ■ Create conditions for good waste management 	

Materiality analysis

Sagax regularly evaluates the sustainability areas that have been deemed to be the most material. The evaluation considers overall strategies, the opinions of its stakeholders and the areas in which Sagax can contribute the most to sustainable development. The first materiality analysis was carried out in 2018 and has subsequently been updated every year.

All topics highlighted by Sagax's stakeholders as important were evaluated. Sagax then ranked these based on the following criteria:

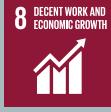
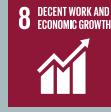
- Materiality for Sagax's overall strategy
- Sagax's ability to influence sustainable development

THE RESULT OF THE ANALYSIS WAS THAT THE FOLLOWING TOPICS WERE SELECTED:

<ul style="list-style-type: none"> ■ Financial stability ■ Anti-corruption ■ Climate adaptation 	<ul style="list-style-type: none"> ■ More efficient energy consumption ■ Investments in renewable energy ■ Highly skilled employees 	<ul style="list-style-type: none"> ■ Attractive employer ■ Sustainability ratings for buildings ■ Code of Conduct for Suppliers
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SUSTAINABILITY AREAS

Four focus areas for Sagax's sustainability activities were identified using the materiality analysis based on the Group's strategies, influence on the business environment and stakeholder expectations. These areas deemed to be most relevant for both stakeholders and Sagax.

Focus areas	Financial sustainability	Business ethics	Environmental and resource efficiency	Professional and dedicated employees
The most material topics	<ul style="list-style-type: none"> ■ Financial stability and performance 	<ul style="list-style-type: none"> ■ Anti-corruption ■ Code of Conduct for Suppliers 	<ul style="list-style-type: none"> ■ Climate adaptation ■ More efficient energy consumption ■ Investments in renewable energy ■ Sustainability ratings for buildings 	<ul style="list-style-type: none"> ■ Highly skilled employees ■ Attractive employer
Sustainable Development Goals  THE GLOBAL GOALS				
GRI area	<ul style="list-style-type: none"> ■ Economic (200) 	<ul style="list-style-type: none"> ■ Economic (200) 	<ul style="list-style-type: none"> ■ Environment (300) 	<ul style="list-style-type: none"> ■ Social (400)
GRI standards	<ul style="list-style-type: none"> ■ GRI 201-1 	<ul style="list-style-type: none"> ■ GRI 205-3 	<ul style="list-style-type: none"> ■ GRI 302-3 ■ GRI 305-1 ■ GRI 305-2 ■ CRE8 	<ul style="list-style-type: none"> ■ GRI 401-1 ■ GRI 404-3 ■ GRI 406-1

UN SDGS

Sagax follows the UN Global Compact's ten principles on human rights, labour, environment and anti-corruption. Sagax has analysed the UN's 17 Sustainable Development Goals and targets where Sagax can have an impact through its sustainability efforts.

UN SDGs	Targets	Sagax's impact
	3.9 Substantially reduce the number of deaths and illnesses from hazardous chemicals	Sagax's properties are to be designed for the operations to be performed and the people who are to use the properties. Inspections are carried out in connection with new builds, extensions and remodelling to check any existence of hazardous substances or pollutants in buildings and land. Sanitisation measures are taken as necessary. By environmentally certifying buildings, Sagax further contributes to avoiding air, water and soil pollution.
	7.2 Increase substantially the share of renewable energy in the global energy mix 7.3 Double the global rate of improvement in energy efficiency	By increasing the use of district heating and green electricity in the properties, and by installing solar panels on the roofs of the properties Sagax contributes to increased use of renewable energy. In addition, the energy efficiency of the properties improves by Sagax taking measures as part of maintenance work, such as replacing control equipment, installing more energy efficient ventilation and heating systems, optimising ventilation, optimising heat recycling and replacing light fittings and adjusting lighting controls.
	8.1 Sustain economic growth in accordance with national circumstances 8.5 Full and productive employment and decent work for all women and men, and equal pay for work of equal value 8.8 Protect labour rights and promote safe and secure working environments	Being a good employer, a good supplier and an appreciated customer while ensuring that the company conducts itself in an acceptable manner in society and attempts to limit its environmental impact are all fundamental conditions for Sagax's long-term ability to deliver profits for its shareholders. Sagax's business model is characterised in all areas by a long-term approach. Short-term gains are subordinate to the company's long-term value creation. Accordingly, sustainability work is integrated into the business model. Sagax attaches great value to offering favourable and competitive employment conditions for all employees. In addition, the company has, for a number of years, also offered all employees the opportunity to participate in an incentive plan. Sagax regularly monitors and takes active measures to prevent discrimination and victimisation and to promote equal rights and opportunities regardless of gender, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation or age.
	11.3 Enhance inclusive and sustainable urbanization 11.6 Reduce the adverse environmental impact of cities	Sagax works closely with tenants, suppliers and municipalities in property planning, building and management, and thus contributes to functional and sustainable cities and societies.
	12.2 Achieve the sustainable management and efficient use of natural resources 12.4 Environmentally sound management of chemicals 12.5 Substantially reduce waste generation	Sagax contributes to more sustainable consumption and production by working together with tenants on opportunities to sort waste at source, recycling solutions and environmental certification of buildings.
	13.1 Strengthen resilience and adaptive capacity to climate-related hazards and natural disasters	Sagax reduce its climate impact by, for example, working to reduce energy use, installing solar panels on roofs and using green electricity in its properties. Sagax works to adjust its properties to the effects of climate change, such as preventing the risk of flooding and analysing risks in the portfolio.
	16.5 Substantially reduce corruption and bribery in all their forms	A high level of sound business ethics is fundamental to Sagax's long-term maximisation of value. The company must never be involved in or permit corruption. The company does not accept that employees allow themselves to be bribed or receive gifts that can be equated with bribes. Sagax's suppliers are viewed as an extension of Sagax's own operations, which is why Sagax has prepared a Code of Conduct for Suppliers to ensure that working conditions at the companies that deliver products and services to Sagax fulfil Sagax's requirements in terms of health and safety, and ethical standards.

GLOBAL REPORTING INITIATIVE

This section provides a report on the methodologies, assumptions and conversion factors used for preparing Sagax's GRI disclosures. In addition to the above, supplementary tables, information in the Annual Report and descriptions of omitted information are presented.

GRI 201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

	2021		2020		2019	
	SEK M	%	SEK M	%	SEK M	%
Economic value generated						
Rental and other revenue	3,123	26	2,947	51	2,628	44
Profit from property management, joint ventures	713	6	565	10	441	7
Changes in value	8,302	68	2,214	39	2,840	48
Total	12,138	100	5,726	100	5,909	100
Economic value distributed						
Operating expenses	578	7	539	9	499	8
Employees	119	1	105	2	97	2
Tax	1,294	15	891	16	730	12
Creditors	419	5	455	8	446	8
Owners (proposed dividend)	936	11	776	14	662	11
Economic value retained	8,792	62	2,960	52	3,475	59

GRI 205-3 CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

	2021	2020	2019
Number of reports to whistle-blower service	–	–	–
Number of measures taken	–	–	–
Number of reports received in other ways, e.g. direct to manager or Board	–	–	–
Number of measures taken	–	–	–

GRI 401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

Sagax does not report the number of employees or the employee turnover specified by gender or age since the company believes that these factors are irrelevant to the company's ability to achieve its objectives. Sagax measures employee turnover based on the number of employees who left the company and were replaced by a new employee.

	2021	2020	2019
Employees at the beginning of the year	77	69	59
Number of new employees	17	18	23
Number of employees who left the company	7	10	13
Employees at year end	87	77	69
Employee turnover	9%	14%	20%

GRI 404-3 PERCENTAGE OF EMPLOYEES RECEIVING REGULAR PERFORMANCE AND CAREER DEVELOPMENT REVIEWS

	2021	2020	2019
Percentage of personnel who have had employee reviews	100%	100%	100%

GRI 406-1 INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

	2021	2020	2019
Number of reports to whistle-blower service	–	–	–
Number of measures taken	–	–	–
Number of reports received in other ways, e.g. direct to manager or Board	–	–	–
Number of measures taken	–	–	–

GRI 302-3 ENERGY CONSUMPTION WITHIN THE ORGANISATION

Sagax reports energy consumption for the properties for which Sagax is responsible for the supply of electricity and/or heating. These properties comprise 13% (11) of the electricity supplied and 17% (13) of heating supply of Sagax's total lettable area. The variation in outcome of energy consumption can, to a certain extent, be attributed to changes in the property portfolio and the fact that access to data has increased and improved. Use of electricity includes some electricity for building operations. Most of the properties for which Sagax is responsible for the energy supply are found in Sweden and Finland, and some in the Netherlands. Tenants in other properties have their own energy contract and therefore Sagax has limited access to relevant information. From 2020, energy use is reported expressed in kWh per sqm in accordance with GRI 302-3. Energy use was previously expressed in MWh in accordance with GRI 302-1. The comparative figures are considered to be more fair due to the changes in the portfolio. Energy use decreased 6% compared with the base year 2018. The reported energy use has been adjusted according to degree days.

Type of energy	2021		2020		2019	
	Energy consumption 2021, kWh per sqm	Renewable, %	Energy consumption 2020, kWh per sqm	Renewable, %	Energy consumption 2019, kWh per sqm	Renewable, %
Electricity	65	100	56	100	63	36
Heating	90	19	90	0	93	0
Total energy consumption per sqm	155	54	146	38	156	15
						-6

GRI 305-1, 305-2, 305-3, 305-4 GHG EMISSIONS

Sagax reports Scope 1, 2 and 3 GHG emissions according to the GHG Protocol. Energy consumption for the properties for which Sagax is responsible for the supply of electricity and/or heating comprises 13% (11) of the electricity supplied and 17% (13) of heating supply of Sagax's total lettable area. Most of the properties for which Sagax is responsible for the energy supply are found in Sweden and Finland, and some in the Netherlands. Tenants in other properties have their own energy contract and therefore Sagax generally has limited access to relevant information. The electricity supplied by Sagax to tenants has a guarantee of origin, and is produced by hydropower in Sweden and wind

power in Finland and the Netherlands. Acquired and divested properties are included in relation to the ownership period. Scope 1 emissions related to refrigerants refer only to Finland. Scope 2 emissions from heat consumption are based on actual consumption. Scope 3 emissions include emissions for let premises, meaning where the tenant is

responsible for the electricity or heating contract. This consumption data includes parts of the portfolio in Finland and a large part of the portfolio in Spain. Scope 3 emissions also include freight, transportation of goods, waste paper at the head office and energy consumption at all of Sagax's office.

GHG emissions

Scope	Activity	Emissions tCO2e	2021	2020	2019
Scope 1	Direct emissions Refrigerants	77	—	—	—
Scope 1	Direct emissions Stationary combustion	332	—	—	—
Scope 1	Direct emissions Mobile combustion	9	—	—	—
Scope 2	Indirect emissions Electricity	0	0	3,461	3,461
Scope 2	Indirect emissions District heating and district cooling	3,626	9,493	9,940	9,940
Scope 3	Other indirect emissions Business travel	44	27	77	77
Scope 3	Other indirect emissions Purchased goods and services	0.2	—	—	—
Scope 3	Other indirect emissions Upstream transportation and distribution	0.1	—	—	—
Scope 3	Other indirect emissions Waste management in own operations	0.01	—	—	—
Scope 3	Other indirect emissions Upstream leased assets	32	—	—	—
Scope 3	Other indirect emissions Downstreamed leased assets	10,632	—	—	—
Scope 3	Other indirect emissions Production of energy carriers	1,406	—	—	—
Total CO2 emissions		16,159	9,498	13,479	

GHG emissions, origin

Scope	Activity	Data source	Conversion factor
Scope 1	Refrigerants	Internally collated information	BEIS, 2022
Scope 1	Stationary combustion	Internally collated information	Green Deal NL, 2021; South Pole's internal database, 2022
Scope 1	Mobile combustion	Internally collated information	Department for Business, Energy & Industrial Strategy (BEIS), 2021
Scope 2	District heating and district cooling	Supplier data	Swedenergy, 2020; Finnish Energy Statistics 2020; Emissions factors from Swedish Environmental Protection Agency 2021 and BEIS 2021; Finnish district cooling suppliers
Scope 2	Electricity	Supplier data	Market based. El.se, 2020; Ecoinvent version 3.8, 2021; IPCC, 2014; AIB, 2021
Scope 3	Business travel	Internally collated information	Refers to air travel, emissions from vehicles (cars, taxis) and hotels. BEIS, 2021; Swedish Transport Administration; Cornell Hotel Sustainability Benchmarking 2021
Scope 3	Purchased goods and services	Supplier data	Refers to office paper BEIS, 2021
Scope 3	Upstream transportation and distribution	Supplier data	Refers to freight and goods NTM 2020, BEIS 2021
Scope 3	Waste	Supplier data	BEIS, 2021; Ecoinvent version 3.8, 2021
Scope 3	Upstream and downstream leased assets	Supplier data	See the sources for district heating, district cooling and electricity above
Scope 3	Production of energy carriers	Supplier data	See the sources for fuel, electricity and district heating above

CRE 8 – TYPE AND NUMBER OF SUSTAINABILITY CERTIFICATION, RATING AND LABELLING SCHEMES FOR NEW CONSTRUCTION, MANAGEMENT, OCCUPATION AND REDEVELOPMENT

Certified buildings means buildings that have received sustainability ratings from independent certification bodies. The certification

schemes included in Sagax's evaluation are BREEAM, BREEAM In-Use, LEED, Green Building and Miljöbyggnad.

Certified buildings

	2021		2020		2019		Ongoing projects	
	No.	sqm	No.	sqm	No.	sqm	No.	sqm
Green building	2	10,051	1	7,200	1	7,200	1	4,066
BREEAM In-Use	22	202,919	18	167,855	1	5,589	23	112,720
BREEAM	—	—	—	—	—	—	3	23,586
Miljöbyggnad	1	19,158	1	19,158	—	—	1	1,800
Total	25	232,128	20	194,213	2	12,788	28	142,172

SUSTAINABILITY RATING



BREEAM assesses environmental performance in a number of different areas, such as energy use, indoor climate, water control, waste management, land use and impact on the local environment. BREEAM is available for both new builds and as a rating for existing portfolios, BREEAM In-Use.



The Green Building certification is for both residential properties and properties. To become certified, the building must use 25% less energy than previously or compared with the new building requirements of BBR (the building regulations of the Swedish National Board of Housing, Building and Planning).



Miljöbyggnad is a Swedish sustainability rating. This certification focuses on energy, indoor environment and materials.

GRI CONTENT INDEX

GRI Standard number	Reference	Comment
ORGANISATION		
102-1 Name of the organisation	Page 80	
102-2 Activities, brands, products, and services	Page 3-33	
102-3 Location of headquarters	Page 80	
102-4 Location of operations	Page 53	
102-5 Ownership and legal form	Pages 49-52	
102-6 Markets served	Pages 16 and 52	
102-7 Scale of the organisation	Pages 53-54 and 65-67	
102-8 Information on employees and other workers	Pages 53-54, 88-89 and 157	Sagax does not measure the number of employees specified by gender or age since the company believes that these factors are irrelevant to the company's ability to achieve its objectives.
102-9 Supply chain	Pages 150-151	
102-10 Significant changes to the organisation and its supply chain		No significant changes took place in the organisation or supply chain during the accounting period.
102-11 Precautionary Principle or approach	Pages 147	The precautionary approach is fundamental in Sagax's sustainability work and is included in Sagax's Sustainability Policy and Code of Conduct for Suppliers.
102-12 External initiatives	Pages 53-54, 59-64 and 146-147	
102-13 Membership of associations		Sagax is a member of SNS (Center for Business and Policy Studies).
STRATEGY		
102-14 Statement from senior decision-maker	Pages 5-6	
ETHICS AND INTEGRITY		
102-16 Values, principles, standards, and norms of behaviour	Pages 53-54, 59-64 and 150-151	See also Sagax's Code of Conduct and sustainability policy.
GOVERNANCE		
102-18 Governance structure	Pages 59-64	
STAKEHOLDER ENGAGEMENT		
102-40 List of stakeholder groups	Page 154	
102-41 Collective bargaining agreements		No employees are covered by collective bargaining agreements.
102-42 Identifying and selecting stakeholders	Pages 154-155	
102-43 Approach to stakeholder engagement	Page 154	
102-44 Key topics and concerns raised	Pages 154-155	
ACCOUNTING POLICIES		
102-45 Entities included in the consolidated financial statements	Pages 40-42 and 53-54	
102-46 Defining report content and topic Boundaries	Pages 154-155	
102-47 List of material topics	Pages 154-155	
102-48 Restatements of information	Page 154	
102-49 Changes in reporting	Page 154	
102-50 Reporting period	Page 80	2021
102-51 Date of most recent report		The most recent sustainability report was published in April 2021
102-52 Reporting cycle		Annually in conjunction with the annual report
102-53 Contact point for questions regarding the report		CEO
102-54 Claims of reporting in accordance with the GRI Standards	Pages 154, 157-158	
102-55 GRI content index	Pages 160-161	

GRI Standard number	Reference	Comment
102-56 External assurance	Page 162	
FINANCIAL ACCOUNTABILITY		
<i>GRI 103 Management Approach</i>		
<i>GRI 201 Economic Performance</i>		
103-1 Explanation of the material topic and its Boundary	Pages 154 and 157-158	
103-2 The management approach and its components	Page 147	
103-3 Evaluation of the management approach	Pages 146-152	
201-1 Direct economic value generated and distributed	Pages 151, 157	
<i>GRI 103 Management Approach</i>		
<i>GRI 205 Anti-Corruption</i>		
103-1 Explanation of the material topic and its Boundary	Pages 154 and 157-158	
103-2 The management approach and its components	Page 147	
103-3 Evaluation of the management approach	Pages 146-152	
205-3 Confirmed incidents of corruption and actions taken	Pages 150, 157	
ENVIRONMENTAL RESPONSIBILITY		
<i>GRI 103 Management Approach</i>		
<i>GRI 302 Energy</i>		
103-1 Explanation of the material topic and its Boundary	Pages 154 and 157-158	See also Sagax's sustainability policy.
103-2 The management approach and its components	Page 147	
103-3 Evaluation of the management approach	Pages 146-152	
302-3 Energy consumption within the organisation	Pages 149 and 157-158	
<i>GRI 103 Management Approach</i>		
<i>GRI 305 Emissions</i>		
103-1 Explanation of the material topic and its Boundary	Pages 154 and 157-158	See also Sagax's sustainability policy.
103-2 The management approach and its components	Page 147	
103-3 Evaluation of the management approach	Pages 146-152	
305-1 Direct (Scope 1) GHG emissions	Pages 157-158	
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305-3 Other indirect (Scope 3) GHG emissions	Pages 157-158	
SOCIAL RESPONSIBILITY		
<i>GRI 103 Management Approach</i>		
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103-2 The management approach and its components	Page 147	
103-3 Evaluation of the management approach	Pages 151-152 and 157	
401-1 New employee hires and employee turnover	Page 157	
<i>GRI 103 Management Approach</i>		
<i>GRI 404 Training and Education</i>		
103-1 Explanation of the material topic and its Boundary	Pages 154 and 157-158	
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404-3 Percentage of employees receiving regular performance and career development reviews	Page 157	
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PRODUCT RESPONSIBILITY		
CRE8 Type and number of sustainability certification, rating and labelling schemes for new construction, management, occupation and redevelopment	Page 150 and 158	

The auditor's report on the statutory sustainability report

TO THE GENERAL MEETING OF AB SAGAX, CORP. REG. NO. 556520-0028

ENGAGEMENT AND RESPONSIBILITY

The Board of Directors is responsible for the statutory sustainability report on pages 143-161 and that is has been prepared in accordance with the Annual Accounts Act.

THE SCOPE OF THE AUDIT

Our examination of the statutory sustainability report has been conducted in accordance with FAR's auditing standard RevR 12 The auditor's report on the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

OPINION

A statutory sustainability report has been prepared.

Stockholm, 19 April 2022

Ernst & Young AB

Oskar Wall
Authorised Public Accountant



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