

CATENA Q4

Year-end report January – December 2020

- Rental income increased by 7 percent to SEK 1,263.9 million (1,182.9).
- The net operating surplus increased by 11 percent to SEK 1,003.8 million (902.8).
- Profit from property management rose by 15 percent to SEK 718.6 million (626.8).
- Profit for the year increased to SEK 1,527.1 million (1,223.8), corresponding to earnings per share of SEK 40.51 (32.46), including changes in value of SEK 1,204.9 million (895.7).
- The long-term net asset value EPRA NRV per share rose to SEK 245.08 (202.87).
- The Board proposes a dividend of SEK 7.50 (6.50) per share, corresponding to an increase of 15 percent to be distributed on two occasions and in equal amounts of SEK 3.75 each.

Significant events in the fourth quarter

- The Board of Directors of Catena appointed Jörgen Eriksson as the new CEO and he took up that position on 1 November.
- Catena has signed a supplementary agreement with Nelly.com to finance an automation solution for SEK 84 million for the newly constructed warehouse that Catena took over on 1 February 2021.
- Catena sold the Godsvagnen 6 property in Örebro for a purchase consideration of SEK 157 million.

Significant events after the end of the year

- On 14 January, Catena signed an agreement to acquire the Morgongåva 15:33 property in Heby and to invest SEK 300 million in a new logistics facility with Babyland as the tenant.

WE EXCEED
EXPECTATIONS

WE TAKE LONG-TERM
RESPONSIBILITY

WE ARE
COMMITTED



Catena in brief

Catena's mission is to develop, own and efficiently manage, through cooperation and in a sustainable manner, strategically located logistics facilities that supply Scandinavia's metropolitan regions and have conditions to generate stable growing cash flows and good value growth.

Vision

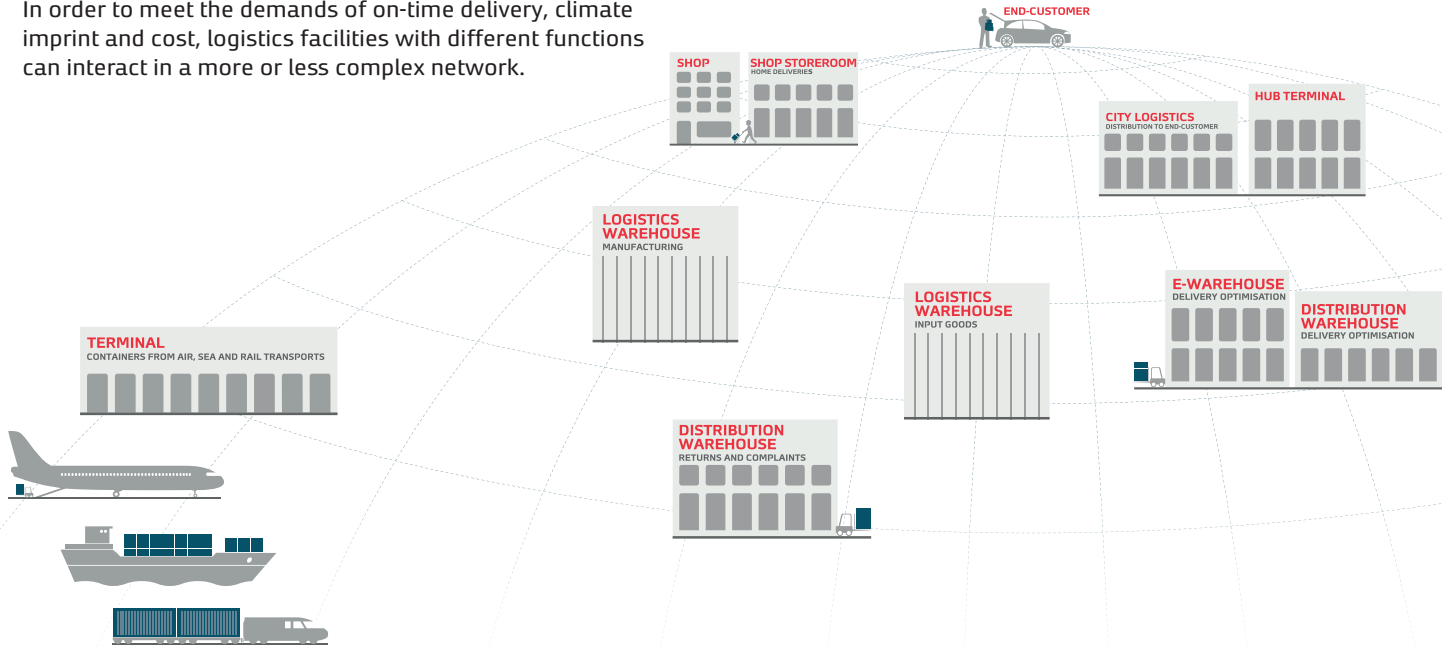
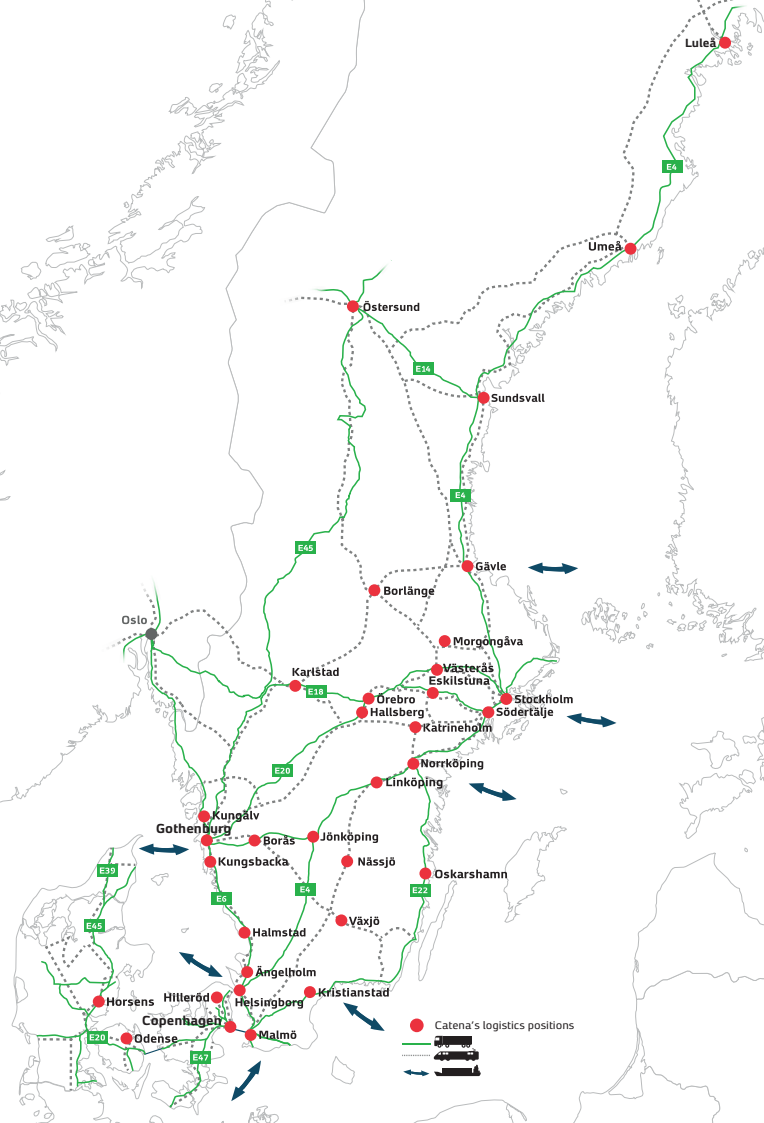
Catena's good insights regarding future freight and cargo flows are absolutely crucial to the ability to offer the right locations, the right premises and the right service. By generating strong cash flows, development takes place towards the vision – *Catena links Scandinavia's cargo flows.*

Business concept

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

Customer offering

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



The Catena Group in figures					
	2020, Oct-Dec	2019, Oct-Dec	2020, Jan-Dec	2019, Jan-Dec	
Rental income, SEK M	326.4	297.8	1,263.9	1,182.9	
Net operating surplus, SEK M	250.7	220.9	1,003.8	902.8	
Surplus ratio, %	76.8	74.2	79.4	76.3	
Profit from property management, SEK M	176.1	148.8	718.6	626.8	
Profit for the period, SEK M	722.0	372.0	1,527.1	1,223.8	
Earnings per share, SEK	19.15	9.87	40.51	32.46	
Equity ratio, %	37.2	35.6	37.2	35.6	
Economic letting ratio, %	96.2	95.0	96.2	95.0	

Catena stands strong



Catena showed strong earnings for 2020, maintaining a stable cash flow trend and high value growth. While the Corona pandemic has entailed everyday challenges for Catena, it has also brought new business opportunities and growing interest in logistics properties.

Catena's profit for the year reached a record level, amounting to SEK 1,527 million, which was SEK 303 million higher than for the preceding year. Rental income increased by 7 percent, the operating surplus by 11 percent and the profit from property management of SEK 719 million entailed a 15-percent increase on the preceding year. The positive trend is the result of continued active project development and efficient processes. A large proportion of Catena's well-diversified customer base has also benefited from altered purchasing behaviours and accelerating e-commerce. A small number of tenants have been negatively affected by Covid-19, primarily subcontractors to the restaurant and service sector, as well as event and activity operations. On the whole, Catena's strong balance sheet, stable cash flows and positive value growth provide a financial capacity enabling future growth.

Where there are goods and cargo flows, we are there

In a complex and shifting logistics network, it is crucial to be able to identify the logistics positions of the future, and Catena's network of properties follows important transport routes and major population centres. During the final quarter of the year, extensions were completed for Nowaste Logistics at Logistics Position Tostarp, near Helsingborg, and for Boozt at E-city Engelholm – two excellent logistics locations that are growing. Along the transport route that supplies the north of Sweden, the Storheden 2:1 property in Luleå was recently acquired, where we will build a new logistics facility for Kyl- och Frysexpressen Nord, an investment that strengthens Catena's position in that part of the country. An agreement has also been signed with Morgongåva Företagspark regarding a project to construct an e-commerce facility for Babyland, a project that demonstrates how larger logistics clusters drive flows.

Everything we do is to take us towards our vision of linking Scandinavia's cargo flows. We take a highly positive view of construction having commenced on the Danish-German tunnel across the Fehmarn Belt, and of Sweden and Denmark now studying the possibilities for a fixed link between Helsingborg and Helsingør advocated by many besides us. These are two key initiatives in securing future capacity and connecting important flows.

Future values in our land reserve

Catena's potential land reserve of 5 million m² and the company's proprietary projects demonstrate that we know what we are doing. Currently, the detailed planning process has progressed farthest at Stockholm Syd. At this site, where we hold 450,000 m² of land, we seek to establish a modern and sustainable hub to handle goods flows in the Stockholm and Mälardalen regions. In the Gothenburg region, we have high hopes for the development of the expansive area around Landvetter, and in southern Sweden we are investing in the continued development of Logistics Position Sunnanå, for example. In parallel with major logistics clusters, smaller areas of land are also being developed for the critical city logistics of tomorrow. An example of this is Lodgatan in Malmö's Östra hamnen district – an optimal location for urban and suburban deliveries.

Highly-motivated organisation

As the newly appointed CEO, I am impressed by how Catena's employees have maintained their drive and an even higher pace than ever during a period pervaded by everyday challenges to protect the safety and health of employees and customers.

While a favourable market situation certainly supports that approach, I believe it is basically a matter of us at Catena feeling that we play an important role in the development of society and that our active and long-term approach offers customers a great deal in return – both commercially and personally. In a business that is constantly changing and developing, I believe it is important to keep this in mind for the future.

Helsingborg, February 2021
 Jörgen Eriksson, CEO

Income and profit

Covid-19

The Covid-19 corona virus caught the world off-guard in 2020, impacting public health, as well as economies and financial markets. For Catena, while the corona virus has entailed stress in everyday life, it has also brought business opportunities. Most of Catena's tenants have continued their operations more or less as previously. A large number have e-commerce operations and an estimated 1 million m² of Catena's total portfolio is leased to customers providing essential services and who play an important role in securing functioning goods flows.

The customer base includes small number of tenants who have been more affected by Covid-19, primarily subcontractors to the restaurant and service sector, as well as event and activity operations. Individual agreements have been made where the transition from quarterly to monthly payment has been the most common solution. Catena has only been able to assist tenants to a limited extent with regard to the government rent subsidy as this was designed in such a way that only a few tenants have an industry affiliation eligible for the subsidy. The rent subsidy applied only to the second quarter and allowed property owners providing a 50-percent rent discount to apply for government compensation for 50-percent of the discount provided. During the year, Catena reached agreements to shift from quarterly to monthly payments for rental payments of about SEK 88 million. Discounts linked to the government subsidy were provided in the amount of SEK 1.6 million, of which Catena accounted for 50-percent, entailing a charge of SEK 0.8 million against second quarter earnings. Alongside the state subsidy, Covid-19-related discounts amounting to a further SEK 1.2 million were provided. All rent notifications subject to an agreement to transition from quarterly to monthly payments have been paid as planned. Catena expects continued liquidity limitations of corresponding scope in early 2021. A small number of customers face profitability challenges, with the

market situation in the wake of the pandemic having brought additional pressure.

Rental income

Rental income for the year increased by 7 percent to SEK 1,263.9 million (1,182.9), corresponding to SEK 666 per m² (651) when adjusted for non-recurring effects. Income for the year was affected by compensation for the premature termination of leases in the amount of SEK 14 million, where the vacancy is immediately filled by a new tenant, and reserves for feared credit losses in the amount of approximately SEK 5 million. In comparable portfolios, rental income, adjusted for non-recurring effects, increased by 1.5 percent compared with the preceding year. The remaining increase in rental income derives from completed projects and the effect of acquisitions.

Income from contracts with terms of more than three years accounted for close to 67 percent of Catena's contracted annual rent. This entails stable income that does not vary substantially between periods, except in connection with acquisitions, completed projects and sales. The average remaining lease period is approximately five years.

Duration of leases

Duration	Number of contracts	Contractual annual rent, SEK M	Contractual annual rent, %
2021	184	112.2	8
2022	88	144.3	11
2023	69	178.9	13
2024	48	183.6	14
2025	29	146.5	11
2026	21	161.3	12
2027+	45	408.5	31
Total	484	1,335.3	100



Rental income, regions

SEK M	2020, Oct–Dec		2019, Oct–Dec		2020, Jan–Dec		2019, Jan–Dec	
	Rental income	Of which, re-invoiced *	Rental income	Of which, re-invoiced *	Rental income	Of which, re-invoiced.*	Rental income	Of which, re-invoiced.*
Gothenburg	41.3	2.3	41.5	3.0	165.3	9.0	173.2	10.3
Helsingborg	59.7	3.6	53.5	4.2	223.5	14.6	207.2	15.2
Jönköping	26.1	2.4	25.7	3.8	106.9	12.7	96.2	13.6
Malmö	58.6	10.0	49.3	10.0	217.1	39.8	190.6	39.5
Stockholm	140.7	12.9	127.8	10.2	551.1	43.1	515.7	39.3
Total	326.4	31.2	297.8	31.2	1,263.9	119.2	1,182.9	117.9

* Of which, re-invoiced expenses.

Operating surplus, regions

	2020 Oct–Dec	2019 Oct–Dec	2020 Jan–Dec	2019 Jan–Dec
Gothenburg	33.7	32.0	140.0	146.1
Helsingborg	44.7	38.6	170.9	153.2
Jönköping	17.5	16.2	76.8	60.5
Malmö	39.1	32.4	154.7	126.7
Stockholm	115.7	101.7	461.4	416.3
Total	250.7	220.9	1,003.8	902.8

Property expenses

Property expenses decreased to SEK 260.1 million (280.1), corresponding to SEK 137 per m² (154). Planned maintenance has to some extent been postponed due to tenants giving limited access to premises to limit the spread of Covid-19.

There are seasonal variations in the operation and maintenance of properties. Winters with much cold and snow entail higher costs for heating and snow removal. A hot summer can mean increased expenses for cooling. These variations,

that have the greatest impact during the winter and summer months, are, to some extent, offset by a change in billed expenses to tenants. The winter period at the beginning of 2020, as well as that at the end of the year, were milder than normal and had less snowfall.

Financial expenses

Financial expenses, excluding expenses for lease assets, amounted to SEK 239.5 million for the year (228.2).

Profit

Profit from property management for the year rose by SEK 91.8 million to SEK 718.6 million compared with the preceding year – an increase of 15 percent. The primary reason for the improved profit from property management is an increased operating surplus.

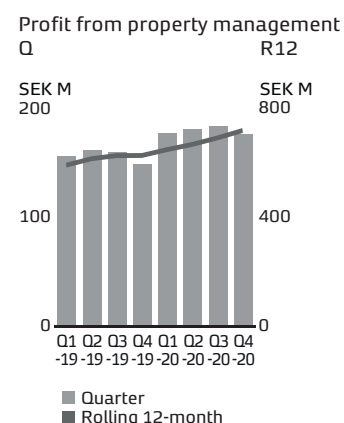
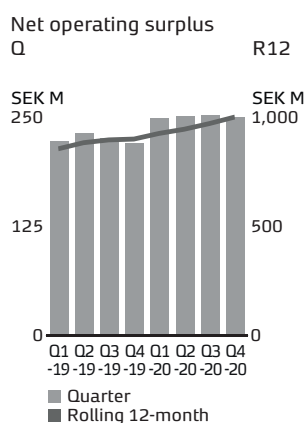
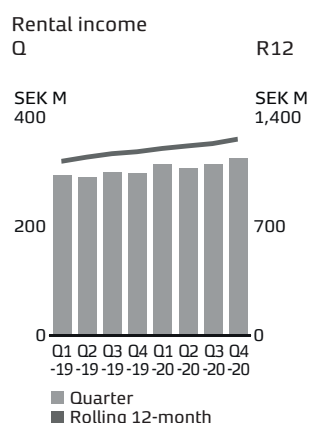
Profit for the year amounted to SEK 1,527.1 million, which was SEK 303.3 million higher than for the preceding year. The unrealised changes in value of properties amounted to SEK 1,158.8 million (791.2). The change in the value of derivatives was SEK 38.1 million (29.3).

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



Logistics Position Tostarp, located where the E4 and E6 meet just east of Helsingborg, is now Catena's largest logistics position with 82,500 m² leased. PostNord was the latest to move in to its newly constructed 18,300 m² terminal. Two smaller plots remain and Catena is working to be able to further develop the site.

Consolidated statement of comprehensive income				
SEK M	2020 Oct–Dec	2019 Oct–Dec	2020 Jan–Dec	2019 Jan–Dec
Rental income	326.4	297.8	1,263.9	1,182.9
Property expenses	-75.7	-76.9	-260.1	-280.1
Net operating surplus	250.7	220.9	1,003.8	902.8
Central administration	-11.2	-10.1	-35.2	-34.1
Other operating income	1.4	2.8	3.7	4.5
Other operating expenses	-0.3	-0.2	-2.0	-0.4
Interest in profits from associated companies	-1.3	-4.6	-4.4	-11.5
Financial income	0.2	0.9	2.1	3.4
Financial expenses	-60.9	-58.5	-239.5	-228.2
Financial expenses for right-of-use assets	-2.5	-2.4	-9.9	-9.7
Profit from property management	176.1	148.8	718.6	626.8
Realised changes in value of investment properties	8.0	4.0	8.0	75.2
Unrealised changes in value of investment properties	678.8	199.0	1,158.8	791.2
Changes in values of derivatives	42.7	109.2	38.1	29.3
Profit before tax	905.6	461.0	1,923.5	1,522.5
Tax for the period/year	-183.6	-89.0	-396.4	-298.7
Profit for the year	722.0	372.0	1,527.1	1,223.8
Other comprehensive income				
Translation difference	-10.0	-6.4	-9.7	2.2
Comprehensive income for the period/year	712.0	365.6	1,517.4	1,226.0
Comprehensive income for the period/year distributed among the Parent Company's shareholders				
	712.0	365.6	1,517.4	1,226.0
Key share data				
Shareholders' equity, SEK per share	201.34	167.59	201.34	167.59
Long-term net asset value EPRA NRV, per share, SEK	245.08	202.87	245.08	202.87
Profit for the period/year, SEK per share	19.15	9.87	40.51	32.46
Number of shares outstanding, millions	37.7	37.7	37.7	37.7

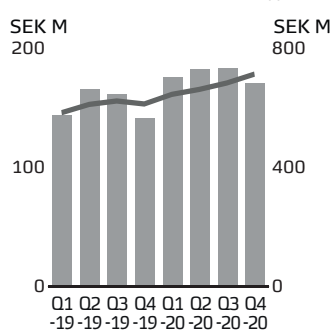


Financial position

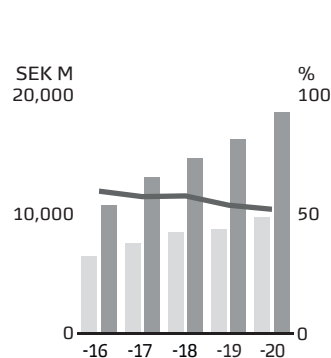
Cash flow		
SEK M	2020 Jan–Dec	2019 Jan–Dec
Profit before tax	1,923.5	1,522.5
Adjustments for non-cash items	-1,197.0	-894.9
Tax paid	-13.8	-15.1
Cash flow before changes in working capital	712.7	612.5
Change in operating receivables	-13.2	-87.1
Change in operating liabilities	44.8	88.3
Cash flow from operating activities	744.3	613.7
Acquisition of assets via subsidiaries	-172.4	-18.7
Divestment of operations	-	7.6
Investments in investment properties	-969.1	-752.6
Divestment of investment properties	157.0	0.2
Acquisitions of property, plant and equipment	-0.4	-3.2
Disposals of non-current assets	0.6	-
Change in financial assets	-16.6	-58.8
Cash flow from investment operations	-1,000.9	-825.5
Change in loans	781.7	277.7
Dividend paid	-245.0	-216.8
Cash flow from financing operations	536.7	60.9
Cash flow for the year	280.1	-150.9
Opening cash and cash equivalents	131.2	281.2
Exchange rate difference in cash and cash equivalents	-0.2	0.9
Closing cash and cash equivalents	411.1	131.2

Statement of financial position		
SEK M	2020 31 Dec	2019 31 Dec
Assets		
Fixed assets		
Goodwill	503.0	503.0
Investment properties	18,612.4	16,270.5
Tangible fixed assets	1.5	4.0
Right-of-use assets	334.5	330.2
Financial non-current assets	172.1	170.0
Deferred tax assets	75.0	85.1
Current assets		
Current receivables	289.0	276.1
Cash and cash equivalents	411.1	131.2
Total assets	20,398.6	17,770.1
Equity and liabilities		
Equity attributable to Parent Company shareholders	7,590.4	6,318.0
Non-current liabilities		
Interest-bearing liabilities	6,090.4	4,784.7
Deferred tax liability	1,884.0	1,537.0
Lease liability	332.0	327.8
Other non-current liabilities	347.4	384.3
Current liabilities		
Interest-bearing liabilities	3,644.6	3,999.9
Other current liabilities	509.8	418.4
Total equity and liabilities	20,398.6	17,770.1

Cash flow before change in working capital Q



Loan-to-value ratio



■ Quarter
■ Rolling 12-month

■ Interest-bearing liabilities, SEK M
■ Investment properties, SEK M
■ Loan-to-value ratio, %

Change in equity

SEK M	2020 31 Dec	2019 31 Dec
Opening balance	6,318.0	5,308.8
Dividend paid to shareholders	-245.0	-216.8
Comprehensive income for the year attributable to Parent Company shareholders	1,517.4	1,226.0
Closing balance	7,590.4	6,318.0
Attributable to:		
Parent Company's shareholders	7,590.4	6,318.0

The property portfolio

Property portfolio		
SEK M	Fair amount	Number of properties
Property portfolio at beginning of year	16,270.5	109
Acquisitions*	388.8	6
Investments in existing properties	969.1	
Sales	-149.0	-1
Translation difference	-25.8	
Reallotments, etc.	-	-1
Unrealised changes in value	1,158.8	
Total investment properties	18,612.4	113

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

Changes in the property portfolio

Over the year, Catena acquired six properties, three of which are situated in Denmark and three in Sweden, with a combined value of SEK 388.8 million.

In addition, investments have been made in new construction, remodelling and extensions at existing properties for SEK 969.1 million. Catena has completed projects corresponding to a total of approximately 105,000 m².

PostNord has moved into its new 18,300 m² terminal at the Plantehuset 3 property at Logistics Position Tostarp, in Helsingborg, and the extension expanding Nowaste Logistics' large warehouse from 30,400 m² to 48,500 m² is now in full operation. In Ängelholm, E-City is being expanded with a new 22,800 m² building where Boozt Fashion has now moved in. At Logistics Position Sunnanå, outside Malmö, DHL Express has moved into its new 10,200 m² air cargo warehouse, and completion of the final premises in the second multi-tenant warehouses is currently in progress. Although the logistics position has now been fully let, detailed development planning for additional land at the site is in full swing.

During the year, Catena sold a property in the Stockholm region for SEK 157.0 million, generating a capital gain of SEK 8.0 million.

Property valuation

During the year, unrealised changes in the values of Catena's properties have mainly arisen as an effect of well-executed projects, new leases, lower yield requirements and, taking the uncertainties caused by the corona virus into account, these amounted to SEK 1,158.8 million for the year. This corresponds to 7 percent of the value before adjustment.

Each quarter, Catena implements internal valuations of all its investment properties and this is used to determine the fair values recognised in the balance sheet. Over the year, approximately SEK 11.0 billion of the property portfolio was valued externally. The external valuations Catena obtains to assure the accuracy of its internal valuations show a decrease in the market's yield requirements.

All of the Group's investment properties are assessed as being at level 3 in the valuation hierarchy. A detailed description of the valuation principles is available on page 35 of Catena's Annual Report for 2019.

A certain discrepancy is permitted between the internal valuation and the fair value before the fair value is adjusted. The discrepancy should be within a range controlled by a permitted discrepancy from the established yield requirement of +/- 0.25 percent. Only when the deviation exceeds or falls short of this range is the fair value adjusted. This discrepancy is accepted since there is always an element of uncertainty in the estimated value.

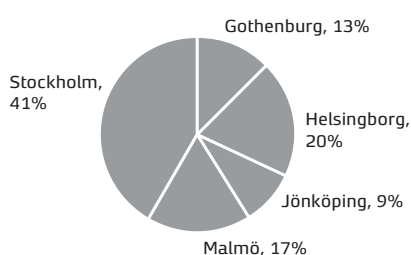
Sustainable properties

Catena works to create sustainable properties by considering the entire life cycle of the building. While tightening requirements on materials used in projects, implementing energy efficiency projects and environmental certifications safeguards energy-efficient operation of Catena's buildings while maintaining a healthy indoor environment. Catena is working actively to increase knowledge about emissions occurring during construction projects and to find sustainable solutions that reduce these.

All of Catena's new buildings meet Miljöbyggnad Silver environmental certification as a minimum. In 2020, seven buildings, with a total area of 120,500 m², achieved Miljöbyggnad Silver certification. Certification processes are currently ongoing or being prepared for a further 11 buildings. Catena is also examining opportunities to raise the sustainability performance in its existing portfolio and has initiated certification in accordance with Miljöbyggnad iDrift (environmental building in operation) for its Backa 23:5 property. A total of 347,971 m² have been certified or are currently undergoing Miljöbyggnad certification, corresponding to 18 percent of Catena's total lettable area.

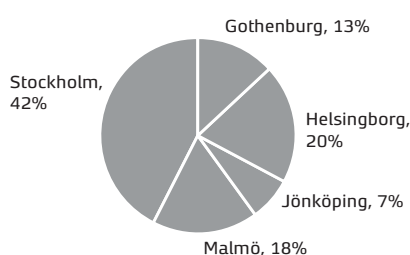
Catena is also working actively with photovoltaic cell facilities, with seven new plants being installed in 2020. Along with the facilities already installed on Catena's roofs, these are estimated to achieve an annual output of approximately 4,250 MWh.

Rental value by region



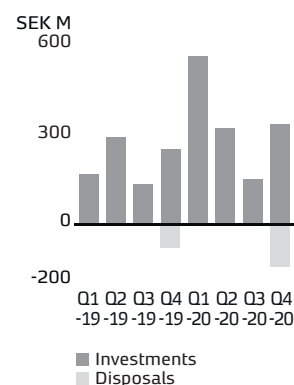
Total: SEK 1,388.5 million

Property portfolio by region



Total: SEK 18,612.4 million

Investments and disposals



Properties by region

Regions	Number of properties	Lettable area, thousand m ²	Fair value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contractual annual rent, SEK M	Surplus ratio, %
Gothenburg	15	231.7	2,339.6	174.1	98	170.3	85
Helsingborg	23	450.9	3,807.6	273.3	96	262.8	76
Jönköping	12	222.2	1,312.7	126.0	96	121.3	72
Malmö	19	265.9	3,393.5	238.8	97	232.5	71
Stockholm	44	776.8	7,759.0	576.3	95	548.4	84
Total	113	1,947.5	18,612.4	1,388.5	96	1,335.3	79

Property acquisition

Property designation	Transfer date	Region	Municipality	Space, m ²	Property value, SEK M	Rental income/year, SEK M
Lokesvej 18	31 Jan 2020	Malmö	Hilleröd, DK	4,176	96.5	5.8
Kometvej 15	31 Jan 2020	Malmö	Horsens, DK	4,484	79.7	4.2
Magasinet 3	14 Feb 2020	Stockholm	Södertälje	21,240	130.0	12.0
M.P Allerups Vej 61	1 Oct 2020	Malmö	Odense, DK	2,340	58.8	3.5
Magneten 3	13 Oct 2020	Stockholm	Umeå	land	10.0	0.0
Storheden 2:1	17 Dec 2020	Stockholm	Luleå	land	11.2	0.0
Total				32,240	386.2	25.5

Property sales

Property designation	Vacated	Region	Municipality	Space, m ²	Property value, SEK M	Profit, SEK M
Godsvagnen 6	1 Dec 2020	Stockholm	Örebro	19,600	157.0	8.0
Total				19,600	157.0	8.0



Efficient management



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Projects

Project portfolio

Catena has the ambitious objective to grow by investing in projects, partly by refining the existing properties, but above all by developing the company's potential land reserves of approximately 5 million m². On the balance sheet date, the project portfolio included remaining investments of SEK 432 million, including major projects, new construction and tenant adaptations to existing properties alike.

Stockholm Syd

Approximately 30 minutes south-west of central Stockholm, the 1,000-hectare Logistics Position Stockholm Syd is planned. Catena is one of the players working with the area and has signed an option to acquire 450,000 m² of land when the detailed development plan has gained legal force, which Catena hopes will occur during 2021. The area is optimal for servicing the growing Greater Stockholm and Mälardalen regions with goods and cargo from the south via the major E4 and E20 transport routes, which converge close to the position. Large parts of the Stockholm area can be reached from the position within an hour and, with intelligent planning, the optimal location can lead to less, but more highly-filled, transports into Stockholm. An illustration of what Catena's part of the area could look like when finished is shown on the preceding page.

The site is located close to the 100-hectare plot that Catena acquired through a co-ownership agreement in 2019.

Property development

The Nattskiftet 11 property in southern Stockholm enjoys a highly favourable logistics location immediately adjacent to where the E20 motorway and the southern link tunnels converge in Årsta. In recent years, Catena has converted the dilapidated old 25,600 m² warehouse into a modern facility. For a couple of years now, Grönsakshallen Sorunda has conducted food production and distribution from its approximately 15,000 m² premises. The latest tenant is Meds Apotek, which has moved into an area of approximately 5,600 m². The location is optimal for handling fast deliveries both in and out of the city. With the building now almost fully let, Catena has achieved great progress with the facility, transforming a dilapidated old warehouse into a high-class logistics facility with favourable cash flow.

This is just one example of how Catena is working long-term to upgrade properties. Catena considers acquiring older properties with great development potential in favourable locations as a good complement to working with new construction at large development sites at the company's disposal.

Major projects during the year ¹⁾

Project	Property	Municipality	Lettable space, m ²	assessed net operating surplus SEK M	Estimated investment, SEK M	Degree of completion by Q4 2020, SEK M	Letting ratio on the balance sheet date, %	Completed ²⁾
<i>New construction and extensions in progress > SEK 100 million</i>								
PostNord	Plantehuset 3	Helsingborg	18,300	15.7	250	254	100	Occupied in Q3
Nowaste Logistics, extension	Plantehuset 3	Helsingborg	18,000	9.1	132	113	100	Occupied in Q3
DHL Express	Sunnanå 12:52	Burlöv	10,200	10.2	150	141	100	Occupied in Q4
Boozt Fashion	Norra Varalöv 31:11	Ängelholm	22,800	12.0	193	154	100	Occupied in Q4
Multi-tenant warehouse, part 2 ³⁾	Sunnanå 12:52	Burlöv	18,100	15.5	197	186	100	2021 Q1
Seafrigo Nordic	Part of Broby 57:1	Åstorp	10,800	9.0	147	40	100	2021 Q3
Total, ongoing major projects			98,200	71.5	1,069	888		

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

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

³⁾ With the last premises having been leased, both the estimated investment and the estimated net operating surplus have been adjusted.

Financing

Debt and interest maturity

Year	Debt maturity			Interest maturity, including derivatives		
	SEK M	Share, %	Interest, including margin, %	SEK M	Share, %	Interest, including margin, %*
0-1 year	3,605.5	37.0	1.4	4,095.5	42.1	1.7
1-2 years	1,211.1	12.5	1.3	500.0	5.1	3.7
2-3 years	3,036.3	31.2	1.2	908.0	9.3	2.7
3-4 years	1,616.5	16.6	1.2	500.0	5.2	2.8
4-5 years	0.0	0.0	0.0	711.8	7.3	3.1
5- years	265.6	2.7	0.8	3,019.7	31.0	2.6
Total	9,735.0	100.0	1.3	9,735.0	100.0	2.3

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

Interest-bearing liabilities

At the end of the year, interest-bearing liabilities amounted to SEK 9,735.0 million (8,748.6) of which the share of traditional bank loans amounted to 78 percent, secured bonds to 12 percent, Danish mortgage bonds to 4 percent and commercial papers to 6 percent. At the time, there were confirmed and unutilised credit commitments from banks amounting to SEK 1,400 million.

During the year, Catena negotiated/renewed financing agreements with a total framework of SEK 6,126.1 million and, in addition, extended the backup facility from SEK 1 billion to SEK 2 billion. On the balance sheet date, the average debt maturity in the loan portfolio was 2.2 years and the interest maturity, including the effect of derivatives, was 3.1 years.

Interest expenses and sensitivity

On the balance sheet date, the average interest rate, including the cost of derivatives and unutilised lines of credit, was 2.3 percent (2.6). The change is partly due to lower market interest rates and partly to a lower interest rate in the derivatives portfolio.

If the market interest rate defined as Stibor 3-month were to increase by one percentage point, all else being equal, the interest expenses would increase by around SEK 26 million. If the market interest rate were to instead decrease by one percentage point, the interest expenses would increase by around SEK 37 million.

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

Bond financing

During the period, Catena issued secured bonds for a total SEK 1,370 million within the framework of Svensk Fastighets-Finansiering (SFF). On the balance sheet date, the outstanding volume was SEK 1,605 million.

SFF is equally owned by Catena, Diös, Fabège, Platzer and Wihlborgs. The MTN programme, which is secured by property mortgages, amounts in its entirety to SEK 12 billion. SFF holds a credit rating equivalent to BBB+ from Nordic Credit Rating. More about SFF can be found at Svensk-fastighetsfinansiering.se

Commercial paper financing

Catena has a commercial paper programme with a limit of SEK 2 billion. Papers within the programme have a maturity of

at most 364 days. The programme is arranged by Swedbank AB, which also functions as an issuing institute together with Danske Bank. To manage the refinancing risk, the programme has secured backup facilities (through property mortgages).

On the balance sheet date, the outstanding volume was nominally SEK 600 million, which is within the scope of the unutilised lines of credit from banks.

Derivative instruments

Financial instruments consist of derivative instruments in Category 2 of the valuation hierarchy. The derivatives are marked to market, meaning that the carrying amount agrees with the fair value. The change is recognised in the Income Statement. The carrying amount was a negative SEK 343.0 million (381.1). The change in value of the derivatives does not affect cash flow and, on reaching maturity, the value of derivatives is always zero.

The nominal value of the derivatives is equivalent to 59 percent of consolidated interest-bearing liabilities and, including fixed-rate loans, the Group's interest rate hedging ratio was 66 percent.

During the period, Catena entered into new interest rate swaps for a nominal SEK 1.2 billion, at an average fixed interest rate of 0.16 percent and partly extended existing interest rate swaps for approximately SEK 1.1 billion at a new average fixed interest rate of 1.7 percent. All in all, this extends the fixed income portfolio's interest maturity and secures a substantial share of the Group's interest expenses.

Reduction in the rate of interest through interest-rate swaps

Start year	End year	Contract interest, %	SEK M
2011	2021	2.9	500.0
2012	2021	2.7	191.7
2013	2021	2.8	22.0
2013	2021	2.8	35.0
2012	2022	2.3	500.0
2014	2023	1.7	500.0
2014	2024	1.4	500.0
2017	2025	2.3	561.0
2017	2026	2.7	571.9
2020	2027	0.2	300.0
2020	2027	0.2	300.0
2020	2028	0.1	300.0
2020	2028	0.1	300.0
2020	2029	1.5	561.0
2020	2030	1.9	572.0
Total		1.7	5,714.6

Current earnings capacity

SEK M	2020 31 Dec	2020 30 Sep	2020 30 Jun	2020 31 March	2019 31 Dec	2019 30 Sep	2019 30 Jun	2019 31 March
Rental income	1,314.8	1,312.6	1,285.8	1,245.9	1,208.9	1,183.6	1,169.6	1,157.7
Property expenses	-300.2	-299.8	-293.7	-284.5	-276.0	-272.4	-268.2	-265.5
Net operating surplus	1,014.6	1,012.8	992.1	961.4	932.9	911.2	901.4	892.2
Central administration	-36.5	-36.4	-36.4	-36.4	-36.4	-32.4	-32.4	-32.4
Interest in profits from associated companies	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0	-5.0
Net financial items	-226.0	-235.5	-235.6	-221.9	-223.4	-224.6	-216.8	-216.2
Ground rent	-9.9	-9.8	-9.8	-9.8	-9.8	-9.7	-10.5	-10.5
Profit from property management	737.2	726.1	705.3	688.3	658.3	639.5	636.7	628.1
Tax for the period	-151.9	-155.4	-150.9	-147.3	-140.9	-136.9	-136.3	-134.4
Profit for the period	585.3	570.7	554.4	541.0	517.4	502.6	500.4	493.7
Key share data								
Profit for the period/year, SEK per share	15.5	15.1	14.7	14.4	13.7	13.3	13.3	13.1
Number of shares outstanding, millions	37.7	37.7	37.7	37.7	37.7	37.7	37.7	37.7

In the table, Catena presents its earnings capacity on a 12-month basis. As the table is not equivalent to a forecast, but is intended to reflect a normal year, actual outcomes may differ because of decisions that affect the outcome positively as well as negatively in relation to normal years, like unforeseen events. The presented earnings capacity does not include any assessment of changes in rent, vacancy or interest rate. Catena's income statement is also affected by changes in value and changes in the property portfolio as well as changes in the value of derivative instruments. None of this has been

taken into account in the current earnings capacity. The net operating surplus is based, at the balance sheet date, on contracted leases and normalised property expenses for the current portfolio. Financial expenses are based on Catena's average interest rate level including hedges for current loan debt less capitalised interest in normal project volume. As of 2019, ground rents are no longer recognised as property expenses, but rather as interest on the lease liability for the right-of-use assets. The tax is calculated on a conventional basis according to the tax rate at any given time.

Dividend yield

%	2020 31 Dec	2020 30 Sep	2020 30 Jun	2020 31 March	2019 31 Dec	2019 30 Sep	2019 30 Jun	2019 31 March
EPRA NIY (initial yield)	5.5	5.7	5.9	5.9	5.8	6.0	6.1	6.2
EPRA "topped-up" NIY (normalised yield)	5.7	6.0	6.1	6.1	6.1	6.3	6.3	6.5

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

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

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



Catena has installed seven new photovoltaic cell facilities in 2020 and even more are in progress. The picture shows the facility at the Dikartorp 3:12 property in Stockholm.

Shares and shareholders

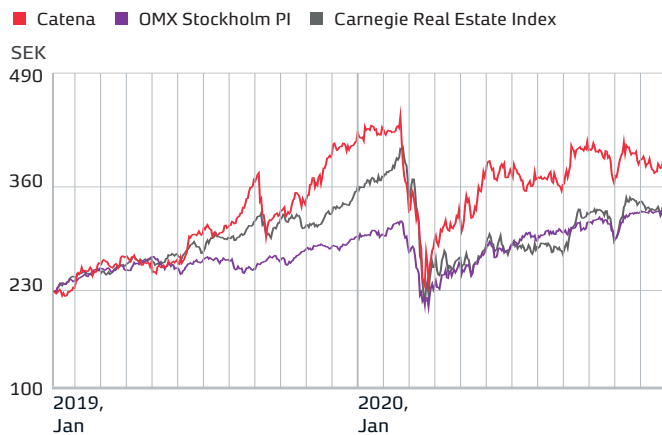
The share

As at the closing date, the Catena share was registered on the Nasdaq Stockholm Nordic Mid Cap list. The closing price on 30 December 2020 was SEK 385.00, against the closing price of SEK 413.50 on 30 December 2019, representing an decrease of 7 percent over the year. During the year, the highest price noted for the Catena share was SEK 446.00 and the lowest was SEK 213.50. Since the autumn of 2017, Catena's share has been included in the international property index EPRA.

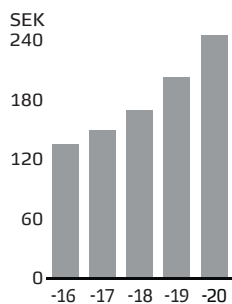
From 4 January 2021, the share has been listed on Nasdaq Stockholm – Nordic List, Large Cap.

As of 31 December 2020, Catena had 14,465 shareholders and the number of shares amounted to 37,698,853.

Share price trend 31 December 2018 – 31 December 2020



Long-term net asset value EPRA NRV, per share



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Dividend policy

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

Financial reporting

29 April 2021	2021 Annual General Meeting
29 April 2021	Interim Report, January – March 2021
6 July 2021	Interim Report, January – June 2021
28 October 2021	Interim Report, January – September 2021
22 February 2022	Year-end Report 2021
28 April 2022	2022 Annual General Meeting
28 April 2022	Interim Report January – March 2022

Catena's Year-end Report for 2020 will be presented online on 19 February at 10.00 a.m. CET – to participate, please see the instructions given on Catena's website. The site always provides up-to-date financial information in both Swedish and English.

Ownership structure as at 31 January 2021, major shareholders

	No. of shares, 000s	Votes, %
Backahill	11,221	29.8
PGGM Pensioenfonds	3,422	9.1
Länsförsäkringar Fonder	2,333	6.2
SFU Sverige AB	1,310	3.5
Vanguard	986	2.6
Fjärde AP-Fonden (AP4)	957	2.5
SEB Fonder	783	2.1
Norges Bank	663	1.8
Cohen & Steers	632	1.7
Aberdeen Standard Investments	530	1.4
BlackRock	508	1.3
BMO Global Asset Management	470	1.2
Duff & Phelps Investment Management	344	0.9
Swedbank Robur Fonder	318	0.8
Other shareholders	13,222	35.1
Total	37,699	100.0



Parent Company's financial statements

Parent Company Income Statement

SEK M	2020, Jan–Dec	2019, Jan–Dec
Net sales	55.5	50.6
Cost of services performed	-88.2	-85.0
Operating profit/loss	-32.7	-34.4
Financial income and expenses		
Other interest income and similar income	240.6	241.7
Profit from participations in Group companies	85.8	58.1
Interest expenses and similar expenses	-144.9	-138.6
Profit before appropriations and taxes	148.8	126.8
Tax on profit for the year	-59.5	-37.0
Comprehensive income for the year	89.3	89.8

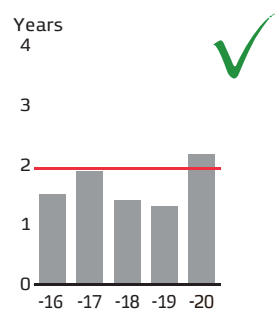
No items in the Parent Company are recognised in other comprehensive income and total comprehensive income is therefore consistent with profit for the year.

Parent Company Balance Sheet

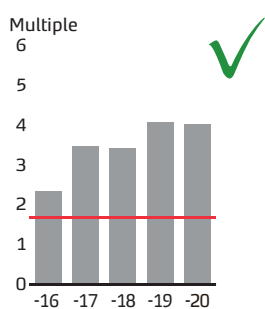
SEK M	31 Dec 2020	31 Dec 2019
Assets		
Fixed assets		
Tangible fixed assets	0.9	1.0
Financial non-current assets	3,236.2	3,236.2
Deferred tax assets	71.4	78.9
Non-current receivables	26.4	25.4
Current assets		
Receivables from Group companies	4,164.0	3,728.5
Receivables from associated companies	-	34.9
Current receivables	7.9	24.7
Cash and cash equivalents	403.8	90.0
Total assets	7,910.6	7,219.6
Equity and liabilities		
Shareholders' equity	2,751.7	2,907.5
Untaxed reserves	24.1	24.1
Non-current liabilities		
Interest-bearing liabilities	1,298.8	674.3
Provisions	3.2	2.1
Other non-current liabilities	343.0	381.1
Current liabilities		
Liabilities to Group companies	3,421.4	3,194.0
Liabilities to associated companies	28.4	-
Other current liabilities	40.0	36.5
Total equity and liabilities	7,910.6	7,219.6

Financial targets, Group operations

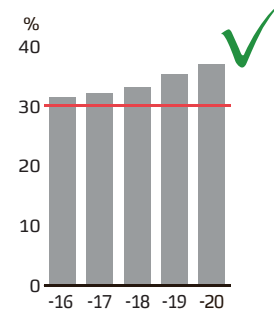
Average debt maturity



Interest coverage ratio



Equity/assets ratio



Other

Market outlook

Over time, the market for logistics properties is driven by increased cargo flows and growing retail trade, particularly e-commerce. Technical factors enabling a transition to digital commerce, followed by expanded delivery methods, continues to drive demand for larger spaces for logistics purposes and we believe we are in the midst of an ongoing phase of development. In 2020, this trend was partially hampered by the ongoing pandemic, mainly due to processes having been halted, although the sustained effect has instead been to increase the need and demand for smart and sustainable logistics solutions. Early in the year, Catena had a more limited understanding of the extent and prevalence of the pandemic, as well as of the effect it could have on Catena. We now know that our operations were affected only to a limited extent and we believe that long-term demand for our offering is very good.

The combination of limited access to developable land and modern, strategically located logistics premises favouring growth in new production in the long term and, in certain locations, also at a higher rent level. In Catena's assessment, growth in the refrigerated goods, e-commerce and parcel deliveries segments will have a favourable effect on future growth.

Since the corona virus took the world off-guard in a highly negative way in early 2020, both the transaction market for logistics properties and the capital market in general have been relatively strong and resilient. In addition to the world's collective effort to curb the virus, record-breaking monetary and fiscal stimulus measures have contributed to the stability.

We are not yet able to draw any definitive conclusions regarding the development of Covid-19. Catena continues to monitor the situation closely and is preparing for any unpredictable effects that may occur in the long term.

Related parties

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

Catena's sustainability activities

Sustainability is one of Catena's four prioritised areas. Our sustainability work focuses on participating in social progress by establishing the conditions for more sustainable logistics, reducing the environmental impact of our properties and being an attractive employer. The sustainability work is organised within the Agenda 2030 framework and, as a member of the United Nations Global Compact, the Company works actively to contribute to the global sustainability goals. We further develop our sustainability efforts by participating in networks and monitoring external trends. This brings an increased focus on issues of sustainability while also strengthening our partnerships with stakeholders. The sustainability efforts bring solid commercial benefits by, among other things, generating conditions for green financing.

Catena received two awards during the autumn – EPRA sBPR Silver and EPRA sBPR Most Improved. The European Public Real Estate Association (EPRA) is an organisation representing the European property sector and supports the transition to a sustainable built environment by means of its Sustainability Best Practices Recommendations (sBPR) in the areas of energy, greenhouse gas emissions, water, waste, as well as on social and management metrics. The metrics and awards show how Catena's sustainability efforts are progressing by providing figures for comparison.

To ensure that Catena's targets for reducing greenhouse gas emissions reflect current science and the Paris Agreement (to limit global warming to 1.5 °C), Catena had its Science Based Target initiative (SBTi) approved during the autumn of 2020. SBTi is a worldwide initiative in collaboration between the WWF, the UN Global Compact, the CDP and the World Resources Institute.



Quarterly overview

	2020 Q4	2020 Q3	2020 Q2	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1
Rental income, SEK M	326.4	315.2	307.2	315.1	297.8	300.1	291.0	294.0
Net operating surplus, SEK M	250.7	252.8	251.2	249.1	220.9	226.8	231.9	223.2
Surplus ratio, %	76.8	80.2	81.8	79.1	74.2	75.6	79.7	75.9
Economic letting ratio, %	96.2	96.1	95.9	95.4	95.0	96.0	95.5	95.8
Profit from property management, SEK M	176.1	184.0	181.1	177.4	148.8	160.1	162.0	155.9
Profit for the period, SEK M	722.0	481.6	179.7	143.8	372.0	344.3	261.7	245.8
Return on equity, %	10.0	7.3	2.8	2.3	6.1	6.0	4.7	4.5
Equity ratio, %	37.2	34.9	34.0	35.1	35.6	33.7	33.0	33.7
Share price at end of period, SEK	385.00	397.50	367.00	289.50	413.50	323.00	292.00	257.50
Cash flow before change in working capital per share, SEK	4.53	4.86	4.84	4.67	3.75	4.29	4.40	3.81
Earnings per share, SEK	19.15	12.77	4.77	3.81	9.87	9.13	6.94	6.52
Long-term net asset value EPRA NRV, per share, SEK	245.08	223.34	207.79	208.16	202.87	194.07	182.01	178.50

Important events

Q1 On 9 January, Catena acquired three properties in Hilleröd, Horsens and Odense, in Denmark, from PostNord, which is also a tenant in the relevant properties. The acquisitions were conducted as a corporate transaction at a total underlying property value of SEK 235 million following the deduction of deferred taxes. The properties are situated on plots with a combined area of approximately 61,000 m² and have a combined lettable area of 12,700 m². Development rights for about 20,000 m² are also associated with the properties, offering opportunities for future expansion. PostNord signed a ten-year lease in connection with the transaction and the estimated net operating surplus for the properties is estimated at approximately SEK 12.7 million. The transfer date for the properties in Hilleröd and Horsens was 31 January and 1 October for the property in Odense.

On 10 January, Catena and Coop Logistik announced that they had agreed to continue discussions with the intention of Catena acquiring a property and constructing an approximately 105,000 m² automated warehouse in the Municipality of Eskilstuna. For Catena, this statement of intent entailed acquiring part of the Aspesthult 1:1 property in Eskilstuna Logistik Park, and constructing and automating the new facility. Catena's total investment was estimated at between SEK 3.7 billion and SEK 3.9 billion.

Johan Franzén stepped down from his position as Regional Manager for Gothenburg Region on 1 April 2020. The process of recruiting a successor was initiated.

On 14 February, Catena signed an agreement to acquire the Magasinet 3 property, with a plot area of slightly more than 66,100 m². The property is situated adjacent to the 1,000,000 m² Gerstabergr 1:7 site that Catena intends to develop through its partnership holding in the company Södertuna utveckling AB. The property acquired includes building rights of approximately 10,000 m² and a lettable area with tenants of approximately 21,000 m². The combined rental value was estimated at approximately SEK 12 million. The acquisition is being conducted as a corporate transaction at a value of SEK 130 million. The site was sold by Folkpolarna AB.

Due to ownership changes in Catena, with Kilen 134 Strängnäs AB, represented by Jan Persson, having reduced its shareholding, the Nomination Committee has the following composition: Anders Nelson, appointed by Backahill Kil AB, Gustaf Hermelin, Chairman of the Board and appointed by SFU Sverige AB; Johannes Wingborg, appointed by Länsförsäkrings- och Fondförvaltning AB; Olof Nyström, appointed by Fjärde AP-fonden (AP4 – new member of the Nomination Committee). The chairman of the Nomination Committee is Anders Nelson, while the Committee is convened by Chairman of the Board, Gustaf Hermelin. Combined, the four shareholders represented held approximately 44 percent of the votes in Catena as of 29 February 2020.

In preparation for the Annual General Meeting on 29 April 2020, the Nomination Committee submitted its proposal regarding Chairman of the Board and other Board members. The Nomination Committee proposed re-election of Katarina Wallin, Tomas Andersson, Hélène Briggert and Magnus Swärdh and re-election of Gustaf Hermelin as the Chairman of the Board, with Caesar Åfors and Vesna Jovic being newly elected as Henry Klotz and Ingela Bendrot declined re-election.

Q2 Given the altered circumstances in the market, Catena AB and Coop Logistik AB agreed on 3 April not to fulfil the letter of intent previously established between the parties. The letter of intent between Catena AB and Coop Logistik AB included the acquisition of part of the Aspesthult 1:1 property in Eskilstuna and the new construction of an approximately 105,000 m² automated warehouse. With reference to the new conditions now affecting the market, the parties agreed that the terms of the letter of intent no longer applied.

Catena implemented changes in its management team. As of 1 May 2020, the management team consists of the CEO, the CFO, the Head of Treasury, the Head of Business and Property Development and the Head of Business Support. Two new roles are Head of Business and Property Development, responsible for regions, projects and business development, and the Head of Business Support, responsible for HR, communications and sustainability. In addition to CEO Benny Thögersen, the management team thus consists of Deputy CEO/CFO, Sofie Bennsten, who also became the Acting Head of Business Support, the Head of Treasury, Peter Andersson, and Deputy CEO/Head of Business and Property Development, Jörgen Eriksson. The company's regional managers report to the Head of Business and Property Development in a clearer business-generating context with a strong focus on project development.

On 8 April, Catena signed an agreement with Sven-Olof Hagelin of the Tahe Gård farm in Taberg regarding the acquisition of an area of land in the Municipality of Jönköping. The plot of land in question, which covers approximately 190,000 m², is adjacent to Torsvik, one of Sweden's largest logistics sites, with a location that allows transport to several metropolitan regions within one day. The transaction was implemented by consolidating the land with Catena's existing Tahe 1:64 property and was conditional on detailed plan gaining legal force. Catena will gain access to the site when the detailed development plan has gained legal force.

Fredrik Renå stepped in as the new Regional Manager for Malmö on 1 May 2020, replacing Jörgen Eriksson, who stepped into a new role as Deputy CEO/Business and Property Manager.

At the end of May, Catena signed a 12-year lease with Seafrigo Nordic and invested SEK 147 million in a new 10,800 m²

distribution centre, comprising facilities for both chilled and frozen goods and a smaller office space, with an estimated net operating surplus of SEK 9 million. Seafrigo is an international third-party logistics company that focuses on the handling and storage of food. The new property will have a storage capacity of 25,000 pallets, a larger food freezing facility and backup power guaranteeing cooling and operation even in the event of an extended power failure. The plant is certified in accordance with Miljöbyggnad Silver and a photovoltaic cell facility is being installed on the roof. Construction was scheduled to commence in the summer of 2020. Seafrigo plans to move in during the summer of 2021.

On 3 September 2020, Jonas Arvidsson took over as Catena's new Regional Manager, responsible for the Gothenburg and Jönköping regions. Jonas joins Catena from DHL Nordic where he was regional manager for logistics properties and responsible for analysis and development of existing properties, as well as for projects and new production. Prior to that, Jonas has held leading positions in which he has headed major logistics projects within DHL Supply Chain.



In September, Benny Thøgersen announced his resignation as CEO of Catena but that he would stay on in that position until a new CEO had taken office.

On 28 September, Catena signed an agreement to acquire the Åre 92 property, which is located in the Municipality of Borås, a key strategic logistics location for Nordic distribution. The property is situated on a plot of 120,000 m² and has a lettable area of approximately 38,000 m². The acquisition is expected to take place on 1 February 2021 as a corporate transaction at a predetermined property value of SEK 272 million, prior to the deduction of deferred tax. In connection with the transaction, a 15-year lease agreement will be signed with Nelly.com. The net operating surplus is estimated at about SEK 16.5 million per year. The newly-constructed and energy-efficient facility offers good opportunities for expansion, with the lease agreement including an option for an expansion of 13,000 m².



In October, the Nomination Committee was appointed in preparation for Catena's Annual General Meeting. The Nomination Committee comprises Anders Nelson, appointed by Backahill Inter AB, Johannes Wingborg appointed by Länsförsäkringar Fondförvaltning AB, Gustaf Hermelin, Chairman of the Board and appointed by SFU Sverige AB, and Olof Nyström appointed by Fjärde AP-fonden. The Chairman of the Nomination Committee is Anders Nelson, while the Chairman of the Board, Gustaf Hermelin, convenes the Committee. Combined, the four shareholder representatives hold approximately 44 percent of the votes in Catena as of 1 October 2020.

The Board of Directors of Catena appointed Jörgen Eriksson as the company's new CEO. Jörgen took up the position on 1 November following Benny Thøgersen choice to leave Catena.

In November, Catena and Nelly.com signed an additional agreement for the financing of an automation solution for SEK 84 million in the newly constructed logistics facility that Catena had signed an agreement to acquire in September. The automation solution will be manufactured by Autostore and delivered by Element Logic. Nelly.com will have the option of acquiring the equipment at a later date.

Catena sold the Godsvagnen 6 property in the Municipality of Örebro on 1 December for a purchase consideration of SEK 157 million, exceeding the valuation as of the third quarter by approximately 5 percent. The buyer was a Swedish government organisation. The property has a lettable area of approximately 19,600 m² and is situated on a plot of 60,700 m². The rental value amounts to approximately SEK 12 million, and control of the property was transferred to the buyer in December.

On 18 December, Catena acquired the Storheden 2:1 property from Pegasus Real Estate. On the plot of more than 19,200 m² in the Municipality of Luleå, Catena will construct a terminal of a total 4,198 m², comprising 2,684 m² of cold storage and 704 m² of frozen storage. The plant is certified in accordance with Miljöbyggnad Silver and a photovoltaic cell facility will be installed on the roof. The site also offers opportunities for future expansion. A ten-year agreement was signed with Kyl och Frysexpressen Nord, which is estimated to generate an operating surplus of approximately SEK 4.8 million.

Significant events after the end of the year

On 14 January, Catena signed an agreement to acquire the Morgongåva 15:33 property in the Morgongåva business park, which is located approximately 40 kilometres west of Uppsala. Catena is to construct a 38,000 m² logistics facility at the site, investing SEK 300 million. A 12-year lease has been signed with Babyland, which intends to conduct its e-commerce deliveries from the facility. The new logistics facility will be environmentally certified in accordance with the Miljöbyggnad Silver standard, with its strict requirements in terms of energy, the indoor environment and choice of materials – solar cells will be installed on the roof. The overall investment is expected to generate a net operating surplus of approximately SEK 17.8 million.

Key financial figures for the Group

Key figures ^{1,2)}			Definitions
	2020 Jan–Dec	2019 Jan–Dec	
Property-related			
Rental income, SEK M	1,263.9	1,182.9	Rental income according to Statement of comprehensive income
Net operating surplus, SEK M	1,003.8	902.8	Rental income less operating and maintenance expenses, property tax and property administration.
Surplus ratio, %	79.4	76.3	Net operating surplus as a percentage of income from property.
Rental value, SEK M	1,388.5	1,264.8	Contractual rents on an annual basis plus a supplement for assessed market rents for vacant space.
Economic letting ratio, %	96.2	95.0	Contractual annual rents under leases valid at the end of the year as a percentage of rental value.
Loan-to-value ratio, %	52.3	54.0	Interest-bearing liabilities attributable to the properties as a percentage of the carrying amounts of the properties at the end of the year.
Lettable area, thousand m ²	1,947.5	1,842.7	Total area available for letting.
Financial			
Profit from property management, SEK M	718.6	626.8	Pre-tax profit with reversal of changes in value.
Pre-tax profit, SEK M	1,923.5	1,522.5	Profit before tax in accordance with Statement of comprehensive income.
Profit for the year, SEK M	1,527.1	1,223.8	Profit for the year in accordance with Statement of comprehensive income
Total assets, SEK M	20,398.6	17,770.1	
Return on equity, %	22.0	21.1	Profit for the year as a percentage of average equity.
Return on assets, %	11.1	10.2	Pre-tax profit plus financial expenses as a percentage of average total assets.
Interest-coverage ratio, multiple	4.0	4.1	Pre-tax profit before reversal of financial expenses and unrealised changes in value in relation to financial expenses.
Average interest rate, %	2.3	2.6	Average interest on the loan portfolio with derivatives being taken into account as per the balance sheet date.
Interest maturity, years	3.1	2.3	Average weighted interest maturity on the loan portfolio including the effect of derivatives
Debt maturity, years	2.2	1.3	Weighted average debt maturity on the loan portfolio
Equity ratio, %	37.2	35.6	Equity including non-controlling interests as a percentage of total assets.
Equity ratio, excluding goodwill and lease assets, %	38.8	37.3	Equity including non-controlling interests as a percentage of total assets less goodwill and lease assets.
Share-related			
Share price at end of year, SEK	385.00	413.50	
Cash flow before change in working capital per share, SEK	18.91	16.25	
Equity per share, SEK	201.34	167.59	Equity attributable to Parent Company shareholders in relation to the number of shares outstanding at the end of the year.
Profit from property management per share, SEK	19.06	16.63	Profit from property management in relation to the number of shares outstanding at the end of the year.
Earning per share, SEK	40.51	32.46	Profit for the year attributable to the Parent Company's shareholders in relation to the average number of shares outstanding.
Net Reinstatement Value EPRA NRV, per share, SEK	245.08	202.87	Shareholders' equity with reversal of the fair value of derivatives, deferred taxes and goodwill associated with the deferred tax, calculated per share.
Net Tangible Assets EPRA NTA, per share, SEK	234.49	193.99	Shareholders' equity with reversal of the fair value of derivatives and goodwill, adjusted for estimated deferred tax, calculated per share.
Net Disposal Value EPRA NDV, per share, SEK	188.00	154.25	Shareholders' equity with goodwill reversed and adjusted by the difference from fair value of interest-bearing liabilities.
Number of shares outstanding, millions	37.7	37.7	Number of shares on the balance sheet date
P/E ratio	10	13	Share price at end of year in relation to past 12 months' rolling profit.

¹⁾ For division into IFRS categories, alternative and other key figures, please refer to Catena's Annual Report for 2019, pages 136–137.

²⁾ On remaining properties at the end of the period.

Accounting and valuation principles

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

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

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

Risks and uncertainty factors

In order to draw up the accounts according to generally accepted accounting principles, the company management must make assessments and assumptions that affect the

asset and liability items and the income and expense items disclosed in the annual accounts, and also other information provided. Actual outcomes may diverge from these assessments. Catena’s financial risks are described in Note 19 on pages 97–99 of the 2019 Annual Report and in the Corporate Governance Report on pages 129–133. In addition to the ongoing Coronavirus pandemic, which has been addressed in this quarterly report, no other significant changes have occurred.

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

Helsingborg, 18 February 2021
 Catena AB

Board of Directors

This report has not been subject to special review by the company’s auditors.

The Drivremmen 1 property in Stockholm is Catena’s largest terminal with a total 33,100 m² of space. The tenant is DHL, Catena’s largest tenant.



CATENA

Catena is a listed property company that, through collaboration sustainably develops, owns and manages efficient logistics facilities. Its strategically located properties supply the Scandinavian metropolitan areas and are adapted for both current and future goods flows. The overall objective is to generate strong cash flow, enabling stable development and providing shareholders a favourable total return in the long term. Catena's shares are traded on NASDAQ Stockholm, Large Cap.

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