

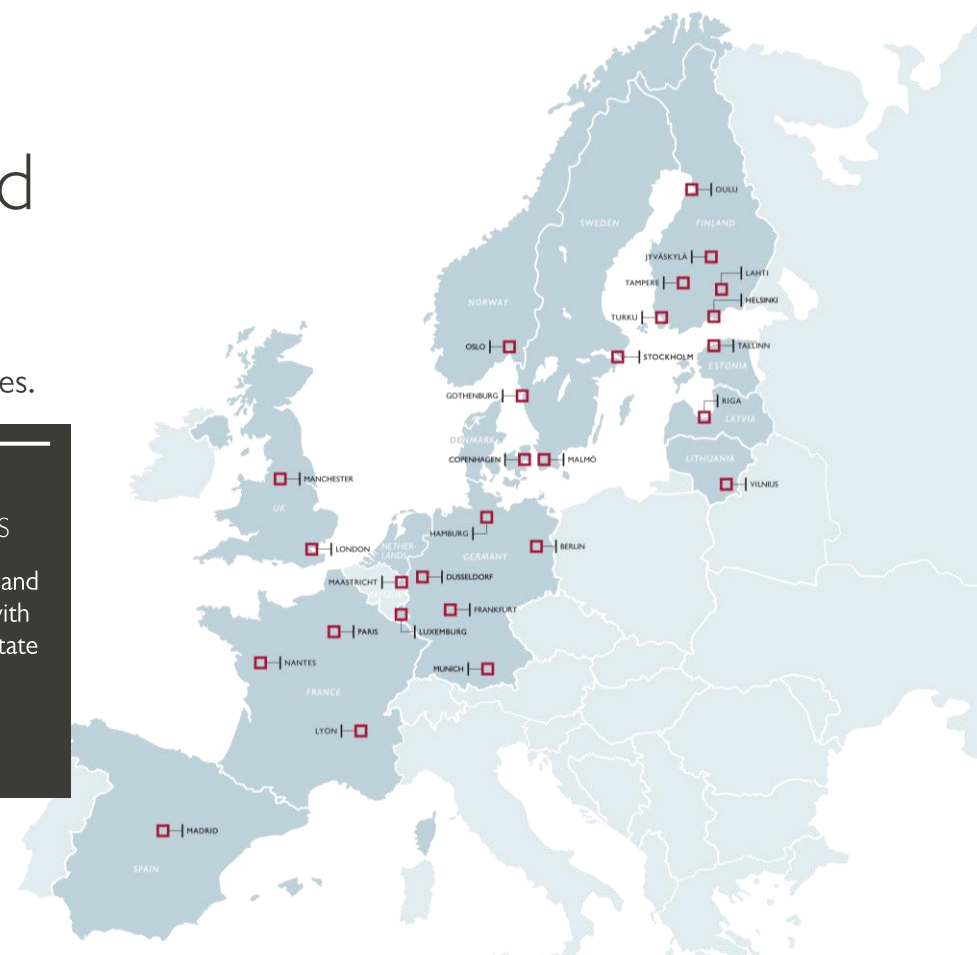


CATELLA *Interim Report* JANUARY – MARCH 2021

# Leading finance group in property and alternative investments

Catella was founded in 1987, has 26 offices across 13 countries and 550+ employees.

<p><b>CORPORATE FINANCE</b></p> <p>Leading European advisor within real estate related corporate finance.</p>	<p><b>PROPERTY INVESTMENT MANAGEMENT</b></p> <p>Regulated fund products, regional asset management services and project management of real estate development.</p>	<p><b>EQUITY, HEDGE AND FIXED INCOME FUNDS</b></p> <p>Global niche player in systematic macro.</p>	<p><b>PRINCIPAL INVESTMENTS</b></p> <p>Own investments and co-investments with partners in real estate projects.</p>
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Headquartered in Stockholm and listed at Stockholm Stock Exchange, Nasdaq OMX, midcap.

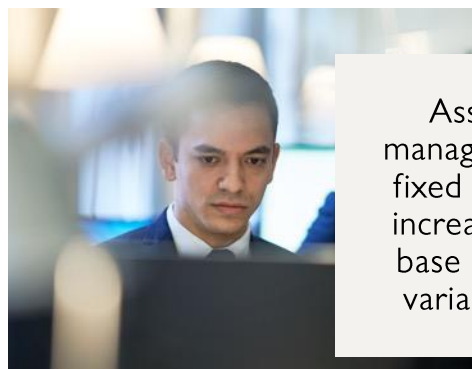
<p>MARKET CAPITALISATION</p> <p>SEK <b>2.4</b> Bn</p> <p>March 2021</p>	<p>TOTAL INCOME*</p> <p>SEK <b>2.1</b> Bn</p> <p>Last 12 months "LTM"</p>	<p>DISTRIBUTION OF INCOME (LTM)* **</p> <p>Property Investment Management 56%</p> <p>Corporate Finance 31%</p> <p>Equity, Hedge and Fixed Income Funds 13%</p>	<p>OPERATING PROFIT* **</p> <p>SEK <b>299</b> M</p> <p>LTM</p>	<p>ASSETS UNDER MANAGEMENT "AUM"</p> <p>SEK <b>117</b> Bn</p> <p>Q1 2021</p>
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\*The Banking business area is reported as a Disposal group held for sale and is not included in the Group figures.

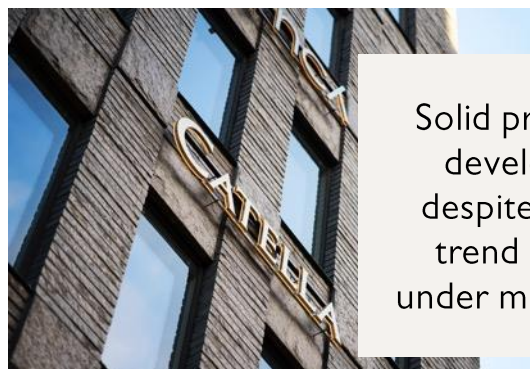
\*\* During the third quarter 2020, Catella divested 70 percent of the shares in Catella Fondförvaltning AB (Mutual Funds). Income and expenses were included for the period 1 January - 31 August 2020.



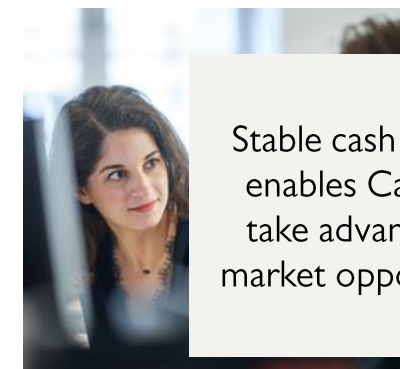
# Differentiated, linked business model with a clear income base



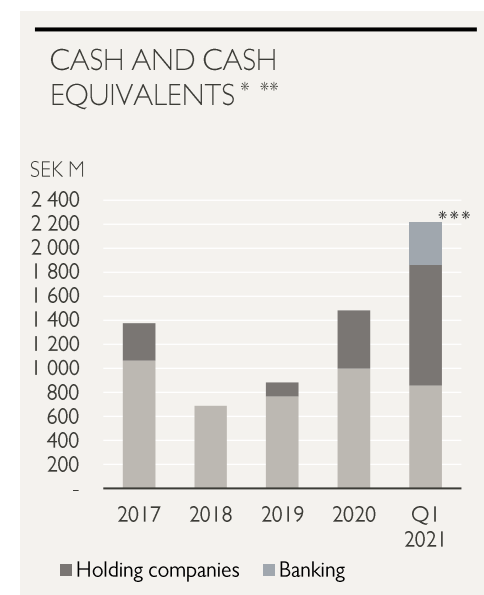
Assets under management drives fixed earnings and increases Catella's base for potential variable earnings



Solid profitability development despite negative trend in assets under management



Stable cash position enables Catella to take advantage of market opportunities



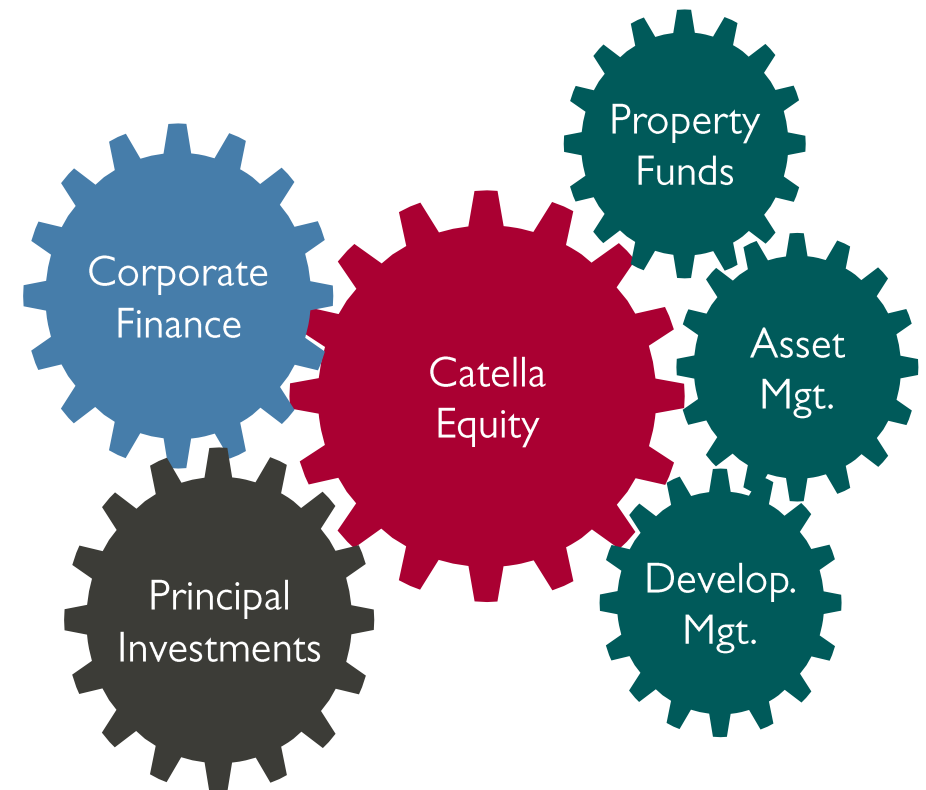
\* THE BANKING BUSINESS AREA HAS BEEN REPORTED AS A DISPOSAL GROUP HELD FOR SALE AND HAS NOT BEEN INCLUDED IN GROUP FIGURES.

\*\* ONCE THE BANKING LICENSE HAS BEEN RETURNED SEK 350 M IS EXPECTED TO BE AVAILABLE WHICH ARE CURRENTLY TIED TO CATELLA BANK DUE TO THE REGULATORY FRAMEWORK.

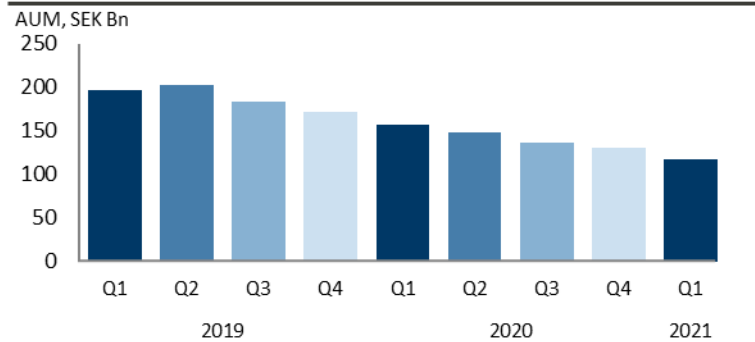
\*\*\* CATELLA BANK CASH AND CASH EQUIVALENTS ONLY PRESENTED IN Q1 2021

# Bond proceeds used to refinance existing bonds, grow AuM and increase future profitability

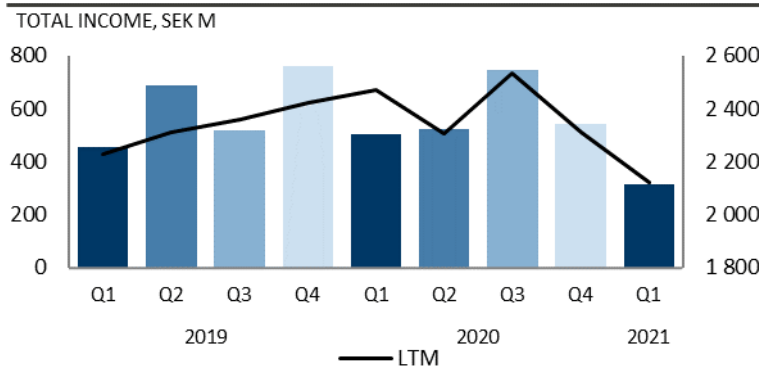
- New 4-year 4.75% SEK 1.25 Bn bond issued in Q1, increasing immediate liquidity by SEK 480 m
- SEK 2.211 Bn of total cash, incl. Catella bank, as of March 31, 2021 (of which SEK 1.004 m in the group's Swedish holding companies)
- Investments are made to increase AuM and generate income in multiple ways:
  1. Return on Catella's invested capital (*Principal Investments*)
  2. Attract more assets, which generates higher fixed earnings
  3. Performance-based income in Asset Management and Development activities
  4. Advisory fees, and
  5. Selling assets into Catella funds to increase long-term capital and fees
- Catella will also evaluate organic expansion or acquisition of new investment platforms
- Excess cash to enable Catella to quickly take advantage of investment opportunities
- Prudent with cash on the balance sheet when going through a transformation



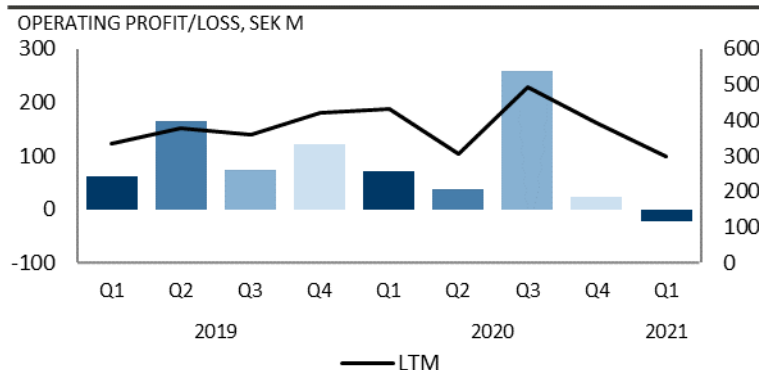
# Sales and results of operations Group



- AuM at SEK 116.8 Bn, down 13.1 Bn in Q1
- Core Property Investment Management (PIM) increased AuM by SEK 7.1 Bn with net inflow of SEK 4.7 Bn driven by;
  - Significant growth in various funds, e.g. European RE fund, KVBW Special Fund, Sarasin Sustainable Fund & Southern German Fund
- Divestment of CAM France SEK -14.3 Bn
- Outflow in Systematic Funds SEK -5.8 Bn



- Q1 income at SEK 314 M, down 189 M from Q1 2020
- SEK 131 M drop attributable to Equity, Hedge and Fixed Income Funds
- Corporate Finance income down SEK 21 M (19%) y-o-y
- PIM income down SEK 30 M (13%) y-o-y, but fixed income increased y-o-y by SEK 15 M (+13%)



- Operating profit of SEK -22 M driven partly by SEK -15 M loss in since-exited IPM
  - *The wind-down of IPM will create an additional SEK 103 M loss in Q2*
- Corporate Finance negative profit SEK -26 M driven by continued losses in Germany and low transaction volumes
- Property Investment Management SEK 28 M included no performance fees

# Financial position – Remaining operations (Excl Catella Bank)

Balance sheet (SEK M)	2021	2020	Change
	Jan-Mar	Jan-Dec	
<b>Assets</b>	<b>4 128</b>	<b>3 694</b>	<b>434</b>
Short and long term investments	266	279	-13
<i>Loan portfolios</i>	99	96	3
<i>Other investments (Securities, Co-investments)</i>	74	77	-3
<i>Treasury placements (Bonds, Macro fund)</i>	44	50	-6
<i>Accrued bonuses invested in own products</i>	49	56	-7
Property Development Projects	934	720	214
Deferred tax receivables	23	21	2
Cash and cash equivalents *	1 859	1 482	377
Other assets	1 046	1 192	-146
<b>Equity</b>	<b>1 441</b>	<b>1 364</b>	<b>77</b>
Shareholders of the Parent Company	1 296	1 179	117
Minorities interest	145	185	-40
<b>Liabilities</b>	<b>2 686</b>	<b>2 330</b>	<b>357</b>
Unsecured bond *	1 250	750	500
Other liabilities	1 436	1 580	-143

- SEK 214 M increase in Property Development projects driven primarily by additional investments in Kaktus 136 M and investments in a logistics property in Norrköping 76 M
- SEK 500 M capital raised from larger 4-year bond, net cash impact of SEK 480 M
- Divestment of CAM France reduced balance sheet total by SEK -119 M

\* 3M Stibor (no floor) + 4.75% margin, maturity June 2025

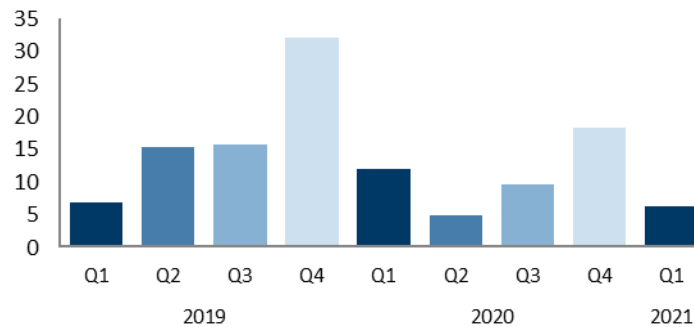
\*\* Once the banking license has been returned SEK 350 M is expected to be available which are currently tied to Catella Bank due to the regulatory framework.



# CORPORATE FINANCE

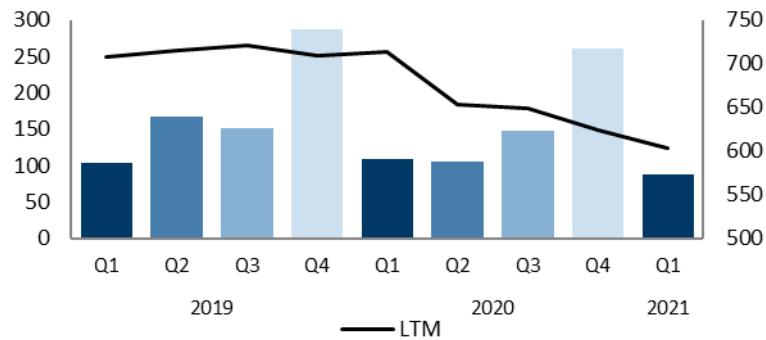
# Sales and results of operations

CATELLA PROPERTY TRANSACTION VOLUME, SEK Bn



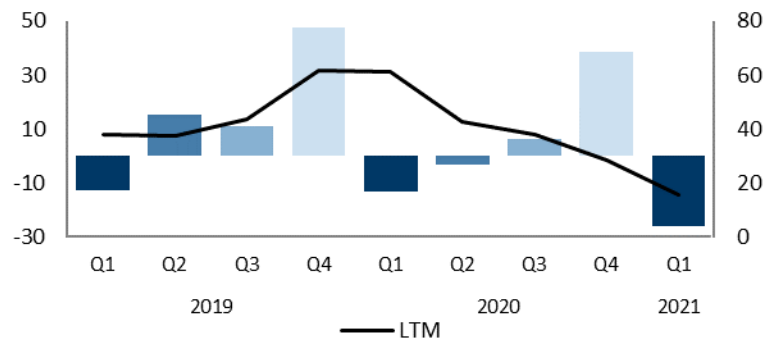
- Catella property transaction volumes decreased by 47% vs. 36% in EU market
- Catella property transactions totalled SEK 6.4 Bn (12.0), of which:
  - France SEK 1.9 Bn (3.4)
  - Denmark SEK 1.5 Bn (0.0)
  - Sweden SEK 1.4 Bn (6.5) ... 2020 one transaction of 3.3 Bn
  - Finland SEK 1.4 Bn (1.3)

TOTAL INCOME, SEK M



- Income in Sweden down SEK 23.5 M (65%) y-o-y, of which 20.0 M one deal
- Income in France up SEK 4.8 M (10%) y-o-y, of which 8.3 M driven by Residential which increased its revenues by 35% year-on-year

OPERATING PROFIT/LOSS, SEK M



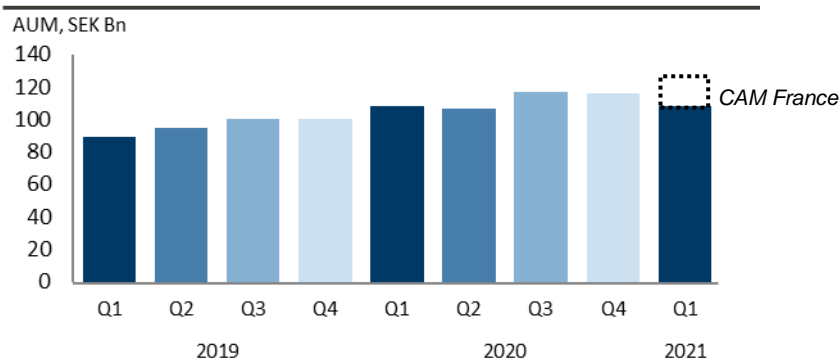
- Operating Profit in Sweden down SEK 12.7 M y-o-y, of which 20.0 M one deal
- Operating Profit in France flat y-o-y
- Material losses in both Germany and Spain in tough market conditions



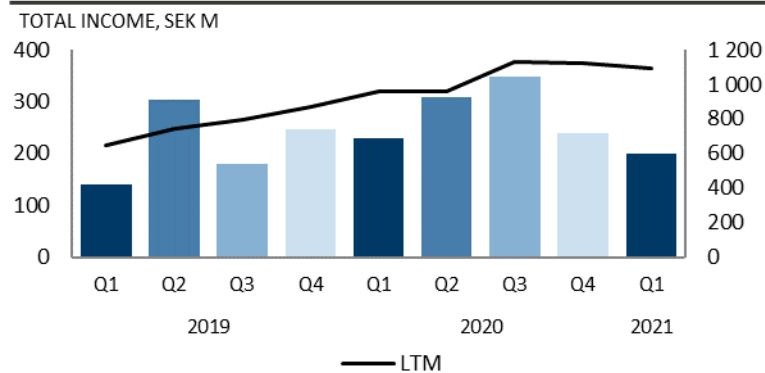


# PROPERTY INVESTMENT MANAGEMENT

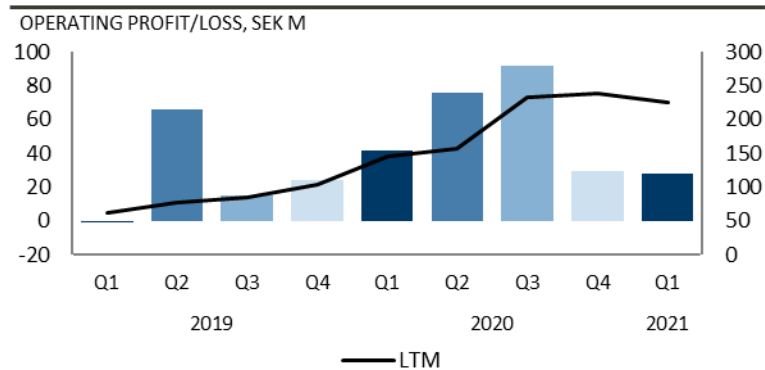
# Sales and result of operations



- AuM at SEK 108,5 Bn, down 7.2 Bn in Q1
- Core Property Investment Management (PIM) increased AuM by SEK 7.1 Bn with net inflow of SEK 4.7 Bn driven by;
  - Growth in various funds in CRIM and CREAG, e.g. European RE, KVBW Special Fund, Sarasin Sustainable Fund & Southern German Fund
- Divestment of CAM France SEK 14.3 Bn



- Fund income up SEK 16.5 M (11%) y-o-y due to 9% increase in AuM
- Asset Management income decreased by SEK 35.1 M (42%) y-o-y, adj. for CAM France, driven by APAM's exit of Arlington Business Park last year
- Asset Management activities decreased materially in Iberia and Norway
- Lower contribution from Project Development units with no completions



- Fund OP up SEK 12.2 M y-o-y due to increased fixed fees
- Asset Management OP flat y-o-y excluding APAM 2020 one-off



# PRINCIPAL INVESTMENTS



# Principal investments

Property Development Projects	Country	Investment type	Catella capital share, %	Project company's total investment, SEK M	Total Catella Equity Invested, SEK M ***
Seestadt MG+ *	Germany	Residential	45	205	39
Düssel-Terrassen *	Germany	Residential	45	104	14
Other property development projec	Germany	Residential	45	0	0
Total Catella Project Capital				309	54
Moussey Logistique II *	France	Logistics	65	205	11
Roye Logistique *	France	Logistics	65	96	2
MÉR Logistique *	France	Logistics	65	8	4
Total Catella Logistic Europé				309	17
Kaktus **	Denmark	Residential	93	713	144
Infrahubs Norrköping **	Sweden	Logistics	50	133	84
<b>Total</b>				<b>1 464</b>	<b>298</b>

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

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

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

- The target for each investment is to achieve an IRR of >20%
- In addition to the direct return, Catella's goal is to generate fee income on the entire invested capital from its development, management and advisory activities
- Catella has investments in property development projects in Germany, Denmark, Sweden and France through subsidiaries and associated companies
- Catella's investment in QI amounted to SEK 212 M, mainly driven by Kaktus and Infrahubs Norrköping

Seestadt mg+, Germany



[Click on picture for more information](#)

Düssel-Terrassen, Germany



[Click on picture for more information](#)

Kaktus, Denmark



Norrköping, Sweden





# MARKET & OUTLOOK



# General Market Perspective

European markets are still impacted by Covid-19, but ample capital supply keeps market activity high

Investment volumes in Europe at around EUR 205 Bn (ex UK) - down 28% year-on-year

Interest rates still low and continues to support real estate markets, but inflation and interest rate risk increasingly discussed

Residential properties, logistic, datacenters and office CBD properties in big cities are in high demand with stable and even falling yields in several leading cities

2020: Spring panic - Summer reflections - Autumn solid rebound ... regained momentum expected to remain for 2021

Substantial capital raised for opportunistic and value-add investment funds – difficulties sourcing investments

Increased focus on debt – generally lower LTV, some margin increase as well as more difficult for value-add and development compared to pre-Covid

Less interest in non-core & non-prime office, opportunistic focus on hospitality – still very limited investor appetite for retail

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Thank you!

