



Catella Interim Report

April – June 2022

Today's presenters



Christoffer Abramson
CEO and President



Mattias Brodin
Chief Financial Officer

Leading investment partner in European property

Catella Group
The preferred Pan-European real estate investment partner

<p>INVESTMENT MANAGEMENT</p> <p>Regulated real estate fund products and regional asset management services</p>	<p>PRINCIPAL INVESTMENTS</p> <p>Investments with partners in real estate projects and project management of real estate developments</p>	<p>CORPORATE FINANCE</p> <p>Leading European advisor within real estate related corporate finance</p>
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Founded in 1987, over 20 offices across 13 countries and 500+ employees.

STRONG LOCAL PRESENCE

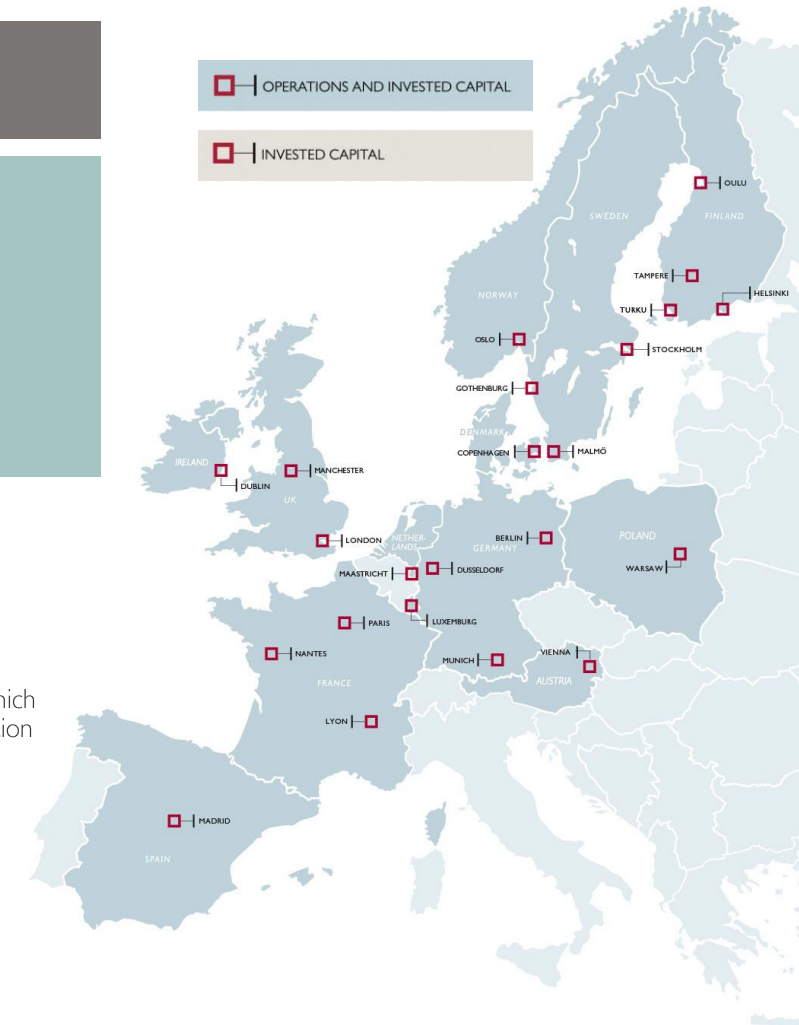
- Deep local knowledge in each market
- Local entrepreneurship and expertise
- Local offices in over 20 cities across Europe
- Cross-border capacity and knowledge sharing

PAN-EUROPEAN REACH

- Established in 13 countries
- Pan-European perspective on investments
- Integrated approach to business opportunities
- Ability to support international investors in several European countries

ACCESS TO GLOBAL CAPITAL

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



Key highlights – Q2 2022

CATELLA GROUP

- Completed acquisition of Warsaw Property Partners (WPP, Poland) adding strong local competence and Group synergies
- Approved Group ESG strategy with long-term targets
- Strong balance sheet and no near-term refinancing needs providing firepower for opportunistic and long-term growth investments

INVESTMENT MANAGEMENT

- Solid AUM growth of nearly SEK 10 bn (7% Q-o-Q)
- Acquisition of WPP adding nearly SEK 1.5 billion in Asset Management mandates
- SEK 3 bn of AUM net inflow evenly distributed between Residential and Commercial funds
- Over SEK 10 bn in committed, uninvested capital at end of quarter

PRINCIPAL INVESTMENTS

- Strong investor interest in sales of modern and sustainable Örebro and Ljungby logistic properties
- Four additional projects expected to be finalized and/or divested during 2022
- Post-Q2, Principal Investments engaged in 11 (16) development projects
- Well positioned to capture opportunistic investments across European markets

CORPORATE FINANCE

- Strong market position in all five remaining markets and promising pipeline of transactions
- Solid EBIT despite seasonally slower transaction market
- Tighter credit markets and upcoming refinancing needs likely to benefit demand for Debt Advisory services



Long-term Group ESG Strategy approved by the Board of Directors



Catella European Residential III acquired Nearly Zero Energy Dutch office-to-resi transformation project in Haarlem for € 65million



Agreement to sell Logistic properties in Ljungby and Örebro signed 13 June 2022. Transaction closed 1st of July



Corporate Finance Sweden transaction advisor for Infrahubs sales

Key financial highlights – Q2 2022

CATELLA GROUP

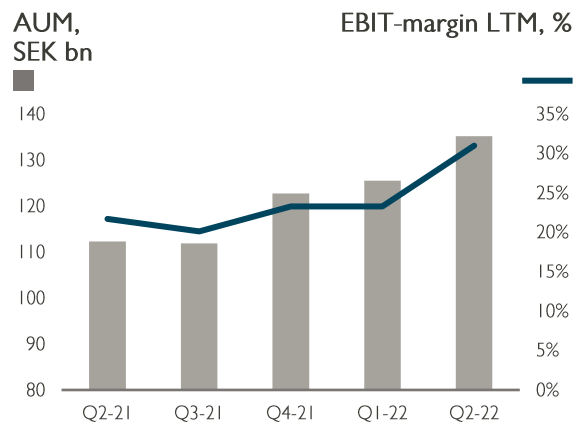
Total revenue
SEK 861 M (SEK 483 M)

Operating profit
SEK 328 M (SEK 9 M)

Operating profit margin
38% (2%)

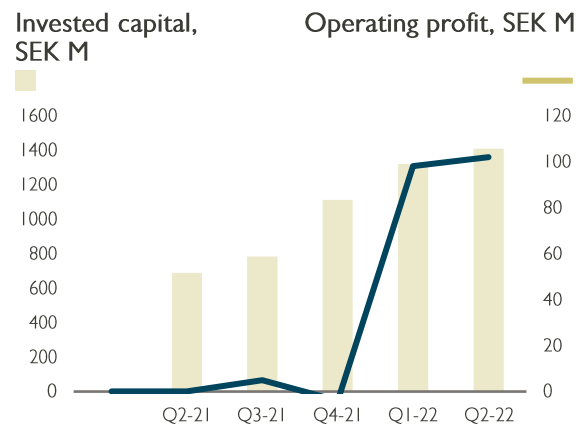
Earnings per share
SEK 2.80 (-0.52)

INVESTMENT MANAGEMENT



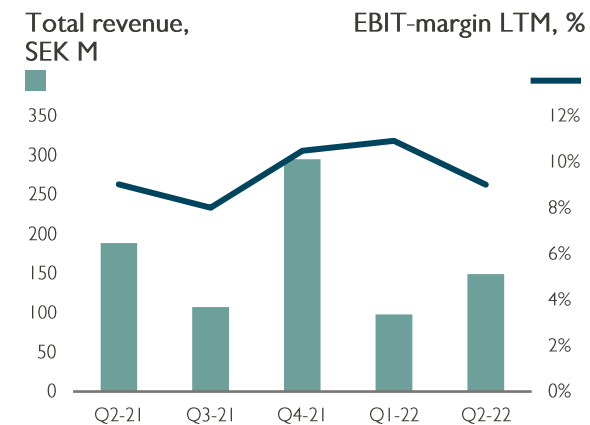
- LTM AUM growth of SEK 23 bn and SEK 10 bn in the quarter
- Strong operating margin of 45% in Q2 and 31% LTM driven by performance fees and AUM growth

PRINCIPAL INVESTMENTS



- Two logistic properties (Örebro and Ljungby) sold during in Q2 adding SEK ~100 m in EBIT contribution
- Post-Q2 invested capital amounting to SEK 1.0 bn (1.3) in 11 active projects
- Forward focus on diversification, opportunistic investments, and investments to create new platforms and revenue streams across Catella

CORPORATE FINANCE

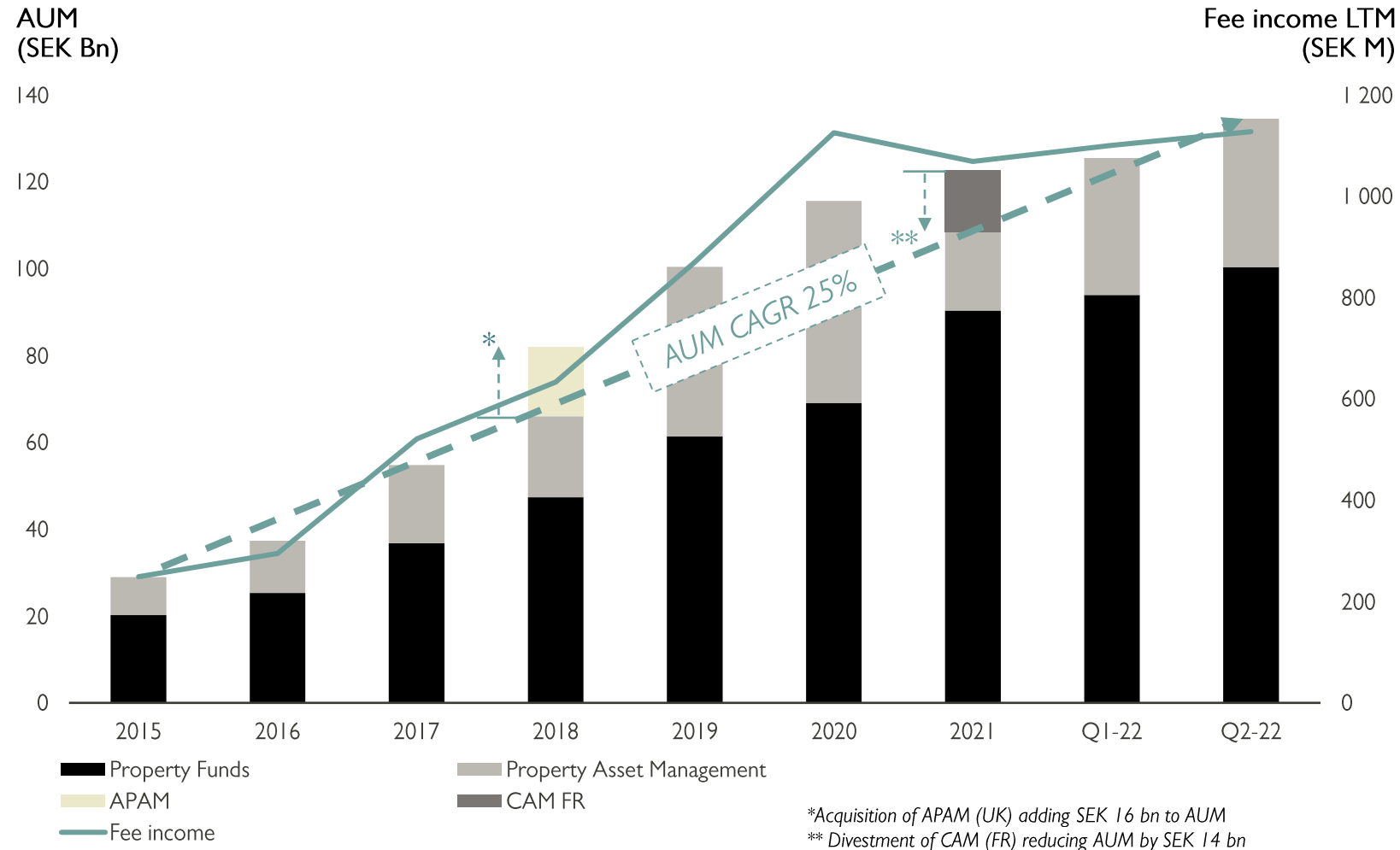


- Y-o-Y revenue decrease due to slower/delayed transaction market, primarily in Sweden and Denmark
- Stable Q2 EBIT of SEK 26 m (43) despite lower revenue. LTM EBIT at SEK ~60 m corresponding to a margin of 9%



Investment Management

Strong development in real estate fund assets



FEE INCOME SPLIT

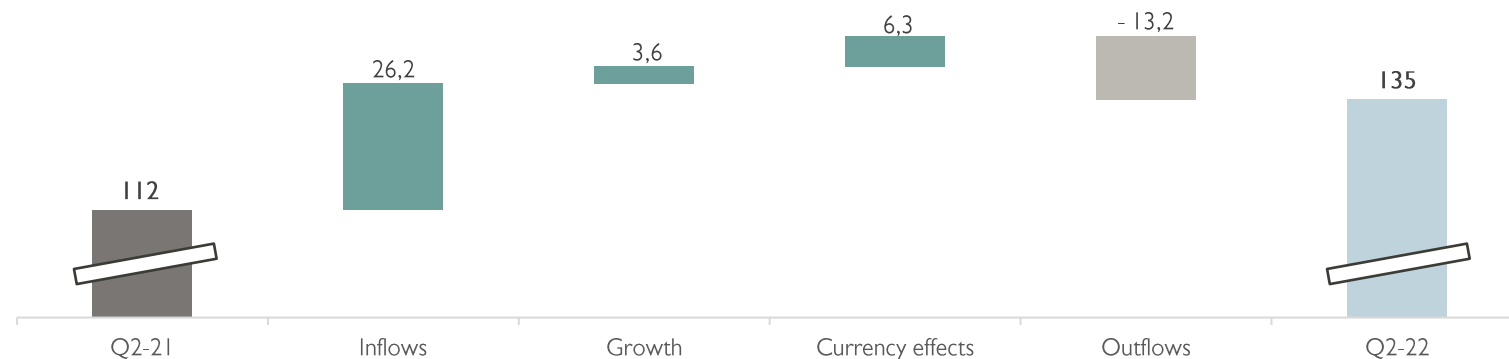
	Q2 2022	Q2 2021	Change, %
LTM fixed fees	SEK 744 M	SEK 632 M	18 %
LTM variable fees	SEK 516 M	SEK 426 M	20 %

Last twelve months

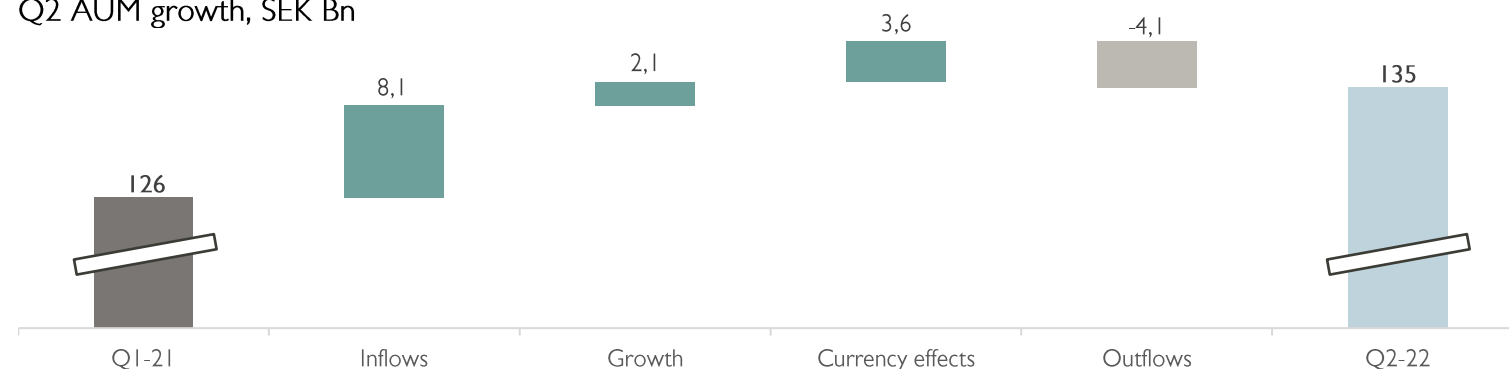
- Increase in fixed revenues SEK 112 M to SEK 744 M (increase +18 %)
- Increase in variable revenues by SEK 118 M due to CER, CWE and CDR funds' performance fees

LTM AUM growth of SEK 23 bn or 20%

LTM AUM growth, SEK Bn



Q2 AUM growth, SEK Bn



KEY TAKE-AWAYS

Last twelve months

- AUM growth of SEK 23 bn mainly from :

Residential

- ~SEK 5 bn Catella Wohnen Europa
- ~SEK 4 bn Catella European Residential III
- ~SEK 2 bn Kommunalen Versorgungsverband Baden-Württemberg (KVBW)

Commercial

- ~SEK 1 bn Catella Logistik Deutschland Plus
- ~SEK 1 bn Sarasin Sustainable Properties - European Cities

Q2-22

- AUM growth of nearly SEK 10 bn driven by:
 - Inflows of SEK 3 bn, evenly split between residential and commercial funds
 - Finalized acquisition of WPP (Poland) adding ~SEK 1.5 of asset management mandates
 - New asset management mandates primarily in the UK
 - Positive effects from valuation and currency
 - Outflows of SEK ~4 bn due to active portfolio management and ended asset management mandates (sales of assets)

Looking ahead – continued strong investor interest to selected fund products and over SEK 10 bn of unlevered committed capital end of Q2

Income Statement

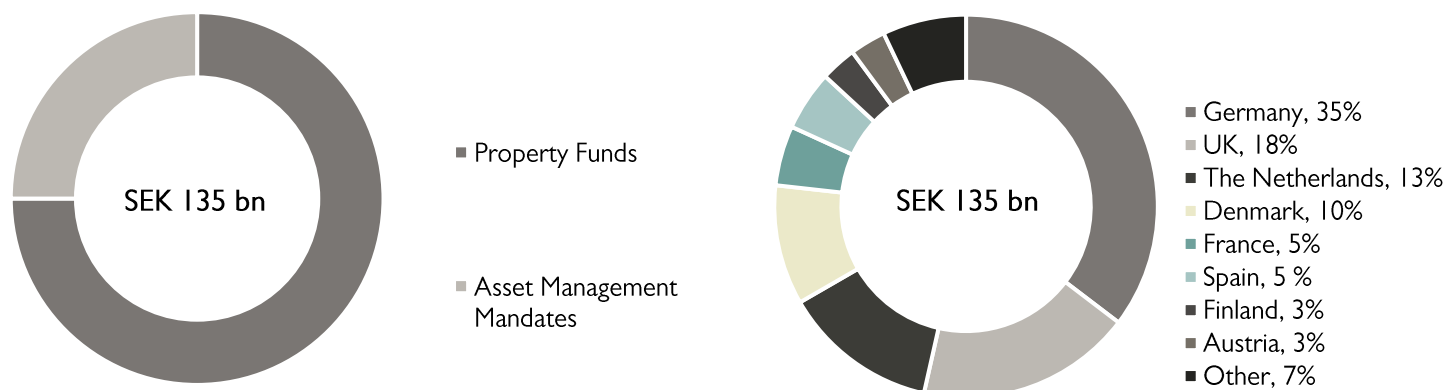
SEK M	Q2 2022	Q2 2021	Change, %	LTM
Property Funds*	430	243	+77%	1 077
Asset Management*	73	68	+7%	308
Total revenue	471	297	+59%	1 276
Assignment expenses and commission	-37	-42	-12%	-153
Net Revenue	434	255	+70%	1 123
Operating expenses	-220	-171	29%	-724
Operating profit	211	83	>100%	394

KEY TAKE-AWAYS

Revenue

- Exceptionally strong quarter with over SEK 200 m in performance fees from:
 - Catella Europe Residential SEK ~160 million
 - Catellas Wohnen Europa SEK ~40million
 - Catella Dutch Residential II SEK ~5 million
- AUM growth resulting an increase of fixed fees of 18 % LTM
- Operating costs in line with the business growth proving economies of scale
- Review of fund assets with ambition to rotate capital over time to assets meeting investor' and Catellas' sustainability ambitions

AUM SPLIT PER BUSINESS SEGMENT AND COUNTRIES



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

Principal Investments

Pipeline, targets, and results from operations



|| ongoing projects after Q2

Sweden (Infrahubs)

- Logistics, Vaggeryd
- Logistics, Jönköping

Denmark (Direct Investment)

- Residential, "Kaktus", Copenhagen

Germany (Catella Project Capital)

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

France (Catella Logistic Europe)

- Logistics, Mer
- Logistics, Metz

Spain (Catella Logistic Europe)

- Logistics, Barcelona

United Kingdom (Catella APAM)

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

Invested equity, project IRR, and targets

	Current status	Long term Target
Catella invested equity (SEK Bn)	1.4 (~1.0 post-Q2)	1.5
Project IRR	>50% (weighted average to date)	20%

Income statement

SEK M	Q2 2022	Q2 2021	LTM Q2 2022	LTM Q2 2021
Total revenue	242	0	520	18
Expenses	-82	0	-156	-14
Deducted result from non-controlling operations	-58	0	-162	0
Operating profit/loss	102	0	202	4
Operating margin, %	42	-	39	23
No. of employees*	39	0	39	0

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

Project overview

Investments	Country	Type	Project start	Estimated completion	Catella ownership, %	Total investment (SEK M)	Catella total investment (SEK M)
Seestadt MG+	DE	Residential	Q1 2019	2030+ (First site Q4-22)	45	670	50
Düssel-Terrassen	DE	Residential	Q4 2018	2030+	45	143	26
Königsallee 106	DE	Office	Q2 2021	2025	23	839	93
Catella Project Capital						1 652	170
Roye Logistique	FR	Logistics	Q2 2019	Completed	100	299	24
Mer Logistique	FR	Logistics	Q1 2020	2022	100	289	29
Metz-Eurolog	FR	Logistics	Q3 2020	2023	100	8	7
Barcelona Logistics	ES	Logistics	Q4 2020	2023	100	60	60
Catella Logistics Europe						657	120
<i>Ljungby – Sold</i>	SE	Logistics	Q2 2021	Q2 2022	40	181	180
<i>Örebro – Sold</i>	SE	Logistics	Q2 2021	Q2 2022	50	183	180
Vaggeryd	SE	Logistics	Q3 2021	Q3 2022	50	289	273
Jönköping	SE	Logistics	Q2 2022	Q3 2023	40	48	22
Other	SE	Logistics				68	46
Infrahubs						769	700
Kaktus	DK	Residential	Q2 2017	Q3 2022	93	1 280	248
Salisbury	UK	Mixed	Q4 2021	Q4 2025	88	216	73
Mander Centre	UK	Retail	Q1 2021	-	100	98	98
Total						4 672	1 409
Total post-Q2						4 200	1 050

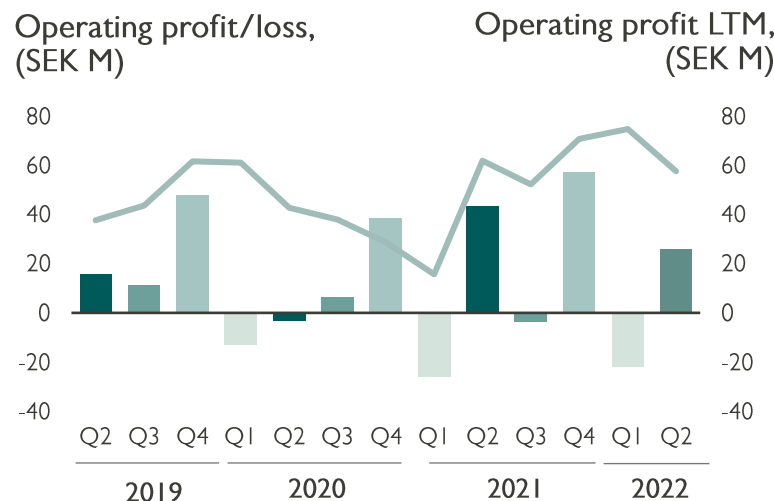
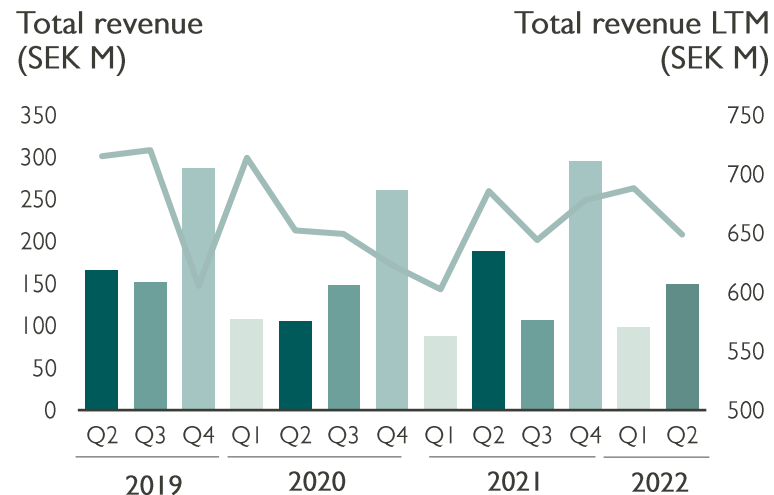
KEY TAKE-AWAYS

- 11 ongoing projects across Europe and an additional four in pre-development stage
- Sale of logistic development projects in Ljungby and Örebro contributing SEK ~100 m to Catella EBIT
- IRR on sales amounting to c. 58%, well above long term target
- Kaktus (Residential, DK) nearing completion. Majority of apartments already leased and advanced discussions with tenants of commercial areas
- Continued strong investor interest in current development pipeline

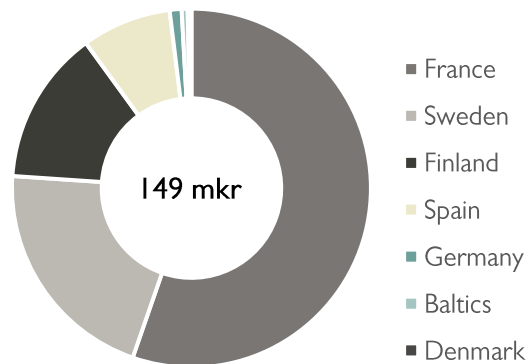


Corporate Finance

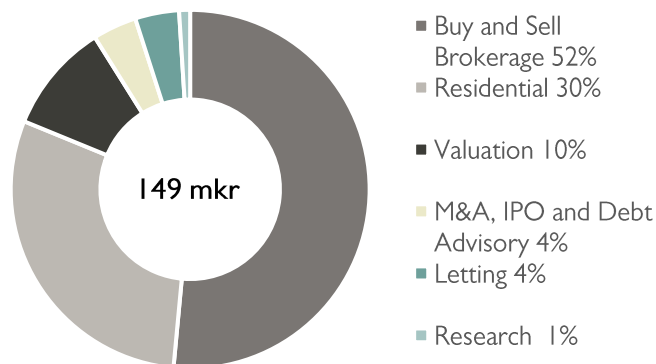
Sales and results of operations



REVENUE SPLIT PER COUNTRY Q2



REVENUE SPLIT PER ADVISORY SERVICES Q2



KEY TAKE-AWAYS

- Continued strong market position in current markets
- Current market uncertainties and bid-ask gap between buyer and seller expectations delaying transactions
- Focused offering resulting in stable EBIT of SEK 26 m despite slower transaction market
- Corporate Finance Sweden advisor in sale of Örebro and Ljungby
- Continued stable pipeline of transactions in coming quarters, but at a somewhat slower pace
- Tighter credit markets and upcoming refinancing needs providing opportunities for Debt Advisory



Financials

Financial summary

SEK M	Investment Management		Principal Investments		Corporate Finance		Other		Group	
	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021	Q2 2022	Q2 2021
Total revenue	471	297	242	0	149	188	-1	-2	861	483
Expenses	-258	-213	-82	0	-123	-145	-3	-156	-475	-514
Deduction of profit attributable to non-controlling interests	-2	-1	-58	0	0	0	3	41	-58	40
Operating profit/loss	211	83	102	0	26	43	-11	-117	328	9
Financial items - net									-2	-30
Profit/loss before tax									326	-21
Tax									-79	-25
Net profit/loss									247	-46
<i>Operating margin, %</i>									38%	2%
<i>Earnings per share, SEK</i>									2.80	-0.52

KEY TAKE-AWAYS

- Strong revenue development driven by Investment Management and Principal Investments leading to exceptionally strong operating margin of 38% (2%)
- All revenues reported on a gross basis according to IFRS, operating profit is adjusted for profit attributable to non-controlling interests separately above EBIT
- Improved intercompany lending structure and currency effects behind improved financial net

Financial and liquidity position

SEK M	Q2, 2022	Q2, 2021	Change
Total assets	5 619	4 545	24%
Equity	2 182	1 666	31%
<i>Equity ratio</i>	39%	37%	2 p.p
Cash and cash equivalents	1 380	1 790	-23%
Whereof:			
-Group operating units	1 162	1 239	-6%
-Holding companies*	218	551	-60%

*Does not include sale of Örebro and Ljungby

KEY TAKE-AWAYS

- Efficient balance sheet and equity ratio
- No short-term refinancing needs and strong liquidity position provides headroom for opportunistic and long-term investments supporting continued profitable growth
- Additional headroom of SEK 280 M
 - issuance of SEK 250 million under existing bond framework
 - unutilized credit facility of SEK 30 million

Summary and key take-aways

Summary and key take-aways



Exceptionally strong quarter, Catella heading towards its best year ever. Growth and profitability a result of a focused and executed strategy



Strong growth in Investment Management reaching SEK 135 bn and over SEK 10 billion in committed capital in Q2



Acquisition of WPP finalized – welcoming a strong team and platform for growth and synergies to the Catella-family



Long-term Group ESG Strategy approved by the Board of Directors. Continued investor demand for sustainability focused funds



Market uncertainties and bid-ask gap in price expectations delaying transactions. Tighter credit markets and refinancing needs providing growth opportunities for Debt Advisory services



Strong results from realised sales and continued investor interest in ongoing development projects. Forward focus on diversification, opportunistic investments and new platforms to generate new revenue streams for Catella



Thank you

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Investor Relations

Most recent equity research

Date	Institution	Recommendation	TP
2022-08-10	ABG Sundal Collier	–	–
2022-08-03	Redeye	–	SEK 62 (Base case)

Analyst coverage	Institution	Analyst
	ABG	Patrik Brattelius
	Redeye	Jesper von Koch

Selected Investor Relations events

- Q2-2022 Interim report, 2022-08-19
- Q3-2022 Interim report, 2022-10-28

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



Owner	Capital	Votes
Claesson & Anderzén	49,4%	48,8%
Alcur Fonder	8,1%	7,2%
M2 Asset Management AB (Rutger Arnhult)	4,5%	4,5%
Avanza Pension	3,0%	2,7%
Nordea Fonder	2,3%	2,0%
Nordnet Pension Insurance	2,1%	1,9%
Strawberry Capital AS (Petter Stordalen)	1,7%	2,1%
Swedbank Insurance	1,3%	1,1%
Thomas Andersson Borstam	1,1%	1,0%
Familjen Hedberg	1,1%	1,0%
Other	25,5%	27,5%



Head of Investor Relations and Group Communications



MICHEL FISCHIER



+46 (0)70 799 53 39



michel.fischier@catella.se