



**The leading  
property company  
in logistics.**

**CATENA**

# Year-end report 2021

## Earnings call



Jörgen Eriksson CEO



Sofie Bennsten CFO

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# Highlights

## Convincing market fundamentals underpinning a strong FY21

- FY21 Rental income increased by 10 percent to SEK 1 387.4 million YoY.
- FY21 Profit from property management of SEK 824.1 million, up 15 percent YoY.
- EPRA NRV per share of 323.74 up 32 percent YoY.
- Earnings per share of 66.63 SEK up, 64 percent from 40.51 SEK per share last year.
- Wale of 5.5 years with occupancy of 94.7 percent.
- Strong balance with 43.1 percent (50.1) LTV and cost of debt lowered to 1.9 percent (2.3)

## Zoning in place - near term ramp-up in development spending

- Groundwork on Logistics position Landvetter, Logistics position Sunnanå and Stockholm South has commenced
- Option on zoned land in Jönköping has been agreed and materialized
- Attractive land of 565 Ksqm acquired in Bjuv adding potential of 2 billion SEK in investments

## Significant events after the fourth quarter

- Catena submits bid on property portfolio from Halmslätrens Fastighets AB with agreed property value of 1,520 million SEK.

## Real estate logistics segment allures record level of investments

- Occupier demand convincingly strong with record levels of take-up
- Supply of prime land is getting scarcer and constrained by planning processes

# Review of 2021

Q4

## Development

- Replenished our landbank with approx. 700 ksqm of attractive plots in the Helsingborg region adding future potential investment of above SEK 2 billion and 300 ksqm of new prime logistics space
- Groundworks have started or are about to in highly sought-after locations in Landvetter Gothenburg, Stockholm South, Sunnanå Malmö and Hyltena Jönköping, all being prime locations for logistics purposes
- Completed 30 Ksqm of new developments at a range of 6-7 percent yield on cost

## Operations

- Awarded BBB- Credit rating following beneficial impact on cost of debt
- Established a SEK 5 billion MTN program and successfully placed our inaugural Green Bond of SEK 1.4 billion. Raised proceeds of approx. SEK 1 bn in oversubscribed placement of shares to capitalize and accelerate growth
- Expanded Catena´s geographical footprint in Denmark by additional acquisitions
- Collected close to 100 percent of rents throughtout 2021
- Capital value movement due to active management, development completions and yield compression amounted to SEK 2,318 billion, corresponding a 11 percent increase

## ESG

- Announced comittment on new sustainability targets, targeting to become net-zero before 2030
- Certified as a Great Place to Work™
- Performed and published risk analysis in accordance with the principles of TCFD

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# Financial performance

# Income statement – 2021

Q4

SEK M	2021 Jan-Dec	2020 Jan-Dec	Y-o-Y change
Rental income	1,387.4	1,263.9	10%
<i>SEK/SQM (weighted average)</i>	<i>665</i>	<i>666</i>	
Property expenses	-292.0	-260.1	12%
<i>SEK/SQM (weighted average)</i>	<i>-140</i>	<i>-137</i>	
<b>NOI</b>	<b>1,095.4</b>	<b>1,003.8</b>	<b>9%</b>
<i>NOI surplus ratio</i>	<i>79.0%</i>	<i>79.4%</i>	
Central admin	-36.6	-35.2	4%
Other	-11.0	-0.6	
Financial net (incl. right-of use expense)	-245.7	-249.4	-1%
<b>Income from property management</b>	<b>824.1</b>	<b>718.6</b>	<b>15%</b>
<i>IFPM surplus ratio</i>	<i>59.4%</i>	<i>56.9%</i>	
Value changes property	2,339.9	1,116.8	101%
Value changes derivatives	202.5	38.1	
Taxes	-674.7	-396.4	
<b>Profit for the year</b>	<b>2,691.8</b>	<b>1,527.1</b>	<b>76%</b>
<i>Profit for the period, SEK per share</i>	<i>66.63</i>	<i>40.51</i>	<i>64%</i>

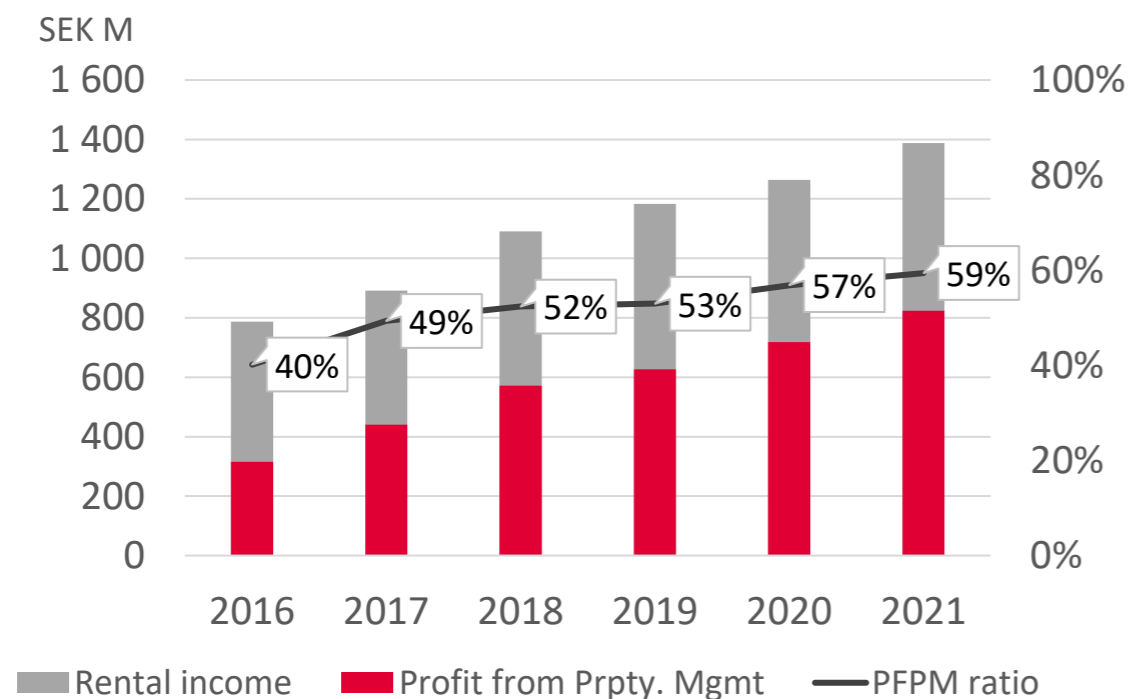
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## Resilient cash flow trend continuous

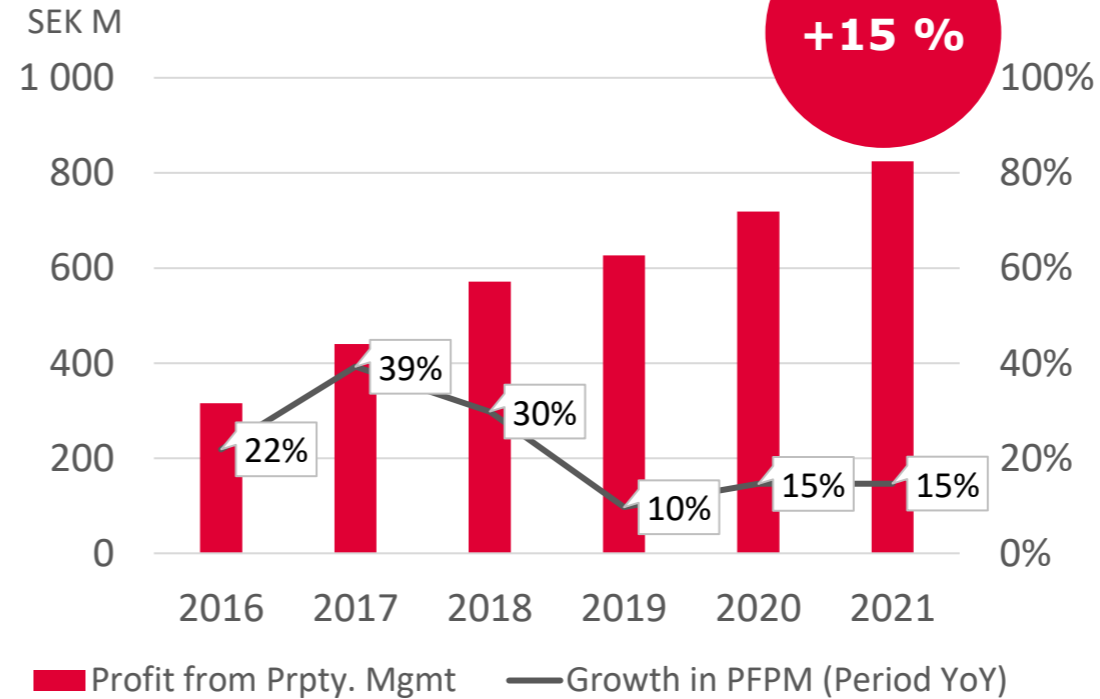
### Objectives

- Catena targets a minimum 50 percent profit from property management ratio
- Annual target of 10 percent growth in Profit from property management
- Dividend pay-out ratio of 50 percent less standard tax of profit from property management

Rental income/Profit from prpty. mgmt



Growth in Profit from property mgmt



# Operational review



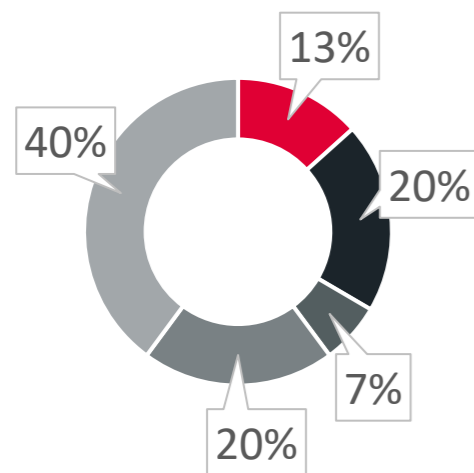
# Portfolio characteristics (1/2)

REGIONS	# of properties	Lettable area Tsqm	Fair Value SEK M	Rental value SEK M	Economic letting ratio %	Contractual annual rent, SEK M <sup>1</sup>	Surplus ratio % <sup>2</sup>
Gothenburg	18	297.1	3,125.3	209.2	96	200.6	83
Helsingborg	26	460.8	4,697.2	286.1	96	275.5	77
Jönköping	13	228.2	1,502.6	129.5	94	121.5	73
Malmö	23	346.2	4,743.5	293.3	98	286.3	73
Stockholm	46	793.6	9,331.4	602.5	92	556.7	83
<b>Total</b>	<b>126</b>	<b>2,125.9</b>	<b>23,400.0</b>	<b>1,520.6</b>	<b>95</b>	<b>1,440.6</b>	<b>79</b>
<i>One year back</i>	<i>113</i>	<i>1,947.5</i>	<i>18,612.0</i>	<i>1,388.5</i>	<i>96</i>	<i>1,335.3</i>	<i>79</i>

## Portfolio characteristics (2/2)

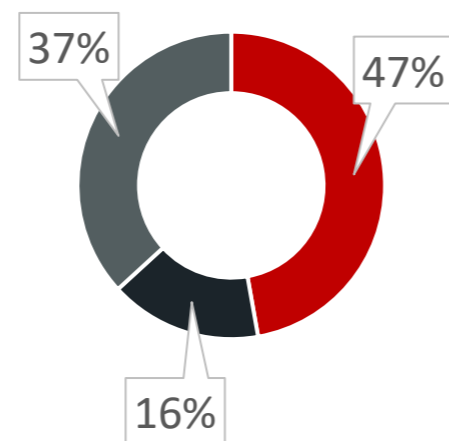
Our three largest tenants (DHL, Postnord and ICA) represent 26 percent of our rentroll, are committed via 40 different rental agreements spread over 22 separate locations and thereby significantly lowering our tenancy risk.

By value



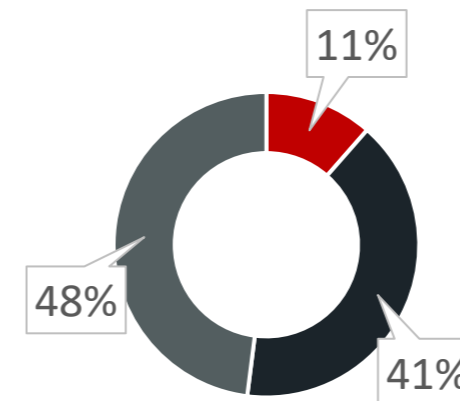
- Gothenburg
- Helsingborg
- Jönköping
- Malmö
- Stockholm

Asset size breakdown (legal property)



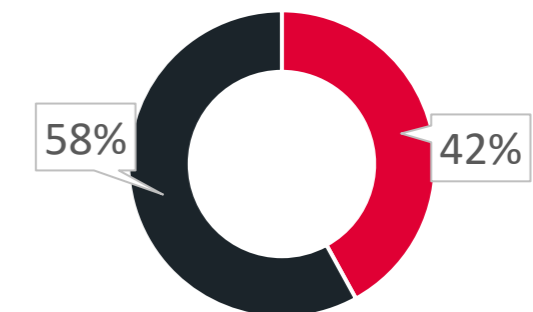
- < 10k sqm
- 10k - 20k sqm
- > 20k sqm

Lettable space types by area



- Terminals
- Distribution
- Logistics warehouse

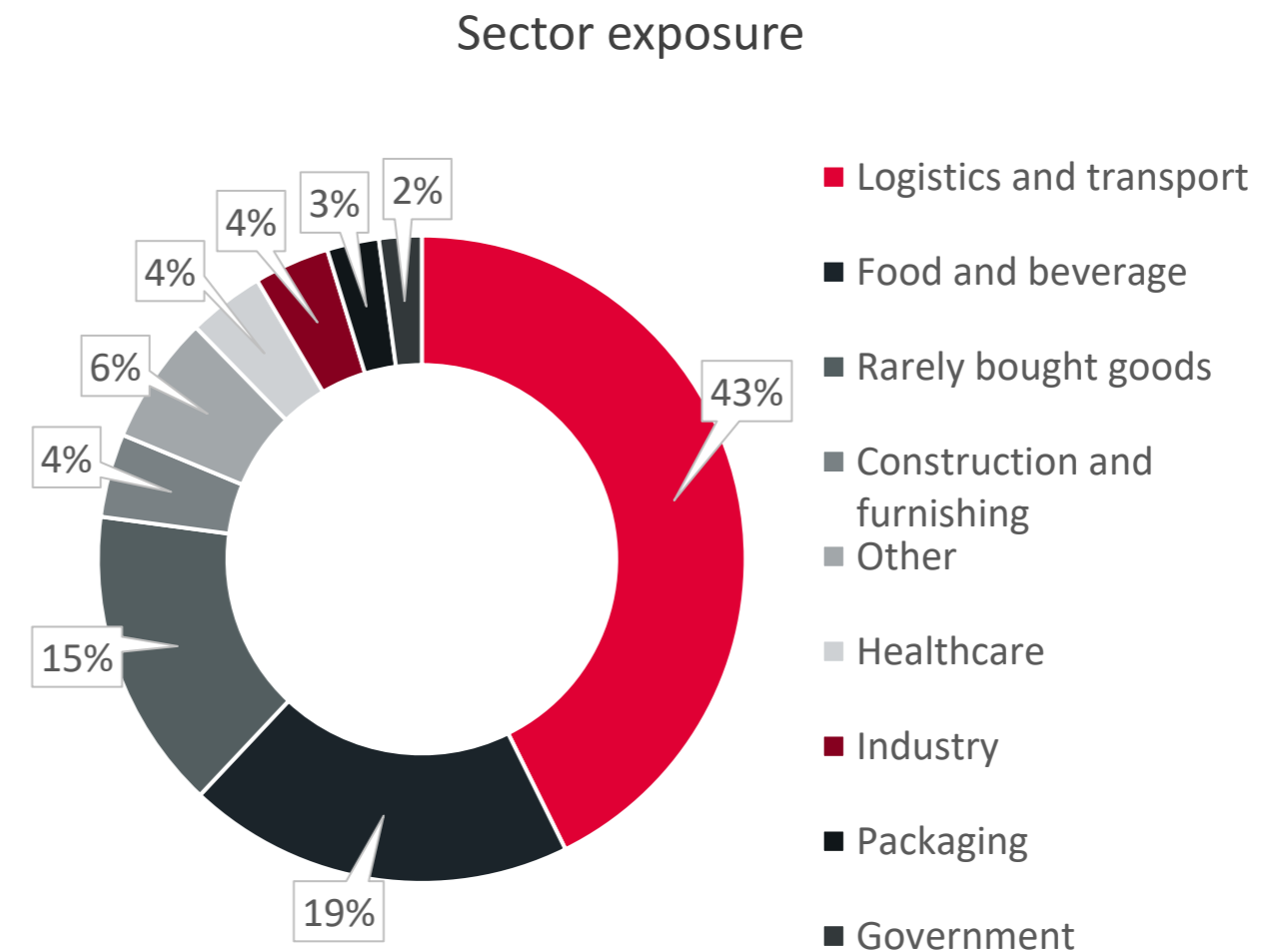
Tenant concentration by contractual income



- 10 biggest tenants
- Rest

# Well reputed and diversified customer base

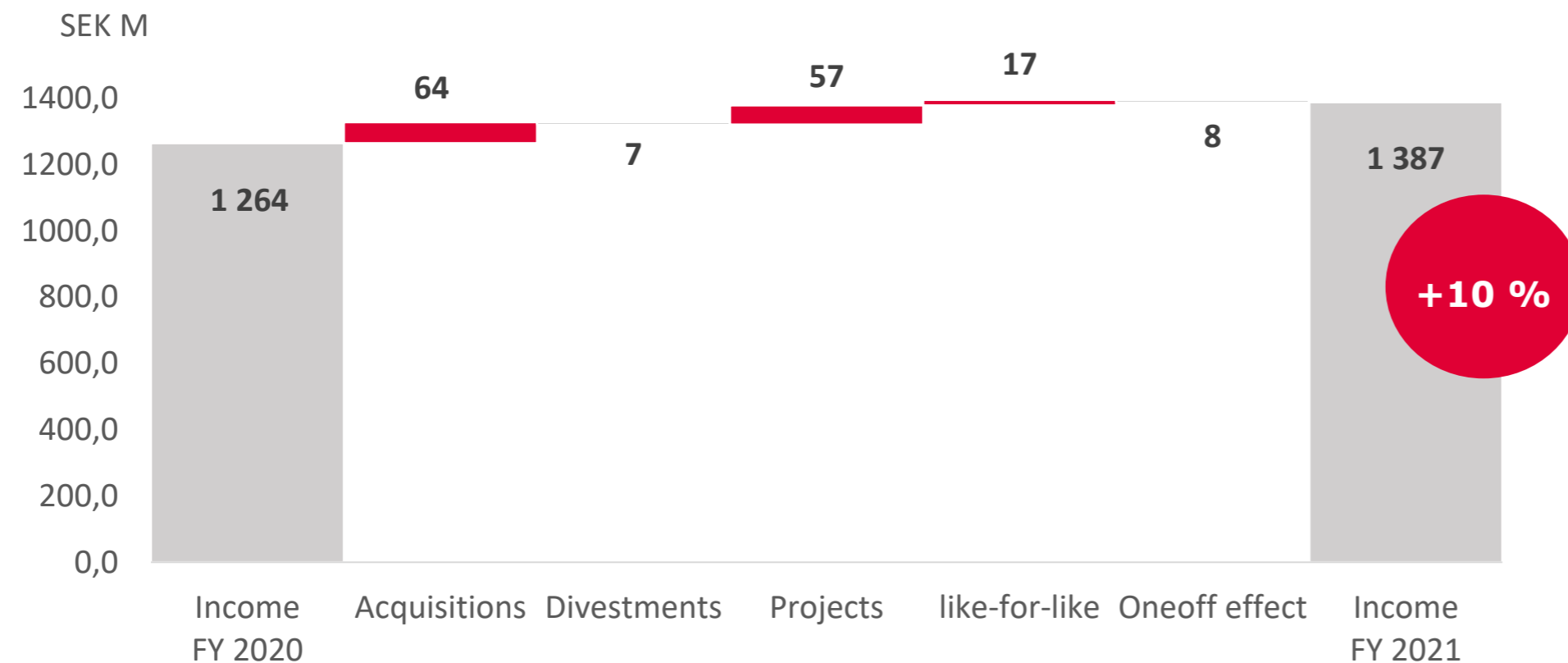
Customer	Share of contractual value
DHL	13%
Postnord	7%
ICA	6%
Boozt	3%
Nowaste Logistics AB	3%
Martin & Servera AB	2%
Dagab AB	2%
Intervare A/S	2%
Alwex AB	2%
Menigo AB	2%
<b>Top 10</b>	<b>42%</b>



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## Rental growth 2021

- Active capital deployment being the driving force of rental growth in 2021
- Like-for-like rental growth of 1.4 percent implying solid occupancy.

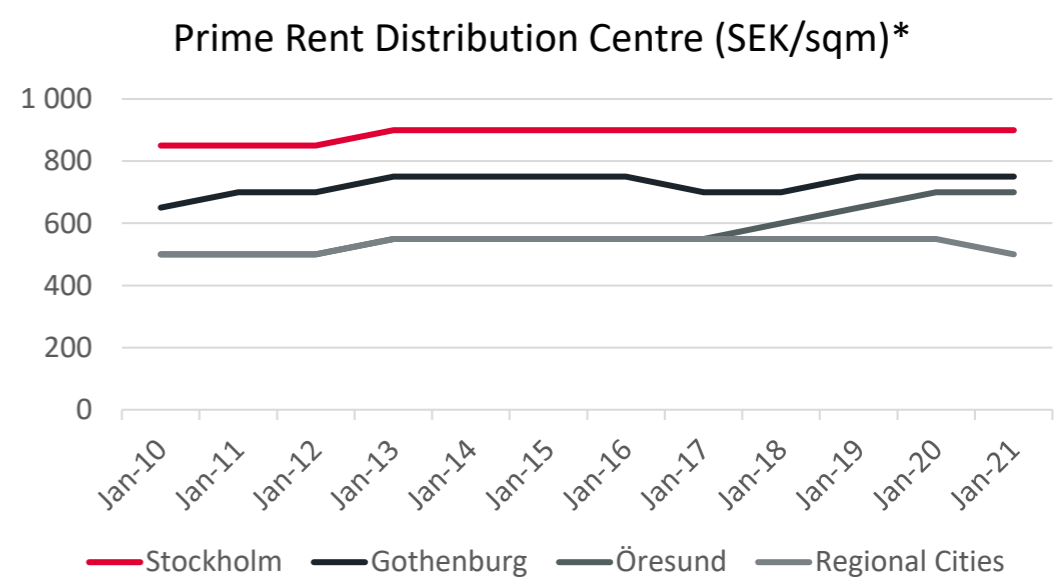
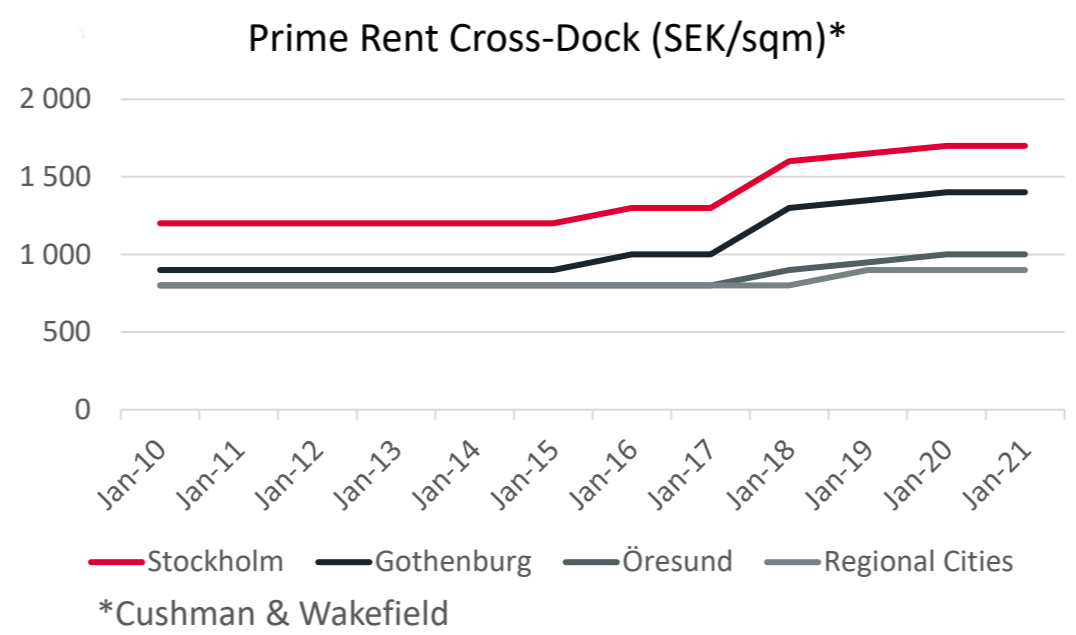
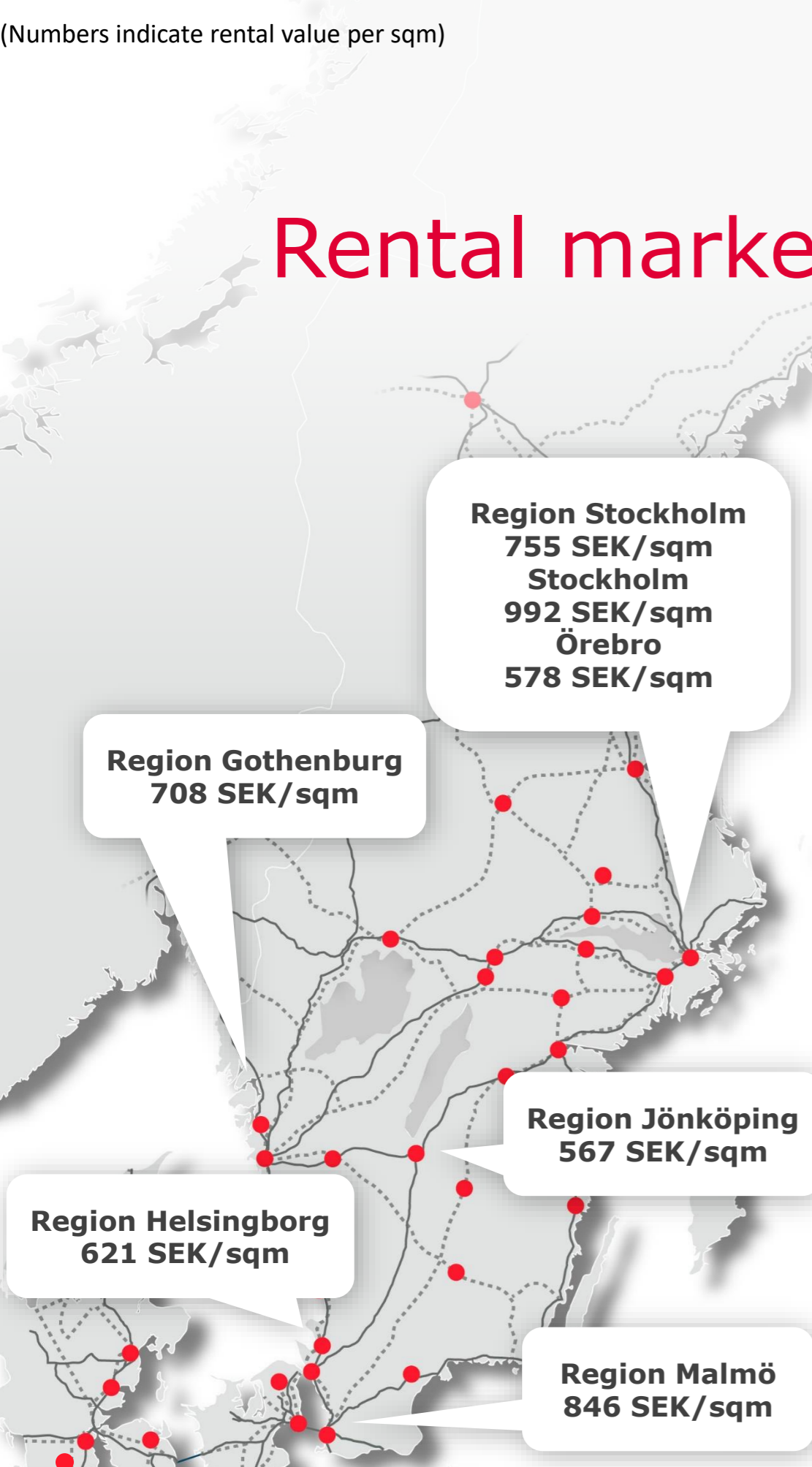


2021 FY	
Like-for-like <sup>1</sup>	1.4 %
Project developments	4.5 %
Acquisitions	5.0 %
Divestments	-0.6 %
One-off effects	-0.6 %
<b>Total</b>	<b>9.8 %</b>

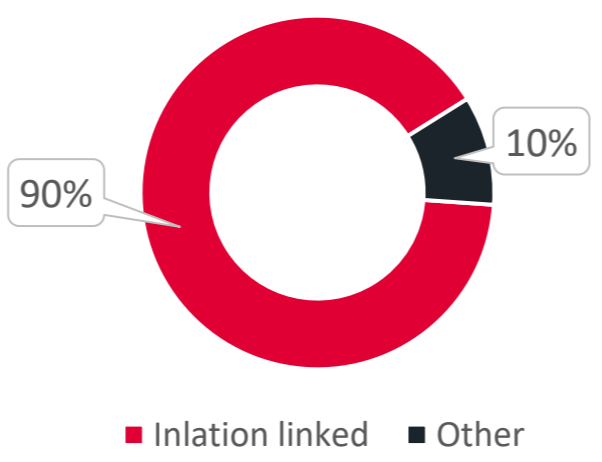
<sup>1</sup> Like-for-like percent includes the impact of indexation, renegotiations and changes in occupancy.

(Numbers indicate rental value per sqm)

# Rental market



### Conversion on rent agreements

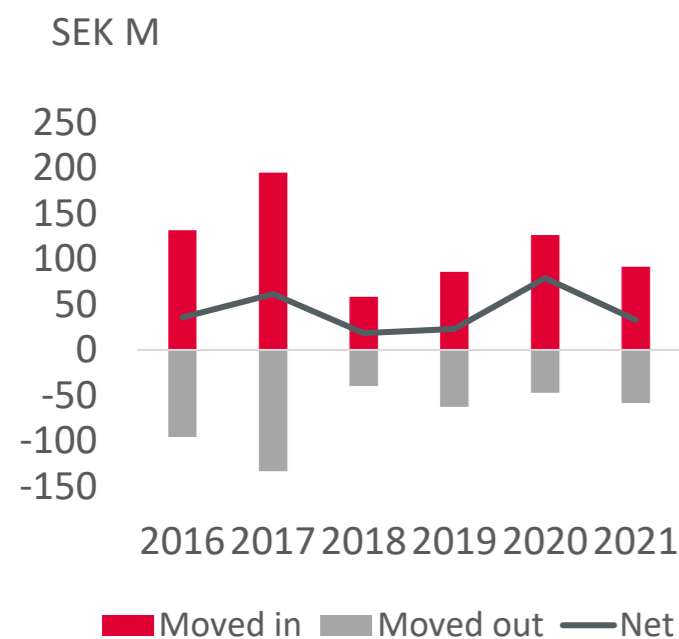


- Rents are linked to general inflation in the majority of contracts, adjusted annually and measured by the Consumer Price Index (CPI)

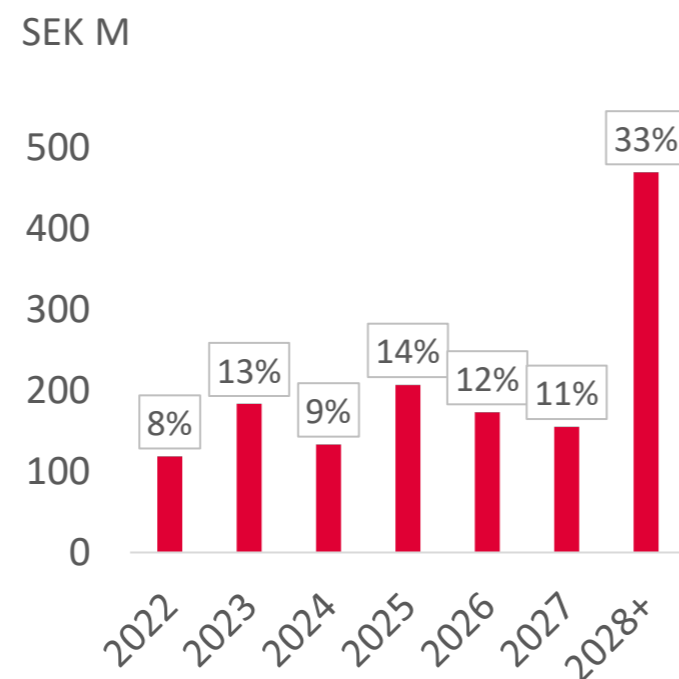
## Letting operations

- Experiencing unprecedented level of demand and occupancy is kept high and stable
- Net leasing was SEK 32 million during 2021 and negative 22 million in the fourth quarter due to a temporary loss of rented space
- WALE of 5.5 years signals a resilient incomestream

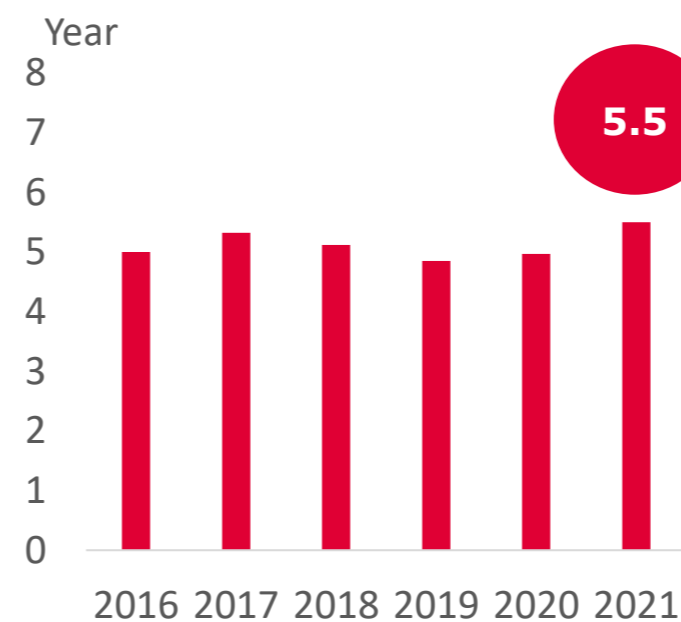
Leasing by contractual value



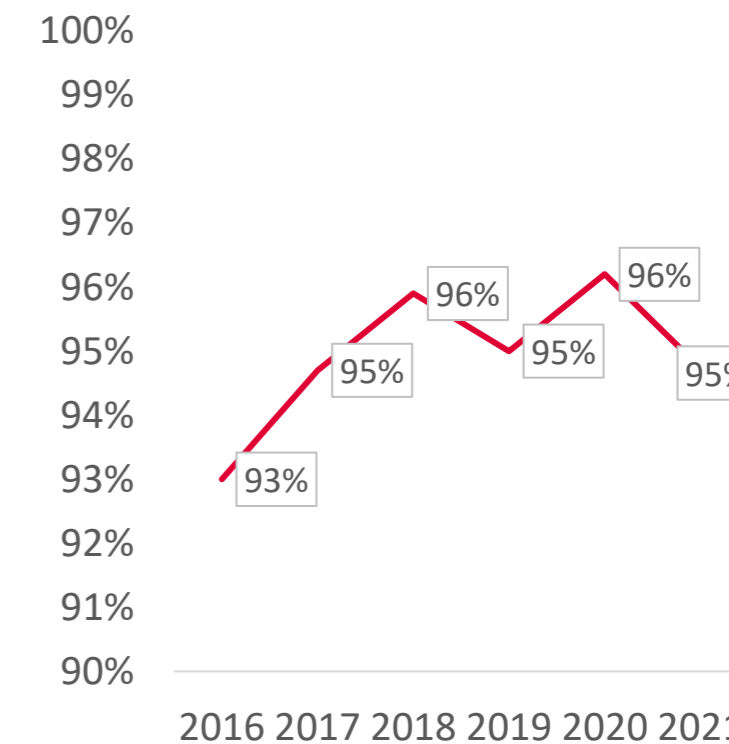
Maturity profile – contractual annual rent



WALE development



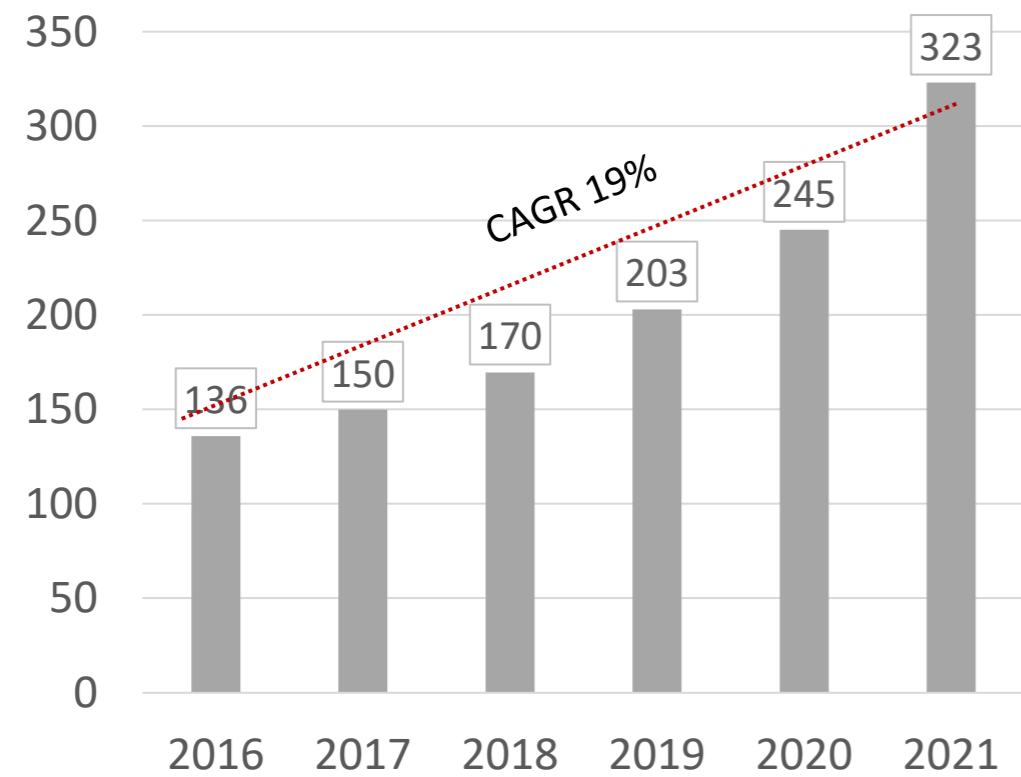
Letting ratio development



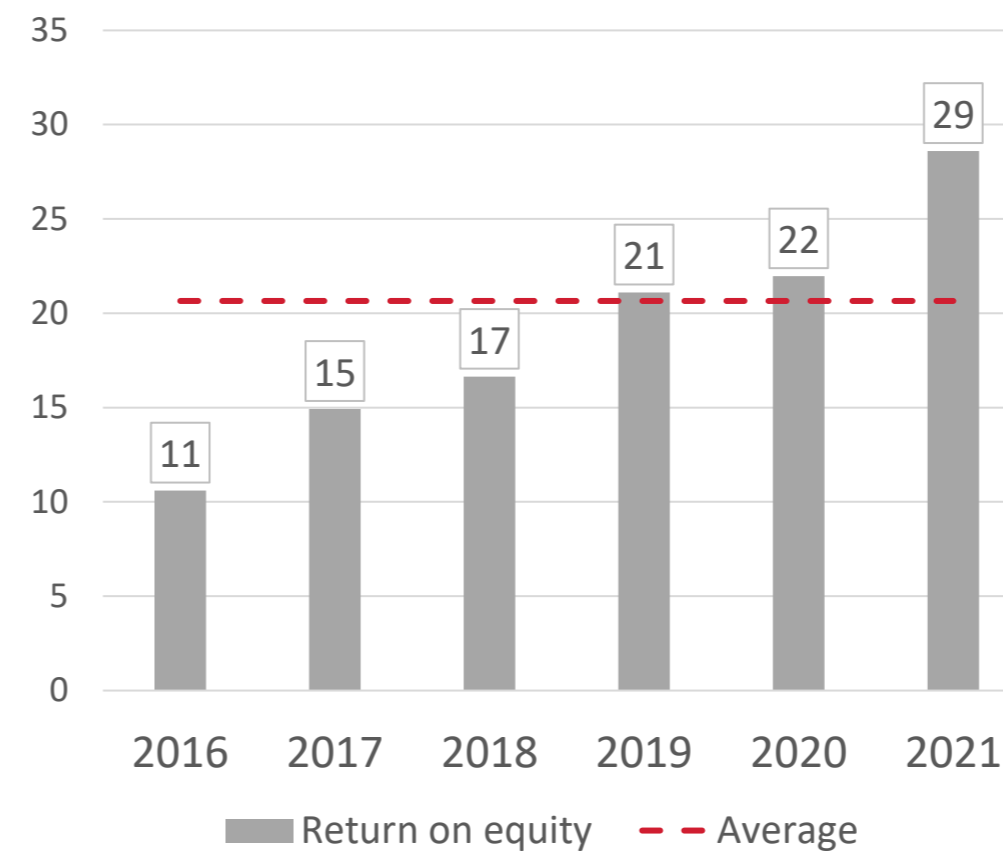
# Balance sheet and debt management

## Demonstrated shareholder value creation

EPRA NRV per share



Return on equity, %





# Q4

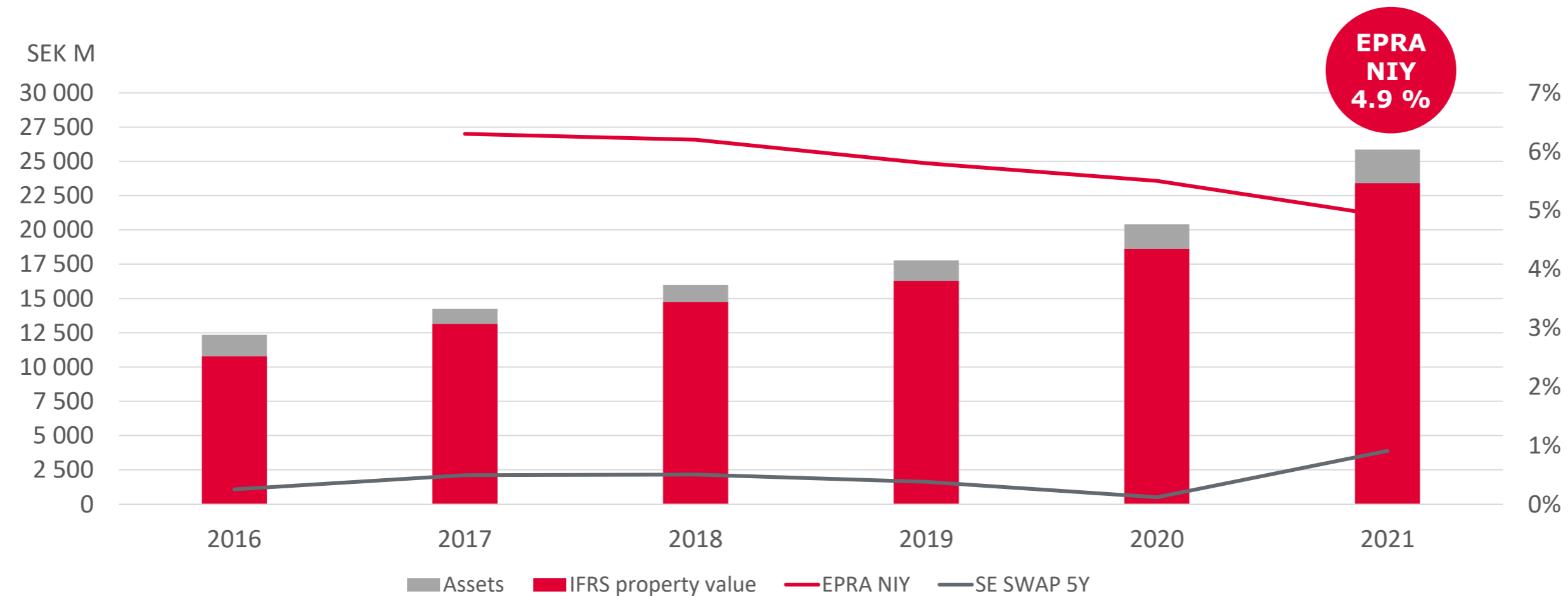
## Statement of financial position

SEK M	2021		2020	
Total assets				
Investment properties	23,400.0		18,612.4	
Goodwill	503.0		503.0	
Other assets	968.5		872.1	
Opening cash and cash equivalents	992.6		411.1	
<b>Total assets</b>	<b>25,864.1</b>		<b>20,398.6</b>	
Total shareholders' equity and liabilities				
Equity	11,255.0	<i>EPRA NRV - 323 SEK/share</i>	7,590.4	<i>EPRA NRV - 245 SEK/share</i>
Property loan	11,067.5	<i>1.9 %, Avarage cost of debt</i>	9,735.0	<i>2.3%, Avarage cost of debt</i>
Other liabilities	3,541.6		3,073.2	
<b>Total shareholders' equity and liabilities</b>	<b>25,864.1</b>		<b>20,398.6</b>	

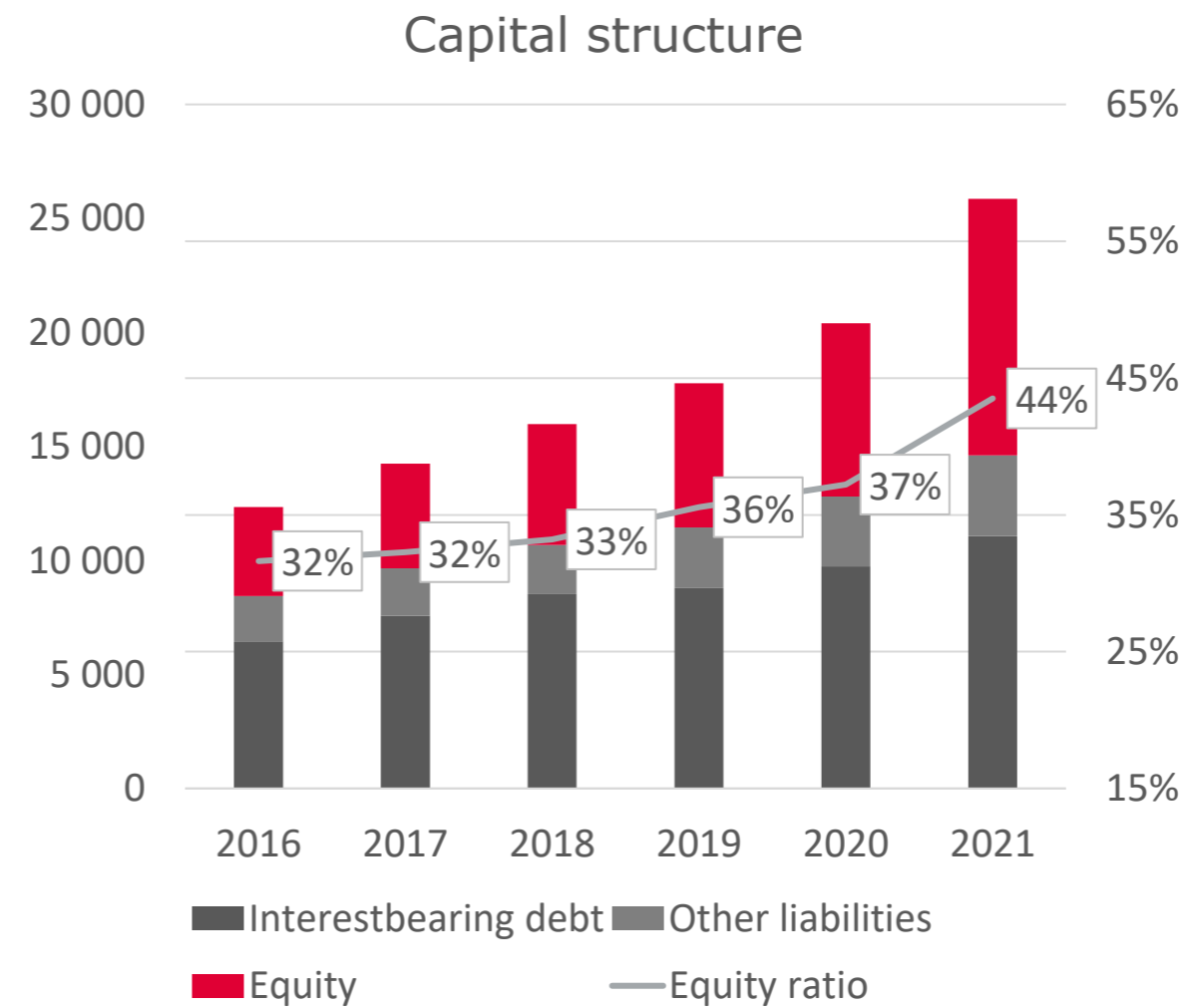
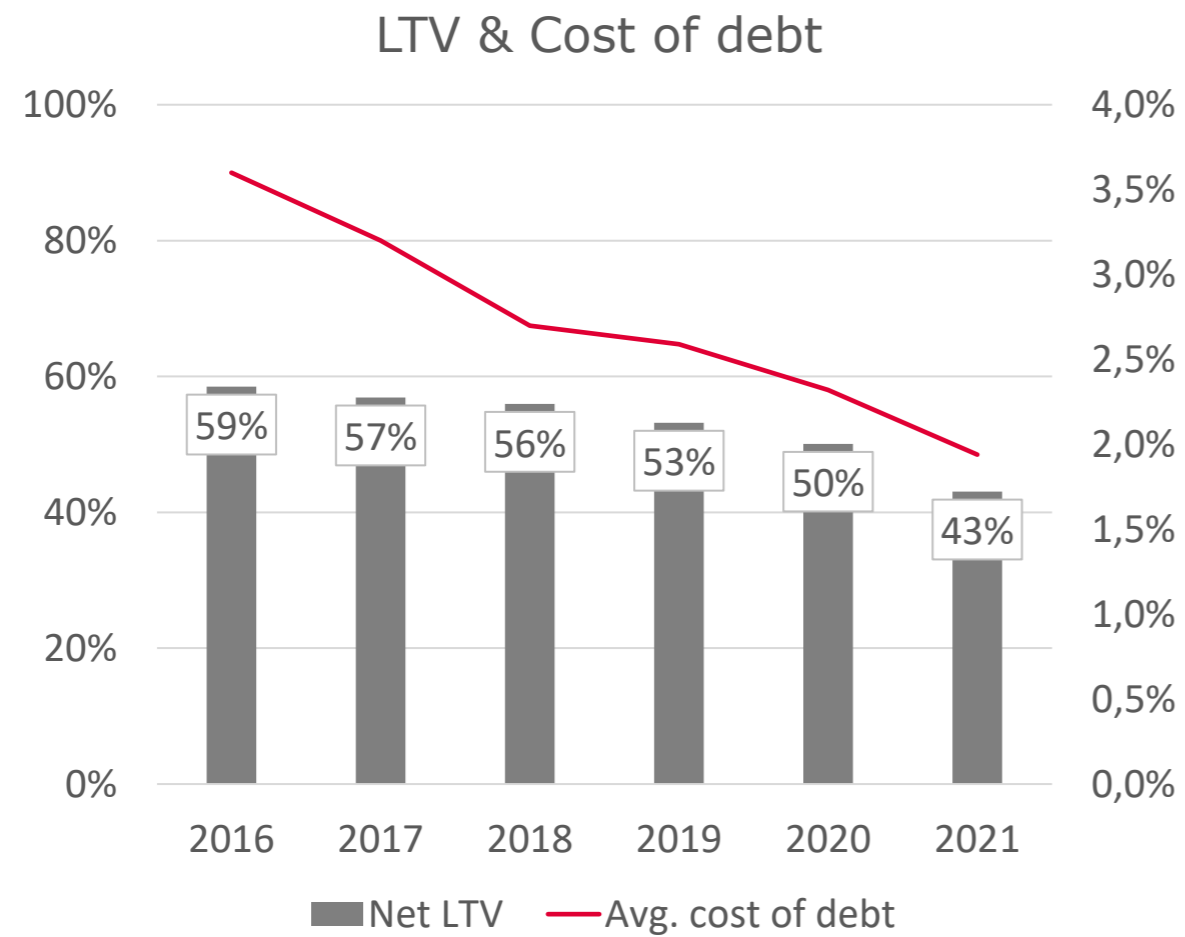
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## Property value growth and yield

- During 2021 capital value movement amounted to 2,318 Msek representing 11 percent increase in property value.



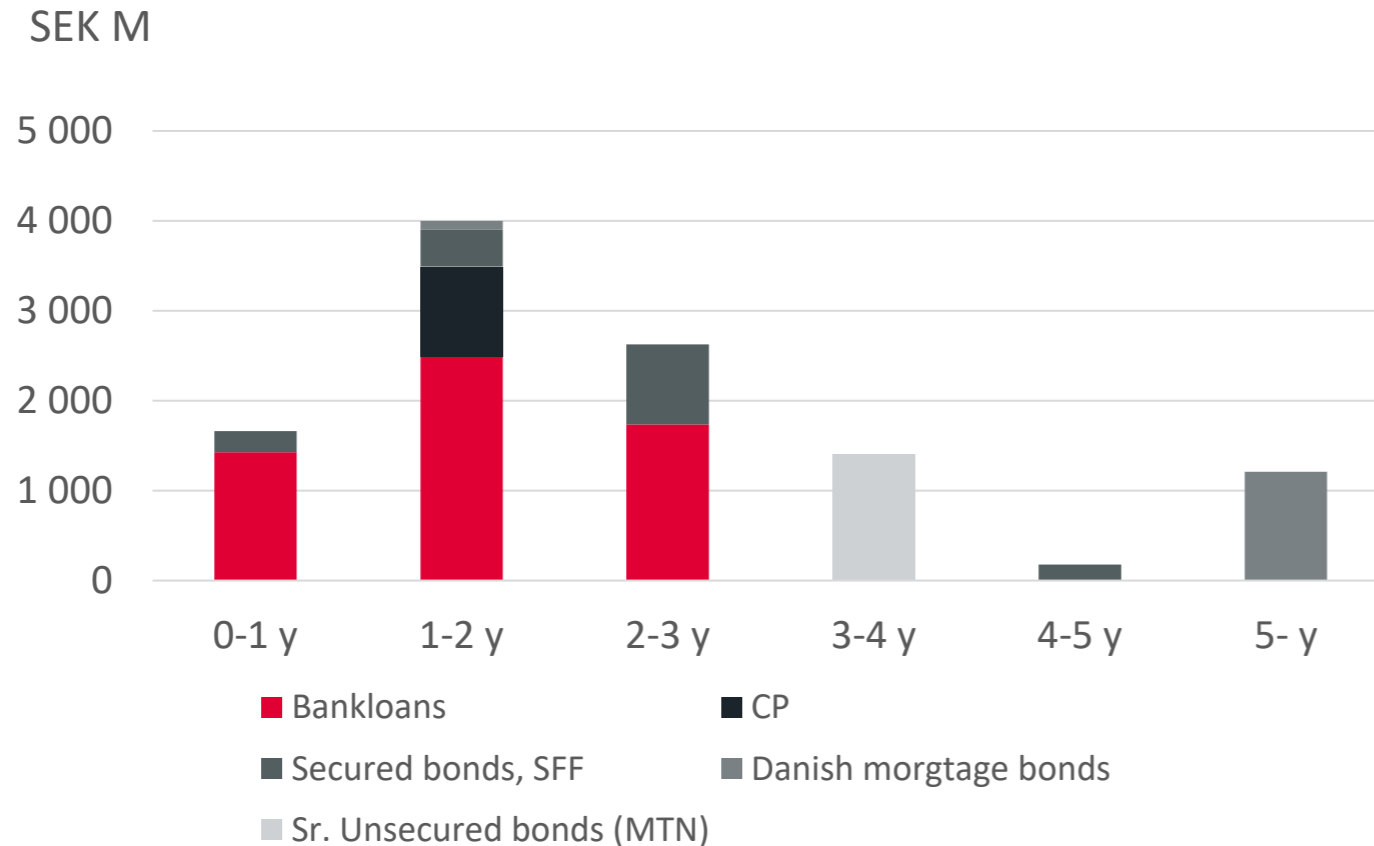
# LTV and Capital Structure



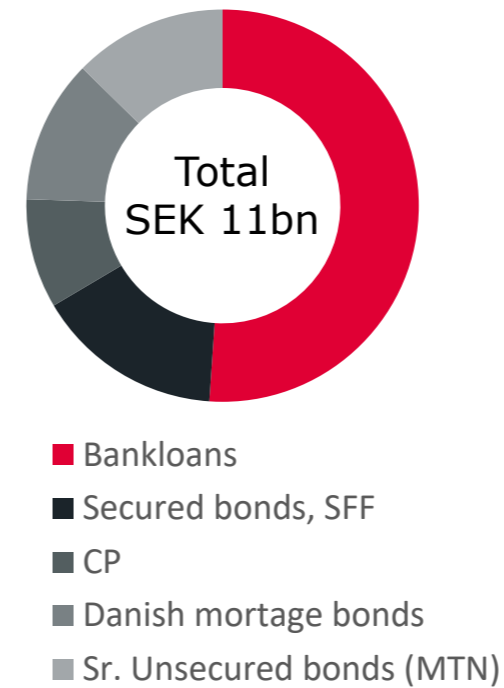
## Debt profile, maintaining financial discipline

Catena was rated BBB- in May 2021.  
 Established a SEK 5 billion MTN program and successfully placed our inaugural Green Bond of SEK 1.4 billion  
 Split in two tranches, 4 year tenor and creditspread of 135 bps.

Debt maturity profile



Financing split

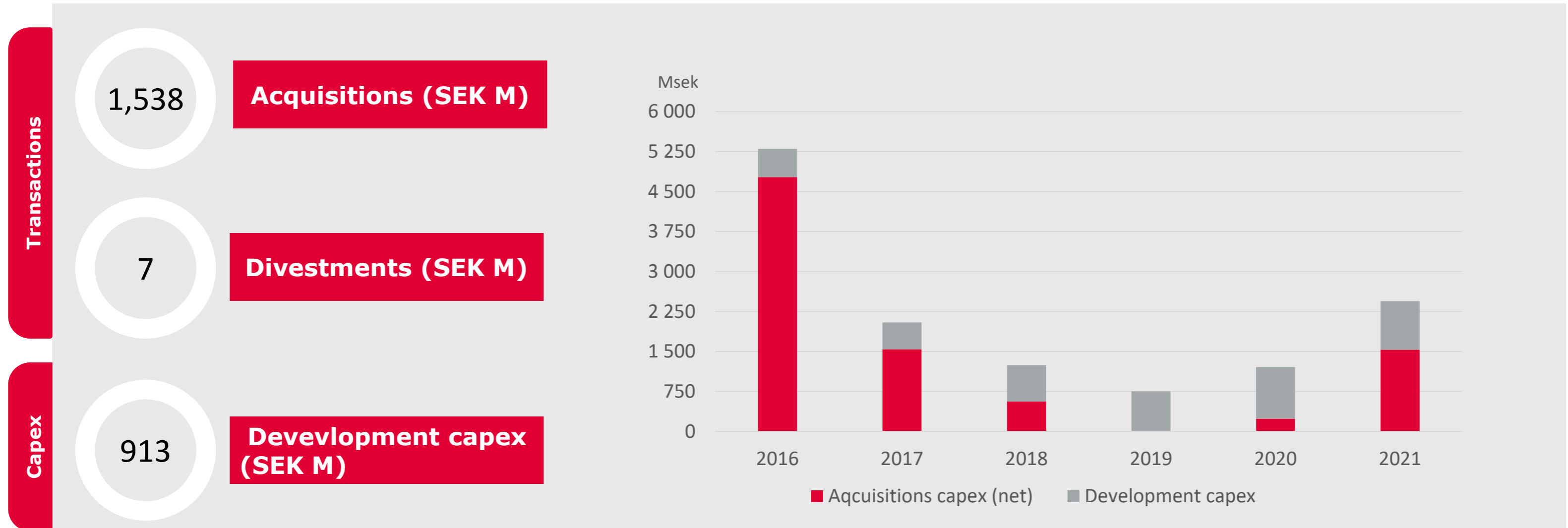


- Debt maturity 3.3 yr
- Interest maturity 3.0 yr
- Hedge ratio 63 %
- Green share 25 %

# Capital deployment

# Capital deployment 2021

Q4



(Boxes represents a selection of ongoing projects)

# Development projects in progress

# Q4

## Planeraren 2, Borlänge

Tenant: ICA  
Investment: 90 SEK M  
Sqm: 3,334  
Finalized: Q1 2023



## Morgongåva 15:33, Heby

Tenant: Babyland  
Investment: 300 SEK M  
Sqm: 38,000  
Finalized: Q1 2022



## Bungkagården Mellersta 1, Helsingborg

Tenant: PostNord  
Investment: 132 SEK M  
Sqm: 16,478  
Finalized: Q3-Q4 2022



## Plantehuset 3, Helsingborg

Speculative  
Investment: 124 SEK M  
Sqm: 15,000  
Finalized: Q3 2022



## Sockret 4, Malmö

Tenant: Lekia  
Investment: 208 SEK M  
Sqm: 18,665  
Finalized: Q1 2024



FY21 carrying value, SEK M

600

Remaining investments, SEK M

1 000

GLA under construction, Ksqm

113

Yield on cost

6-7 %

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(Presented landlots represents a selection of our outstanding landbank)



# Future development – positioned for accelerating growth

**Logistics position Landvetter**  
Härryda  
Sqm land: **210'**  
zoning plan approved

**Örebro South (JV, 34%)**  
Törsjö  
Sqm land: **920'**  
Pending zoning plan

**Stockholm South**  
Nykvarn/Södertälje  
Sqm land: **450'**  
Zoning plan approved

**Logistics position Järna**  
Södertälje  
Sqm land: **1,000'**  
Waiting for zoning (2024/2025)

**Logistics position Söderåsen**  
Åstorp/Helsingborg  
Sqm land: **565'**  
Waiting for zoning (2023)

**Logistics position Ramlösa**  
Helsingborg  
Sqm land: **160'**  
Zoning plan approved

**Jönköping**  
Jönköping  
Sqm land: **200'**  
Zoning plan

**Logistics position Sunnanå**  
Malmö  
Sqm land: **110'**  
Zoning plan approved

**E-City Engelholm**  
Ängelholm  
Sqm land: **490'**  
Pending zoning plan

Landbank, Tsqm  
(includes JV agreements, and various conditional options and contracts)

**5,300**

Potential GLA, Tsqm

**1,850**

Potential investment, SEK M

**15,000**





# Sustainability

# Sustainability within Catena

## Social



Certified as a Great Place to Work™

## Environmental certification and photovoltaic cells

### Miljöbyggnad Silver/ iDrift Silver

	Certified	Ongoing
Number of properties	16	10
Area, sqm	310,000	150,000
<b>% of total area</b>	<b>15%</b>	<b>7%</b>

### Photovoltaic cells

	Installed	Ongoing
Number of facilities	19	6
Effect (kwp)	6,400	1,500

1) Electricity includes property related as well as operational electricity

## Energy efficiency and CO<sub>2</sub>e

Continued strive for examining ways to minimize consumed energy and CO<sub>2</sub>e emissions.

Energy consumption per sqm			
kWh/sqm	2021	2020	2019
Electricity <sup>1</sup>	76	76	75
Heating, adj	44	44	43
Fuel, adj	15	10	31
<b>Total energy intensity</b>	<b>108</b>	<b>109</b>	<b>114</b>

CO <sub>2</sub> e emissions from energy-related activities (market-based)			
Tons, Co2e	2021	2020	2019
Scope 1	168	67	637
Scope 2	1 382	1,201	1,199
Scope 3	8 026	7,233	7,168
<b>Total</b>	<b>9,576</b>	<b>8,501</b>	<b>9,004</b>

# Outlook

# Strategy and position for profitable growth

- Market conditions speak in favour of resilient growth
  - Levels of demand at historic highs and predicted to last given the strong fundamental drivers
  - Supply shortage of new modern space
  - Land is becoming scarcer
- Focus on development complemented by disciplined approach to new acquisitions
  - Near term development opportunities (2-3 years) of approx SEK 3 billion
  - Continuously searching for complementing high quality logistics assets to diversify
  - Strong reputation is key to securing land
- Financial strength that can drive future growth
- Active and long term management to capture customer demand

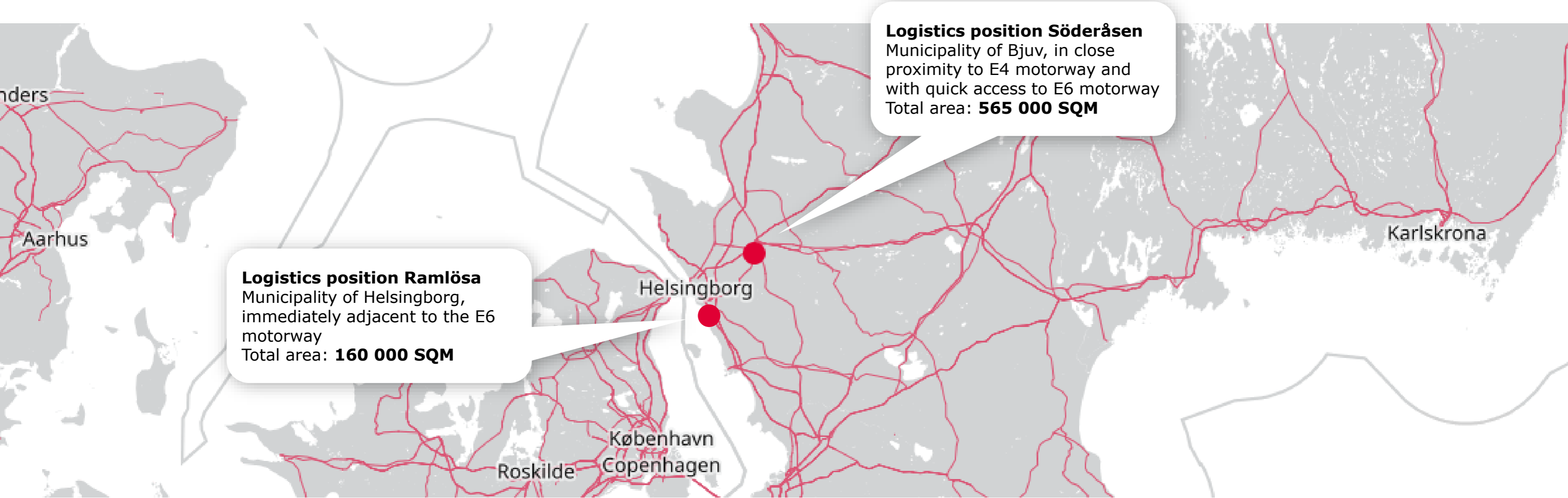


# Pipeline of near term development opportunities

Location	Size of land	Potential GLA	Status	Approx. Investments Msek <sup>1</sup>	Likely start of development
Logistics position Landvetter, Gothenburg	210,000	95,000	Groundwork started	800	2022
Part of Stockholm South	100,000	40,000	Groundwork started	340	2022
Logistics position Ramlösa, Helsingborg	160,000	70,000	Zoning approved	600	2023
Hyltena Jönköping	200,000	100,000	Groundwork started	850	2023
Logistics position Sunnanå, Malmö	120,000	55,000	Groundwork started	460	2023
<b>Total</b>	<b>790,000</b>	<b>360,000</b>		<b>3,050</b>	

<sup>1</sup> Excluding land

# The best logistics area in Sweden 2022





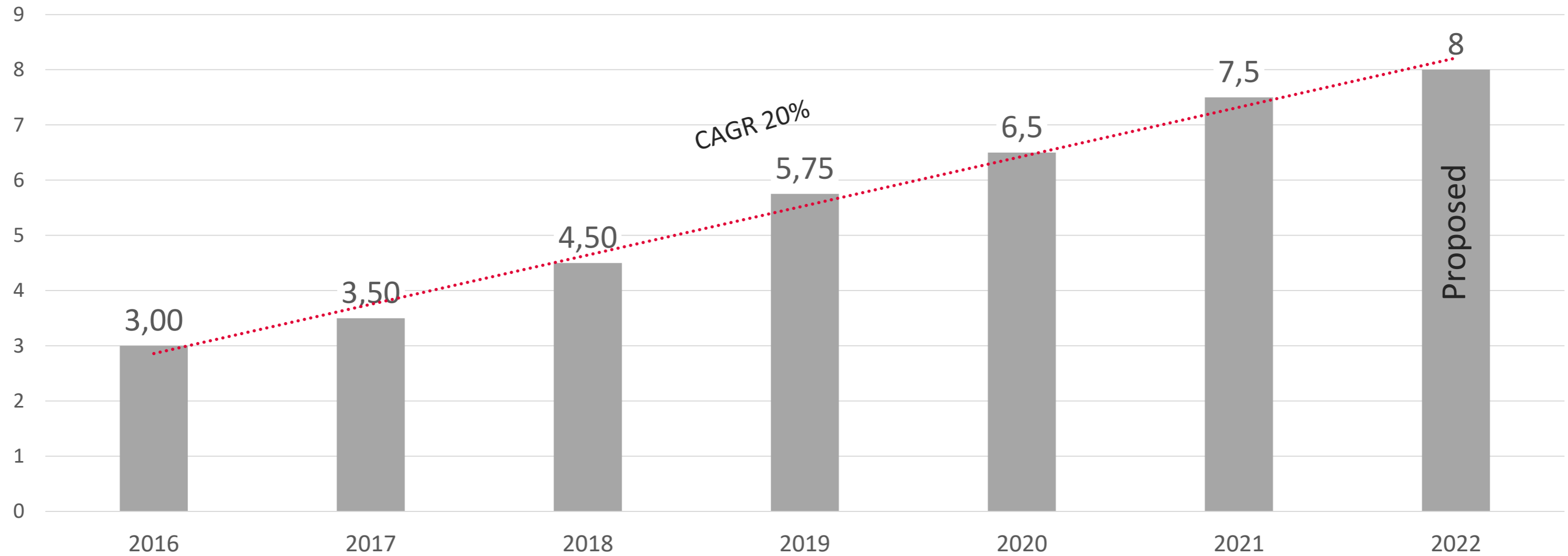
# CASE

Logistics position  
Ramlösa

<b>Project:</b>	<b>Logistics position Ramlösa, Helsingborg</b>
<b>Land (SQM):</b>	<b>160,000</b>
<b>Expected GLA (SQM):</b>	<b>70,000</b>
<b>Exp. Investment:</b>	<b>600 MSEK</b>
<b>Certification:</b>	<b>BREEAM</b>

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# Dividends





# Q&A



Jörgen Eriksson CEO



Sofie Bennsten CFO



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