

INTEA.

2021

Contents 2021



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This document is an in-house translation of the Swedish Interim report. In the event of discrepancies, the Swedish original will supersede the translation.

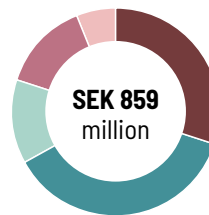
INTEA IN BRIEF

Intea was founded in autumn 2015 with the aim of investing in and managing social infrastructure for its own long-term management. By social infrastructure, Intea means premises for essential services that are specially adapted for the purpose of public-sector tenants. The existing real-estate portfolio consists of the categories of justice, higher education, health care and other public sector activities. Examples of tenants include government authorities and agencies, regions and other public institutions.

Intea in figures

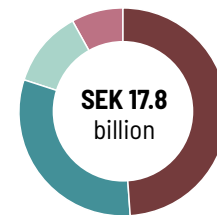
Intea's portfolio consists of properties and projects with public-sector tenants in the categories of justice, higher education, health care and other public sector activities. The properties are located in 16 towns and cities. The total property value in 2021 was SEK 17.8 billion.

**INTEA'S TENANTS
SHARE OF CONTRACTUAL
RENTAL VALUE**



- Justice 30%
- Higher education 37%
- Health care 13%
- Public sector, other 14%
- Non-public sector 6%

**INTEA'S GEOGRAPHY
SHARE OF PROPERTY VALUE**



- South 49%
- East 31%
- North 12%
- West 8%

**PROPERTY VALUE,
SEKBN**

17.8

**PERCENTAGE OF PUBLIC-
SECTOR TENANTS, %**

94.0

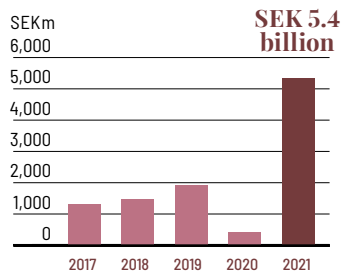
**LETTABLE AREA,
000 SQM**

454

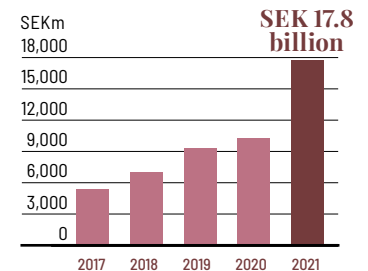
**REMAINING CONTRACT
PERIOD, YEARS**

6.0

ACQUISITIONS AND INVESTMENTS



PROPERTY VALUE



THE YEAR IN BRIEF



Q1

Intea and the Swedish Prison and Probation Service signed a 15-year lease for Härnösand Prison with a preliminary annual rental value of SEK 14.9 million. The facility was previously closed, but will now undergo extensive refurbishment, which is expected to result in 100 new places.

Agreement with Akademiska Hus AB for the acquisition of Malmö University's Niagara entrance building and Campus Kristianstad, with Kristianstad University as tenant. The portfolio has a lettable area of 54,700 sqm and was acquired at an underlying property value of approximately SEK 1.6 billion.

Q2

A 15-year lease was signed with Region Östergötland for 6,600 sqm of new premises in the Garnisonen neighbourhood of Linköping with an estimated annual rental value of SEK 13.5 million and planned occupancy in the first quarter of 2023.

A 6-year lease was signed with the Swedish Tax Agency for new premises in the Campus area of Östersund. The lettable area is 4,600 sqm, with an annual rental value of SEK 9.2 million.

In June, the company announced that it was working towards listing its shares on Nasdaq Stockholm within a year.*

The Annual General Meeting elected Håkan Hellaeus to serve as a new member of the Board. Magnus Jarlén resigned from the board.

A new management organisation was established in Halmstad.

Q3

Intea and the Swedish Police Authority signed a project development agreement to explore the construction of a new police station in Strömstad. The lettable area is estimated to be around 3,700 sqm. Construction is expected to begin in 2023, with occupancy in the summer of 2025.

The Extraordinary General Meeting held on 2 September 2021 resolved to elect Pernilla Ramslöv and Christian Haglund as new members of the Board of Directors. Henrik Lindekrantz stepped down from the Board to focus on his role as CEO of the company.*

In September, the Board set new financial and operational objectives, as well as a dividend policy and financial risk limits.*

Linda Schuur was appointed as the new Head of Sustainability.

A new management organisation was established in Skåne.

Q4

A 10-year lease was signed with Amerikanska Gymnasiet for 2,800 sqm of classroom facilities on the university campus in Halmstad. The annual contract value is SEK 5.6 million.

A 25-year lease was signed with Västtrafik for a new train depot right next to Intea's existing train depot in Falköping. The lease term for the existing depot will be extended by 25 years from the completion date of the new train depot.

Intea acquired the police station and custody centre in Helsingborg from Castellum, with the Swedish Police Authority and the Prison and Probation Service as tenants. The total lettable area amounts to approximately 37,500 sqm, with a total annual rent of SEK 102.6 million. The properties have an underlying property value of SEK 2,524 million.

*) For more information, see page 53 in the Directors' report, significant events relating to Intea's listing process.

SELECTED KEY PERFORMANCE INDICATORS	2021	2020
Rental income, SEKm	733.2	548.6
Profit from property management, SEKm	167.0	145.3
Profit from property management, excluding interest on shareholder loans, SEKm	245.7	279.4
Ditto SEK/ Class A and B share	2.47	1.79
Ditto growth, %	38.2	12.3
Profit/loss for the period, SEKm	1,969.3	412.2
Ditto SEK/ Class A and B share	15.60	3.71
Long-term net asset value per Class A and Class B share, SEK	46.9	30.2
Ditto growth, %	55.2	19.3
Property value, SEKm	17,797	10,238
Loan-to-value ratio, %	54.0	52.4
Interest coverage ratio, multiple	3.0	3.6

RENTAL INCOME,
SEKM

733.2

NET OPERATING
INCOME, SEKm

608.9

REMAINING
CONTRACT PERIOD,
YEARS

6.0



The age of change

A new year, a fresh start and a new message from the CEO. The events of 2021 seem so far away as we look back now, in March 2022, given all that happened last year and all that has already happened, just three months into the new year. The first half of last year was marked by waiting for the vaccine rollout and a gradual recovery from the first waves of the pandemic. The second half saw a gradual adjustment and return to the new normal. Now the world is facing new threats and everyone must once again adapt to new circumstances. Just as during the pandemic, the company must be ready to stand up and support our tenants and those in need.

For the company, 2021 was the strongest year in our six-year history. Rental income increased by 34 percent to SEK 733 million and property value increased by 74 percent to SEK 17.8 billion, allowing us to enter 2022 with a strong cash flow and a stable core business.

The early June decision to prepare the company for listing on Nasdaq Stockholm's main list entailed considerable internal work. We hope to be able to bring this project to fruition during the year, which will be an important milestone in Intea's continued development.

In the second half of the year, we saw rising inflation in several countries, driven by a variety of factors. For Intea, this means higher costs for management and projects, but also higher rent increases than expected for 2022. Price increases for materials, labour and energy lead to higher costs for the construction industry and may result in cost increases for the company's ongoing projects. To some extent, cost overruns can be managed through yield-based rent. Should material shortages and delivery problems arise, there is also a risk of delays in several projects.

Last year's strong growth was made possible by hard work under circumstances that were challenging at times in terms of both working conditions during the pandemic and strong competition for attractive acquisition opportunities and projects. During the year, we were also able to strengthen the company with several new talented and experienced employees, mainly in projects and management, who are already up to speed.

In the last months of the year, the energy issue came into the spotlight, driven by rising and volatile electricity prices and



increasing demand for fossil-free electricity. Yet another war, this time almost on our doorstep, has been added to the list of ongoing armed conflicts around the world, accompanied not only by human suffering, but also by a negative impact on the economy through accelerating price increases, shortages and reduced world trade.

For Intea, it is important to constantly and quickly adapt its operations to events in the world through concrete actions. One example of an area where the company has the opportunity to influence operations is the management of both energy production and consumption, which are integral to our daily operations. The company's property portfolio of 454,000 sqm consumes 56.6 Gwh annually. The industry has worked on reducing consumption for a long time and these efforts continue to evolve. Looking ahead, we see an increased focus on energy production within the companies. Intea currently produces 4.5 Gwh, which represents eight percent of the company's energy consumption.

For the environment, it is essential and for us it is fully possible to produce one third of all the energy we consume in the company by the end of 2026. As we now look ahead, 2022 looks set to offer new challenges and opportunities of all kinds.

In these troubled times, we give an extra thought to all those people who are forced to live with war in their neighbourhoods, or who are refugees around the world. Finally, I would like to take this opportunity to thank all of our employees for their excellent work and our tenants, partners and shareholders for their trust.

Henrik Lindekrantz
CEO, Intea

BUSINESS MODEL

Vision

Intea shall be the premier dedicated real estate company specialising in social infrastructure.

Business concept

Intea's business concept is to develop and manage social infrastructure properties using a long-term approach.

Resources

RELATIONSHIPS

Close relationships with both tenants and the market

EMPLOYEES

Scalable central and local organisation with committed employees

PROPERTIES

Well-maintained, high-quality and fully let properties

FINANCIALLY

Strong owners and good reputation with financiers

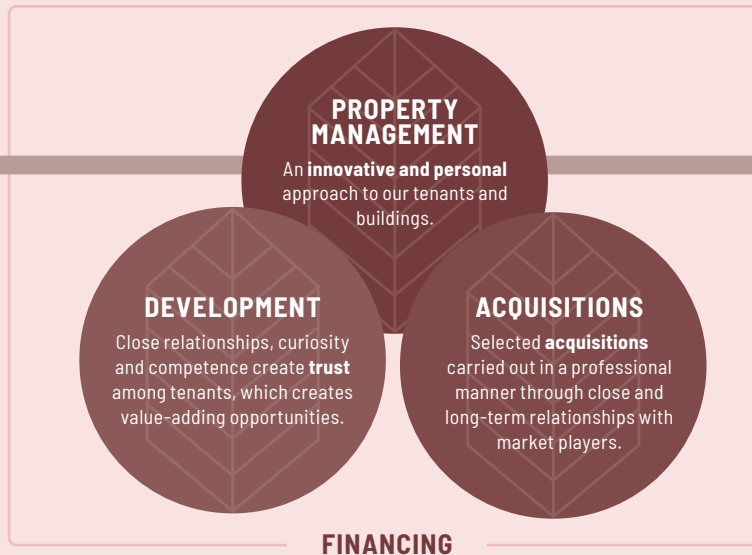
Value creation

ENVIRONMENTAL FACTORS

- ➔ Strong growing need for social infrastructure
- ➔ Strong demand for stable real assets
- ➔ Public investments by maintenance needs
- ➔ Increased demand for skills
- ➔ Competition for good properties due to historically good availability of capital

Intea's business consists of three main areas:

Property management, acquisitions and development. Along with stable **financing**, they form the foundation for the Company's long-term value creation.



STRATEGIES

STABLE
GROWTH

SUSTAINABILITY &
INNOVATION

SUSTAINABLE
RELATIONSHIPS

Stakeholders

TENANTS
Should experience accessibility, competence and the ability to get things done

COMMUNITY
Should experience a responsible and stable community builder

EMPLOYEES
Should experience their work as exciting and meaningful

FINANCIERS
Should experience a consistent and strong counterparty in the low-risk segment

SHAREHOLDERS
Should experience a professionally managed and value-creating-investment

Strategy and objectives



STABLE GROWTH

The aim is to continue to grow steadily, as well as to maintain and further develop a sustainable property portfolio in social infrastructure. Project development is generally carried out in collaboration with and on behalf of the tenant. Intea's strategy for financing shall support the business and manage the company's financial risks.

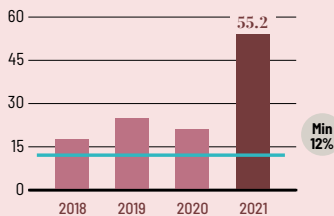
Intea's strategy is based on three pillars: Stable Growth, Sustainability & Innovation and Sustainable Relationships. For each strategic pillar, there are a number of tools and targets to measure and monitor the business.

Targets and tools

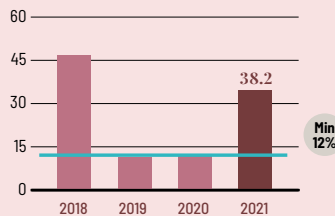
- ▶ Annual growth in long-term net asset value per ordinary Class A and ordinary Class B share over time of at least 12 percent.
- ▶ Annual growth in profit from property management per ordinary Class A and Class B share over time of at least 12 percent.
- ▶ Property value shall be at least SEK 30 billion by the end of 2026. This will be achieved through both acquisitions and project investments, mainly in new construction.
- ▶ At least 90 percent of rental income must come from public-sector tenants over time.
- ▶ The loan-to-value ratio for the Group shall be in the range of 50–55 percent over time, and shall not exceed 60 percent.
- ▶ The interest coverage ratio for the Group shall not be less than 2 times.

Outcome 2021

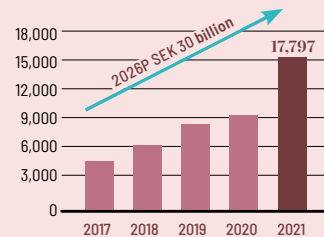
GROWTH IN NET ASSET VALUE, %



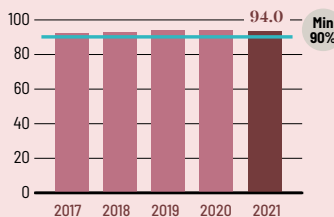
GROWTH IN PROFIT FROM PROPERTY MANAGEMENT*, %



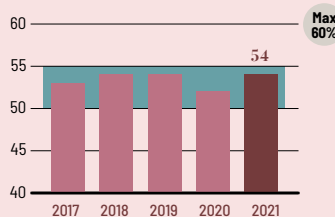
PROPERTY VALUE, SEKM



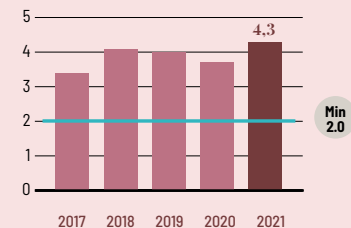
PUBLIC-SECTOR TENANTS, %



LOAN-TO-VALUE RATIO, %



INTEREST COVERAGE RATIO, MULTIPLE



* Growth in earnings from property management, excluding interest on shareholder loans.



SUSTAINABILITY & INNOVATION

A strong driver of Intea's business concept entails setting challenging and ambitious climate targets in order to escalate efforts to reduce environmental impacts across the value chain. Improving efficiency, reducing material and energy consumption and increasing the percentage of recycling help to reduce the carbon footprint. In addition, the company develops and implements innovations to an increasing extent. The main thrust of Intea's sustainability strategy is to maintain and preserve the buildings it owns, while avoiding demolition and new construction wherever possible. With a long-term ownership perspective, sustainable solutions are a central aspect of Intea's business.

Targets and tools

- ▶ Reduce CO₂ emissions in Scope 1 and 2 per sqm of lettable area by at least 20 percent, or below 5.3 kg CO₂ from 2019 to 2030. For further details on this objective, see the section "Intea's Business – Sustainability".
- ▶ Energy performance kWh/sqm to be reduced by at least 20 percent or below 158 kWh/sqm from 2019–2030.
- ▶ 100 percent renewable electricity.
- ▶ 100 percent of newly signed leases (measured in rental value) shall include a sustainability cooperation agreement.
- ▶ All newly constructed buildings must be environmentally certified under one of the current environmental certification schemes.

Outcome 2021

LEASES

91%

of newly signed leases had sustainability cooperation agreements

ENVIRONMENTAL CERTIFICATION

67%

of newly constructed buildings met the standards under one of the current environmental certification schemes



SUSTAINABLE RELATIONSHIPS

Intea works every day to maintain and develop relationships with tenants, employees, suppliers, shareholders and financiers. Relationships are at the heart of the company's business. We are responsive to our shareholders, financiers and other stakeholders and ensure that we accommodate their suggestions regarding measures or changes to buildings and outdoor environments, which are continuously updated and made accessible to improve the work environment and well-being of the occupants of each property. The company actively works to increase cooperation, motivation and value creation.

Targets and tools

- ▶ Short-term absenteeism less than 2 percent.
- ▶ Long-term absenteeism less than 1 percent.
- ▶ No workplace accidents.
- ▶ Increased gender equality (number of employees).
- ▶ Increased gender equality (number of board members).
- ▶ No violations of fundamental human rights and no cases of bribery or corruption.
- ▶ 100 percent of Intea's new employees will receive training related to the Code of Conduct and other relevant policies.
- ▶ All new suppliers must commit to complying with the Intea Supplier Code of Conduct.

Outcome 2021

For more information, please see the Sustainability Report on pages 42–50.

MARKET

In order for Intea to meet the social infrastructure needs of tomorrow, it is essential that we have knowledge of the factors that affect our operations and those of our tenants.

Environmental factors



Macroeconomics

A strong recovery marked 2021, supported by global economic stimulus packages and a gradual reopening of society. However, this recovery is expected to occur at a slightly slower pace than what was assumed because of new virus mutations, a rising case rate in several countries in late 2021 and given the component and delivery problems.

Moreover, the Swedish Riksbank announced that an increase in the policy rate will likely take place in late 2024. The safety and security situation around the world, due to Russia's invasion of Ukraine, may affect the global economy in many respects. The scope is currently unclear regarding both the short-term and long-term perspectives.



Demographics

Sweden's population as a whole continues to grow, albeit at a slightly slower pace than previously. In eight of Sweden's counties, the population is expected to decline, with the largest decreases in Västernorrland and Norrbotten. In the coming years, migration to Sweden is expected to be lower than in the past, according to government projections, but the immigration surplus is still expected to contribute to population growth in all counties. Considering Sweden as a whole, the elderly will make up a larger proportion of the population than at present, placing greater demands on some of society's functions.



Sustainability

Sustainability issues are increasingly in the spotlight as a result of global climate change, the growing interest of ordinary people in sustainability and increasing sustainability-related investment requirements. The real estate sector accounts for a large share of the climate footprint in terms of carbon dioxide emissions and environmental impact, as well as social and labour issues. Growing tenant demands are contributing to a shift in the industry. On the one hand, the demand changes to more targeted and specific functions instead of just space for office operations. On the other hand, there is an increased awareness of the carbon footprint of building production. There is currently a greater focus on conservation of materials, energy and space, and along with future acceleration of the circularity of buildings through reuse, the industry will see a major shift in today's values and processes.



Digitalisation

Digitalisation is increasingly shaping how we work and how we live. The trend, which has been underway for some time, is now also increasingly reshaping the rules of the game for the real estate industry. Data-driven processes are changing the basis on which we will make decisions and even implement the expansion of our cities. Other trends include new innovative platforms in the real estate sector that contribute to increased profitability, twinning models and collaborative tools for material use efficiency, as well as optimisation of operations and management. We also see more and more digital tools that increase transparency and contribute in their way to more sustainable construction and properties.

Environmental factors

Macroeconomics

A global macroeconomic recovery has been seen over the past year, supported by expansionary economic policies and eased restrictions due to a reduction in Covid cases. However, the pace of recovery has been slower than expected because of factors such as supply problems and labour shortages, which have made it difficult for businesses to meet rising demand for goods and services. Energy prices also rose, leading to unusually high levels of inflation towards the end of 2021. As a result of the easing of restrictions in early autumn 2021, the service sector in particular experienced a strong recovery, as employment increased and unemployment fell.

The Swedish economy made a strong recovery in 2021 with an estimated GDP growth of 4.9 per cent according to the Swedish National Institute of Economic Research (NIER), with continued growth expected in the future, albeit at a slightly slower pace. For 2022 and 2023, GDP growth is estimated at 3.3 per cent and 2.0 per cent respectively, according to NIER. The Riksbank has been postponing an increase in the policy rate for a long time, but announced in November 2021 that a hike is likely to take place in 2024.

In the latter part of the second half of 2021, a new variant of the coronavirus, omicron, was discovered and rapidly spread. In December 2021, many countries reintroduced restrictions in a new attempt to slow the spread.

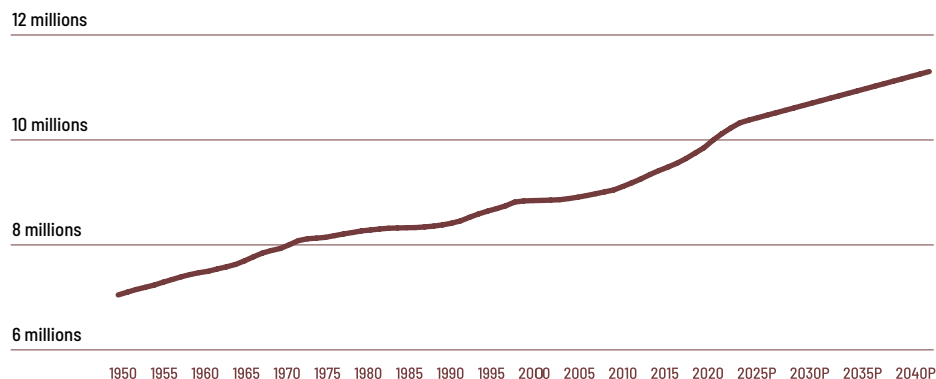
In November 2021, Stefan Löfven resigned as prime minister and Magdalena Andersson took office, bringing the opposition parties' budget with her. The new budget includes increased support for police salaries, with the aim of improving the attractiveness of the police as an employer.

Demographics

Sweden has historically experienced population growth, with some periods stronger than others. On average, the population has increased by about 0.6 per cent between 1950 and 2020.

In 2040, the population of Sweden is expected to be around 11,300,000, which is an increase of around 925,000 people, or 8.9 per cent, from 2020, corresponding to an average annual increase of 0.4 per cent. The elderly population is expected to increase most going forward and the population aged 80 and over in the whole country is expected to increase by 66 per cent between 2020 and 2040.

POPULATION DEVELOPMENT SWEDEN, 1950-2040P



Source: Statistics Sweden, 2021

Swedish property market

Transactions on the Swedish property market reached new heights in 2021. According to Newsec, the total transaction volume amounted to approximately SEK 396 billion, which is almost SEK 180 billion higher than the previous record year, 2019, when the transaction volume amounted to approximately SEK 218 billion. This year's transaction volume is also well above the 2020 level of about SEK 189 billion, which is estimated to have been held back by uncertainties related to the pandemic. In 2021, it was clear that the demand for real estate could not be satisfied in the market, which led to several large and small structured deals where entire real estate companies were acquired. The strong demand is estimated to have been driven by continued low interest rates, substantial government support and attractive yields.

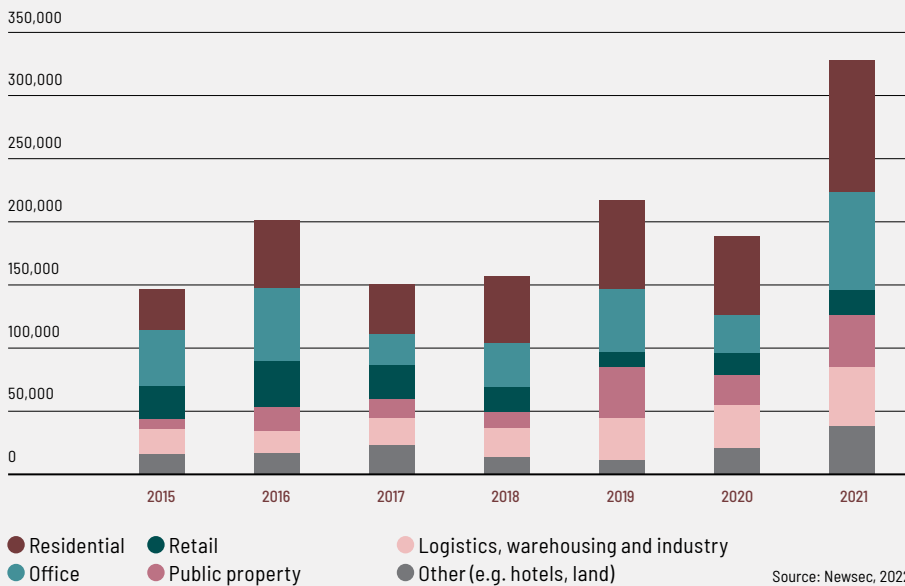
International investors accounted for a lower share of the total transaction volume in 2021 compared with previous years. According to Newsec, international investors accounted for about 17 percent of the total

transaction volume; in a normal year, international investors usually account for about 25–30 percent of this volume.

Newsec's statistics show that in 2021, the residential segment was the most popular property for investments, accounting for around 35 percent of total transaction volume. The second largest was offices, which accounted for 21 percent, and the third largest was warehousing, logistics and industry at 15 percent. Public properties accounted for 12 percent of total transaction volume. Retail property continued to be sluggish, accounting for 7 percent, while other properties accounted for 10 percent.

According to Newsec, Stockholm continued to account for the largest share of the Swedish transaction market, with a total of 47 percent of total transaction volume. In Malmö and Gothenburg, transactions accounted for 11 percent and 9 percent of the total transaction volume, respectively. Cities in the regions and the rest of the country together accounted for just over a third, or 33 percent, of the transaction volume, with cities in regions accounting for the largest share at 22 percent.

TRANSACTION VOLUME SWEDEN, SEGMENT BREAKDOWN, SEKM



Public property market

Public properties are properties used predominantly by tax-financed activities and are specifically adapted for public services.

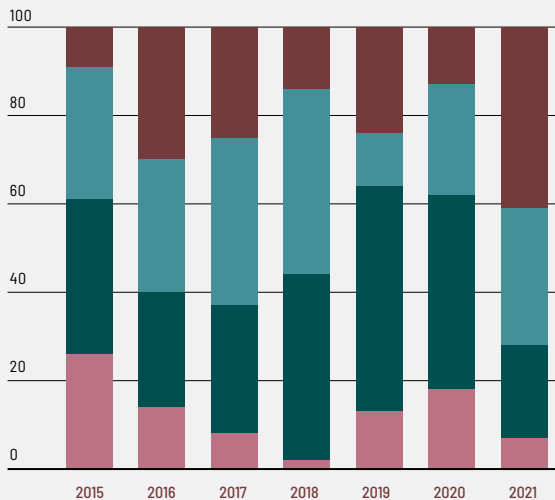
Public properties are considered to be an attractive, low-risk type of investment, since they generally have good rental levels, creditworthy tenants through publicly financed operations and low vacancy rates. High investor demand combined with a low supply of properties on the market in recent years has driven down yield requirements and thus driven up the market values of these properties.

The supply of public properties is low because the state, regions and municipalities have been the owners of public properties. However, over the past 20 years or so, there have been disposals of existing properties to private operators and new public buildings have been built by private operators with the state, regions and municipalities as tenants under long-term contracts. Construction benefits from an outdated stock, demographic trends and the need for new and appropriate premises by authorities, regions and municipalities. According to Newsec, private

ownership of public properties in Sweden is estimated at around 20 percent of the total stock.

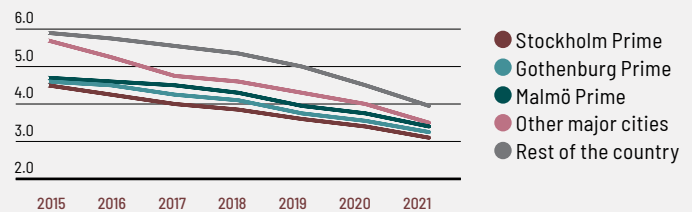
In 2021, according to Newsec, public property transactions worth nearly SEK 50 billion were completed, which is the highest volume for a single year to date.

TRANSACTION VOLUME PUBLIC PROPERTIES, %

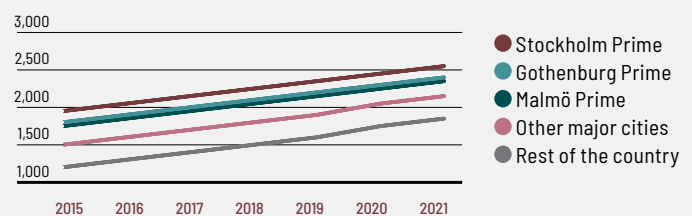


● Other public properties ● Residential care facilities
● Education ● Health care

YIELD DEVELOPMENT, PUBLIC PROPERTIES, %



RENT DEVELOPMENT, PUBLIC PROPERTIES, SEK/SQM



Source: Newsec, 2022

The need for public property and social infrastructure

Social infrastructure

Social infrastructure is a subcategory of public properties. According to Intea's definition, social infrastructure includes premises for essential services, where the properties are specially adapted for the purposes of public-sector tenants.

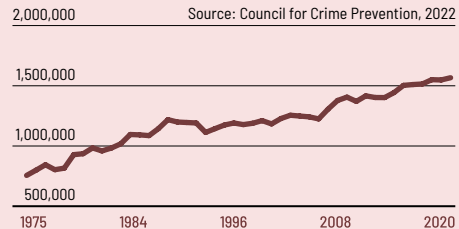
The property types included in this category and on which Intea focuses are mainly Justice, Higher Education and Health Care. The demand and need for public properties and social infrastructure in Sweden is largely driven by the need to modernise existing buildings, as well as demographic trends.



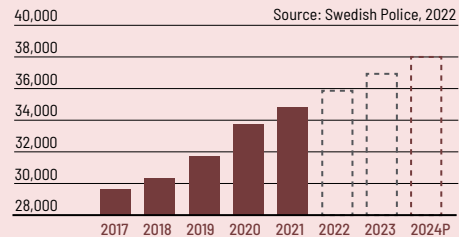
Justice

The Swedish Police Authority, which falls under the category of Justice, has expressed that there is currently a shortage of premises in several locations, while the authority has a target to grow from today's approximately 34,000 employees to 38,000 employees by 2024. The Swedish Prison and Probation Service, which is a tenant of Intea, has also assessed an increased need for premises for custody centres and prisons in the future in order to have sufficient capacity. In 2020, there were a total of around 7,000 places in Sweden's custody centres and prisons, and the Swedish Prison and Probation Service plans to expand to a total of 10,100 places by 2030. Between the years 2021–2023, the government is expected to almost triple funding in order to enable the Prison and Probation Service to ensure sufficient capacity. Meanwhile, the number of reported crimes has increased at a steady rate since 1975, which is also expected to drive demand for premises. However, according to preliminary statistics from the Swedish National Council for Crime Prevention, the number of crimes in 2021 has fallen by 5 percent compared with 2020. In the long term, however, it is likely that the number of crimes will continue to increase.

NUMBER OF REPORTED CRIMES



NUMBER OF EMPLOYED POLICE OFFICERS INCLUDING TARGET OF 38,000 BY 2024



SWEDISH POLICE EMPLOYEES TARGET 2024

38,000



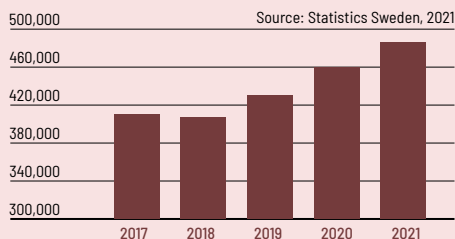
Higher education

According to Statistics Sweden, the number of applicants to higher education at both undergraduate and graduate level has increased significantly in recent years, with a slight break in the trend between 2014 and 2018.

In 2020, the number of applicants to the university hit a record high and for 2021, the government proposed initiatives to create around 19,000 new places. In 2021, the number of applications to higher education broke records again, with an increase of around 6 percent over the previous year.

According to Statistics Sweden, the demand for workers with a post-secondary education is expected to increase by 2035 as a result of several factors. An important factor is the expected increase in population, which will create a need for workers in welfare services such as schools, health care and social services, as well as in the private service sector. In the future, skills requirements are also expected to increase, placing even greater demands on workers with post-secondary education.

NUMBER OF HIGHER EDUCATION APPLICANTS



INCREASE IN THE NUMBER OF APPLICANTS TO UNIVERSITIES AND COLLEGES, FT 2021

6%

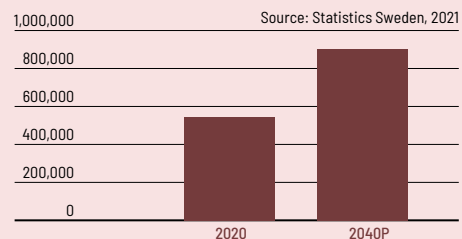


Health care

The growing population and changing demographics in Sweden are placing new demands on health care, at the same time that capacity in health care has been declining over a long period of time. According to the National Board of Health and Welfare, the number of available inpatient beds in Sweden has decreased since 1990 as a result of trends such as increased outpatient care, a shift to local care and new treatment methods, but also because of austerity programmes. At the same time, the population is growing. The Swedish Medical Association also believes that there is currently a shortage of beds and that the healthcare backlog is growing, with increasing waiting times for surgical procedures. Even before the pandemic, there was a pent-up need for care, and the National Board of Health and Welfare estimates that the capacity of the healthcare system was not sufficient to both recover normal care levels and address pent-up care needs after the first and second waves of Covid-19. The challenge of catching up with care queues, highlighted by the National Board of Health and Welfare, includes the shortage of post-operative beds. This shortage existed before the pandemic, but is deemed to have increased during the pandemic.

One of the challenges is the supply of skills in several areas. A large increase in the need for care is expected in the future, especially as the number of elderly people increases. Today, people aged 80 and older account for about 5 percent of the total population but, according to the National Board of Health and Welfare, this group accounts for about 24 percent of hospitalisations. This age group is expected to increase by about 66 percent, corresponding to about 360,500 people, by 2040, and is thus expected to generate an increased need for beds.

FORECAST POPULATION OVER 80 YEARS, 2020-2040



SHARE OF INDIVIDUALS AGED 80 AND OVER,

2021

5%

2040

8%

PROPERTY PORTFOLIO



LETTABLE AREA,
000 SQM

454

INVESTMENTS IN
EXISTING PORTFOLIO,
SEKM

382

NUMBER OF
PROPERTIES

31

NUMBER OF LOCATIONS

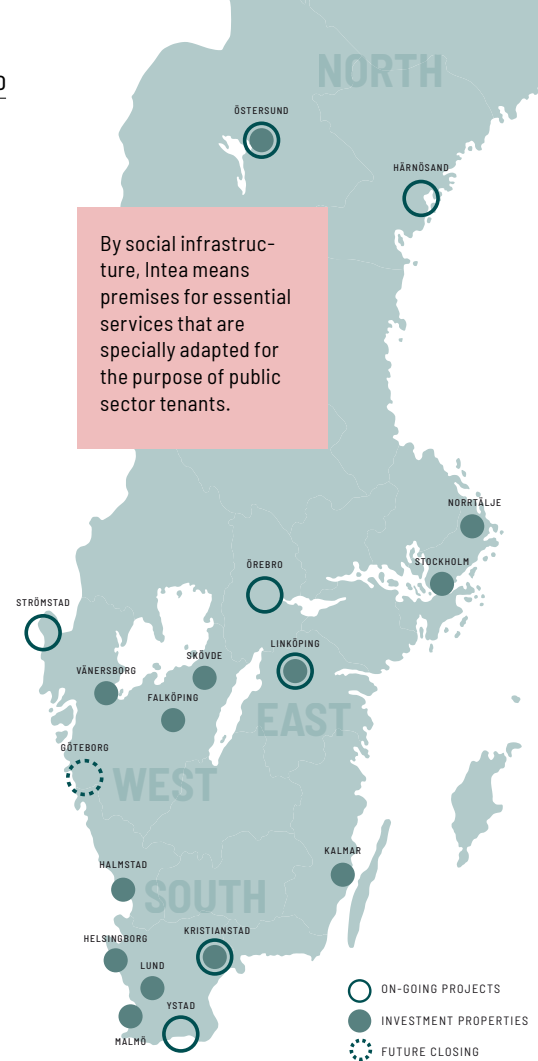
16

Intea's property portfolio consists of 31 properties with a market value of SEK 17.8 billion. The stock includes a mix of new and older buildings, together with buildings and environments of historic value, as well as a number of larger properties, with public tenants.

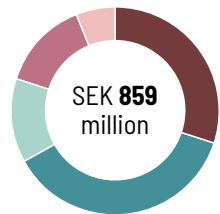
Intea divides its property portfolio into the categories of justice, higher education, health care and other public activities, and into the regions South, West, East and North. Since Intea's properties have tenants with functions that serve society, high demands are placed on openness while maintaining a level of safety and security. Buildings are therefore often specially designed to meet the specific needs of tenants.

During the year, Intea's portfolio has expanded through both acquisitions and high project activity. This year's acquisitions include Malmö University's Niagara portal building and Campus Kristianstad, as well as the police station and custody centre in Helsingborg. At the same time, Intea has completed projects such as premises for the Knowledge Association in Vänersborg and started a project for a new building on the Campus in Östersund with a total of 6,750 sqm for tenants including the Swedish Tax Agency. The property portfolio also includes 41,500 sqm of unused building rights on existing properties within the current local development plan.

By social infrastructure, Intea means premises for essential services that are specially adapted for the purpose of public sector tenants.

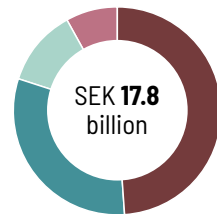


INTEA'S TENANTS,
SHARE OF CONTRACTUAL
RENT



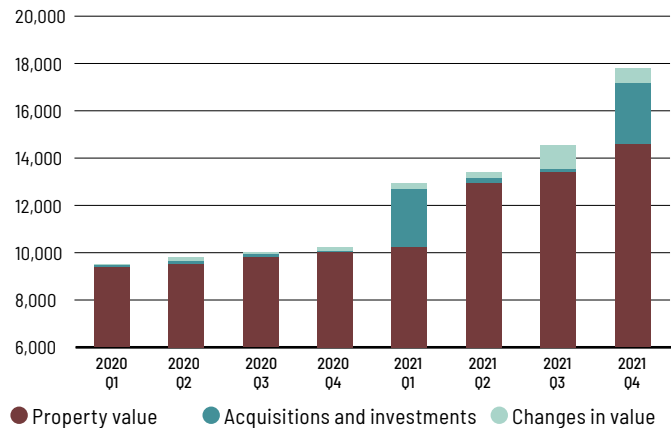
- Justice 30%
- Higher education 37%
- Health care 13%
- Public sector, other 14%
- Non-public sector 6%

INTEA'S REGIONAL PRESENCE,
SHARE OF PROPERTY MARKET
VALUE



- South 49%
- East 31%
- North 12%
- West 8%

CHANGE IN PROPERTY VALUE
BY QUARTER, SEKM



Property values and valuations

The change in value of the property portfolio during the year was SEK 2,207.0 million (452.5), mainly driven by changes in yield requirements/ discount rates and changes in value of ongoing projects, but acquisitions made during the year and improved operating surpluses have also had a positive impact on the valuation. The yield was 4.37 percent (4.87). Property value in the table refers to the carrying amount at the end of the previous period.

Intea's property categories



JUSTICE



Helsingborg, Högkvarteret 1
Law enforcement

Contractual rental value

32%



Property value

33%



Number of property units: 16
Lettable area: 122,000 sqm
Occupancy rate: 99.6%
Largest tenants:
Swedish Police
Swedish Prison and Probation Service
Swedish National Courts Administration
National Board of Forensic Medicine



HIGHER EDUCATION



Malmö, Niagara 2
University

Contractual rental value

39%



Property value

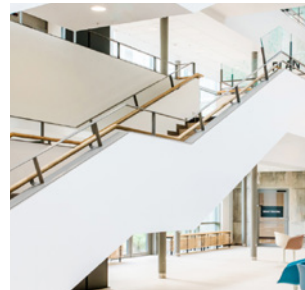
39%



Number of property units: 23
Lettable area: 182,000 sqm
Occupancy rate: 98.9%
Largest tenants:
Halmstad University
Kristianstad University
Linnaeus University
Malmö University
Mid Sweden University



HEALTH CARE



Lund, Landsdomaren 6
Health care

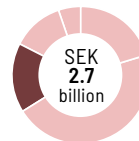
Contractual rental value

15%



Property value

16%



Number of property units: 17
Lettable area: 73,000 sqm
Occupancy rate: 99.2%
Largest tenants:
Region Skåne
Region Östergötland
Västra Götalandsregionen



OTHER PUBLIC



Vänersborg, Lasarettet 2
Office

Contractual rental value,

12%



Property value

9%



Number of property units: 28
Lettable area: 63,000 sqm
Occupancy rate: 99.8%
Largest tenants:
Municipality of Linköping
Municipality of Vänersborg
Västtrafik AB

In addition to the property categories presented above, Intea has non-public sector operations with a contractual rent of SEK 17.7 million and a property value of SEK 0.3 billion.

Selection of Intea's property portfolio

Intea builds its property portfolio through the acquisition of carefully selected properties, combined with project development of current and new properties. Below is a selection of Intea's property portfolio reflecting recently completed projects and acquired properties.

PROJECTS



Kalmar, Eldaren 6 (phase 2), Linnéuniversitetet. Completed Q4 2020.

Total investment: SEK 591 million
Lettable area: 20,800 sqm
Contractual rental value: SEK 35.7 million
Yield on investment: 5.6%
Share of public-sector tenants: 86%
Lease period: 10 years



Linköping, Smedstad 1:21 (Garnisonen), National Forensic Centre, Swedish Police. Completed Q4 2020.

Total investment: SEK 93 million
Lettable area: 4,000 sqm
Contractual rental value: SEK 7.0 million
Yield on investment: 6.5%
Share of public-sector tenants: 100%
Lease period: 6 years



Halmstad, Fanan 62 (S-huset), Halmstad University. Completed Q3 2020.

Total investment: SEK 322 million
Lettable area: 10,500 sqm
Contractual rental value: SEK 18.9 million
Yield on investment: 5.6%
Share of public-sector tenants: 100%
Lease period: 10 years

ACQUISITIONS



Halmstad, Fanborgren 3 and two parts of Fanan 39, Halmstad University. Acquired Q1 2021.

Property value: SEK 730 million
Lettable area: 36,400 sqm
Contractual rental value: SEK 49.2 million
Share of public-sector tenants: 100%
Lease period: 3.0 years



Malmö, Niagara 2 and Kristianstad Näsby 34:24, Malmö University and Kristianstad University. Acquired Q1 2021.

Property value: SEK 1,614 million
Lettable area: 54,700 sqm
Contractual rental value: SEK 102.3 million
Share of public-sector tenants: 99%
Lease period: 4.5 years



Helsingborg, Hökvarteret 1 and 2, Swedish Police and Prison and Probation Service in Helsingborg. Acquired Q4 2021.

Property value: SEK 2,524 million
Lettable area: 37,500 sqm
Contractual rental value: SEK 102.6 million
Share of public-sector tenants: 100%
Lease period police station: 5 years
Lease period custody centre: 15 years

PROPERTY MANAGEMENT



Intea's premises are used to perform socially important activities, where the unique needs of the tenants make high demands of management. To be able to offer a close and customised service, we operate through our own local management organisations.

Our strategy is based on decentralised and local management organisations with their own staff.

Local presence under in-house management

An important part of Intea's strategy is our local management organisations, with their own staff and a high degree of autonomy. We see many benefits from local management, including greater commitment and higher quality awareness, faster decision-making and a closer relationship with tenants. Additional effects of having our own staff on site in our properties are that we can identify new development needs in the properties at an early stage and can also take better advantage of acquisition and project development opportunities. Our central management organisation complements and supports the local units, for example via coordination of project and sustainability expertise. This makes more structured and efficient management, project and sustainability work possible and facilitates greater transfer of knowledge and experience between local organisations.

Snapshot of 2021

During the year, Intea began to establish new management and project organisations in both Halmstad and Skåne, which means that Intea now has its own organisation in six locations. A total of 24 people work in the local organisations in Halmstad, Kalmar, Linköping, Malmö, Vänersborg and Östersund.

Examples of degree of customisation

Low → High



- Halmstad, Fanan 55, office**
- Complementary activities
 - Dependent on location and demand
 - Small to medium sized units, multiple tenants
 - Examples: administrative facilities, offices



- Vänersborg, Haren 3, special needs school**
- Core business
 - Long tenancy period, low tenant turnover
 - Large units, one/few tenants
 - Examples: courts, schools, universities



- Kristianstad, Kasematten 1, legal centre**
- Core business
 - Long tenancy period, low tenant turnover
 - Large units, one/few tenants
 - Examples: prisons, hospitals

Intea's local management

Providing its own local management is at the heart of Intea's business.



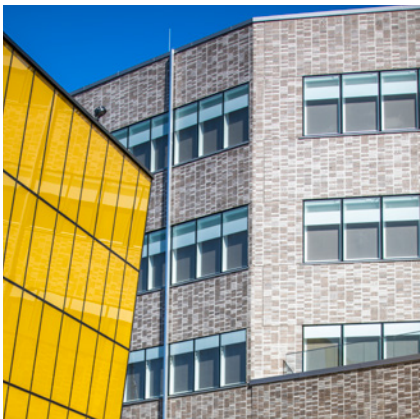
Skåne (Malmö, Lund and Helsingborg)
Health care/Higher education/Justice
Number of property units: 4
Lettable area: 86,300 sqm
Number of employees: 1
(Establishment of the organisation in progress)



Linköping
Justice
Number of property units: 26
Lettable area: 86,200 sqm
Number of employees: 6



Halmstad
Higher education
Number of property units: 11
Lettable area: 78,100 sqm
Number of employees: 4



Kalmar
Higher education
Number of property units: 1
Lettable area: 29,100 sqm
Number of employees: 2



Östersund
Higher education
Number of property units: 33
Lettable area: 70,500 sqm
Number of employees: 7



Vänersborg
Health care/Higher education
Number of property units: 18
Lettable area: 43,800 sqm
Number of employees: 4



Solar cells in Kalmar

During the construction of Linnaeus University a great deal of attention was paid to a sustainable construction process, choice of materials and the latest technology for operation, control and monitoring. The building has a sedum roof, solar cells and water deionisation. Rainwater is collected for watering plants. The building is environmentally certified to LEED, Gold level.

ACQUISITIONS



Since its inception in 2015, Intea has completed projects and acquisitions amounting to a value of SEK 17.8 billion, including changes in value, and added 454,000 sqm to its property portfolio.



Police station and custody centre in Helsingborg.



Malmö University's portal building Niagara, located in the Västra Hamnen neighbourhood in Malmö.



Campus Kristianstad with Kristianstad University as tenant.

Intea's strategy of continuous stable growth is achieved through carefully selected acquisitions combined with project development of existing and new properties. In 2021, properties with a total underlying property value of SEK 4,970 million were acquired. At the beginning of the year, a university building in Malmö and a campus in Kristianstad were acquired, with a total lettable area of 54,700 sqm. In December, two properties in the justice category were acquired in Helsingborg with a lettable area of 37,500 sqm.

Intea continuously works on acquisitions of investment properties, as well as properties under construction and land. The acquisitions that Intea makes are based on good and close relationships with market players and are increasingly based on trust and how the company is perceived by the involved players. Sustainable relationships with Intea's stakeholders are of paramount importance for successful acquisitions.

Long-termism and quality are crucial

Acquisitions are generated in a number of ways. What they share in common is that relationships, knowledge and reputation are fundamental to attracting business, especially as more and more business is done "off-market". The acquisition criteria that are always prioritised are high property quality, the possibility of long-term ownership and long-term tenant relationships. Each completed acquisition has been evaluated based on a clear guiding principle: The tenant must be a public sector actor that provides essential services, and needs premises that are specially designed for the purpose of the activity. Acquiring properties also provides Intea with the opportunity to establish new relationships with long-term tenants.

Snapshot of 2021

Intea acquired two properties from Akademiska Hus during the year. The deal included Malmö University's Niagara portal building and Campus Kristianstad, where Kristianstad University is the tenant. The total contractual rental value amounts to SEK 102.3 million, with a lettable area of 54,700 sqm. The remaining average lease term of the leases is 4.5 years.

The Niagara building is located in Malmö's Västra Hamnen neighbourhood, and includes classroom and administration facilities, a restaurant, a café and a garage. The building is certified to the Miljöbyggnad environmental standard at the Silver level.

The Kristianstad campus, just north of the city centre, includes 22 buildings. The university has already announced its intention to move to newly constructed and more central premises, which will be done in cooperation with Intea as the long-term landlord.

In December, the police station and custody centre in Helsingborg were acquired from Castellum. The police station, located on the Helsingborg Högkvarteret 1 plot, is rented by the Swedish Police. The neighbouring property, Headquarters 2, houses the custody centre with the Prison and Probation Services as the tenant. The properties have an underlying property value of SEK 2,524 million, with a total lettable area of approximately 37,500 sqm. Total annual rent amounts to SEK 102.6 million.

With a growing property portfolio in Skåne, during the year Intea launched a new local project and management organisation in this region.

Since its inception in 2015, Intea has completed projects and acquired properties with a value of SEK 17,797.4 million, adding 454,000 sqm to its property portfolio. In 2021, Intea's total property value passed SEK 17.8 billion. Intea's acquisition capacity remains high and the company continues to pursue its acquisition strategy. Property value during the year increased from SEK 10.3 billion to SEK 17.8 billion, of which SEK 5.0 billion relates to acquisitions and SEK 2.2 billion to changes in value. Intea intends to further expand its portfolio of high quality properties and long-term leases.

PROJECT DEVELOPMENT



Continuously enhancing and growing the property portfolio through project development goes hand in hand with Intea's strategy of stable growth. The past year has seen strong growth in the volume of projects. For example, construction of Sweden's first regional command centre in Örebro continues and a comprehensive modernisation of the prison in Härnösand has begun during the year, along with several new development projects, such as new offices for the Swedish Tax Agency in Östersund, new healthcare and research facilities for Region Östergötland in Linköping and a new train depot in Falköping.

RECOGNISED
PROPERTY VALUE,
SEKM

1,303

ESTIMATED
LETTABLE AREA,
000 SQM

169.8

The needs of our tenants are always our top priority. By being an involved and attentive property owner, we can initiate projects early on to meet the needs of our tenants. This may entail development potential within the existing property stock, or identifying needs that create development opportunities through new construction. We aim to own the properties we manage and acquire for a long time, so sustainability is integral to our day-to-day work, a hallmark of the entire company.

Local project organisation

Intea has an experienced project development organisation consisting of nine employees working

both centrally and in the field. The project organisation works closely with property management activities. Through this approach, new projects normally take shape based on close dialogue between the company's local managers and tenants. New development projects may also arise in other ways, such as authorities who need new premises. In these cases, Intea competes with other actors for the projects.

In our own project organisation, we aim to ensure that we have the right composition of people for each individual project. This means a mix of skills where we often have local project teams with both our own and externally selected specialists. Here, knowledge about the tenants' requirements and wishes for new premises

ONGOING PROJECTS – PROPERTY CATEGORY

By category	Lettable area, sqm	Rental value, SEKm	Share of public sector, %	Average lease period, year	Estimated net operating income, SEKm	Investment, SEKm		Carrying amount ¹⁾ SEKm
						Estimated	Spent	
Justice	68,916	202	100	18.0	187	2,948	542	1,219
Higher education	30,000	68	100	20.2	64	1,355	1	3
Health care	60,625	210	92	19.7	198	4,420	74	38
Other public	10,250	33	85	17.3	29	532	8	43
Total ongoing projects	169,791	513	96	19.0	478	9,255	625	1,303

¹⁾ Refers to the current carrying amount of the project, including, where applicable, the accumulated unrealised change in value. For extension or redevelopment projects, the carrying amount is attributable to the project. For minority interests and early-stage projects, work in progress is included in other assets.

Information about ongoing projects and unused development rights in the annual report is based on estimates of size, focus and scope, and when projects are expected to start and be completed. Furthermore, the information is based on estimates of future project costs and contractual rental value. The assessments and assumptions should not be regarded as a forecast.

Estimates and assumptions involve uncertainties regarding the implementation, design and size of projects, timetables, project costs and future contractual rental value. Information about ongoing construction and planned projects is regularly reviewed and estimates and assumptions are adjusted as a result of the completion or addition of ongoing construction and changes in conditions.

The valuation of ongoing projects varies depending on the stage of the project and the risk that the project will not meet the financial calculations underlying the project's implementation. The decisive factors are whether the project includes land with a right of disposal, a signed lease, an adopted local development plan and a granted building permit. Early-stage ongoing projects without signed leases are valued on the basis of the carrying amount of the costs incurred plus the estimated market value of the development rights/potential development rights.

Development rights consist of land or the right to land and the associated local development plan. A potential development right includes an ongoing process for a new or amended local development plan. Development rights and potential development rights are valued at an estimated fair value equal to a price that would be received in a sales transaction arranged under current market conditions. The starting point for calculating the value of the development rights is the market value of the building if the legally valid local development plan had been in place. If the local development plan has not gained legal approval, the value is an assessed value of development rights that have gained legal force, less uncertainties in the planning process and development costs that are likely to be borne by the property owner.

is gathered, which can be transferred and used in future projects.

The robust growth in project volume of recent years continued in 2021, which was a very strong year. The project organisation, together with the business development unit, is responsible for generating and implementing new projects. Project implementation includes detailed planning, design, procurement of contractors, production and project management. After completion, the project is handed over to the property management organisation.

Intea has had a strong year in terms of project and property development. At the end of the year, Intea had ongoing new-builds and redevelopments with a total area of more than 169,800 sqm. The projects are located across the country and range in size from a few hundred square metres to tens of thousands of square metres. The total carrying amount of projects in progress as at 31 December 2021 was SEK 1,303 million, of which project properties amounted to SEK 1,215 million and investment property projects to SEK 88 million.

New projects for the year

During the year, we entered into an agreement with the Swedish Tax Agency to build new premises on the Campus in Östersund. A brand new building of 6,750 sqm will be built, with expected occupancy in the third quarter of 2023. The Tax Agency's part of the building comprises 4,600 sqm, with a contractual annual rental value of SEK 9.2 million.

In Linköping, an agreement was signed with Region Östergötland for the construction of a building of approximately 6,600 sqm on the site Garnisonen, with a preliminary annual contractual rental value of SEK 13.5 million. The project aims to certify the building to the BREEAM Excellent standard.

During the third quarter, an agreement was signed for the construction of a train depot in Falköping, directly adjacent to the existing train depot that Intea acquired in 2020. The expansion will also extend the term of lease for the existing depot by 25 years from the completion of the expansion. The total lettable area is estimated to be approximately 6,750 sqm on the property Anneborg 2:4 in Falköping.

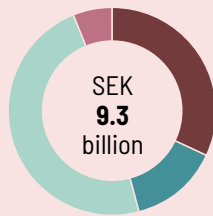
ONGOING PROJECTS:

AVERAGE LEASE PERIOD LETTABLE AREA, YEARS



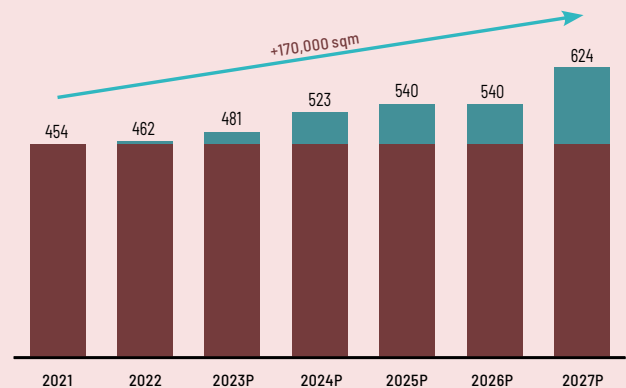
- 5-10 years 4%
- 11-15 years 36%
- 16-20 years 46%
- >20 years 14%

SHARE OF ESTIMATED INVESTMENT, SEKBN



- Justice 32%
- Higher education 14%
- Health care 48%
- Other public 6%

ESTIMATED ADDITIONAL LETTABLE AREA, 000 SQM



- Current lettable area
- Additional lettable area from ongoing projects

ASSESSED CONTRACTUAL RENTAL VALUE, SEKM

513

ASSESSED NET OPERATING INCOME, SEKM

478

The bar chart shows the projected additional lettable area of 170,000 sqm in total until the end of 2027, when 100 percent of Intea's ongoing projects are expected to be completed.

Intea's property portfolio also consists of 41,500 sqm of unused development rights on existing properties. A development rights value of SEK 19.8 million (26.8) is included in the value of investment properties.

Ongoing projects in several locations

During the year, Intea continued to work with several major ongoing property development projects. For example, the construction of Sweden's first regional command centre in Örebro is underway. The Swedish Police will be the tenant for the premises, which cover 12,300 sqm. The contractual rental value is estimated at SEK 32 million per year, and occupancy is planned for the fourth quarter of 2023.

Another ongoing project is Intea's new Justice Centre in Kristianstad. In December 2021, the groundbreaking ceremony was held for the future police station, custody centre and offices. The Justice Centre will have a total area of 35,800 sqm and is expected to be completed in 2024.

The Sahlgrenska Life project has now entered a more intensive phase as the local development plan

was adopted. The specially adapted premises at Sahlgrenska Hospital for life science, highly specialised care, advanced research, education and business development are expected to total approximately 50,000 sqm. The extensive renovation of the prison in Härnösand is making progress. The new facility will provide approximately 100 new places and the Prison and Probation Service is expected to move in during the second quarter of 2022. A longer description of the project can be found on pages 34–35, as well as an interview with the head of the Prison and Probation Service property unit.

Risk mitigation

In order to reduce risk in project development, development projects are generally carried out together with the current or future tenant. Before making major investments in a project, a design agreement is usually signed with the tenant, in which the incurred costs are allocated if the project fails to materialise. In addition, Intea uses the possibility of production cost-based lease agreements to limit its risks.

Selection of ongoing projects



Municipality: Örebro
Regional command centre

Category: Justice
Estimated completion date: Q4 2023
Lettable area: 12,300 sqm
Rental value: SEK 32.0 million
Share of public-sector tenants: 100%
Average lease period: 15 years

The new premises will be shared by several authorities to manage both day-to-day and major events. The project is the first of its kind and is being followed with great interest both in Sweden and internationally as an example of a new type of collaboration between authorities. The project is being built to meet high safety and sustainability standards.

Tenant: Swedish Police



Municipality: Kristianstad
Legal centre

Category: Justice
Estimated completion date: Q3 2024
Lettable area: 35,800 sqm
Rental value: SEK 113.2 million
Share of public-sector tenants: 100%
Average lease period: ~20 years

Intea is converting an old railway yard into a modern Justice Centre with the Swedish Prison and Probation Service, the Swedish Police and the Swedish Prosecution Authority as tenants. An estimated 600 jobs will be created in the buildings, which make up one of southern Sweden's largest custody centres.

Tenant: Prison and Probation Service, Swedish Police, Prosecution Authority



Municipality: Gothenburg
Sahlgrenska Life

Category: Health care
Estimated completion date: Q1 2027
Lettable area: 49,900 sqm
Rental value: SEK 177.2 million
Share of public-sector tenants: 90%
Average lease period: 20 years

The project is being carried out in collaboration with Vitartes AB and comprises specially adapted facilities for life sciences, highly specialist health care, advanced research, teaching and business development. Intea owns 30% of the project and has the right to acquire the remaining 70% at fair value upon completion.

Tenant: University of Gothenburg, Västra Götalandsregionen

Ongoing projects in 2021, for which a lease or design contract has been signed

Projects	Municipality	Property category	Completion	Lettable area, sqm	Rental value, SEKm	Percentage public sector	Average lease period, years
Projects for which leases have been signed¹⁾							
Härnösand Prison	Härnösand	Justice	Q2 2022	7,448	27.0	100	15.3
Regional Command Centre	Örebro	Justice	Q4 2023	12,262	32.0	100	15.0
Building 66 (Swedish Tax Agency, etc.)	Östersund	Other public	Q3 2023	6,750	13.5	71	6.0
Optometry and audiology clinic	Linköping	Health care	Q2 2024	6,606	13.5	100	15.0
Justice Centre, Police Station	Kristianstad	Justice	Q3 2024	19,395	48.5	100	15.0
Justice Centre, Custody Unit	Kristianstad	Justice	Q2 2024	16,398	64.7	100	25.0
Depot Falköping	Falköping	Other public	Q1 2025	3,500	19.6	100	25.0
Total/average				72,359	218.9	98	18.3
Projects for which project development agreement have been signed							
Ystad Police Station	Ystad	Justice	Q2 2025	9,713	21.8	100	15.0
Strömstad Police Station	Strömstad	Justice	Q1 2025	3,700	7.9	100	15.0
Sahlgrenska Life ²⁾	Gothenburg	Health care	Q1 2027	49,880	177.2	90	20.0
New Kristianstad University	Kristianstad	Higher education	Q3 2027	30,000	67.8	100	20.0
Total/average				93,293	274.7	94	19.5
Other ongoing projects with concluded lease and/or design contracts				4,139	19.3	100	20.0
Total ongoing projects				169,791	512.9	96	19.0

¹⁾ Includes changes since the lease was signed.

²⁾ Intea owns 30 percent of the Sahlgrenska Life project and is entitled to acquire the remaining 70 percent at the current property value upon completion. The investment amount includes the financing of the entire project and the acquisition of the 70 percent that Intea does not own at fair value assessed by Intea at the end of the period of the project as completed. The investment is included in the balance sheet items Investments in associates and Receivable from associates.

Development rights, current local development plan – by area

	Gross area, 000 sqm	Lettable area, 000 sqm	Carrying amount	
			SEKm	SEK/sqm
Garnisonen, Linköping	12.5	10.6	12.5	1,176
Campus area, Östersund	21.4	18.2	5.4	294
Other	7.6	6.5	1.9	294
Total current local development plan	41.5	35.3	19.8	560

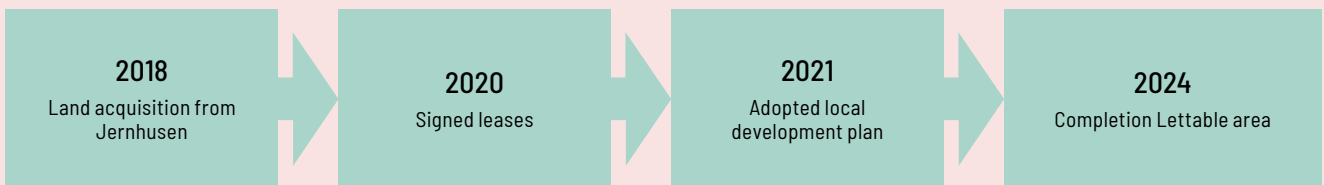
Justice Centre in Kristianstad

The Justice Centre in Kristianstad is an example of how Intea works with its tenants to meet the needs of society for social infrastructure. Following the acquisition of the property, Intea has, in parallel with work related to the local development plan, designed and developed the property together with the future tenants, the Swedish Police, Prosecution Authority and the Prison and Probation Service. The project has a total estimated contractual rental value of SEK 113.2 million and is expected to be completed in 2024.



~35,800 sqm Lettable area	SEK 113.2 million Contractual rental value	BREEAM Excellent
~20 years WAULT	100% Public-sector tenants	Swedish Prison and Probation Service Swedish Police Swedish Prosecution Authority

- Jernhusen initiated the local development plan process in 2017
- "Brownfield" project (conversion of railway yard)
- Intea acquired the property in 2018, lease signed in 2020
- The local development plan was adopted in 2021





Interview:
Magnus Petersson
 Head of Real Estate
 Unit, Prison and
 Probation Service

Tenant: Swedish Prison
 and Probation Service
Contracting: PEAB
Contractual rental value:
 Preliminarily estimated at
 SEK 14.9 million
Lettable area: 7,448 sqm
Occupancy: Q2 2022

Intea and the Swedish Prison and Probation Service reopen the prison in Härnösand

During the year, a thorough refurbishment of the closed prison in Härnösand began. The old prison, which was first opened in 1861 and has a fascinating history, is now being reopened by Intea and the Swedish Prison and Probation Service. The facility will house nearly 100 new places and is expected to create 80 new jobs in the area.

The prison in Härnösand, also known as the County Cell Prison, celebrated its opening in 1861 and was used by the Swedish Prison and Probation Service until 2009. Over the years, the facility has undergone several additions and renovations, and since 2009 it has been used as both a hostel and as refugee housing. Intea already acquired the property Duvan 1 on which the facility is located. During the year, Intea was entrusted to enter into a 15-year lease agreement with the Swedish Prison and Probation Service and then embarked on the renovation project to enable the Prison and Probation Service to operate an institution on the property once again. “The queue for the Prison and Probation Service is growing and we are seeing increasing client projections. Within a 10-year period, we will need 3,400 new places, so the reopening of the prison in Härnösand is very welcome,” says Magnus Petersson, head of the Property Unit for the Prison and Probation Service.

In order to adapt the 160-year-old building to contemporary correctional services, the restoration of the prison will require several modernisations and updates. The new prison will have a security classification of 2 and will be able to accommodate almost 100 clients. The area of the prison is approximately 7,300 sqm of the total property size of 8,500 sqm. In addition to institutional space, the property will house various employment areas, including a school and learning centre, a rough and fine woodworking shop, a printing shop and a laundry. “This will be a very extensive and thorough renovation. But there is much to be gained by reusing a previously built investment. We appreciate Intea’s high sustainability standards. By adding state-of-the-art and safety/security-rated technology,

efficient energy solutions and optimising logistics, we can maintain the solid basic structure,” says Magnus Petersson at the Swedish Prison and Probation Service.

As the owner of public property, the unique needs of tenants are always Intea’s first priority. This is particularly true when it comes to high-security properties of this kind. The high level of security in the building and the technical equipment required are just two examples of how the premises must be specially designed for Prison and Probation Service activities. “Security today is much higher than it was when we last ran the prison,” says Magnus Petersson. “Given the nature of our activities, we need a stable and extremely serious property owner with a long-term perspective, which qualifies for approval from both our security department and the Swedish Security Service (SÄPO),” says Magnus Petersson. “The cooperation with Intea has worked very well so far. They are responsive and flexible when we work and negotiate with them. At the same time, we have great respect for the fact that a property management company should be able to make a profit on its work and that this level should be in line with the market. We have a good understanding with Intea on this point.”

In addition to the work at Härnösand Prison, the Prison and Probation Service and Intea have continued to work closely during the year on the Justice Centre in Kristianstad, which is expected to be completed in 2024. “Over time, we’ve really only had one main supplier, Specialfastigheter,” continues Magnus Petersson. “We’re very positive about more players owning and developing security properties. Competition and innovation is important, it allows us to operate in a larger market, with a wider range of partners from which to choose.”

The prison construction project has been making rapid progress in order to meet the strong demand for places in the Prison and Probation Service. In the same year that the refurbishment project began, occupancy began in phases, and recruitment of new staff for the prison is in full swing. The premises are expected to be fully completed in the second quarter of 2022.

During the year, a thorough refurbishment of the closed prison in Härnösand began.



OUR TENANTS



As a responsible social infrastructure property owner, we are committed to close and long-term relationships with our tenants. We develop and strengthen our property portfolio together with our tenants, always in a sustainable way and with a focus on the needs of our tenants.

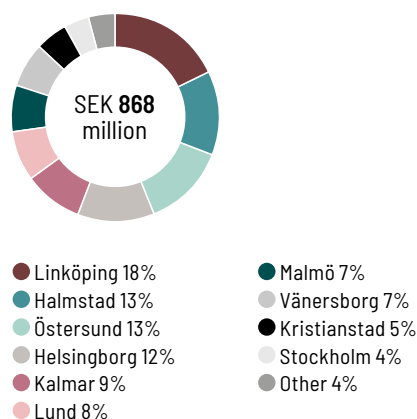
Intea's tenants include government agencies and authorities, regions and other public-sector institutions in the categories of justice, higher education and health care. Through long-term leases with mainly public-sector tenants with a high credit rating, Intea creates predictable income with low risk over time.

In line with our target of public-sector tenants representing at least 90 percent of our rental income, public-sector tenants accounted for 94.0 percent (93.8) of Intea's total rental income at year-end. The remaining average lease term for public-sector leases at year-end is approximately 6.0 years (6.2). On 31 December 2021, Intea's ten largest tenants accounted for 74.9 percent of the company's contractual rent.

Our five largest tenants are the Swedish Police, Halmstad University, Linnaeus University in Kalmar, Region Skåne and Malmö University. Since the majority of Intea's properties are used for essential activities, there is often a great need for specially adapted spaces. As a result, Intea's properties are

often occupied on longer leases, for larger units, with fewer tenants and with lower tenant turnover over time.

CONTRACTUAL RENTAL VALUE, SHARE OF LOCATION



LARGEST TENANTS

Tenant	Percentage of total	Remaining lease period, years
Swedish Police	17.7	4.8
Halmstad University	9.7	4.7
Linnaeus University	9.1	7.6
Region Skåne	7.8	11.4
Malmö University	6.8	3.7
Swedish Prison and Probation Service	6.7	13.5
Mid Sweden University	5.6	4.9
Kristianstad University	5.3	3.1
Swedish National Courts Administration	3.4	5.2
Municipality of Vänersborg	2.8	5.1
Other public-sector tenants	19.1	4.3
Total public-sector tenants	94.0	6.0

INTEAS TENANTS (BY TENANT CATEGORY), SHARE OF CONTRACTUAL RENTAL VALUE¹⁾

Tenant category	Lettable area, 000 sqm	Leased area, 000 sqm	Rental value, SEKm	Contractual rent SEKm	Remaining lease period, years
Justice	119	117	261.9	260.1	6.8
Higher education	166	162	314.7	313.3	5.0
Health care	55	55	112.0	111.9	7.7
Other public	71	71	121.9	121.8	5.1
Total public-sector tenants	411	404	810.5	807.1	6.0
Non-public sector	44	38	57.1	51.5	2.1
Total	454	442	867.6	858.6	5.7

¹⁾ Categories by area of premises.

EMPLOYEES



Our employees are Intea's most important asset. We aim to offer a workplace that engages and awakens the curiosity of each individual and the desire to continue to grow with us. During the year, we welcomed several new employees, including our Sustainability Manager, Linda Schuur, whom you can read more about on page 46. We have also established two new project and management organisations in Halmstad and Skåne.

Are you curious about us? We are always interested in meeting people who are enterprising and committed. Please contact us at ansokan@intea.se

Intea's strength is our entrepreneurial approach. We want it to permeate our entire organisation with respect to running, developing and enhancing our business. A central and common denominator among our employees is a genuine commitment to our core business: managing and developing social infrastructure in close cooperation with our tenants.

Learning culture where everyone has a say

As an employer, we are committed to creating an environment where each individual can grow through responsibility. Qualifications are important, but personal qualities and commitment are crucial. We therefore invest a lot of time and energy in connecting with the right people. At Intea, we are solution-oriented and we appreciate challenges. We believe that Intea's flat organisation, with short decision paths, inspires both commitment and

responsibility. It is important to us that all employees feel that they have a say in our overall development. We are convinced that a culture that recognises learning as a natural aspect of everyday life and where everyone has a say will create optimal conditions for an open and inclusive workplace.

Intea Fastigheter takes over Intea AB's responsibilities

In 2021, Intea Fastigheter AB (publ) reached an agreement with Intea AB to hire its own staff to run the business going forward. The number of employees in the Group was 45 (21) at 31 December 2021. Intea AB was previously responsible for acquisition and business development activities, administration and all financial management, such as Group reporting, financing and financial risk management*.

* For more information, see the section on page 53 of the Directors' Report, Significant events related to Intea's IPO process in 2021.

AVERAGE NUMBER OF FULL-TIME EMPLOYEES

2021	2020	2019	2018
40.6	25.2	24.2	18.8
including 16.0 women and 24.6 men	including 5.3 women and 19.9 men	including 5 women and 19.2 men	including 4 women and 14.8 men

ORGANISATIONAL CHART



Employee interview:
Johanna Tideman

Intea's new site manager in Halmstad

Johanna Tideman is one of the new colleagues whom Intea has welcomed during the year. She is the site manager for the property management unit in Halmstad, and has a background in property management from companies such as SBB and Hemfosa.



At the end of 2020, Intea acquired several university properties in Halmstad from Castellum. After the purchase, Intea's portfolio in Halmstad amounted to just over 78,000 sqm, which resulted in a need for its own local management team. Consequently, in early 2021, a brand new management organisation was established, which now includes four people. Johanna thought that the new position of site manager sounded intriguing.

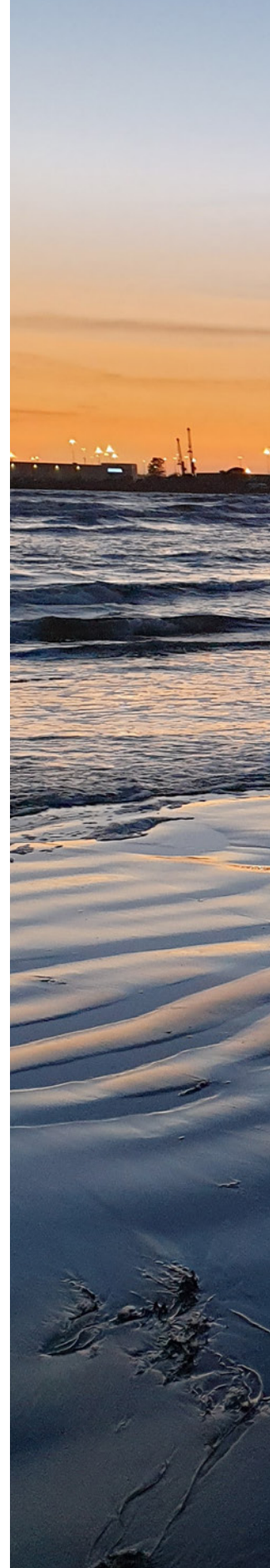
"It was a great opportunity to help build up the local property management team in Halmstad," says Johanna, who started at Intea in September. "Our portfolio in Halmstad is located in an exciting area, with several large properties leased by Halmstad University. Intea has an attractive combination of being a fast-growing company, while also maintaining a long-term ownership perspective. For me, it's important to feel secure in the relationship with the tenant, and with Intea behind me, I can really do that. We're here for the tenant, we want to have a close dialogue and establish a lasting relationship," Johanna describes.

As site manager, Johanna is responsible for the office and its employees. She is involved in the collaborative effort with Halmstad University, working on various

tenant adaptations and pursuing ongoing and close dialogue with both current and future tenants.

"No two days are alike," Johanna says. "I can be dealing with access control systems or studying zoning changes for the area, and of course I have to be a good, attentive supervisor for my colleagues. I really appreciate the variety – it's great fun! What I appreciate most about the job is the social aspect. I interact daily with great people, like my colleagues, as well as current and potential tenants."

"Responsiveness and close dialogue are two hallmarks of property management at Intea," Johanna says. "Management is and should be enjoyable. The leases are long and it's important to build a relationship with the tenant to ensure good collaboration. I would also say that these two hallmarks describe Intea as an organisation. Even though I don't meet all my colleagues in person very often, I have experienced a sense of family right from the start. It's part of company building, and there is mutual trust. Here, everyone is curious and interested, everyone's opinion is valued and we all look out for each other. It makes me more involved personally, and it's great to be able to be part of shaping Intea at an overarching level."





SUSTAINABILITY REPORT

Intea is committed to sustainability issues and aims to ensure that sustainability, in line with the Global Goals, permeates every aspect of the Company's work. The 2030 Agenda is set at a global level, but it is still important for the company to contribute as much as possible. The greatest impact is considered to be on Goal 7 (Affordable and Clean Energy), Goal 9 (Industry, Innovation and Infrastructure), Goal 11 (Sustainable Cities and Communities) as well as Goal 12 (Responsible Consumption and Production). Intea has also identified many social and socio-economic objectives to which it is actively contributing.

The company's owners have given clear directives from the start regarding environmental and sustainability issues. The practical implication is that as a long-term owner of socially beneficial properties, Intea will have the opportunity to own, manage and construct new energy-efficient buildings with a smaller carbon footprint than reference buildings. Sustainable investments in the existing property portfolio, as well as in new buildings under construction, will be a natural part of Intea's sustainability work.



During the year, Intea has taken another step towards a more sustainable business and offering. The aim is to effectively contribute to sustainable development for the environment and regarding social issues. As a long-term owner of public properties, we have a responsibility and an opportunity to own, build and manage social infrastructure buildings. That's why we take responsibility for building and managing energy-efficient buildings where the carbon footprint is progressively reduced, both during construction and in our management.



Based on a survey of our stakeholders' expectations and environmental factors, as well as taking into account climate-related changes that may also pose risks to the company, this Sustainability Report targets and follows the directives received from owners and which form the basis for running the entire business in a sustainable manner.

The Sustainability Report is produced once a year and has been audited by KPMG AB; their opinion can be found on pages 110–113. The Sustainability Report covers the parent company and all wholly owned subsidiaries. The Sustainability Report does not cover activities controlled by individual tenants or suppliers.

Measurable targets help us to clearly see how we are performing in different areas. The targets are set to contribute to the Paris Agreement's goal of limiting global warming, while supporting the UN Global Compact and the Global Sustainability Goals. Intea supports the national goal that Sweden as a nation should be climate neutral by 2045.

The year in review

In 2021, sustainability work within the company continued to be advanced and refined throughout the business.

During the year we saw many new initiatives and processes come into place. Intea hired a Sustainability Manager who took up the position in October. At this time, an effort was made to develop sustainability initiatives with an increased focus on energy efficiency, reduced carbon footprint, smarter construction and an intensification of efforts related to reuse and recycling, in both renovation and new construction projects.

During the fourth quarter, Intea became a member of the UN Global Compact to further clarify its sustainability efforts as the company grows. Continuous improvement of our planning, management and monitoring of sustainability initiatives, along with clear delegation of responsibilities, where new and creative initiatives are appreciated, are all hallmarks of sustainability efforts at Intea. Existing policies and

A constant effort is made to ensure that Intea's purchases meet high sustainability and quality standards, at the lowest possible cost.



guidelines have been reviewed and are being revised and updated to improve their interpretation and use by employees. Intea has clarified its environmental perspective and quality management through its sustainable social infrastructure agenda, along with the measurable objectives of ISO 14001:2015 and ISO 9001:2015. Each organisation can work on improving the efficiency of both processes and procedures, while optimising efforts to reduce consumption of electricity and water, and improving communication and interaction with tenants.

Strategy

Intea has decided that sustainability is an issue that should be taken into account in all decisions made in the company. This means conscious choices in favour of sustainability, even if this sometimes means higher costs.

Intea's overall strategy is based on three pillars: stable growth, sustainability and innovation, and sustainable relationships. Intea operates and manages its properties in a consistently sustainable manner – from an economic, environmental and social perspective. Intea aims to set challenging and ambitious climate targets to escalate the work on environmental impact across the value chain and

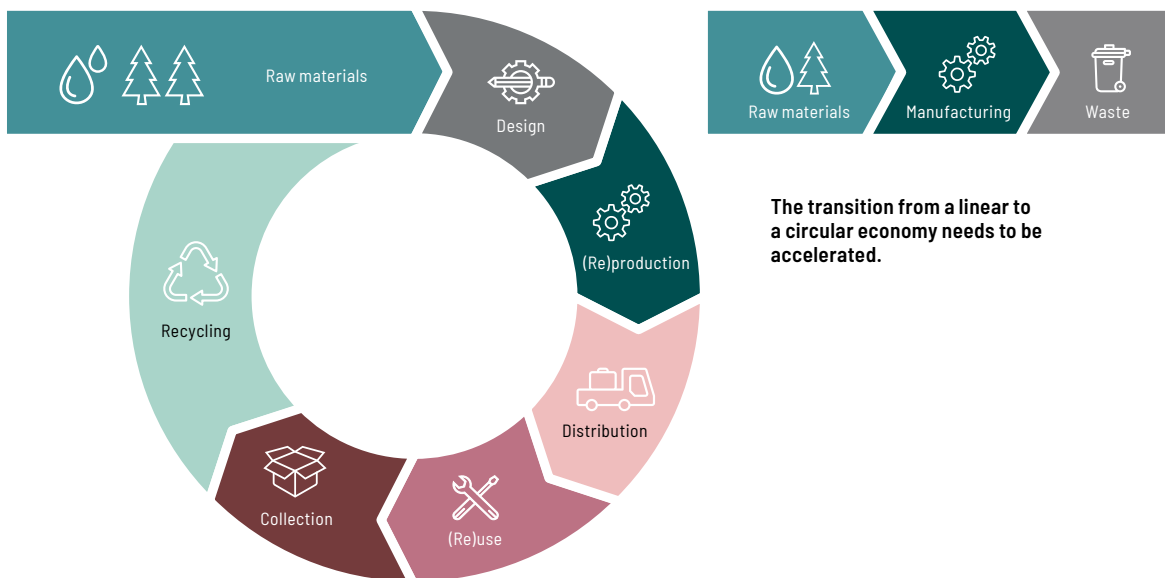
take its share of responsibility for the industry's carbon footprint. A streamlining effort is underway through digitalisation of measurement, monitoring and refinement of operations in relation to objectives and strategy.

Local management, one of the pillars of the company, promotes close cooperation with our tenants where environmental and sustainability issues become a natural part of the management of our properties. The organisation is constantly working on improvement and optimisation measures at the operational stage, but also on helping tenants to obtain premises based on their individual requirements, while also providing more sustainable and environmentally friendly choices.

Local organisations, each with their own staff, enable Intea to naturally anchor its sustainability work throughout the organisation. Through continuous training of employees, clear objectives and regular follow-up, we can follow up and accelerate sustainability efforts.

Intea has identified a strategy that will gradually replace the current linear economy by moving to a circular economy, in order to achieve the set targets, as well as the benefits and results for more sustainable construction of our properties. See illustration below.

Circular economy



The transition from a linear to a circular economy needs to be accelerated.

Business model

Intea's business model is described in detail on pages 8 and 9.

Governance

The ISO 14001 and ISO 9001 environmental and quality management systems are important tools for management control and follow-up.

Each year, Intea's management team formulates a strategic plan for the company, which is approved by the Board of Directors. It includes a description of the sustainability strategy that is expected to underpin the business and long-term and short-term environmental objectives. Responsibility for day-to-day work on climate-related issues such as planning, governance and monitoring follows the organisational structure, with clear delegation of responsibilities and authority. Change is implemented through close cooperation between the central unit and the local management organisations.

Our stakeholders

Using ongoing efforts to identify the company's stakeholders, Intea's management has conducted a stakeholder analysis. Based on this analysis, the organisation and key members of Intea's management have focused sustainability efforts on the company's most important stakeholders – tenants and employees.

Climate-related risks and how we manage them

Intea's management has based its materiality assessment on a SWOT analysis, the results of which show that positioning within environment and sustainability is a major opportunity, but also that an unclear sustainability focus is a major business risk, as well as an environmental risk. Read more about how we manage our climate risks in our Directors' Report and the Risks and Uncertainties section on pages 58–62.

Regulations

In addition to the laws, regulations and rules applicable to Intea's operations, Intea has adopted a number of internal policies and guidance documents, for example in relation to environmental and sustainability issues, conduct, health and safety, anti-corruption and whistleblowing.

In addition, Intea has an internal environmental and quality management system under ISO 14001 and ISO 9001 that facilitates structured work in combination with internal control processes.

There are also a number of external initiatives that are central to Intea's sustainability work. These include the UN Global Compact and the UN Global Sustainable Development Goals, as well as the BREEAM, LEED and Miljöbyggnad environmental certification systems.





Intea's new
Head of
Sustainability:
Linda Schuur

Five quick questions for Linda Schuur, Head of Sustainability

Who are you and what have you done before?

I'm a trained architect who enjoys both a busy urban environment and being in the middle of the most beautiful and peaceful aspects of Sweden: nature, with the sea, mountains and forests. My free time is important and is often spent skiing, running and doing yoga with friends, my husband and our three children. Prior to that, she held the position of Sustainability Business Developer at Serneke. I have previously worked as an architect in Stockholm, Gothenburg, New York and Italy. Most recently, I ran a consultancy company where I helped real estate and construction companies to work more sustainably in their operations. Together with my husband, I also started STHLMNYC in 2014, a network between Sweden and the US for more sustainable urban development.

What does the role entail?

The core of my role is to help make change happen and ensure that the sustainability work that the business has implemented so far is both scaled up and creates even more benefits. As the company grows, we also need to gather and develop sustainability strategies, both in long-term management and in projects, and to make the work measurable and efficient. As owners of properties where essential services are provided, we have a responsibility to ensure that these buildings are both built and managed with a progressively smaller carbon footprint, while also working towards more accessible environments and work environments that promote well-being.

Why are you attracted to working at Intea?

Briefly, it's the ambition, the focus and the people at Intea. We share perspectives on the industry and have a similar understanding of the direction that property management companies need to take and how. The property management sector accounts for a significant share of both the national and global climate footprint. We all have a responsibility to give extra thought to 'how is this sustainable', both as individuals and at work. Our decisions and choices must contribute to a sustainable present and future. I am passionate about development and continuous improvement to achieve sustainability goals and I feel that the team at Intea shares my ambition.

How would you describe the corporate culture at Intea?

Unpretentious, fun and ambitious. I like having fun with colleagues and working hard with them, and these two elements are present at Intea.

How has sustainability shaped Intea's work in 2021?

Intea has had an eventful year with many different initiatives to enhance sustainable development. For example, we implemented more energy efficiency measures and increased our own electricity production. We continued the close dialogue with our tenants, where together we can create sustainable values that benefit both parties. Going forward, we will continue to work to increase recycling and the use of alternative materials and methods to further reduce our carbon footprint.

Intea's agenda for sustainable social infrastructure

Intea has a dedicated and motivated organisation that wants to take sustainability work to the next level in order to create the greatest possible benefit from a sustainability perspective.

By prioritising and focusing on the right issues, we have developed a sustainable social infrastructure agenda with measurable goals, based on Intea's business concept, environmental and sustainability policy, stakeholder analysis and materiality analysis. Intea's overall objectives:

- ▶ **Reduced carbon emissions** to promote a good environment and reduced energy consumption
- ▶ **Employees and social conditions**
- ▶ **Human rights** and the fight against bribery and corruption

In addition to these areas, a stable and secure return is essential for successfully delivering good results in these areas.

Measurable targets help us to clearly see how we are performing in different areas. The targets are set to contribute to the Paris Agreement's goal of limiting global warming and the Global Sustainable Development Goals through active improvement, measurement and monitoring, and in line with membership in the UN Global Compact.

In some areas, the targets are not directly measurable but have been deemed relevant to clarify the company's ambition and direction, while ensuring that the right focus is maintained in each area.

Objectives and outcomes

Reduced carbon emissions and energy consumption

Target	Outcome	
	2021	2020
Property management		
Reduce CO ₂ emissions in Scope1 and Scope2 per sqm of lettable area by at least 20%, or below 5.3 kg CO ₂ /sqm from 2019 to 2030	4.6	4.5
Intea's mapping of climate emissions is based on the Greenhouse Gas (GHG) Protocol standard. Today, Scope 1 and Scope 2, which include direct emissions from company cars and indirect emissions from purchased energy, are covered		
<i>Scope 1¹⁾</i>		
Company cars	0.006	0.001
<i>Scope 2¹⁾</i>		
Electricity	0.0	0.0
District heating	4.4	4.4
District cooling	0.22	0.15
Reduced CO ₂ emissions from longer business trips (70% of business trips to be made by train)	24%	47%
Energy performance kWh/sqm to be reduced by at least 20%, or below 158 kwh/sqm, by 2030	179	172
100% renewable electricity	100%	100%
100% of new leases (measured in rental value) to include sustainability cooperation agreement	91%	98%
¹⁾ CO ₂ emissions due to electricity, district heating and district cooling distributed over the leasable area for which Intea has contracts for the respective utilities		
Projects		
All newly constructed buildings must be environmentally certified under one of the current environmental certification schemes	67%	100%

Human rights and the fight against bribery and corruption

Target	Outcome	
	2021	2020
No violations of fundamental human rights	No case reported	No case reported
100% of new employees to receive training on the Code of Conduct and other relevant policies	Review at the start of employment and ongoing training	Review at the start of employment and ongoing training
All new suppliers must commit to complying with the Intea Supplier Code of Conduct.	Implementation continued during the year	Implementation began during the year

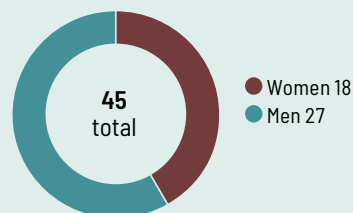
Employees and social conditions

Target	Outcome	
	2021	2020
Short-term absence less than 2%	0.9%	1.1%
Long-term absence less than 1%	0.0%	0.0%
No serious workplace accidents	0	1
Gender equality – women/men (employees)	18 women 27 men	4 women 17 men
Gender equality – women/men (Board)	2 women 5 men	1 woman 5 men

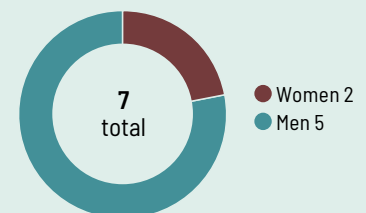
GOVERNANCE

The company is certified under the ISO 14001 (quality) and 9001 (environment) management systems. The management system is an important tool in governance and for management's control and monitoring. The environmental and sustainability objectives adopted in the framework of the ISO certification have been continuously monitored at local management meetings, as well as by Intea's management.

NUMBER OF EMPLOYEES 2021



NUMBER OF BOARD MEMBERS 2021



Sustainability work in daily life

Sustainable property management

We believe in focusing on sustainability in issues large and small.

Working closely with our tenants is important to us. By improving together, we can create good work environments and improve the well-being of the people who occupy our buildings. The same applies to the potential for reducing the carbon footprint. Dialogue, collaboration and continuous improvement work where we improve energy efficiency, implement smart solutions and motivate people to take individual responsibility to reduce both their energy consumption and their waste, all contribute to reducing the carbon footprint.

Intea's property portfolio includes a number of old buildings, some of which are classified for their cultural heritage value. We are careful to renovate these buildings, if necessary, taking into account the value of preserving them, for example through collab-

oration and good dialogue with the County Administrative Board.

Environment & energy efficiency

Over the past year, we converted light sources as much as possible to more efficient LED lighting. We also optimised operations in our properties and took measures such as replacing units and filters to improve the efficiency of ventilation systems.

In addition, extensive work has been done on preparation and expansion of solar cells, geothermal heating and cooling systems, and the construction of charging stations for electric cars at our properties has begun. In 2021, we continued to expand both charging stations and solar panels on our properties. These two measures have been taken to meet the requirements and expectations of our tenants and enable us to increase the share of self-generated electricity. In most locations, property management work



Reusing doors, windows and glass sections, in refurbishment is an important element in becoming more circular.



vehicles have also been replaced by electric vehicles.

Intea's goal is for all newly constructed buildings to be environmentally certified under one of the current environmental certification schemes. On 30 September 2021, approximately 42 percent of lettable area was certified under one of the applicable environmental certification schemes. Operational certification requires analysis of properties to enable the measures that provide the best overall benefit.

In Östersund, we developed a solid recycling initiative where we maximise the amount of recycling in our properties when implementing tenant adaptations, renovating and remodelling. This mainly involves the reuse of sheet metal, doors, windows, interior glass and wall sections and various fittings and furnishings. We have achieved 55 percent reuse of doors, windows and glass in our properties in

Östersund as part of our tenant adaptation efforts. We have also engaged in discussions with the municipality to address issues related to cloudbursts and stormwater management.

We are constantly working on the outdoor environment of our properties to create safe and pleasant environments. The aim is to create outdoor environments that encourage people to meet and talk and that make them feel good. By creating pleasant environments, including greenery and spaces, we can contribute to both well-being and biodiversity in a local context. Another way to create pleasant environments is to integrate art. As part of this effort, we collaborate with the Swedish Arts Council and together we run various projects on design in the public space. Many works of art are on display in our buildings.

Campus area, Östersund. The Oval, a 400-metre-long skating rink made of natural ice, is located on the Mid Sweden University campus, close to the city centre.

Social activities

During the year we also worked on social sustainability measures. We created space for people working as interns, temporary workers and permanent workers who are not integrated into the labour market. Non-profit organisations doing important community work are among Intea's tenants, such as the Women's Shelter (*Sö. Kvinnojouren*), which has received a discount on its annual rent. In several locations, Intea has been involved in the community, contributing both recreational areas mainly for children and young people in the summer, and ski trails and ice rinks in winter. Intea also sponsors both sports clubs and cultural activities to encourage recreational opportunities for young people. During the year, we participated in and supported the Polstjärne Prize, which we think is both inspiring and important for getting young people involved in music in various forms, in this case classical music.

Sustainable renovation and new construction

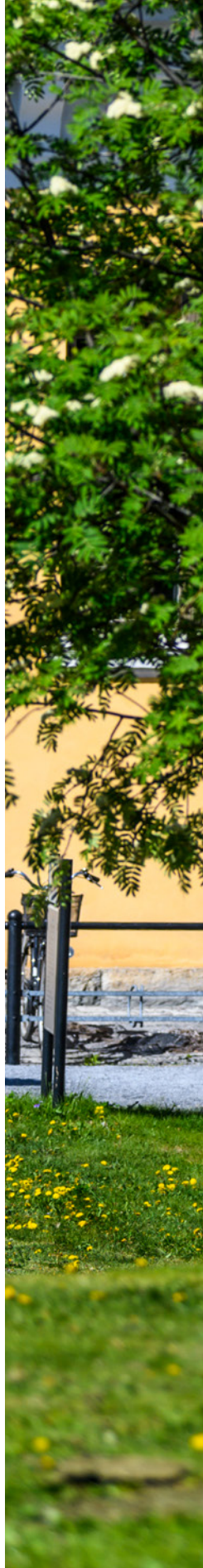
In the projects that we designed and planned during the year, for which construction will begin in the coming years, we have chosen to minimise the use of materials that have a large carbon footprint as much as possible, and have instead switched to climate-smart concrete and solid wood frames. The company is actively working on innovative technical solutions, environmentally friendly materials and measures that lead to energy efficiency and reduction of electricity consumption. Wherever possible, we create good outdoor environments with integrated nature and open stormwater management together with our landscape architects. In recent years, studies and reports have highlighted the importance of biodiversity more clearly than previously. This is one of the reasons why we are increasingly working on the surrounding environment, stormwater management, rainfall analysis and associated circumstances. Through sound analysis and evidence-based assumptions, we can decide on relevant actions and work preventively. We integrate adaptive solutions and add greenery to help increase biodiversity and manage stormwater and rainfall in the environments where we build.

A lot of work lies in building only what is needed, thereby making space more efficient, and also working with adaptive buildings that, through their flexibility, can easily meet future demands and needs of other types of tenants.

A strong focus is placed on material selection and design, and we want our built environment to age with dignity. Durability, both in design, quality and in minimising maintenance, is highly valued and for this reason we choose robust materials with a lower carbon footprint, which we know offer several positive properties.

Intea's goal is for all newly constructed buildings to be environmentally certified under one of the current environmental certification schemes. On 31 December 2021, certification was in progress for six buildings under construction, representing approximately 63,600 sqm.

We strongly believe that we need to do more together with our employees, municipalities and tenants to take greater responsibility for the environment and each individual. We are therefore constantly working on improvement measures, efficiency improvements and training to reduce our carbon footprint. Through continuous dialogue and improvement, we can simplify choices that contribute to a sustainable lifestyle in each workplace and property. In addition, we are constantly working to contribute socio-economically through jobs, a good work environment and ensuring that the younger generation has accessible local recreation activities – in both sport and culture. Intea's sustainability work is driven by an organisation with a dedicated team, where we want to take our responsibility and contribute to a positive development in the industry.





FINANCIAL REPORTING

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Directors' Report

The Board of Directors and the CEO of Intea Fastigheter AB (publ), company registration number 559027-5656, with its registered office in Stockholm, hereby present the Annual Report and Consolidated Financial Statements for the financial year 2021.

ABOUT INTEA

Intea Fastigheter AB (publ) was founded in autumn 2015 with the aim of investing in, developing and managing properties for social infrastructure. The portfolio consists mainly of properties in the categories of justice, higher education, health care and other public activities. Investors in Intea are Swedish institutions that take a long-term approach to ownership and have stringent requirements on safe and reliable returns. This means that the company operates with a strong focus on minimising risk at all levels and that the standards for sustainable business are high. The tenants are predominantly from the public sector, such as government agencies and authorities, regions and other public institutions. The company's objective is for at least 90% of rental income to come from public-sector tenants. Intea's investments in social infrastructure bring together tenants' desire for a secure, long-term property owner with investors' desire for secure long-term investment. As at 31 December 2021, the

Intea Group consisted of 37 companies (33) that own 31 properties (24) and three associates.

In January, Intea took possession of three properties on the university campus in Halmstad, which were acquired in December 2020. The portfolio has a total lettable area of 36,400 sqm and an underlying property value of SEK 730 million. In March, Intea acquired and took possession of Malmö University's Niagara portal building and Campus Kristianstad, with Kristianstad University as tenant, with a total lettable area of 54,700 sqm and an underlying property value of SEK 1,600 million. In December, Intea acquired and took possession of the police station and custody centre in Helsingborg, with a combined lettable area of 37,500 sqm and an underlying property value of SEK 2,524 million. A more detailed description of these acquisitions and Intea's acquisition activities can be found on page 27.

During the year, a number of new development projects were initiated and a

number of ongoing projects are progressing according to plan. The projects are carried out in the company's acquired properties that were designed for a specific purpose, or in development of existing properties. A more detailed description of these projects and Intea's project development activities can be found on pages 29–35.

Intea continues to have a long-term rating of BBB+ with a stable outlook from Nordic Credit Rating AS and a number of refinancings were also carried out during the year; see the Financing section for more detailed information.

Employees and organisation

As at 31 December 2021, the Group had 45 (21) employees, including employees of the parent company and its subsidiaries, an increase of 26 compared with the previous year. An arrangement on the termination of agreements was reached between Intea Fastigheter AB (publ) and Intea AB, which was previously responsible for acquisition and business development activities, administration and all financial activities such as group reporting, financing and financial risk management. Instead, the company has employed its own personnel to manage the business going forward. A more detailed description of Intea's employees and organisation can be found on pages 38–39.

Significant events related to Intea's IPO process in 2021

In June 2021, Intea started preparing the company for a listing of shares on Nasdaq Stockholm within a year. At the same time, a review of the company's organisation and capital structure was initiated.

Since the company was founded, Intea Fastigheter AB (publ) has engaged Intea AB

KEY PERFORMANCE INDICATORS

Amounts in SEKm	2021	2020
Rental income, SEKm	733.2	548.6
Net operating income, SEKm	608.9	450.3
Profit from property management, excluding interest on shareholder loans, SEKm	245.7	279.4
Acquisitions and investments, SEKm	5,352	414.4
Market value of properties, SEKm	17,797	10,238
Lettable area, 000 sqm	454	325
Financial occupancy rate, %	99.0	98.7
Share of public-sector tenants, %	94.0	93.8
Remaining lease period, years	6.0	6.2

to be responsible for property management activities and the management and board work in the subsidiaries. Intea AB has also been engaged to be responsible for acquisition and business development activities, administration and all financial activities such as Group reporting, financing and financial risk management. The commitments of Intea AB and the company were set out in an advisory agreement signed in 2016 (revised in 2018). Intea AB is a related party to the company. Until 30 June 2021, Intea AB was owned by Antea AB, which in turn is owned by senior executives Henrik Lindekrantz and Christian Haglund.

As a step in preparation for the IPO, the company decided to build up its own management organisation and to terminate the management agreement with Intea AB early by purchasing all shares in Intea AB on 30 June 2021, which, in addition to the advisory agreement, only held certain financial receivables/payables. The purchase price was SEK 217 million, of which SEK 165 million was compensation for early termination of the management agreement and the remainder was compensation for the transferred financial receivables/payables. The purchase price was paid by issuing a promissory note for SEK 165 million, with the remainder paid in cash. In 2021, until

the acquisition of Intea AB, the company purchased consultancy services from Intea AB for a value of SEK 76.9 million.

On June 30, 2021, extraordinary general meetings were held in the company, which, among other things, resolved on new Articles of Association. The adopted amendments included the introduction of a share class provision in the Articles of Association, enabling the issuance of shares in three classes: Class A, B and D ordinary shares, with existing outstanding shares of the company as Class B ordinary shares, an additional dividend of SEK 14 per share and six new issues carried out in July 2021; three offset issues and three cash issues.

The offset issues included issues of 3,740,491 Class B shares and 5,610,726 Class D shares, which were paid by offsetting all existing outstanding shareholder loans of SEK 2,805,365,100, and a directed issue of 550,000 Class A shares to Antea AB for which the Board allowed payment to be made by offsetting the aforementioned promissory note receivable on the company of SEK 165 million. All shareholders, except Intea AB and Inhoc AB, were holders of shareholder loans.

The cash issues comprised 160,000 Class A shares to Antea AB, 84,000 Class B shares to Christian Haglund, 84,000 Class B shares

to Henrik Lindekrantz and 29 040 Class B shares to Inhoc AB. Inhoc AB was owned at the time of the transaction by Christian Haglund and Henrik Lindekrantz and a number of employees of Intea Fastigheter AB (publ). The subscription price in all issues was SEK 300 per share.

The Extraordinary General Meeting held on 2 September 2021 resolved to elect Pernilla Ramslöv and Christian Haglund as new members of the Board of Directors. Henrik Lindekrantz stepped down from the Board to focus on his role as Chief Executive Officer of the company.

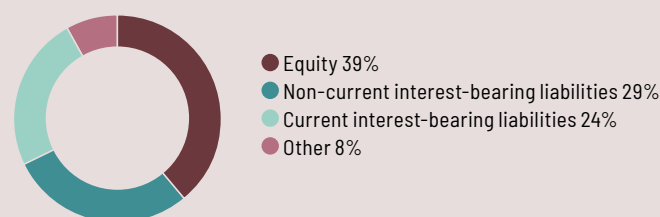
In September, the Board set new financial and operational objectives, as well as a dividend policy. Christian Haglund also assumed the role of Executive Vice President with responsibility for strategic development.

The Extraordinary General Meeting held on 30 September 2021 resolved to carry out a 9:1 share split. After the split, the number of shares in the Company increased from 20,258,257 to 182,324,313. Furthermore, it was resolved to amend the company's Articles of Association in accordance with the Board's proposal in the notice of the Extraordinary General Meeting and to pay a dividend for the Class D shares for the financial year 2020 of SEK 13.50 per Class D share with

LOAN PORTFOLIO

Amounts in SEKm	2021	2020
Bank loans	2,324.4	1,683.2
Issuance of certificates	2,490.0	1,025.0
Issuance of bonds	5,000.0	3,050.0
Interest-bearing liabilities, end of period excluding shareholder loans	9,814.4	5,758.2
Shareholder loans	0.0	2,235.4
Interest-bearing liabilities, end of period including shareholder loans	9,814.4	7,993.6

CAPITAL STRUCTURE, AS AT 31 DECEMBER 2021



quarterly payments of SEK 4.50 per Class D share. The record dates for the dividend are Thursday 30 September 2021, Thursday 30 December 2021 and Thursday 31 March 2022. Due to the resolved split of the company's shares, the dividend amount per share to which the Class D share is entitled shall be adjusted accordingly, i.e. to SEK 0.50 per Class D share and payment date, as of the first record date for dividends that falls after the record date for the split on 21 October 2021. The Meeting also resolved to delete the preemption provisions from the Articles of Association.

The Extraordinary General Meeting on 13 October 2021, in accordance with the proposal of the Board of Directors in the notice of the Extraordinary General Meeting, resolved to adopt guidelines for remuneration of senior executives, principles for the appointment of the Nomination Committee and instructions for the Nomination Committee, authorisation for the Board of Directors to resolve on a new issue of Class B and/or Class D ordinary shares in connection with a listing on Nasdaq Stockholm, and authorisation for the Board of Directors, in order to facilitate expansion, acquisition or increase of working capital, to resolve on an issue of Class B and/or Class D ordinary shares, as well as

warrants and/or convertibles with the right to subscribe/convert into such shares. The Extraordinary General Meeting on 18 January 2022 resolved to approve the Board of Directors' decision made on 22 December 2021 regarding a targeted share issue of a maximum of 6,024,097 Class B shares, entailing an increase in share capital of a maximum of SEK 669,344.12 (rounded up to two decimals) at a subscription price of SEK 41.50 per share.

SUSTAINABILITY WORK

Sustainability and innovation are part of the company's long-term strategy and in accordance with Chapter 6, Section 10 of the Annual Accounts Act, Intea Fastigheter AB (publ) has prepared a sustainability report. The report covers Intea Fastigheter AB (publ) and all of its subsidiaries. The Sustainability Report can be found on pages 42–51 of the Annual Report.

COMMENTS ON THE INCOME STATEMENT

Rental income and property expenses
Rental income totalled SEK 733.2 million (548.6). This was an increase of 33.6 percent and was due to acquired properties, as well as lettings, renegotiations and indexation. Rental income from acquisitions made in 2020 and 2021 amounted to SEK 147.5 million

(7.5). Rental income for the comparable portfolio amounted to SEK 481.1 million (471.3). Of the rental income, 94.0 percent (93.8) comes from public-sector tenants. The remaining lease term decreased to 6.0 years (6.2). Property expenses amounted to SEK 124.3 million (98.3). Property costs for comparable stock amounted to SEK 87.9 million (84.7), an increase of 3.8 per cent.

Net operating income

Net operating income increased to SEK 608.9 million (450.3). The increase is mainly related to acquisitions made in 2020 and owned throughout 2021, acquisitions made in 2021 and projects completed, resulting in a surplus ratio of 83.0 percent (82.1).

Central expenses

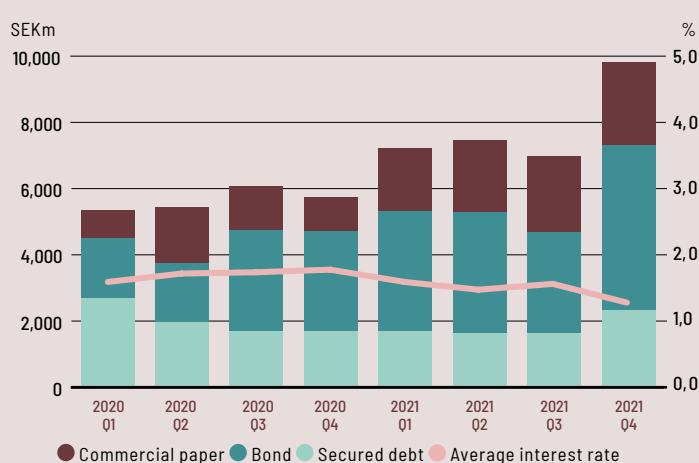
Central expenses, including acquisition and business development, administration, management and finance, amounted to SEK 240.9 million (66.9) during the period. Central expenses included a cost of SEK 165 million for the early termination of the management agreement with Intea AB. For more information, see the above section "Significant events relating to Intea's IPO process in 2021".

FINANCIAL KEY PERFORMANCE INDICATORS¹⁾

Amounts in SEKm	Finance policy	2021	2020
Interest-bearing liabilities, SEKm		9,814	5,758
Net debt, SEKm		9,617	5,363
Equity/assets ratio, %		38.9	38.6
Loan-to-value ratio, %	< 60	54.0	52.4
Share of secured debt, %	< 30	12.6	15.6
Interest coverage ratio, multiple	> 2.0	3.0	3.6
Capital commitment, years	> 2.0	3.3	3.3
Fixed-rate period, years	> 2.0	3.2	4.9
Average interest rate, %		1.31	1.86
Fair value of derivatives, SEKm		49.7	-77.2

¹⁾ Excluding shareholder loans

INTEREST-BEARING LIABILITIES AND AVERAGE INTEREST RATE¹⁾



¹⁾ Excluding shareholder loans

Finance income and expenses

Finance income and expenses amounted to SEK -201.0 million (-238.1), of which SEK -78.7 million (-134.1) is interest expense on subordinated shareholder loans. The change in interest expense is mainly due to a decrease in interest expense on subordinated shareholder loans, as these were set off in July 2021 and replaced by Class B and Class D shares. For more information, see the section above. The Group's average interest rate on debt, excluding shareholder loans, was 1.31% (1.86) at the end of the period.

Profit from property management

Profit from property management for the year amounted to SEK 167.0 million (145.3). Excluding interest on shareholder loans, profit from property management totalled SEK 410.7 million (279.4). Profit from property management includes compensation for the early termination of the management agreement with Intea AB of SEK 165 million.

Changes in value

The unrealised change in value of the property portfolio during the period amounted to SEK 2,207.0 million (452.5). The yield was 4.37 percent (4.87).

Tax

The Group recognised a tax expense of SEK 531.6 million (143.0) for the year, of which SEK 526.6 million (143.6) is related to changes in deferred tax. Deferred tax liabilities amounted to SEK 970.8 million (438.7).

Performance

Profit for the year was SEK 1,969.3 million (412.2).

Cash flow

Cash flow from operating activities amounted to SEK 273.3 million (176.5). Investing activities had an impact on cash flow of SEK -5,411.7 million (-433.7) in the form of investments in existing properties and projects. During the period, investments were made in existing properties and projects in Falköping, Kalmar, Halmstad, Linköping, Östersund, Kristianstad, Örebro

and Vänersborg. Financing activities affected cash flow by SEK 4,940.7 million (508.8) and consisted of new borrowings, repayment of bank loans, new share issues, shareholder contributions and dividends. Total cash flow for the year amounted to SEK 197.7 million (251.6) and cash and cash equivalents at 31 December amounted to SEK 197.7 million (395.4).

Investment properties

At 31 December, the Group owned 31 properties (24) with a total lettable area of 454,000 sqm (324.8) at a market value of SEK 17,797 million (10,238). The stock is located in Falköping, Halmstad, Helsingborg, Härnösand, Kalmar, Kristianstad, Linköping, Lund, Malmö, Norrtälje, Skövde, Stockholm, Vänersborg, Örebro and Östersund. Contractual rent is divided into justice (30 percent of lease value), higher education (37 percent), health care (13 percent), other public-sector organisations (14 percent) and non-public-sector activities (6 percent). Intea's property portfolio comprises social infrastructure and the tenants have high credit ratings. The share of income from public-sector tenants was 94.0 percent (93.8) at 31 December. The remaining lease term of public-sector leases is 6.0 years (6.2) and the economic occupancy rate is 99 percent (98.7).

FINANCING

Intea is financed by its owners through equity and shareholder loans. Shareholders' equity at 31 December 2021 amounted to SEK 7,206.5 million (1,944.9). Shareholder loans totalled SEK 0.0 million (2,235.4). These shareholder loans have been offset in full and replaced in July by Class B and Class D shares. For further information see the above section "*Significant events relating to Intea's IPO process in 2021*".

The average interest rate on debt, excluding shareholder loans, decreased slightly during the year from 1.86 percent to 1.31 percent, due to increased borrowing at lower interest rates. Strong demand from the capital markets has helped to keep the company's financial costs low, despite a

continued focus on long-term interest and capital commitments.

Interest-bearing liabilities

Intea's external borrowings include externally secured bank loans, bonds and commercial paper. In addition to these, there are additional binding credit lines as reserve financing for a total of SEK 3,200 million, of which SEK 1,500 million matures in 2024 and SEK 1,700 million matures in 2026. The Group's long-term interest-bearing liabilities, excluding subordinated shareholder loans, totalled SEK 5,424.4 million (3,777.5) at year-end. The long-term debt consists of four bonds totalling SEK 3,800.0 million, of which SEK 1,350.0 million matures in September 2023, SEK 1,250.0 million matures in September 2025, SEK 600.0 million matures in March 2026 and SEK 600.0 million matures in October 2026, as well as three secured loans of SEK 850.0 million, SEK 467.5 million and SEK 306.9 million maturing in May 2024, October 2027 and July 2030. Current interest-bearing liabilities excluding shareholder loans amounted to SEK 4,390.0 million (1,980.7) and consist of utilised credit facilities of SEK 700.0 million, as well as a bond loan of SEK 1,200.0 million maturing in July 2022 and commercial paper of SEK 2,490.0 million maturing during the year.

The loan-to-value ratio excluding shareholder loans at the end of the period amounted to 54.0 percent (52.4). At 31 December 2021, the average capital commitment period was 3.3 years (3.3) and the average fixed interest term was 3.2 years (4.9). Interest on external borrowings at the end of the period, excluding owner loans, amounted to 1.31 percent (1.82), including interest coupons on derivatives. A one percentage point rise in short-term market rates would increase Intea's average borrowing rate by +0.44 percent (+0.16) and finance costs by SEK 43.5 million (9.3) on an annual basis. The interest coverage ratio was 3.0x (3.6) in the period.

Interest-rate derivatives

Derivative instruments are used to reduce Intea's interest rate exposure. At 31 December 2021, there were derivative contracts with notional amounts of SEK 5,000 million (4 000), including SEK 200 million maturing in December 2022, SEK 800 million maturing in June and December 2024, SEK 1,000 million maturing in June and July 2026, SEK 500 million maturing in March 2027, SEK 500 million maturing in July 2028, SEK 500 million maturing in March 2028, SEK 500 million maturing in June 2029, SEK 500 million maturing in March 2030, and SEK 500 million maturing in March 2031. All of these are interest rate swaps, whereby variable interest is exchanged for fixed interest. At the end of the period, they had a value of SEK 49.7 million (-77.2). At maturity, the value of the derivatives will be zero. The coupon rate is recognised on an ongoing basis. Changes in the value of the derivatives amounted to SEK 126.9 million (-42.6).

Cash and cash equivalents

At year-end, the Group's cash and cash equivalents amounted to SEK 197.7 million (395.4).

Rating

Intea has a long-term rating of BBB+ with a stable outlook from Nordic Credit Rating AS. The company also has the highest possible short-term credit rating of N-1+. The credit ratings apply to both secured and unsecured debt.

DEFERRED TAX

Deferred tax in the income statement and balance sheet consists of an estimate of future tax. Deferred tax can be both negative and positive. The deferred tax expense consists of the year's changes in deferred tax assets and liabilities. The items are recognised net in the balance sheet under deferred tax liabilities. Deferred tax assets consist of tax loss carry-forwards that can be used in the future to reduce the current tax liability. These are realised as the deficits

are used. The ability to use the deficits may be limited due to the tax opportunities to offset results within the Group. Deferred tax liabilities consist of the carrying amounts of assets and liabilities for tax purposes. In the case of temporary differences in real estate, these have been reduced by the temporary difference existing at the time of acquisition. The Group recognised a deferred tax liability of SEK 970.8 million (SEK 438.7 million) at year-end.

COMMENTS ON THE PERFORMANCE OF THE PARENT COMPANY

During the year, profit from property management income from subsidiaries amounted to SEK 70.6 million (57.7) and operating profit/loss before financial items was SEK -7.6 million (-9.2). Net financial income of SEK 150.6 million (47.6) consisted of internal interest income from subsidiaries of SEK 348.0 million (280.6) and external interest expenses of SEK 198.7 million (233.0). Overall, profit after tax amounted to SEK 100.3 million (46.8). The parent company's assets consist mainly of shares in subsidiaries and receivables from them, totalling SEK 10,058.3 million (7,656.6). External interest-bearing loans at year-end amounted to SEK 9,814.4 million (7,637.9), of which shareholder loans SEK 0.0 million (2,235.4). A non-current debt to shareholders was offset in July 2021 by SEK 2,805.4 million. A merger of the wholly-owned subsidiary Intea AB was initiated on 23 July 2021 and completed in the fourth quarter of 2021.

FUTURE DEVELOPMENTS

Intea does not provide a detailed forecast of the future. However, the company believes that there are good prospects for continued growth through acquisitions and development projects, while maintaining a conservative approach to risk.

STATEMENT OF THE BOARD OF DIRECTORS REGARDING THE PROPOSED DIVIDEND

In connection with the proposed dividend distribution by the Board of Directors, the Board of Directors and the Chief Executive Officer hereby issue the following statement

pursuant to Chapter 18, Section 4 of the Swedish Companies Act. The proposed dividend is based on the 2021 annual report to be presented for approval at the Annual General Meeting on 18 May 2022, taking into account the company's investment and liquidity needs. The equity ratio after the dividend is considered to be satisfactory in view of the continued profitability of the parent company and the Group's operations. The availability of liquidity in the parent company and the Group is expected to remain adequate. The Board of Directors is of the opinion that the proposed dividend will not prevent the company, or any other company in the Group, from fulfilling its short and long-term obligations or from making the necessary investments. The proposed dividend can thus be justified in light of the provisions of Chapter 17, Section 3, Subsections 2-3 of the Companies Act (the precautionary rule).

Proposal for profit appropriation

The following funds in the Parent Company are available to the Annual General Meeting.

Amounts in SEK

Profit brought forward	410,554,322
Share premium reserve	3,316,559,764
Profit for the year	100,685,154

Funds at the disposal of the Annual General Meeting	3,827,799,240
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The Board of Directors proposes that the profit be appropriated as follows (SEK 000)

SEK 0.50 per ordinary share of class A and class B will be distributed to shareholders	68,925,938
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SEK 2.0 per Class D ordinary share will be distributed to shareholders	100,993,068
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To be transferred to the share premium reserve	3,316,559,764
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To be transferred to retained earnings	341,320,470
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Total	3,827,799,240
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Risks and uncertainties

Intea is continuously exposed to various risks that may have an impact on society and the future business, financial position and results of the Group and the Parent Company. This has been particularly evident in the last two years due to the pandemic, as well as to the changing security situation in the world. Risks and opportunities are identified and managed on an ongoing basis in the business. Intea defines risk as an uncertainty factor that may affect the company's ability to achieve its goals. It is therefore important for Intea to identify and assess these uncertainties. The Board has overall responsibility for risk management, while operational work is delegated to the CEO and senior management. Assessments of risks and uncertainties also relate to the parent company.

Current world situation

Because of the pandemic over the past year, Intea has analysed and assessed all material risks in its operations. Since Intea has almost exclusively public-sector tenants, the company's rental income has been affected only to a very limited extent. The safety and security situation around the world, due to Russia's invasion of Ukraine, may affect the global economy in many respects. The scope is currently unclear regarding both the short-term and long-term perspectives. The company monitors and analyses the potential impact of this on the company on an ongoing basis.

Intea has a long-term capital commitment and fixed-interest terms, so Intea is not affected in the short term by higher credit margins or interest rate increases. Therefore, Intea does not expect any impact on its operating cash flow. Other than as described above, there have been no changes in risks and uncertainties.

Operational risks

RISKS RELATED TO BUSINESS OPERATIONS

The company's revenues are mainly derived from relatively long leases with various types of public-sector tenants. The average lease term of public-sector leases is 6.0 years (6.2). The risk of fluctuations in revenue is therefore limited. Profitability

is mainly influenced by macroeconomic factors such as the economy, interest rates and regional developments in the locations where the Group has property holdings. There is an inverse relationship between the economic downturn and the attractiveness of universities and colleges, and a reasonable proportion of these are risk-adjusted to some extent. In the longer term, political decisions may affect the conditions for letting to certain public-sector tenants. Failure to reduce costs with sufficient foresight and to the extent necessary could have a negative impact on the company's business, financial position and results.

Intea's three largest tenants account for 36.5 percent of total contractual rent, see page 37. Costs of adapting premises and loss of income may therefore arise when moving or relocating.

Management

As Intea's property portfolio grows, the importance of individual tenants and leases diminishes. The lease periods are long, which gives the company a good lead time in terms of lease expiry and the opportunity to reduce the risk of long-term vacancies.

Intea is actively working with local management organisations that can meet the long-term needs of tenants on the ground, thereby reducing the risk of eviction.

RISKS RELATED TO PUBLIC-SECTOR REAL ESTATE

Intea's business concept is to acquire and own public properties adapted for certain specific purposes, such as educational buildings and court buildings. In some cases, each property is highly dependent on a single tenant. Moving and relocating may therefore entail particularly high costs for the company in terms of adapting premises and significant loss of income may occur during the period of adaptation or in case of difficulties in finding new tenants. This could have a negative impact on Intea's business, financial position and results.

Management

Intea has built up a considerable expertise with respect to public properties and thus an understanding of the specific requirements and needs that characterise the activities of its tenants. Intea is thus able to create good solutions for the development of the premises together with the tenant. Taking a long-term view of its ownership, the company prefers to sign new long-term leases when renovating or for new construction, rather than seeking to maximise rental income in the short term. This helps to retain existing tenants in the company's properties.

RENT TRENDS

Rents can be renegotiated at the end of the lease period. A long average lease period is an advantage when market rents are falling and a disadvantage when rents are rising. A decrease in Intea's rental income could have a negative impact on its business, financial position and results.

Management

A high share of rents and any surcharges are linked to the consumer price index and Intea continuously monitors rent renegotiation opportunities in connection with additional investments or the expiry of the lease term under the lease agreement.

PROPERTY EXPENSES

The Group's operating and maintenance costs consist of planned expenses and, to some extent, unforeseen costs. Property maintenance and operation services are provided by the Group's own staff for the most part, though to some extent by external contractors. These external agreements are subject to regular renegotiation, which may increase Intea's maintenance costs. A substantial portion of the operating costs for the properties is paid by the tenant.

Operating costs mainly consist of costs for heating, cooling, electricity and water. Heating, cooling and electricity costs have the biggest impact on earnings. The price of electricity is determined by supply and demand in the electricity market, which may lead to increased electricity costs for Intea. Any vacancies that occur affect Intea's results, not only because of lost rental income but also to some extent through costs such as energy to maintain basic heating in the premises. If operating and maintenance costs increase without Intea receiving adequate compensation, this may have a negative impact on the company's operations, financial position and results.

Management

Intea is committed to improving the efficiency of its property management, for example by improving energy systems to

reduce energy consumption and environmental impact. A substantial portion of the costs for running the properties is passed on to the tenants. Cost increases are reflected in Intea's earnings to a limited extent through lease settlements. Unforeseen damages and repairs can have a negative impact on earnings and are prevented by pro-active planned maintenance work by the local management organisations in combination with relevant insurance policies.

PROJECT DEVELOPMENT

Intea works continuously with tenant adaptations and project development in existing properties, as well as new construction of public properties. Tailored projects involve significant investments, which could result in tenants being unable to meet their rent obligations and Intea being unable to find other tenants for the premises in question. In case of delays or cost overruns, there is a risk of increased costs for Intea.

Management

In the context of tenant adaptations, Intea has the option to renegotiate leases that are adapted to the scope of the investment. The ability of the tenant to complete an investment is always evaluated during negotiations.

Risks in project development are reduced through quality-assured and standardised internal processes. Costs in the early phase of projects are often shared by agreement with the tenant in case the project is cancelled. Construction normally starts only after the lease has been signed and, in some cases, approved by the government. In many cases, the rent is a return on the project cost, which limits the risk of increased project costs. All investment decisions exceeding SEK 20 million are made by the Board of Directors. Investment decisions under SEK 20 million are decided by management according to the current authorisation scheme.

AMENDED LEGISLATION

New legislation regarding taxes, as well as other state and municipal charges, may adversely affect conditions for Intea's operations, financial position and results. Changes in the regulatory framework or practices regarding levying of taxes or deduction of expenses depend on political decisions, for example regarding tax rates and determination of the assessed value. Changes in lease, acquisition and environmental legislation may also have a negative impact on Intea's business, financial position and results.

Management

Intea continuously monitors proposed changes in laws and regulations in order to take timely action and adapt its operations accordingly. For example, property tax is passed on to tenants. For vacant spaces, the cost is borne by the company.

POLITICAL DECISIONS

Public authorities and other public institutions that are tenants of Intea's properties are strongly influenced by political decisions at the national and local levels. For example, a decision to close or relocate all or part of a business conducted in one of the company's properties may result in costs and loss of income for the company, which may have a negative impact on Intea's operations, financial position and results.

Management

Intea continuously monitors, analyses and updates the risk scenario. Intea also maintains a continuous dialogue with tenants, officials, politicians and other stakeholders.

SOCIAL CONDITIONS AND EMPLOYEES

Employee health and well-being is central to a successful business and there is both a market risk and a reputational risk in existing and potential employees, tenants, investors and partners choosing companies with a greater and clearer focus on these issues. There is also a risk that Intea cannot

ensure the need for a competent staff. In addition, there is a risk that development and growth of the company could be hampered in an organisation that is too uniform. An organisation with people of diverse backgrounds, experiences, ages, genders and personalities contributes to a dynamic and creative environment. Just as important as the health and well-being of our employees is the environment for other people inside our properties.

There is an obvious risk in not showing commitment to the community.

Management

Intea is working to progressively strengthen the organisation in order to reduce staff dependency, in terms of both training and additional recruitment. Competence needs are assessed on an ongoing basis to adapt the organisation to current needs and active efforts are made to promote internal management supply. Training, leadership and human resource management are important components of an attractive employer, which Intea strives to be. Intea is constantly working to create and build environments for increased well-being both internally and for our tenants. We can help create safe and inspiring environments for our employees, tenants and other people who use our premises by working on lighting, green spaces and creating places for spontaneous meetings. Intea aims to

be a social actor and actively contribute in various ways, e.g. by sponsoring relevant activities. Intea has a whistleblower function where employees can anonymously report misconduct.

Climate-related risks

THE COMPANY'S CLIMATE IMPACT

In Sweden, the construction and real estate sector accounts for more than 20 percent of greenhouse gas emissions. In fact, 30 percent of energy use in buildings and about 40 percent of Sweden's waste comes from the construction and civil engineering sector. The main carbon footprint of the construction and real estate sector is generated from the production of building materials for new construction (such as concrete, steel and gypsum) and energy for ventilation, heating, cooling and transport. All companies need to take responsibility for reducing their emissions and energy consumption. A company operating in a sector that accounts for a relatively larger share of the negative environmental impact has a greater responsibility to reduce consumption.

Management

By limiting new construction, which accounts for the vast majority of overall emissions, Intea can make a concrete contribution to reducing consumption and thus

emissions. One way to limit new production is to preserve and continuously adapt the company's existing buildings, so that they can be used for a long time. It is a tangible and effective measure with great impact. In addition, Intea only builds new buildings if there is an explicit and precise demand from a specific tenant who is expected to use the building for a long period of time. New buildings are built to meet high standards of both quality and durability, thus ensuring a long life span for the buildings. The company builds these buildings using materials with a carbon footprint that is smaller than that of reference buildings. Through local management, the tenants' continuous need for change can be met with a sustainable approach, for example by moving and implementing adaptations within their own building stock and reusing fixtures and furniture.

RISKS OF NEGATIVE CONSEQUENCES FOR THE COMPANY, PHYSICAL RISKS, ACUTE AND CHRONIC

Physical risks that can affect us as a company are of two types: acute and chronic physical risks. Acute physical risks include weather-related events such as storms, floods, heat waves and heavy snowfall. Chronic physical risks are long-term changes in climate such as rising sea levels, torrential rain, stormwater, heavy snowfall, storms and fire. The main risks identified

SENSITIVITY ANALYSIS

The sensitivity analysis below shows how Intea's full-year results would be affected, positively or negatively, if selected revenue and cost items were to change.

31 December 2021	Change	Profit effect before tax, SEKm
Rental income	+/- 1 percent	+/-7.3
Property expenses	+/- 1 percent	+/-1.2
Interest rate level, market rate	+/- 1 percentage point	+/-43.5
Yield requirement, changes in value of properties	+/- 0.5 percentage points	-1,077/+1,378

are rising sea levels and torrential rainfall for our properties and projects that are located near the sea and on low-lying land. These risks could all occur and must be managed within the framework of our operations.

Management

In both acquisitions and new construction, basic physical risk analyses are carried out early on to ensure that the design of the properties is adapted not only to today's needs but also to those of the decades to come.

TRANSITION RISKS

We have made our materiality assessment based on three types of risks: technical risks, market risks and reputational risks. As a result, we see a risk of high costs associated with the need to replace technologies that are more damaging to the climate with technologies that are more climate-friendly. But this can also be a great opportunity if handled properly. Future energy shortages may make it necessary to replace certain technologies and create alternative energy sources on the properties. Changing legal requirements may also pose a transition risk for Intea and should be evaluated on an ongoing basis. In terms of market risk, there is a risk that tenants, investors and employees will choose to work with, and invest in, companies with a greater and clearer focus on sustainability issues. In terms of reputational risks, we see that an unclear sustainability focus can lead to difficulties in attracting and retaining tenants, employees, partners and investors. The EU taxonomy (a tool that classifies which investments are environmentally sustainable) imposes requirements on many companies and we expect more explicit requirements from investors in this regard. In addition, national requirements such as climate declarations, with forthcoming thresholds, will increase the demands for transparency and reporting of carbon emissions.

Management

Overall, it is of great importance that the sustainability work within Intea becomes clearer with measurable targets. The company has been working on this during the year and this work has resulted in the Intea Agenda for Sustainable Social Infrastructure. The next step will be to increase the measurement of both consumption and emissions in order to achieve greater transparency and control over where the greatest impact and benefit is being created.

ENVIRONMENTAL RISKS

According to the Environmental Code, the operator has a primary responsibility for the remediation of pollution resulting from activities carried out on a property. The property owner has a secondary liability unless the operator can carry out or pay for remediation if the property owner knew or should have known about the contamination at the time of acquisition. This means that, under certain conditions, demands can be made on Intea to put properties in the condition required by the Environmental Code. If Intea were to be subject to such liability, it could have a negative impact on the company's business, financial position and results.

Management

Intea carries out environmental studies in connection with each acquisition to minimise and manage any environmental risks. Any identified environmental risks are evaluated and can be addressed, for example, through guarantees and commitments in the transfer of ownership agreement signed with the seller. For new construction, there are procedures to minimise risks such as leaks and emissions, as well as guidelines on matters such as the use of chemicals and hazardous materials.

Financial risks

FINANCING RISK

Intea's main financial risk is not having access to the capital required for its activities at a given time. Intea is dependent on the ability to refinance at maturity and to raise additional financing in the event of property acquisitions, for example. The ability to obtain financing depends on the general availability of capital and Intea's financial situation. Difficulties in obtaining financing may adversely affect Intea's business, financial condition and results of operations.

Management

Intea operates according to a financial policy established by the Board of Directors, which regulates the company's work with financing and how the risks in financial activities are to be limited. There is an ongoing dialogue with existing and potential funders to ensure that the required funding can be obtained at all times. To broaden its capital base, Intea works with diversified financing through bank loans, certificates and bonds. The company actively spreads loan defaults over time and strives to achieve a long capital commitment.

RISK

Interest rate risk refers to the effect of a permanent change in interest rates on the Group's financial income and expenses. Intea's main sources of funding are cash flow from operating activities and borrowings. Borrowings expose the Group to a risk of an increase in the level of market interest rates and market margins, against which the Group is not always able to protect itself. Increased interest costs may have a negative impact on Intea's business, financial position and results.

Management

Intea uses interest rate derivatives to hedge against adverse changes in interest rates. Hedge accounting is not applied, but the interest rate derivatives provide an economic hedge of the cash flow of interest payments. Intea has a financial policy that governs Intea's risk mandate.

CREDIT RISK

Credit risk is the risk of loss if the Group's counterparties fail to meet their obligations and any collateral does not cover the Group's receivables. Credit risk is mainly attributable to outstanding lease receivables, cash and cash equivalents and financial derivative contracts with positive values. Losses related to the Group's counterparties arise primarily if they are unable to meet their payment obligations.

Increased credit losses may have an adverse effect on Intea's business, financial condition and results of operations.

Management

Intea's property portfolio consists of public properties and the tenants have a high credit rating, so the credit risk of the tenants is very low. The share of income from public-sector tenants was 94.0 per cent (93.7). The average remaining lease term for public-sector leases is 6.0 years (6.2).

LIQUIDITY RISK

Liquidity risk refers to the risk of not having access to cash for payments such as current property costs, investments, interest expenses or loan defaults.

Management

Intea's operations have a stable and predictable cash flow, which allows good planning for loan maturities and ongoing liquidity needs in the business. The financial policy regulates this risk by requiring the company to have available liquidity of at least SEK 20 million at all times, and by allowing a maximum of 30 percent of the company's potential debt under the policy (60 percent of the property value) to mature within 12 months.

CURRENCY RISK

Intea operates exclusively in Sweden and therefore the currency risk is very limited.

FINANCIAL STATEMENTS

Consolidated income statement¹⁾

Amounts in SEKm	Note	Full year 2021	Full year 2020
Rental income	2	733.2	548.6
Property expenses, of which	3	-124.3	-98.3
<i>Operating expenses</i>		-88.8	-63.8
<i>Maintenance costs</i>		-16.6	-16.1
<i>Property tax</i>		-14.2	-14.1
<i>Rental and property administration</i>		-4.7	-4.3
Net operating income		608.9	450.3
Central administration expenses	4-6	-240.9	-66.9
Profit/loss before financial items		368.0	383.4
<i>Financial items</i>			
Finance income	7	1.3	1.6
Interest expense, excl. shareholder loans	7	-122.7	-105.6
Interest expense to shareholders	7	-78.7	-134.1
Interest expense, site leasehold	7	-0.9	-
Profit from property management		167.0	145.3
<i>of which profit from property management, excluding interest on shareholder loans</i>		245.7	279.4
<i>Changes in value</i>			
Investment properties	9	2,207.0	452.5
Derivatives unrealised	18	126.9	-42.6
Profit before tax		2,500.9	555.2
Tax	8	-531.6	-143.0
Profit for the year		1,969.3	412.2
Earnings per Class A and Class B share ²⁾		15.60	3.71
Earnings per Class D share ²⁾		0.50	-

Profit for the year is in line with comprehensive income for the year; consequently, only one income statement is presented. Comments on the "Consolidated income statement" can be found in the Directors' Report on pages 53-57.

The average number of shares amounts to 3,195,000 Class A shares, 122,978,000 Class B shares and 50,496,534 Class D shares, with a nominal value of SEK 0.11 each.

¹⁾ Disaggregation of property expenses compared with the 2020 Annual Report, where the corresponding data were disclosed in a note.

²⁾ There are no dilutive instruments.

Consolidated statement of financial position

Amounts in SEKm	Note	31 Dec 2021	31 Dec 2020
ASSETS			
<i>Non-current assets</i>			
Investment properties	9	17,797.4	10,237.9
Site leasehold, right-of-use asset	17	122.8	-
Other non-current assets	10	5.3	1.5
Investments in associated company	13	2.3	1.3
Receivable from associated company	13	63.2	30.7
Derivatives	18	49.7	-
Right-of-use assets	17	35.2	-
Other non-current receivables	14	94.3	-
Total non-current assets		18,170.2	10,271.4
<i>Current assets</i>			
Current receivables	15	171.0	149.2
Cash and cash equivalents		197.7	395.4
Total current assets		368.7	544.6
TOTAL ASSETS		18,538.9	10,816.0
EQUITY AND LIABILITIES			
<i>Equity</i>			
Share capital		20.9	10.0
Other contributed capital		4,134.0	627.6
Retained earnings, including profit for the period		3,051.6	1,307.3
Equity		7,206.5	1,944.9
<i>Non-current liabilities</i>			
Deferred tax liability	8	970.8	438.7
Interest-bearing liabilities to shareholders	16	-	2,235.4
Interest-bearing liabilities	16	5,424.4	3,777.5
Lease liability	17	143.2	-
Provisions		8.4	22.1
Derivatives	18	-	77.2
Total non-current liabilities		6,546.8	6,550.9
<i>Current liabilities</i>			
Interest-bearing liabilities	16	4,390.0	1,980.7
Other current liabilities	11	395.6	339.5
Total current liabilities		4,785.6	2,320.2
TOTAL EQUITY AND LIABILITIES		18,538.9	10,816.0

Comments on the "Statement of financial position" can be found in the Directors' Report on pages 53-57.

Consolidated statement of changes in equity

Amounts in SEKm	Share capital	Other contributed capital	Retained earnings, incl. profit/loss for the period	Total shareholders' equity
Opening shareholders' equity at 01/01/2020	10.0	627.6	950.7	1,588.3
Profit for the year	-	-	412.2	412.2
Adjustment, acquisition analysis ¹⁾	-	-	-5.6	-5.6
Dividend	-	-	-50.0	-50.0
Closing shareholders' equity at 12/31/2020	10.0	627.6	1,307.3	1,944.9
Opening shareholders' equity at 01/01/2021	10.0	627.6	1,307.3	1,944.9
Profit for the year	-	-	1,969.3	1,969.3
Rights issue	10.2	3,067.1	-	3,077.3
Ongoing rights issue	0.7	249.3	-	250.0
Conditional shareholder contributions	-	190.0	-	190.0
Dividend	-	-	-225.0	-225.0
Closing shareholders' equity at 12/31/2021	20.9	4,134.0	3,051.6	7,206.5

Profit for the year is in line with comprehensive income for the year; consequently, only one income statement is presented. The total number of shares amounts to 6,390,000 Class A shares, 131,461,876 Class B shares and 50,496,534 Class D shares, with a nominal value of SEK 0.11 each.

¹⁾Adjustment is related to the acquisition of Intea Lund AB.

Consolidated cash flow for the period

Amounts in SEKm	Note	Full year 2021	Full year 2020
Operating activities			
Profit before tax		2,500.9	555.2
Depreciation of equipment		5.7	1.1
Changes in the value of properties	9	-2,207.0	-452.5
Changes in the value of derivatives	18	-126.9	42.6
Other adjustments for non-cash flow items		165.0	-
Tax paid		-7.3	18.7
<i>Cash flow from operating activities before changes in working capital</i>		330.4	165.0
Change in current receivables		126.3	-82.9
Change in current liabilities		-183.5	94.4
Cash flow from operating activities		273.3	176.5
Investing activities			
Acquisition of investment properties ¹⁾		-4,870.3	-131.2
Investments in existing properties	9	-382.0	-302.4
Acquisition of subsidiaries, Intea AB, net effect on cash and cash equivalents	20	-34.9	-
Acquisition of property, plant and equipment		-2.8	-0.1
Increase in non-current receivables		-121.6	-
Cash flow from investing activities		5,411.7	-433.7
Financing activities			
New borrowing		4,825.0	1,500.0
New borrowing, shareholders		570.0	-
Rights issue		357.1	-
Repayment of loans		-768.8	-941.2
Repayment of lease liability		-7.4	-
Shareholder contributions		190.0	-
Dividend		-225.2	-50.0
Cash flow from financing activities		4,940.7	508.8
Cash flow for the period		4,940.7	508.8
Cash flow for the year			
Cash and cash equivalents at beginning of year		395.4	143.8
Cash and cash equivalents at end of year		197.7	395.4
Interest paid included in operating activities		-201.4	-239.7
Interest received included in operating activities		1.3	1.6

¹⁾ Adjustment has been made compared to the year-end report 2021. The adjusted amount represents SEK 203 million and has generated a positive change in acquisitions of subsidiaries, Intea AB and a corresponding negative change on the series Acquisition of investment properties compared to the year-end report 2021.

Parent company income statement

Amounts in SEKm	Note	Full year 2021	Full year 2020
Income		70.6	57.7
Administrative expenses	4-6	-78.2	-66.9
Operating profit/loss		-7.6	-9.2
Interest income	7	349.7	280.6
Interest expense	7	-198.7	-233.0
Profit/loss after financial items		143.4	38.4
<i>Appropriations</i>			
Group contributions		-42.7	8.4
Profit before tax		100.7	46.8
Tax	8	-	-
Profit for the year		100.7	46.8

Profit for the year is in line with comprehensive income for the year.

Parent company balance sheet

Amounts in SEKm	Note	31 Dec 2021	31 Dec 2020
ASSETS			
Equipment		1.6	-
Total property, plant and equipment		1.6	-
<i>Financial assets</i>			
Investments in Group companies	12	5,660.2	2,393.7
Investments in associates	13	2.5	0.5
Receivable from associates	13	63.2	30.7
Receivables from Group companies		6,919.3	5,263.3
Deferred tax assets	8	5.1	5.1
Other non-current receivables	14	94.3	-
Total financial assets		12,744.6	7,693.3
<i>Current assets</i>			
Receivables from Group companies		3,139.6	2,081.5
Other current receivables	15	56.3	2.6
Prepaid expenses and accrued income		1.5	17.1
Cash and bank balances		197.7	390.5
Total current assets		3,395.1	2,491.7
TOTAL ASSETS		16,141.3	10,185.0
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		20.9	10.0
Total restricted equity		20.9	10.0
<i>Non-restricted equity</i>			
Share premium reserve		3,316.6	-
Profit brought forward		410.6	589.2
Profit for the year		100.7	46.8
Total non-restricted equity		3,827.8	636.0
Total shareholders' equity		3,848.7	646.0
<i>Untaxed reserves</i>		30.2	-
<i>Non-current liabilities</i>			
Interest-bearing liabilities to shareholders	16	-	2,235.4
Interest-bearing liabilities	16	5,424.4	3,777.5
Total non-current liabilities		5,424.4	6,012.9
<i>Current liabilities</i>			
Interest-bearing liabilities	16	4,390.0	1,625.0
Liabilities to Group companies		2,389.4	1,745.1
Accrued expenses and deferred income	11	28.7	48.9
Other current liabilities		29.9	107.1
Total current liabilities		6,838.0	3,526.1
TOTAL EQUITY AND LIABILITIES		16,141.3	10,185.0

Statement of changes in equity – parent company

Amounts in SEKm	Restricted equity		Non-restricted equity	
	Share capital	Share premium re-serve/Shareholder contributions ¹⁾	Profit brought forward	Total shareholders' equity
Opening shareholders' equity at 01/01/2020	10.0	627.6	11.6	649.2
Profit for the year	-	-	46.8	46.8
Dividend	-	-	-50.0	-50.0
Closing shareholders' equity at 12/31/2020	10.0	627.6	8.4	646.0
Opening shareholders' equity at 01/01/2021	10.0	627.6	8.4	646.0
Profit for the year	-	-	100.7	100.7
Rights issue	10.2	3,067.3	-	3,077.5
Ongoing rights issue	0.7	249.3	-	250.0
Conditional shareholder contributions	-	190.0	-	190.0
Merger results	-	-	-190.3	-190.3
Dividend	-	-	-225.2	-225.2
Closing shareholders' equity at 12/31/2021	20.9	4,134.2	-306.4	3,848.7

The total number of shares amounts to 6,390,000 Class A shares, 131,461,876 Class B shares and 50,496,534 Class D shares, with a nominal value of SEK 0.11 each.

Profit for the year is in line with comprehensive income; consequently, only one income statement is presented.

¹⁾ Of which conditional shareholder contributions amounted to SEK 627.6 million at the beginning of the year and SEK 817.6 million at the end of the year.

Statement of cash flows – parent company

Amounts in SEKm	Note	Full year 2021	Full year 2020
Operating activities			
Profit before tax		100.7	46.8
Depreciation of equipment		0.2	-
Other adjustments for non-cash flow items		42.7	-8.4
Tax paid		6.9	-
Cash flow from operating activities before changes in working capital		150.5	38.4
Change in current receivables		-1,135.1	-793.8
Change in current liabilities		540.2	1,289.0
Cash flow from operating activities		-444.4	533.6
Investing activities			
Acquisition of subsidiaries		-3,179.1	-136.1
Loans to Group companies		-1,743.3	-802.6
Loans to associates	13	-32.5	-
Acquisition of property, plant and equipment	10	-1.8	-
Change in investments in associates	13	-1.2	-
Increase in non-current receivables	14	-94.3	-
Cash flow from investing activities		-5,052.2	-938.7
Financing activities			
	16		
New borrowing		4,825.0	575.0
New borrowing, shareholders		570.0	-
Repayment of loans		-413.1	-12.5
Rights issue		357.1	-
Shareholder contributions		190.0	-
Settlement of Group contributions received		-	67.0
Settlement of Group contributions paid		-	-58.6
Dividend		-225.2	-50.0
Cash flow from financing activities		5,303.8	520.9
Cash flow for the year		-192.8	115.8
Cash and cash equivalents at beginning of year		390.5	274.7
Cash and cash equivalents at end of year		197.7	390.5
Interest paid		-198.7	-233.0
Interest received		349.7	280.6

Notes

NOTE 1

ACCOUNTING POLICIES

Compliance with standards and legislation

Intea Fastigheter AB (publ), with company registration number 559027-5656, is a Swedish-registered limited liability company with its registered office in Stockholm. The Group consists of the parent company and its subsidiaries, together referred to as the Group.

The consolidated financial statements have been prepared in accordance with International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB) as adopted by the EU. Furthermore, the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Groups, has been applied.

Parent company

The parent company has prepared its annual report in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for Legal Entities. Under RFR 2, in its annual report for the legal entity, the parent company is to apply all IFRS and IFRIC interpretations approved by the EU to the extent possible within the framework of the Annual Accounts Act and taking into account the close tie between financial reporting and taxation.

The parent company applies the same accounting policies as the Group, except as set out below in the section "Accounting policies of the parent company" on page 77.

Adoption of the annual report

The annual report was approved for issuance by the Board of Directors on 18 March 2022. The income statements and balance sheets will be submitted for adoption by the Annual General Meeting on 18 May 2022.

Functional and reporting currency

The functional currency of the parent company and other Group companies is SEK, which is also the presentation currency for the parent company and the Group. All amounts are rounded to the nearest hundred thousand unless otherwise stated.

Rounding

Due to rounding, figures presented in this Annual Report may not add up exactly to the total in some cases and percentages may differ from the exact percentages.

Assessments and estimates

IFRS and GAAP require Intea to make assessments and assumptions that affect the Group's reported assets, liabilities, income and expenses, as

well as other information. These assessments are based on historical experience and other reasonable factors. Actual outcomes may differ from these estimates and assessments. Assessments that have been made are regularly reviewed.

Investment properties

In the area of valuation of investment properties, the assessments can have a significant impact on the Group's results and financial position. The valuation requires an assessment of future cash flows and determination of return requirements. Intea obtains independent valuations of all properties for each full-year and half-year reporting period. Internal valuations are prepared during the other quarters. A sensitivity analysis has been prepared to reflect the uncertainty of the assumptions, as shown in note 8. Changes in the outside world may cause management to reconsider previous assumptions. Consequently, there may be a wide variation in the value of the property portfolio.

Asset acquisitions versus business combinations and deferred tax

The classification of acquisitions as asset acquisitions or business combinations is a critical judgement that affects the accounting policies to be applied in preparing consolidated financial statements.

Acquisitions of companies can be classified as either business combinations or asset acquisitions under IFRS 3. An individual assessment is made for each acquisition. In cases where the acquisition of the company mainly consists of property/properties and does not involve significant processes, the acquisition is classified as an asset acquisition. Other acquisitions of companies are classified as business combinations and therefore normally include strategic processes associated with the business. In the case of asset acquisitions, no deferred tax is recognised in respect of the acquisition of property. Instead, any discount for non-tax-deductible costs reduces the acquisition cost of the property. On subsequent valuation of the acquired property at fair value, the tax discount will be partially or fully reimbursed by a recognised change in the value of the property. In the case of asset sales with tax discounts, a negative change in value occurs that corresponds in whole or in part to the tax discount granted. All acquisitions to date have been considered as asset acquisitions.

Income tax

Corporate tax in Sweden has changed in two steps commencing on 1 January 2019. The first reduction of the corporate tax rate is from 22 percent to 21.4 percent; this applies to financial years beginning on or after 1 January 2019. In step two, the corporate tax rate is reduced to 20.6 percent as of the financial year beginning 1 January 2021. This change in the corporate

tax rate shall be taken into account in the accounts as from the date of the decision of the Riksdag on this change, which was in June 2019. The deferred tax has been revalued at 20.6 percent.

New standards and interpretations that have entered into force

Intea applies IFRS 16 from 2019 as a lessor, but there are only material leases with the Group as lessee beginning in 2021. The accounting policies are further described in the section on leases. New or revised IFRS standards or other IFRIC interpretations effective from 1 January 2021 have had no impact on the Group's financial statements. New and amended IFRS with future application are not expected to have a material impact on the Company's financial statements. Intea is not currently affected by the reference rate reform as it does not have any Libor rates.

Classification

Non-current assets consist of amounts expected to be recovered or paid after more than twelve months from the balance sheet date, while current assets consist of amounts expected to be recovered or paid within twelve months from the balance sheet date. Non-current liabilities are amounts that the Group has an unconditional right at the end of the reporting period to elect to pay beyond twelve months after the end of the reporting period. If the Group does not have such a right at the end of the reporting period, the amount of the liability is recognised as a current liability. Non-current assets whose carrying amount is expected to be recovered through sales within one year are classified as non-current assets held for sale and accounted for in accordance with IFRS 5.

Acquisitions

Acquisitions of companies can be classified as either business combinations or asset acquisitions. An individual assessment is made for each acquisition. In cases where the acquisition of the company mainly consists of property/properties and does not involve significant processes, the acquisition is classified as an asset acquisition. Other acquisitions of companies are classified as business combinations and therefore normally include strategic processes associated with the business. In the case of asset acquisitions, no deferred tax is recognised in respect of the acquisition of property. Instead, any discount for non-tax-deductible costs reduces the acquisition cost of the property. On subsequent valuation of the acquired property at fair value, the tax discount will be partially or fully reimbursed by a recognised change in the value of the property. In the case of asset sales with tax discounts, a negative change in value occurs that corresponds in whole or in part to the tax discount granted. All acquisitions to date have been considered as asset acquisitions.

Segment reporting

Intea consists of only one operating segment, which is public properties in Sweden. The CEO is the decision-making level responsible for allocating resources and assessing the performance of the business. At present, activities are monitored on the basis of the Group as a whole. Further information can be found about the geographical distribution of the portfolio (page 19), tenant categories (page 19) and property categories (page 20).

Consolidation principles

Subsidiaries are companies under the controlling influence of Intea. Control exists if Intea has influence over the investee, is exposed to or has the right to variable returns from its involvement and can use its influence over the investment to affect the return. When assessing whether a controlling interest exists, potential voting rights are considered, as well as whether de facto control exists.

Subsidiaries are included in the consolidated financial statements from the date of acquisition and excluded from the consolidated financial statements from the date that control ceases. Intea directly or indirectly holds 100 percent of the voting rights in all subsidiaries. The consolidated financial statements are prepared under the purchase method of accounting, which treats the acquisition of a subsidiary as a transaction whereby the parent company indirectly acquires the assets and assumes the liabilities of the subsidiary. In connection with the acquisition, an acquisition analysis is prepared which determines the consolidated cost. All intra-Group transactions, balances and unrealised gains and losses relating to intra-Group transactions have been eliminated in preparing the consolidated financial statements.

Associates

Associates are companies in which the Group has a significant influence, normally through a shareholding of at least 20 percent and at most 50 percent, and are accounted for using the equity method of accounting. The equity method of accounting requires investments in an associate to be carried at cost at the date of acquisition and adjusted thereafter for the Group's share of changes in the associate's net assets. The carrying amount of the Group's shares in the associates is equal to the Group's share in the associates' equity and any residual value of the consolidated surplus or deficit.

Related party transactions

The provision of services between Group companies and other related companies and individuals is subject to commercial terms and market pricing.

Income

Rental income

Rental income, which from an accounting perspective is also referred to as income from operating leases, is paid in advance and recognised in the income statement on a straight-line basis over the term of the lease. Intea determines at the commencement date of each lease whether the lease is classified as a finance or operating lease. In determining classification, an overall assessment is made of whether the contract transfers substantially all the economic risks and rewards incidental to ownership of the underlying asset. If this is the case, the lease is a finance lease, otherwise it is an operating lease. As part of this assessment, Intea takes into account a number of indicators. Examples are when the lease period is a major part of the economic life of the asset, or when ownership of the underlying asset is transferred to the lessee at the end of the lease term. Currently, all of Intea's leases where Intea is the lessor are classified as operating leases. Intea recognises the lease payments from operating leases of investment

property as income on a straight-line basis over the lease term as part of the item Rental income. Intea does not receive revenue from percentage rent to any significant extent. Rental income comprises rent paid including indexation, additional charges for tenant adjustments and property tax. Prepaid rents are recorded as deferred rental income. In cases where a lease provides for a discounted rent during a certain period that is offset by a higher rent at other times, the resulting deficit or surplus is distributed over the term of the lease. Pure discounts such as reductions for gradual occupancy are charged to the period to which they relate.

Service revenue

Service revenue includes additional charges for services such as management services and utilities such as heating, cooling, refuse collection, water, snow clearance, etc. Service revenues are recognised as revenue as the service is delivered and the customer benefits from the service. Fixed fees for utilities are recognised as revenue over time. For variable remuneration based on consumption, settlement is made against actual consumption in the following period. Revenue for variable remuneration is only reported to the extent that it is reasonably certain that a reduction in revenue will not be reported in a later period. Service revenue amounts to SEK 20.0 million for 2021 (SEK 10.5 million).

Revenue from property sales

Revenue from property sales is reported on the date of occupancy, unless the purchase contract includes special conditions. Gains on the sale of property are recognised separately as a realised change in value and represent the difference between the sale price received, net of selling expenses, and the carrying amount in the last report adjusted for capital expenditure incurred. Intea did not complete any property sales in 2021.

Property expenses and central administration

Property expenses

Consists of expenses relating to the operation, maintenance, upkeep, rental and administration of the property portfolio.

Central administration

Consists of costs for Group-wide functions and ownership of Group subsidiaries.

Leases

All leases relating to investment properties are considered to be operating leases. Recognition of these leases is indicated by the income policy. Leases, where essentially all risks and benefits associated with ownership fall to the lessor, are classified as operational leases.

There are a small number of leases where Intea is the lessee. IFRS 16 Leases requires a right-of-use asset and a lease liability to be recognised in the balance sheet. The lease liability is initially measured at the present value of the remaining lease payments over the estimated lease term. The right-of-use asset is initially measured at cost, which consists of the initial value of the lease liability plus any lease payments made on or before the commencement date. The right-of-use asset is depreciated on a straight-line basis from the commencement date to the earlier of the end of the

useful life of the asset and the end of the lease term, which for the Group is normally the end of the lease term. However, right-to-use assets relating to site leaseholds are not depreciated. Application of IFRS 16 to contracts where the Group is a lessee mainly comprises residential land leases, but also leases for office premises, vehicles and land. The ground rent is recorded in full as a financial expense instead of a property expense, which improves net operating income. Lease payments are normally discounted using the Group's marginal borrowing rate, which in addition to the Group's credit risk reflects the lease term, currency and quality of the underlying asset as collateral. However, where the implicit interest rate of the lease can be readily determined, that rate is used, as is the case for some of the Group's cars and ground leases. For leases with a lease term of 12 months or less or with an underlying asset of low value, less than SEK 50 thousand, no right-of-use asset and lease liability are recognised. Lease payments for these leases are recognised as an expense on a straight-line basis over the lease term.

Finance income and expenses

Intea applies the following measurement categories under IFRS 9:

- Fair value through profit or loss
- Amortised cost
- Fair value through comprehensive income

Financial income consists of interest income on receivables. Finance expenses consist mainly of interest expenses on loans and other liabilities, interest coupons on derivatives used to hedge interest rate risk and impairment losses on financial assets. Hedge accounting is not applied.

Taxes

Income taxes consist of current tax and deferred tax. Income taxes are recognised in profit or loss except where the underlying transaction is recognised in other comprehensive income or in equity, in which case the related tax effect is recognised in other comprehensive income or in equity.

Current tax is the tax payable or receivable in respect of the current year, using tax rates enacted or substantively enacted at the balance sheet date. Current tax also includes adjustments to current tax relating to prior periods.

Deferred tax is calculated using the balance sheet method based on temporary differences between the carrying amounts and tax bases of assets and liabilities. Temporary differences are not taken into account for differences arising on the initial recognition of assets and liabilities that are not business combinations that, at the time of the transaction, affect neither accounting nor taxable profit or loss, as in the case of so-called asset acquisitions. The valuation of deferred tax is based on how the underlying assets or liabilities are expected to be realised or settled. Deferred tax is calculated using the tax rates and tax laws enacted or substantively enacted at the balance sheet date. Intea has revalued the deferred tax at 20.6 percent. Deferred tax assets relating to deductible temporary differences and tax loss carry-forwards are recognised only to the extent that it is probable that they will be recovered. The value of deferred tax assets is reduced when it is no longer probable that they can be utilised.

In the case of asset acquisitions of shares in subsidiaries, no separate deferred tax is recognised at the time of acquisition, but the asset is

carried at a cost equal to the fair value of the asset less any discount for non-deductible cost for tax purposes. On subsequent valuation of the acquired property at fair value, the tax discount will be partially or fully reimbursed by a recognised change in the value of the property. Subsequent to the acquisition date of an asset, deferred tax is recognised only on changes in the carrying amount and changes in the tax base that arise after the acquisition date.

Financial instruments

A financial asset or financial liability is recognised in the balance sheet when the company becomes a party to the contractual provisions of the instrument. Lease receivables are recognised when issued. A financial asset or part of a financial asset is derecognised when the rights under the contract are realised, expire or when the company loses control of it.

A financial liability or part of a financial liability is derecognised when the obligation under the contract is discharged or otherwise extinguished. Non-derivative financial instruments are initially recognised at cost, corresponding to the fair value of the instrument plus transaction costs. This applies to all financial instruments except those belonging to the category of financial assets at fair value through profit or loss, which are carried at fair value excluding transaction costs. A financial instrument is classified at initial recognition based, among other things, on the purpose for which it was acquired. The classification determines how the financial instrument is measured after initial recognition as described below. Financial instruments recognised on the asset side of the balance sheet include cash and cash equivalents, trade receivables, receivables from associated companies and other receivables. Liabilities include trade payables, loans payable, other liabilities and derivatives. The Group does not apply hedge accounting. Financial assets and liabilities are offset and recognised in the balance sheet at a net amount when there is a legal right to offset and when there is an intention to settle the items at a net amount or to realise the asset or settle the liability simultaneously.

At initial recognition, financial assets and liabilities are categorised into different measurement categories.

The Group applies the following measurement categories in accordance with IFRS 9:

- Fair value through profit or loss
- Amortised cost
- Fair value through comprehensive income

Fair value through profit or loss

Financial instruments in this category are measured at fair value on an ongoing basis with changes in value recognised in the income statement. This category includes derivative instruments. The Group does not apply the option to measure financial assets or liabilities other than derivatives in this category.

Derivative instruments are initially recognised at fair value at the contract date. Subsequent to initial recognition, derivative instruments are carried at fair value on a recurring basis in the balance sheet. Changes in value are recognised in the income statement on an ongoing basis, since hedge accounting is not applied in the Group.

The Group uses interest rate swaps to manage interest rate risk from borrowings at floating rates. The interest rate swaps are valued at fair value in the balance sheet. The interest coupon component is recognised in the

income statement as part of the interest expense. Unrealized changes in the fair value of the interest rate swaps are recognized in the income statement in the line Derivatives unrealised.

Financial assets

All financial assets, other than derivative assets, consist of financial receivables and cash and cash equivalents, which are carried at amortised cost since they are held in the context of a business model whose objective is to obtain the contractual cash flows, while the cash flows from the assets consist only of payments of principal and interest. Cash and cash equivalents include cash in hand and at banks and other short-term liquid investments that are readily convertible to cash and are subject to an insignificant risk of changes in value. In order to be classified as cash and cash equivalents, the maturity must not exceed three months from the date. Bank deposits are payable on demand and therefore the amortised cost is equal to the nominal amount.

Liabilities

The Group applies the valuation category 'amortised cost' for liabilities as explained below.

Loans and other financial liabilities, such as trade payables, are included in the category Other liabilities. Liabilities are valued at amortised cost. The maturity of the trade payables is short, therefore the liabilities are recorded at nominal amount without discounting. Interest-bearing bank loans, overdrafts and other loans are classified as 'Other financial liabilities' and are measured at amortised cost. Any difference between the amount of the loan received (net of transaction costs) and the amount of the loan repaid is amortised over the life of the loan using the effective interest method and recognised in the income statement as interest expense.

Financial assets and financial liabilities are measured at amortised cost using the effective interest method. The effective interest rate is the rate that discounts estimated future cash receipts and payments through the expected life of a financial instrument to the net carrying amount of the financial asset or liability. The calculation includes all fees paid or received by the contracting parties, which are part of the effective interest rate, transaction costs and any premiums or discounts.

Dividend income is recognised when the shareholder's right to receive payment has been established.

Interest expenses are not capitalised in investment properties, but are expensed as incurred.

Unrealised changes in the fair value of interest rate derivatives are recognised in a separate line in the income statement entitled 'Changes in fair value of derivatives'. Realised changes on early closure are recognised in financial income and expenses.

Derivative instruments

The Group accounts for derivative instruments under the 'Fair value through profit or loss' category. The instruments are recognised in the balance sheet on the contract date and are measured at fair value both initially and on subsequent revaluations. The Group uses interest rate swaps to manage interest rate risk, which are recognised at fair value through profit or loss.

Impairment

The Group's recognised assets are assessed at each reporting date to determine whether there is any indication of impairment. IAS 36 applies to impairment of property, plant and equipment and investments in subsidiaries and associates. If there is an indication of impairment, the recoverable amount of the asset is calculated as follows. An impairment loss is recognised when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount. The recoverable amount is the higher of fair value less costs to sell and value in use. Value in use is calculated by discounting future cash flows using a discount factor that takes into account the risk-free interest rate and the risk associated with the specific asset.

Impairment for credit losses under IFRS 9 is prospective and a provision for losses is made when there is an exposure to credit risk. Expected credit losses reflect the present value of any shortfall in cash flows attributable to defaults either over the next 12 months or over the expected remaining life of the financial instrument, depending on the type of asset and on credit deterioration since initial recognition. Expected credit losses reflect an objective, probability-weighted outcome that considers multiple scenarios based on reasonable and verifiable forecasts. The simplified model is applied to trade receivables, contract assets and rental receivables. A loss reserve is recognised, in the simplified model, for the expected remaining life of the claim or asset. The valuation of expected credit losses is based on different methodologies. The methodology for trade receivables, contract assets and lease receivables is based on historical customer losses combined with forward-looking factors. For impaired assets and receivables, an individual assessment is made taking into account historical, current and prospective information. The valuation of expected credit losses takes into account any collateral and other credit enhancements in the form of guarantees. Financial assets are recorded in the balance sheet at amortised cost, i.e. net of gross value and loss reserve. Changes in the loss reserve are recognised in the income statement. The estimates of expected credit losses at 31 December 2021 do not add up to material amounts for the Group. Therefore, no provision for expected credit losses has been recognised in the Group.

Property, plant and equipment

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost comprises the purchase price, expenditure directly attributable to bringing the asset to its location and condition for use, and estimated expenditure on dismantling and removing the asset and restoring the site to its original location. Incremental expenditure is included in the asset or recognised as a separate asset only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. All other repair and maintenance costs and additional expenditure are recognised in the income statement in the period in which they are incurred. Depreciation of property, plant and equipment, taking into account any residual value, is charged on an ongoing basis over the estimated useful life.

Equipment 5 years

Estimated useful lives, residual values and depreciation methods are reassessed at least at the end of each financial period; the effect of any changes in estimates is recognised prospectively.

Investment properties

Investment property refers to property that is held for the purpose of generating rental income or increase in value or a combination of these, rather than for sales in the day-to-day operations. All properties owned by Intea are deemed to be investment properties. If the Group commences an investment in an existing investment property for continued use as an investment property, the property continues to be accounted for as an investment property. Buildings under construction for future use as investment property are carried at fair value as investment property in accordance with IAS 40, taking into account project risk and less the residual investment. The valuation of ongoing projects varies depending on the stage of the project and the risk that the project will not meet the financial calculations underlying the project's implementation. The decisive factors are whether the project includes land with a right of disposal, a signed lease, an adopted local development plan and a granted building permit. Investment properties are reported according to level 3 below.

Fair value

Inputs for fair value measurement:

- Level 1 – Quoted, unadjusted, prices in active markets for identical assets or liabilities available to the company at the time of valuation.
- Level 2 – Inputs other than quoted prices included in Level 1 that are directly or indirectly observable for assets and liabilities.
- Level 3 – Unobservable inputs for assets and liabilities.

Impairment of property, plant and equipment

At each balance sheet date, the Group analyses the carrying amounts of tangible assets, other than investment property, to determine that there is no indication that these assets have been impaired. If this is the case, the recoverable amount of the asset is calculated in order to determine the value of any impairment loss. Where it is not possible to calculate the recoverable amount of an individual asset, the Group calculates the recoverable amount of the cash-generating unit to which the asset belongs.

Changes in value of investment properties and derivatives

Unrealised and realised changes in the fair value of investment properties and unrealised and realised changes in the value of interest rate derivatives are recognised in profit or loss in separate line items between the Profit or loss from property management and Profit or loss before tax, namely Changes in fair value of investment properties and Changes in fair value of derivatives respectively.

Remuneration to employees

Remuneration to employees as salaries, bonuses, paid holidays, paid sick leave, etc. and pensions are reported in line with earnings.

Pensions and other post-employment benefits are classified as either defined contribution or defined benefit plans based on the rules of IAS 19. The Group has only defined contribution pension plans. For defined contribution plans, the company pays fixed contributions to a separate independent legal entity and has no obligation to pay additional contributions. The Group's results are charged with costs as the benefits are earned, which normally coincides with the time when the premium is paid.

Provisions

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and a reliable estimate of the amount can be made.

The amount provided represents the best estimate of the amount required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties associated with the obligation. When a provision is calculated by estimating the payments expected to be required to settle the obligation, the carrying amount shall be the present value of those payments

Contingent liabilities

A contingent liability is recognised when there is a possible obligation that arises from past events and whose existence will be confirmed only by one or more uncertain future events or when there is an obligation that is not recognised as a liability or a provision because it is not probable that an outflow of resources will be required to settle it.

Cash flow

The statement of cash flows has been prepared using the indirect method, i.e. profit before tax is adjusted for transactions not involving cash receipts or payments during the period and for any income and expenses related to investing or financing activities.

Accounting policies of the parent company

The Parent Company has prepared its annual accounts in accordance with the Annual Accounts Act and the Swedish Financial Reporting Board's recommendation RFR 2 Accounting for Legal Entities. Under RFR 2, in its annual report for the legal entity, the parent company is to apply all IFRS and IFRIC interpretations approved by the EU to the extent possible within the framework of the Annual Accounts Act, the Pension Obligations Vesting Act and taking into account the close tie between financial reporting and taxation. The Recommendation sets out the exceptions and amendments to IFRS that should be made.

Changes in accounting policies

The accounting policies of the parent company are unchanged compared with the 2020 annual report. New or amended IFRS including pronouncements adopted to date by the IASB with future application are not expected to have a material impact on the parent company's financial statements.

Differences between Group and parent company accounting policies

The differences between the accounting policies of the Group and the parent company are set out below. The accounting policies of the parent company set out below have been applied consistently to all periods presented in the parent company financial statements. The presentation of the parent company's income statement and balance sheet is different from that of the Group, as the parent company follows the format of the Annual Accounts Act.

Subsidiaries

Investments in subsidiaries are accounted for in the parent company using the cost method. This means that transaction costs are included in the carrying amount of investments in subsidiaries.

Financial instruments

Due to the link between accounting and taxation, the rules on financial instruments in IFRS 9 are not applied in the parent company as a legal entity.

In the parent company, financial assets are valued at cost less any impairment and current financial assets at the lower of cost or market. The cost of interest-bearing instruments is adjusted for the accrued difference between what was originally paid, net of transaction costs, and the amount paid at maturity (premiums or discounts).

Interest rate swaps that effectively hedge the cash flow risk in interest payments on debt are valued at the net of the accrued variable interest receivable and the accrued fixed interest payable and the difference is recognised as interest expense or interest income. The hedge is effective if the economic substance of the hedge and the liability is the same as if the liability had been incurred at a fixed market rate at the inception of the hedging relationship. Any premium paid for the swap agreement is accrued as interest over the term of the agreement.

Through RFR 2, Intea is affected by the rules in IFRS 9 regarding impairment testing for credit risk in internal and external receivables and cash and cash equivalents. Intea has essentially only internal receivables in its wholly owned subsidiaries. The new impairment model for receivables in IFRS 9 has a marginal impact on Intea. Intea estimates (based on historical data) that no losses will occur on these internal receivables and therefore no provision is made. However, Intea assesses the value of internal receivables on an ongoing basis. If there is a risk that the value of a receivable has decreased significantly, the receivable is written down.

Financial guarantees

The Parent Company's financial guarantee agreements consist mainly of guarantees in favour of subsidiaries and associates. A financial guarantee is a commitment by the company to reimburse the holder of a debt instrument for losses incurred as a result of the failure of a specified debtor to make payment when due in accordance with the terms of the contract. For the accounting of financial guarantee contracts, the parent company applies a relaxation rule allowed by the Financial Reporting Council compared to the rules of IFRS 9. The relief rule refers to financial guarantee

agreements issued for the benefit of subsidiaries. The parent company recognises financial guarantee contracts as a provision in the balance sheet when it has a commitment for which it is probable that payment will be required to settle the commitment.

Leased assets

The Parent Company does not apply IFRS 16, in accordance with the exemption provided for in RFR2. As a lessee, lease payments are recognized as costs on a straight-line basis over the Lease Period and thus rights of use and lease liabilities are not recognized in the balance sheet.

Anticipated dividends

Anticipated dividends from subsidiaries are recognised when the parent company alone has the right to decide on the amount of the dividend and the parent company has decided on the amount of the dividend before the parent company has published its financial statements.

Group contributions and shareholder contributions

Group contributions to parent companies from subsidiaries are reported as appropriations in accordance with the alternative rule in RFR2, Accounting for legal entities. Shareholder contributions are charged directly to the equity of the recipient and capitalised in the shares of the donor, to the extent that no impairment is required.

Income and management fees

Intea only provides administration and management services to its subsidiaries under the same type of contracts based on the market value of the subsidiary's real estate holdings. The agreements with the subsidiaries are of indefinite duration. Services are invoiced to subsidiaries in arrears and allocation keys are reviewed annually.

NOTE 2

RENTAL INCOME

Rental income totalled SEK 733.2 million (548.5). Rental income for comparable properties amounted to SEK 1,706 per sqm (1,672) for the financial year.

Change in rental income

Amounts in SEKm	2021	2020	Change, %
Like-for-like portfolio	481.2	471.3	2.1
Project properties	103.3	68.1	
Acquired properties	147.5	7.5	
Other	1.2	1.6	
Rental income	733.2	548.6	33.6

Total income is distributed as shown in the table below:

Amounts in SEKm	2021	2020
Rental income	712.0	536.1
Service revenue	20.0	10.5
Other income	1.2	2.0
Total	733.2	548.6

Rental income relates to income from contracts for the rental of mainly office premises and other premises belonging to the investment properties. Additional charges for heating, electricity, water, refuse collection and similar income amounted to SEK 20.0 million (10.5) and correspond to 2.7 percent (1.9) of total rental income.

Contractual rent is allocated as shown in the table below:

	2021	2020
Justice	30%	27%
Higher education	37%	30%
Healthcare	13%	19%
Public administration	14%	18%
Non-public	6%	6%

From a total of SEK 858.6 million in contractual rent, SEK 151.7 million, SEK 83.1 million and SEK 78.2 million relate to the three largest tenants.

The Group has operating leases for the portfolio of investment properties. Of the Group's 31 (24) properties, the remaining lease term is between 1 and 15 years and the remaining lease term was 5.7 years (6.2) on all leases and 6.0 years (6.2) on leases relating to public-sector tenants.

Lease maturity structure at 31 December 2021

	Number of leases	Area, 000 sqm	Annual rent, SEKm	Percentage
Public sector, contract duration				
2021	4	7	9	1.1
2022	71	11	10	1.2
2023	52	31	53	6.1
2024	40	48	72	8.4
2025	43	107	203	23.7
2026	13	42	90	10.5
>2026	49	158	369	43.0
<i>Total public-sector tenants</i>	<i>272</i>	<i>404</i>	<i>807</i>	<i>94.0</i>
Non-public	212	38	52	6.0
Total	484	442	859	100.0

NOTE 3

PROPERTY EXPENSES

Property expenses amounted to SEK 124.3 million (98.3). Direct property costs for comparable stock amounted to SEK 312 per sqm (300) for the financial year. These amounts include operating, maintenance and property tax costs. Operating costs include costs for electricity, heating, water, property maintenance, cleaning, insurance and property-specific marketing costs. A large part of the operating costs are passed on to the tenants in the form of a surcharge to the rent. Property administration including leasing totalled SEK 4.7 million (4.3).

Change in property expenses

Amounts in SEKm	2021	2020	Change, %
Like-for-like portfolio	87.9	84.7	3.8
Project properties	11.0	7.4	
Acquired properties	20.2	0.2	
Other	0.5	1.7	
<i>Direct property expenses</i>	<i>119.6</i>	<i>94.0</i>	<i>27.2</i>
Property administration	4.7	4.3	
Property expenses	124.3	98.3	26.4

NOTE 4**CENTRAL COSTS AND ADMINISTRATION**

Includes central finance and administration costs, contracted consultancy services and board fees. The Group's central costs include items affecting comparability SEK -170.6 million, of which SEK 165 million relates to compensation for the early termination of the management agreement with Intea AB. SEK 5.6 million relates to IPO costs.

Operating expenses by type of cost

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Personnel costs	-17.5	-0.8	-17.5	-0.8
Management costs	-32.8	-66.1	-32.8	-66.1
Depreciation/amortisation	-4.5	-	-0.2	-
Other central costs	-18.6	-	-21.0	-
Income	3.1	-	3.1	-
Items affecting comparability	-170.6	-	-5.6	-
Total	-240.9	-66.9	-78.3	-66.9

NOTE 5**INFORMATION ON EMPLOYEES AND REMUNERATION OF THE BOARD OF DIRECTORS****Salaries and other remuneration**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
<i>Salaries and other remuneration</i>				
Fees to the Chairman of the Board	0.3	0.2	0.3	0.2
Fees to other board members	0.8	0.5	0.8	0.5
Remuneration and benefits to the CEO	4.5	3.2	1.6	0.8
Remuneration and benefits to other executives	5.7	-	5.7	-
Remuneration and benefits to other employees	10.4	6.5	2.7	-
Total	21.7	10.4	11.1	1.5
<i>Social security expenses, including payroll tax</i>				
Chairman of the Board	0.0	0.1	0.0	0.1
Other Board members	0.3	0.2	0.3	0.2
Chief Executive Officer	1.4	1.2	0.5	0.2
Other executives	1.8	-	1.8	-
Other employees	4.1	3.5	1.4	-
Total	7.6	5.0	4.0	0.5
<i>Pension expenses</i>				
Chief Executive Officer	1.3	0.9	0.4	-
Other executives	1.2	-	1.2	-
Other employees	1.0	0.7	0.2	-
Total	3.5	1.6	1.8	-

Current terms of employment for the CEO and other senior executives: Between the CEO and the company, the notice period of six months applies in the event of termination. For one senior executive, a notice period of six months upon termination by the senior executive and a notice period of twelve months upon termination by the Company. For senior executive, a tender notice period of three months applies in the event of termination and for other senior executives a mutual notice period of six months applies in the event of termination. The CEO and CEO are entitled to severance pay corresponding to twelve months' salary at the employer's termination. There are no outstanding share-based incentive programs or other variable remuneration in the Company.

NOTE 5 (cont.)**Average number of employees, parent company and Group**

Number	Group		Parent company	
	2021	2020	2021	2020
Senior executives	10	10	7	7.0**
<i>Of which women</i>	2	2	2	2.0**
Other employees	30.6	15.2	11.8	0.0
<i>Of which women</i>	14.1	3.3	9.6	0.0

** In 2020, the CEO was employed at Intea Fastigheter AB (publ), Intea Garnisonen AB, Intea Campus AB and Intea Vänerparken AB. Others consist of external consultants from Intea AB. No salaries are paid to the external management consultants.

Gender distribution, Board of Directors

Number	2021	2020
Board members	7	6
<i>Of which women</i>	2	1

Remuneration paid to board members, in their capacity as board members, during the financial year 2021

Amounts in SEK000	Position	Board fees	Social security expenses	Total
Caesar Åfors	Chairman of the Board ¹⁾	340	107	447
Håkan Sandberg	Board member ²⁾	250	39	164
Mattias Grahm	Board member	-	-	-
Kristina Alvendal	Board member	340	107	447
Christian Haglund	Board member	-	-	-
Håkan Hellæus	Board member	-	-	-
Pernilla Ramslöv	Board member	-	-	-
Magnus Jarlén	Board member	125	39	164
Henrik Lindekrantz	Board member	-	-	-
Total		1055	278	1333

¹⁾ Elected Chairman of the Board at the Annual General Meeting on May 19, 2021.

²⁾ Chairman of the Board up to and including new election of chairman of the board at the annual general meeting on May 19, 2021.

NOTE 6**FEEES AND REIMBURSEMENT OF EXPENSES TO AUDITORS**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Revision KPMG	3.5	2.3	3.5	2.3
Other assignments	1.3	0.3	1.3	0.3
Total	4.8	2.6	4.8	2.6

NOTE 7**FINANCIAL ITEMS****Finance income**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Interest income, other	1.3	1.6	1.3	1.6
Interest income, Group companies	-	-	348.4	279.0
Total	1.3	1.6	349.7	280.6

Finance expenses

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Interest expense, shareholders	-78.6	-134.1	-78.6	-134.1
Interest expense, credit institutions	-116.9	-99.9	-114.8	-93.2
Interest expense, site leasehold and other right-of-use assets	-1.4	-	-	-
Other finance expenses	-5.4	-5.7	-5.3	-5.7
Total	-202.3	-239.7	-198.7	-233.0

All interest income and interest expenses to owners and credit institutions are accounted for using the effective interest method and relate to financial receivables and financial liabilities, respectively, measured at amortised cost, except for coupon interest on interest rate derivatives, which is included in interest expenses for SEK 28.3 million (16.8). Unrealised changes in the value of interest rate derivatives are disclosed under the heading "Changes in value" in the line "Derivatives unrealised".

NOTE 8

TAXES

Recognised tax expense or income

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
<i>Current tax expense</i>				
Tax on profit/loss for the year	-4.6	-4.5	-	-
Tax due to changed taxation	-0.4	-0.5	-	-
Total current tax	-5.0	-5.0	-	-
<i>Deferred tax expense or income</i>				
Deferred tax relating to untaxed reserves	-42.8	-15.8	-	-
Deferred tax relating to tax loss carry-forwards	-	-	-	-
Deferred tax relating to temporary differences on properties	-457.7	-131.0	-	-
Deferred tax relating to temporary differences in financial derivatives	-26.1	8.8	-	-
Total deferred tax	-526.6	-138.0	-	-
Total recognised tax expense or income	-531.6	-143.0	-	-

Reconciliation of effective tax

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Profit before tax	2,500.9	555.2	100.7	46.8
Tax at current rate 20.6%	-515.2	-114.4	-20.7	-9.6
Non-deductible expenses	-70.9	-32.9	-	-
Non-taxable income	44.5	15.2	30.0	9.6
Non-taxable dividends from subsidiaries	-	-	1.7	-
Utilised deficit, previously not capitalised	-	-16.6	-	-
Increase in tax loss carryforwards without corresponding capitalisation of deferred tax	0.3	1.6	-	-
Change in temporary difference investment properties**	13.9	4.3	-	-
Acquired/merged result Intea AB	-	-	-11.0	-
Other tax adjustments	-4.2	1.4	-	-
Recognised tax expense	-531.6	-143.0	0.0	0.0
Effective tax rate, %	21.3	24.8	0	0

NOTE 8 (cont.)

Deferred tax asset (+), deferred tax liability (-)				
Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
<i>Investment properties</i>				
At beginning of year	-405.3	-272.1	-	-
Recognised in profit or loss	-457.7	-133.2	-	-
At year-end	-863.0	-405.3	-	-
<i>Derivatives</i>				
At beginning of year	16.3	7.5	-	-
Recognised in profit or loss	-26.1	8.8	-	-
At year-end	-9.8	16.3	-	-
<i>Other</i>				
At beginning of year	-49.6	-33.8	5.1	5.1
Recognised in profit or loss	-42.8	-15.8	-	-
Acquired accrual fund on acquisition	-5.6	-	-	-
At year-end	-98.0	-49.6	5.1	5.1
Net deferred tax liability/asset (-/+)	-970.8	-438.7	5.1	5.1

NOTE 9**INVESTMENT PROPERTIES****Fair value of investment properties**

The fair value of investment properties amounts to SEK 17,797.4 million (10,237.9), of which SEK 1,303 million relates to the carrying amount of projects. The economic occupancy rate is 99.0 percent (98.7). The rental value per sqm amounts to SEK 1,910 (1,827) for the year.

Group 2021

Amounts in SEKm	Properties Acquisitions (+) Disposals (-)	Properties owned throughout the year	Total 2021	Number of properties
Opening fair value	-	10,237.9	10,237.9	24
Investments in existing properties for the year	-	382.0	382.0	-
Capitalised interest expenditure	-	-	-	-
Acquisitions (+)	4,970.5	-	4,970.5	7
Disposals (-)	-	-	-	-
Unrealised changes in value	-	2,207.0	2,207.0	-
Closing fair value	4,970.5	12,826.9	17,797.4	31

Changes in the value of properties amounted to SEK 2,207.0 million (452.5), mainly driven by a change in yield requirements of SEK 779.8 million and an increase in the value of project properties of SEK 680.2 million.

Changes in the value of properties

Amounts in SEKm	2021	2020
Change in net operating income*	377.7	138.0
Projects	680.2	65.2
Change in the yield requirement/discount rate	779.8	249.3
Acquisitions	369.3	-
Total	2,207.0	452.5

* Change in net operating income is based on the earning capacity of the like-for-like properties.

Assessed value for tax purposes

Amounts in SEKm	2021	2020
Land	368.1	329.9
Building	1,326.2	1,134.2
Total	1,694.4	1,464.1

NOTE 9 (cont.)

Investment properties

Investment properties are accounted for under the fair value model of IAS 40 and all have been classified in level 3 of the IFRS 13 value hierarchy with the change in value recognised in the income statement.

Valuation methodology

All valuation objects were valued separately by the independent valuation institute Newsec as of 31 December 2021. The valuation was carried out in accordance with generally accepted international valuation methods and is based on a combination of the yield-based method and the comparative market analysis method. Yield-based valuation is based on a forecast of future cash flows in which the present value of future cash flows is calculated. Analyses of comparable property purchases serve as the basis for assessing market yield requirements. The calculation period was adapted to the remaining contractual period of existing leases and varies between 5 and 20 years. Investment properties are initially valued at cost. In the opinion of Intea's management, there are no material deviations from market levels of rental payments or operating and maintenance costs.

Valuation basis

Net operating income is based on market-adjusted rental income. Rental income is market-adjusted by adjusting existing rents with newly signed and renegotiated leases, while taking into account expected rental developments. The long-term vacancy rate has been assessed by the valuers and Intea together. Operating payments include payments for the normal operation of the property. The assessment of operating payments is based on the budget and previous years' outcomes, supplemented by the experience of the independent valuers. The level of maintenance of the property is determined on the basis of its current condition supplemented by estimates of future maintenance needs. Investment needs are assessed on the basis of the current state with additions for future projects. The valuation of ongoing projects varies depending on the stage of the project and the risk that the project will not meet the financial calculations underlying the project's implementation. The decisive factors are whether the project includes land with a right of disposal, a signed lease, an adopted local development plan and a granted building permit. Early-stage ongoing projects without signed leases are valued on the basis of the carrying amount of the costs incurred. The market value of the projects is assessed on the principle that the value is determined as the sum of the accumulated investment and a risk-adjusted share of the estimated project profit at completion. Project profit is calculated as the difference between an assessed value of the property/rental property if it had been ready at the time of valuation and the assessed total investment, taking into account provisions for contingencies. The estimated project profit is reviewed on an ongoing basis.

Intea's objective of generating a long-term sustainable return is based on an internal requirement for a basic return, taking into account inflation, tax costs, the location and year of construction of the properties and normal future maintenance costs, which together are expected to result in a return within a range of 5–10 percent. From a theoretical point of view, the

discount rate is obtained by adding a risk-free real interest rate, inflation expectations and a risk factor.

The residual value is calculated separately for each property by perpetual capitalisation of the estimated market operating surplus and the estimated market return requirement as explained above.

Sensitivity analysis

A property valuation is an estimate of the likely price that an investor would be willing to pay in a normal sale on the open market. The valuation is carried out by independent valuation agencies based on accepted valuation techniques including assumptions on certain parameters. A certain degree of uncertainty is always present in a property valuation. A change in property value of +/- 5 percent affects Intea's property value by +/- SEK 1,150 million (512). Below is a sensitivity analysis based on the selected parameters.

Changes in value	2021	2020
Unrealised changes in value for the year, SEKm	2,207.0	452.6
Weighted return requirement, %	4.37	4.87
Weighted discount rate, cash flow, %	4.11	6.06
Weighted discount rate, residual value, %	4.11	6.06

Valuation model

+ Rent payments
 - Operating payments
 = Net operating income
 - Investments
 = Cash flow of the property

Sensitivity analysis	Change +/-	Effect on earnings (SEK m)
Direct return requirement residual value	0.5 percentage point	-1,076.9/1,377.9
Rental income	5.0 percent	729.2/-792.2
Property expenses	5.0 percent	-144.1/144.1
Vacancy rate	1.0 percentage point	-122.2/122.2
Discount rate net operating income	0.5 percentage point	-772.6/821.5

NOTE 10**MACHINERY AND EQUIPMENT**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
<i>Accumulated cost</i>				
At beginning of year	6.4	6.1	-	-
Upon acquisition of subsidiaries	4.1	-	1.8	-
New acquisitions	0.7	0.3	-	-
Total	11.2	6.4	1.8	-
<i>Accumulated depreciation/ amortisation</i>				
At beginning of year	-4.9	-4.2	-	-
Depreciation/amortisation for the year	-1.0	-0.7	-0.2	-
Total	-5.9	-4.9	-0.2	-
Carrying amount at end of period	5.3	1.5	1.6	-

NOTE 11**ACCRUED EXPENSES AND DEFERRED INCOME**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Accrued interest on expenses	16.7	48.0	16.7	46.4
Prepaid rents	234.2	138.2	-	-
Other interim liabilities	21.8	34.1	12.0	2.5
Total	272.7	220.3	28.7	48.9

NOTE 12**INVESTMENTS IN GROUP COMPANIES**

Amounts in SEKm	Parent company	
	2021	2020
<i>Accumulated cost</i>		
At beginning of the year	2,393.7	2,257.7
Purchases	3,179.1	61.0
Shareholder contributions made	87.4	75.0
Disposals	-	-
<i>Closing balance 31 December</i>	<i>5,660.2</i>	<i>2,393.7</i>
<i>Accumulated impairment losses</i>		
At beginning of the year	-	-
<i>Closing balance 31 December</i>	<i>-</i>	<i>-</i>
Total carrying amount	5,660.2	2,393.7

NOTE 12 (cont.)

Direct holdings				Carrying amount, SEKm	
Company	Corp. reg. no:	Registered office	Ownership, %	2021	2020
Intea AB	559056-7755	Stockholm	100	5.0	5.0
Intea Garnisonen AB	556547-8756	Stockholm	100	1,176.7	1,176.7
Intea Eldaren AB	556832-2670	Stockholm	100	276.7	157.5
Intea Östersund AB	559085-0037	Stockholm	100	103.6	68.7
Intea Eric Ugglå AB	559086-0762	Stockholm	100	81.3	79.4
Intea Karlsro AB	556558-0494	Stockholm	100	211.7	204.6
Intea Bygg AB	559056-3804	Stockholm	100	0.1	0.1
Intea Fanan 62 AB	559028-8279	Stockholm	100	6.8	6.8
Intea Kristianstad AB	559148-6625	Stockholm	100	103.4	6.2
Intea Tullen AB	556760-9580	Stockholm	100	64.8	60.8
Intea Seglet AB	559172-7424	Stockholm	100	0.6	0.1
Intea Vänersborg AB	556557-9603	Stockholm	100	18.5	10.1
Intea Lund AB	556753-3483	Stockholm	100	556.8	556.8
Intea Duvan AB	559267-7362	Stockholm	100	44.2	3.6
Depå Falköping AB	559174-4668	Stockholm	100	62.8	57.3
Intea Fanborgen AB	556879-6998	Stockholm	100	200.6	-
Intea Fanan 49 AB	559282-8643	Stockholm	100	8.4	-
Intea Fanan 51 AB	559282-8619	Stockholm	100	24.3	-
Intea Niagara AB	559210-5687	Stockholm	100	582.4	-
Intea Näsby AB	559281-7281	Stockholm	100	266.9	-
Intea Berga AB	559343-1199	Stockholm	100	1,864.6	-
Total				5,660.2	2,393.7
Indirect holdings				Number of shares	
Company	Corp. reg. no:	Registered office	Ownership, %	2021	2020
Intea Fanorna AB	559056-7524	Stockholm	100	500	500
Intea Fanan 57 KB	916835-3663	Stockholm	100	-	-
Intea Fanan 60 KB	916835-4430	Stockholm	100	-	-
Intea Fanan 54 KB	916847-3529	Stockholm	100	-	-
Intea Campus AB	556538-8716	Stockholm	100	10,000	10,000
Intea Åkeriet AB	556735-0045	Stockholm	100	100,000	100,000
Intea Tingshuset AB	556735-0037	Stockholm	100	100,000	100,000
Intea Onkel Adam AB	556735-0029	Stockholm	100	100,000	100,000
Intea Lagmannen AB	556735-0011	Stockholm	100	100,000	100,000
Intea Fanan 55 KB	916835-4398	Stockholm	100	-	-
Intea Vänerparken AB	556557-9538	Stockholm	100	1,000	1,000
Vänerparken Förvaltning KB	969646-8488	Stockholm	100	-	-
Vänerparken Utveckling KB	969646-5344	Stockholm	100	-	-
Intea Haren AB	556962-6350	Stockholm	100	500	500

NOTE 13**ASSOCIATES**

Investments in associates

Amounts in SEKm					
Company	Corp. reg. no:	Registered office	Ownership, %	2021 Carrying amount	2020 Carrying amount
Vitartes Intea Holding AB	559015-3564	Gothenburg	30	2.3	1.5

During the first quarter of 2019, a collaboration was initiated with Vitartes AB, through which Intea and Vitartes AB would develop part of the Sahlgrenska Life project in Gothenburg.

Receivable from associates

Amounts in SEKm			2021	2020
Intea Änggård AB			0.1	0.1
Vitartes Intea Holding			1.6	0.9
Vitartes utveckling Göteborg AB			61.5	29.7
Total			63.2	30.7

NOTE 14**OTHER NON-CURRENT RECEIVABLES**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Deposit	90.5	-	90.5	-
Deposit	3.8	-	3.8	-
Total	94.3	-	94.3	-

NOTE 15**CURRENT RECEIVABLES**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Trade receivables	23.5	50.9	-	-
Tax and value added tax	72.9	13.7	12.5	1.5
Prepaid expenses and accrued income	17.3	54.2	-	-
Other	57.3	30.4	43.8	1.1
Total	171.0	149.2	56.3	2.6

NOTE 16**INTEREST-BEARING LIABILITIES**

Amounts in SEKm	Average interest rate		Average interest rate	
	2021	2021	2020	2020
Group				
<i>Non-current liabilities</i>				
Bonds	3,800.0	0.96%	2,450.0	1.46%
Secured bank loans	1,624.4	1.42%	1,327.5	1.54%
Loans from owners > 5 years	-	-	2,235.4	6.00%
Other long-term debt	-	-	-	-
Total	5,424.4		6,012.9	
<i>Short-term loans</i>				
Bond	1,200.0	1.55%	600.0	0.65%
Commercial papers*	2,490.0	0.28%	1,025.0	0.79%
Secured bank loan	700.0	1.05%	355.7	1.88%
Total	4,390.0		1,980.7	
Parent company				
<i>Non-current liabilities</i>				
Bonds	3,800.0	0.96%	2,450.0	1.46%
Secured bank loan	1,624.4	1.42%	2,235.4	1.54%
Loans from owners > 5 years	-	-	1,980.7	6.00%
Total	5,424.4		6,666.1	
<i>Short-term loans</i>				
Bond	1,200.0	1.55%	600.0	0.65%
Commercial papers	2,490.0	0.28%	1,025.0	0.79%
Secured bank loan	700.0	1.05%	355.7	1.88%
Total	4,390.0		1,980.7	

* Bank loans taken out have been secured by shares in subsidiaries, mortgages on real estate and insurance rights on real estate, supplemented by covenants on loan-to-value and interest coverage ratios.

Finance expenses also include costs for undrawn backup facilities of SEK 2,500m (2,500). The average interest rate for the backup facilities (undrawn) amounts to 0.32 percent (0.32).

According to the company's MTN programme, the company may not take on secured debt if this would mean that the proportion of secured debt in relation to the Group's assets would exceed 40 percent. Creditors also have the right to demand repurchase if a natural or legal person owns more than 50 percent of the shares or votes in Intea.

NOTE 17

LEASES – LESSEE

The Group has only a few leases as lessee in the form of a ground lease (*Sw. tomträttsavtal*), a leasehold agreement (*Sw. arrendeavtal*), a rental agreement and car leases.

Ground rent is the annual fee paid to the municipality by the owner of a building on municipally owned land. The fee for these is currently calculated so that the municipality receives a real interest rate on the estimated market value of the land. The ground rent is spread over time and is usually renegotiated every 10 to 20 years. At the end of 2021, Intea had one property leased with a site leasehold. The current lease expires in 2072. The leasehold agreement relates to one property.

Right-of-use assets

Group Amounts in SEKm	Lease-				Total
	Land lease	hold agree- ment	Prem- ises	Vehi- cles	
Opening balance 2021	-	-	-	-	-
Additional	122.8	4.6	33.6	1.8	162.7
Depreciation/amortisation during the year	0.0	-0.2	-3.7	-0.8	-4.8
Closing balance 2021	122.8	4.3	29.9	1.0	158.0

Items affecting profit or loss relating to leases

Group Amounts in SEKm		
	2021	2020
Interest expense on lease liabilities	-1.4	-
Depreciation of right-of-use assets	-4.8	-
Lease and rental charges	5.0	-
Site leasehold fee	0.9	-
Deferred tax	0.1	-
Total	-0.2	-

Lease liabilities

Amounts in SEKm	2021		
	Site leasehold	Other	Total
Non-current	118.3	24.9	143.2
Current	3.5	8.6	12.2
Total	121.9	33.5	155.4

Lease liabilities

Amounts in SEKm	2020		
	Site leasehold	Other	Total
Non-current	-	-	-
Current	-	-	-
Total	-	-	-

NOTE 18

FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

Financial instruments

Intea is primarily exposed to financing and interest rate risks. The Group aims to have a loan portfolio with a spread of maturities, which allows for the possibility of repayments. No borrowings are denominated in foreign currencies and the Group is therefore not exposed to foreign exchange risk. Borrowings are normally short-term and interest rate swaps are used to achieve the desired interest rate structure.

Derivative instruments are only used for risk mitigation purposes and must be linked to an underlying exposure. The Group currently has derivative instruments classified as financial assets and liabilities at fair value through profit or loss. Hedge accounting is not applied.

Intea's finance function is a Group function with central responsibility for financing and liquidity planning. The work is guided by a Finance Policy approved by the Board of Directors, which aims to ensure the Group's financing needs at the lowest possible cost and risk. The finance function has instructions, systems and a division of labour to achieve good internal control and monitoring of operations. Major financing solutions and derivative transactions must be approved by the Chairman of the Board and the Board is informed at each Board meeting regarding financial matters. Excess liquidity, which is not used for repayment, may only be invested in instruments with high liquidity and low risk.

The carrying amount of rental receivables, other receivables, cash and cash equivalents, trade payables and other liabilities is a reasonable approximation of their fair value. Derivatives, which have been measured at fair value through profit or loss, are allocated to level 2 of the fair value hierarchy, i.e. the value has been calculated based on observable market data. No reclassifications have taken place during the period.

Financing risk

Financing risk refers to the risk that there may be difficulties in obtaining financing for the business at a given time. The aim is to have a loan portfolio with varied maturities and a long term. In order to minimise the cost of the Group's borrowing and to ensure that financing can be obtained, the company needs to have loan commitments that cover the need for turnover of loans and investments.

The Board of Directors determines the level of capital commitment in the loan portfolio on an ongoing basis. Management prepares rolling forecasts of the Group's liquidity based on expected cash flows. Intea's external borrowings at 31 December 2021 amounted to SEK 9,814 million (5,758). The Group's loan-to-value ratio, excluding shareholder loans, at 31 December was 54.0 percent (52.4). The company has comfortable margins to lenders' restrictions on the loan agreements, known as covenants.

NOTE 18 (cont.)**Disclosures on carrying amounts and fair values, financial instruments**

Amounts in SEKm	Financial assets and liabilities at fair value through profit or loss		Financial assets at amortised cost, loans and receivables		Financial liabilities measured at amortised cost	
	2021	2020	2021	2020	2021	2020
Receivables from associated companies	-	-	63.2	-	-	-
Derivatives	49.7	-	-	-	-	-
Trade receivables	-	-	23.5	50.9	-	-
Current receivables	-	-	147.5	98.3	-	-
Cash and cash equivalents	-	-	197.7	395.4	-	-
Total	49.7	-	431.9	544.6	-	-
Non-current interest-bearing liabilities	-	-	-	-	5,424.4	3,777.5
Derivatives	-	77.2	-	-	-	-
Non-current liabilities, shareholders	-	-	-	-	-	2,235.4
Lease liability	-	-	-	-	143.2	-
Current interest-bearing liabilities	-	-	-	-	4,390.0	1,980.7
Trade payables	-	-	-	-	19.2	18.7
Other current liabilities	-	-	-	-	376.4	320.8
Total	-	77.2	-	-	10,353.2	8,333.1

Credit risk

The credit risk is the risk of loss if the Group's counterparties fail to fulfil their contractual obligations and any collateral does not cover the Group's receivables. Outstanding rental receivables, cash and cash equivalents and financial derivative assets may give rise to credit risk. By placing cash and making derivatives transactions with major credit institutions and through advance rents, credit risk is minimized.

Credit risk in rental receivables

Losses on rental receivables arise when customers are declared bankrupt or for other reasons are unable to fulfill their payment obligations. Since Intea's tenants consist of the public sector, the risk of losses linked to rental receivables is reduced. IFRS 9 means that the principles of provisioning for credit losses shall be based on an estimate of expected losses. Since the credit losses are, and historically have been, very small and Intea above all has public tenants with a good credit rating, no reserve is made as there is no expectation of losses. No material receivables have been written down during the financial year. The Group's trade receivables regarding rents and re-invoiced costs amount to SEK 23.5 million (50.9). Intea continuously assesses expected credit losses. All outstanding trade receivables as of December 31 are due within the 0-30 days. The credit losses on trade receivables in the Group are very low.

Credit risk in financial derivative contracts

Exposures to financial derivative assets are limited by the Group's policy of entering into only such agreements with large financial institutions with high ratings and where the company has long-term relationships. In addition, there are framework agreements with these institutions on the set-off of various derivative contracts, which further reduce credit risk exposure.

Credit risk in claims on associated companies

Through associated companies, the Group carries out real estate projects Sahlgrenska Life together with Vitartes AB, which is part of the SveaNor Fastigheter AB group, finances the project through lending to associated companies. When the project is completed, Intea has the right to acquire the property with the associated 20-year lease with Region Västra Götaland and the University of Gothenburg. The credit risk in the Group's receivable is therefore considered intangible and has therefore not been recognised.

Credit risk in cash and cash equivalents

For cash and cash equivalents, Scandinavian banks and financial institutions are counterparties with ratings of either at least A- (S&P) or at least A3 (Moody's) or another counterparty with a rating of either at least A (S&P) or at least A2 (Moody's). The Group considers that cash and cash equivalents have low credit risk based on counterparties' external credit ratings. The expected credit losses for cash and cash equivalents have been assessed as intangible and therefore not recognised.

NOTE 18 (cont.)**Liabilities by maturity dates as at 2021-12-31**

Group, amounts in SEKm	> 1 year	1-5 years	> 5 years	Total
Interest-bearing liabilities	4,390.0	4,650.0	774.4	9,814.4
Interest expenses	33.1	53.9	12.9	99.8
Lease liabilities	12.2	14.3	95.4	121.9
Trade payables	19.2	-	-	19.2
Other liabilities	364.2	-	-	364.2
Total	4,818.7	4,718.2	882.7	10,419.5

Parent company, amounts in SEKm	> 1 year	1-5 years	> 5 years	Total
Interest-bearing liabilities	4,390.0	4,650.0	774.4	9,814.4
Interest expenses	33.1	53.9	12.9	99.8
Trade payables	1.4	-	-	1.4
Other liabilities	57.6	-	-	57.6
Total	4,482.1	4,703.9	787.3	9,973.2

Credit maturity structure

Credit agreements	Credit facilities	Bank	Utilised MTN/CP	Total*
0-1 years	4,390	700	3,690	4,390
1-2 years	2,350	-	1,350	1,350
2-3 years	1,500	-	-	-
3-4 years	2,100	850	1,250	2,100
4-5 years	1,200	-	1,200	1,200
> 5 years	774	774	-	774
Total/average	12,314	2,324	7,490	9,814

* Excluding credit facilities

Interest rate maturity structure

Maturity	SEKm	Average interest rate, %	Average fixed interest rate, years
0-1 years	4,547	0.75	0.3
1-2 years	-	-	-
2-3 years	800	1.40	2.7
3-4 years	-	-	-
4-5 years	1,000	1.66	4.5
> 5 years	3,468	1.71	6.4
Total/average	9,814	1.24	3.2
Undrawn credit facilities	2,500	0.27	-
Including undrawn credit facilities	12,314	1.31	3.2

The capital structure

The chosen capital structure is important for the owners' expected return and exposure to risk. Some factors that affect the choice are business risk, tax situation and risk and costs associated with increased loan-to-value. The company's financial framework is set out in the company's financial policy. It states that the loan-to-value ratio for the Group should over time be in the range of 50-55 percent, and should not exceed 60 percent. The interest coverage ratio for the Group shall not be less than 2 times.

Interest rate risk

In order to manage exposure to fluctuations in market interest rates in accordance with the agreed financial policy, Intea has entered into interest rate derivative contracts. The use of interest rate derivatives may result in changes in value due mainly to changes in market interest rates. Interest rate derivatives are initially recognised in the balance sheet at cost on the trade date, with the absolute majority relating to swaps of interest rate flows with a zero cost, and are subsequently measured at fair value with changes in value recognised in the income statement.

To determine fair value, market interest rates for the respective maturities quoted at the balance sheet date and generally accepted valuation techniques are used, meaning that fair value has been determined according to level 2 of the value hierarchy. Interest rate swaps are valued by discounting future cash flows to present value and instruments with options are valued at the current repurchase price, which is received from the respective counterparty.

Changes in value may be realised or unrealised. Realised changes in value relate to settled interest rate derivative contracts and represent the difference between the strike price at inception and the carrying amount as reported in the latest quarterly report. Unrealised changes in value refer to the change in value that occurred during the period on the interest rate derivative contracts held by the company at the end of the period. The change in value is calculated on the basis of the valuation at the end of the period compared with the valuation in the previous period, or the acquisition cost if the property was acquired during the year, plus any additional expenditure capitalised during the period. To determine the fair value at the balance sheet date, an external valuation is performed by credit institutions.

NOTE 18 (cont.)**Interest rate derivatives**

	Variable interest, %*	Fixed interest rate, %	Nominal amount, SEKm	Fair value, SEKm
2022	-0.05	0.37	200	-0.6
2024	-0.05	0.34	800	1.1
2026	-0.05	0.61	1,000	1.7
2027	-0.05	0.18	500	20.7
2028	-0.05	0.81	1,000	-8.7
2029	-0.05	0.96	500	7.7
2030	-0.05	0.31	500	22.5
2031	-0.05	0.80	500	5.3
			5,000	49.7

* Interest terms are Stibor 3M. Interest is paid quarterly. A simulated parallel shift of +1 percentage point decrease in the underlying swap curves would, all else being equal, result in a revaluation of Intea's interest rate derivatives of SEK 230.2 million. A 1 percentage point decrease in market interest rates would affect the Group's result by SEK -194.5 million.

NOTE 19**COLLATERAL AND CONTINGENT LIABILITIES**

Amounts in SEKm	Group		Parent company	
	2021	2020	2021	2020
Shares in subsidiaries	6,706.0	2,499.5	4,333.9	2,393.7
Collateral, pledges for loans from credit institutions	2,324.4	1,327.5	-	-
Total	9,030.4	3,827.0	4,333.9	2,393.7
<i>Contingent liabilities</i>				
Guarantee for subsidiaries	-	-	908.2	355.7
Guarantee for associates company	200.0	-	200.0	-
Total	200.0	-	1,108.2	355.7

The guarantee for subsidiaries relates to the performance of guarantees in favour of projects in subsidiaries.

NOTE 20**ADDITIONAL DISCLOSURES ON CASH FLOWS**

Acquisition of shares in subsidiary, Intea AB		
Amounts in SEKm	2021	2020
<i>Acquired assets and liabilities</i>		
Financial assets	3.8	-
Operating receivables	81.2	-
Cash and cash equivalents	17.1	-
Total assets	102.1	-
Amounts in SEKm	2021	2020
Deferred tax liability	5.7	-
Current liabilities	44.4	-
Total provisions and liabilities	50.1	-
Purchase price	-217.0	-
Promissory note	165.0	-
Less cash and cash equivalents of the acquired business	17.1	-
Impact on cash and cash equivalents	-34.9	-

NOTE 20 (cont.)**Changes in liabilities related to financing activities**

2021	2020-12-31	Cash flow	Non cash flow		2021-12-31
			Borrowing costs	Reclassification	
Current interest-bearing liabilities	1,980.7	1,207.1	2.2	1,200.0	4,390.0
Non-current interest-bearing liabilities	3,777.5	2,844.1	2.8	-1,200.0	5,424.4

2020	2019-12-31	Cash flow	Non cash flow		2020-12-31
			Borrowing costs	Reclassification	
Current interest-bearing liabilities	1,700.0	-673.3	-	954.0	1,980.7
Non-current interest-bearing liabilities	3,499.4	1,226.1	6.0	-954.0	3,777.5

NOTE 21**RELATED PARTY TRANSACTIONS**

Intea Fastigheter AB (publ) is not under the control of any of Intea's owners. Related party transactions have taken place with the owners in the form of payment of share capital at the time of the company's founding, unconditional shareholder contribution, owner loans and interest payments made. The parent company has a related party relationship with its subsidiaries. Transactions between parent companies and subsidiaries have been carried out at arm's length. Related party transactions have taken place with Intea AB, until the acquisition, from which the company has purchased management services at arm's length. For further information, see the section on the CEO and Group Management on pages 108–109.

Parent company-shareholders	The parent company has 30 shareholders, most of which are institutions. The largest shareholders are Henrik Lindekrantz and Christian Haglund, who own shares privately or through companies. They each have 16.2 percent of the votes, followed by Svenska Handelsbanken's Pension Foundation with 12.1 percent of the votes. Thus, none of the company's shareholders has a controlling or significant influence. All shareholders are listed on page 95.
Board of Directors	Board members are considered to be related parties. Remuneration to the Board is shown in note 5.
Management	Members of management are considered to be related parties. Remuneration to management is shown in note 5.
Intea AB	On 30 June 2021, Intea Fastigheter AB acquired all shares in Intea AB, which, apart from the advisory agreement, only held certain financial receivables/payables. The purchase price was SEK 217 million, SEK 165 million of which was compensation for the early termination of the management agreement, while the remainder was compensation for the transferred financial receivables/payables. The purchase price was paid by issuing a promissory note for SEK 165 million, with the remainder paid in cash. In 2021, until the acquisition of Intea AB, Intea Fastigheter AB purchased advisory services for a value of SEK 76.9 million. Intea Fastigheter AB leased office space to I Know a Place AB during the year. ¹⁾
Subsidiaries	Transactions are shown in the table on page 93.

¹⁾A subsidiary owned by Henrik Lindekrantz and Christian Haglund through Antea AB.

NOTE 21 (cont.)

Transactions and balances between the parent company and other Group companies (SEK m)	Parent company	
	2021	2020
Sale to subsidiary	67.5	56.3
Sale to I Know a PlaceAB ¹⁾	1.6	-
Purchases from subsidiary	-	-
Interest income from subsidiary	348.0	279.0
Interest expense from subsidiary	-	-
Receivables from subsidiary	9,638.2	7,066.3
Liabilities to subsidiary	1,171.5	830.8

¹⁾A subsidiary owned by Henrik Lindekrantz and Christian Haglund through Antea AB.

NOTE 22**EVENTS AFTER THE BALANCE SHEET DATE**

- The Extraordinary General Meeting on 18 January 2022 resolved to approve the Board of Directors' decision made on 22 December 2021 regarding a targeted share issue of a maximum of 6,024,097 Class B shares, entailing an increase in share capital of a maximum of SEK 669,344.12 at a subscription price of SEK 41.50 per share.
- In January 2022, the local development plan for Sahlgrenska Life became legally binding. The project includes the construction of three new buildings, with buildings 2 and 3 being developed by Vitartes along with Intea, where Intea will be the long-term owner and manager of the buildings. Intea's share of the project amounts to approximately 50,000 sqm of lettable area.
- In February 2022, Intea and the Swedish Prison and Probation Service reached an agreement on a 20-year lease agreement for the Viskan prison in Ånge, subject to government approval. The prison is expected to be completed by the end of 2023. The building will have approximately 14,300 sqm of lettable area. Preliminarily, the annual rental value is SEK 27.8 million.

NOTE 23**DISTRIBUTION OF PROFIT**

The following funds in the parent company Intea Fastigheter AB (publ) are at the disposal of the Annual General Meeting, with amounts in SEK.

Amounts in SEK	
Profit brought forward	410,554,322
Share premium reserve	3,316,559,764
Profit for the year	100,685,154
Funds at the disposal of the Annual General Meeting	3,827,799,240

The Board of Directors proposes that the profit be appropriated as follows (SEK thousand)

SEK 0.50 per ordinary share of class A and class B will be distributed to shareholders	68,925,938
SEK 2.00 per Class D ordinary share will be distributed to shareholders	100,993,068
To be transferred to the share premium reserve	3,316,559,764
To be transferred to retained earnings	341,320,470
Total	3,827,799,240

Explanation

The Group's equity has been calculated in accordance with IFRS as adopted by the EU and in accordance with Swedish law through the application of the Swedish Financial Reporting Board's Recommendation RFR 1 (Supplementary Accounting Rules for Groups). The parent company's equity has been calculated in accordance with Swedish law and with the application of the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for legal entities).

The Board of Directors finds that the proposed dividend to shareholders is justifiable taking into account the parameters set out in Chapter 17, Section 3, paragraphs 2 and 3 of the Companies Act (nature, scope and risks of the company's activities, consolidation needs, liquidity and position in general).

Nature, scope and risks of the business

The Board of Directors considers that the equity of the company and the Group after the proposed dividend will be sufficient in relation to the nature, scale and risks of the business. In this context, the Board takes into account factors such as the historical performance of the company and the Group, budgeted performance, investment plans and the economic situation.

The share and shareholders

The Company has three different classes of shares: Class A, Class B and Class D. Class A shares carry one vote per share, while Class B and Class D shares carry one-tenth (1/10) of a vote per share. According to the Articles of Association, each Class D share entitles the holder to five times the total dividend on the Class A and Class B shares, but not more than SEK 2.00 per Class D share per year, to be paid in four equal instalments. The instalments of a maximum of 50 cents per Class D share have record dates on the last banking day of March, June, September and December each year.

Number of shares outstanding

The total number of shares outstanding at 31 December 2021 was 6,390,000 Class A shares, 131,461,876 Class B shares and 50,496,534 Class D shares.

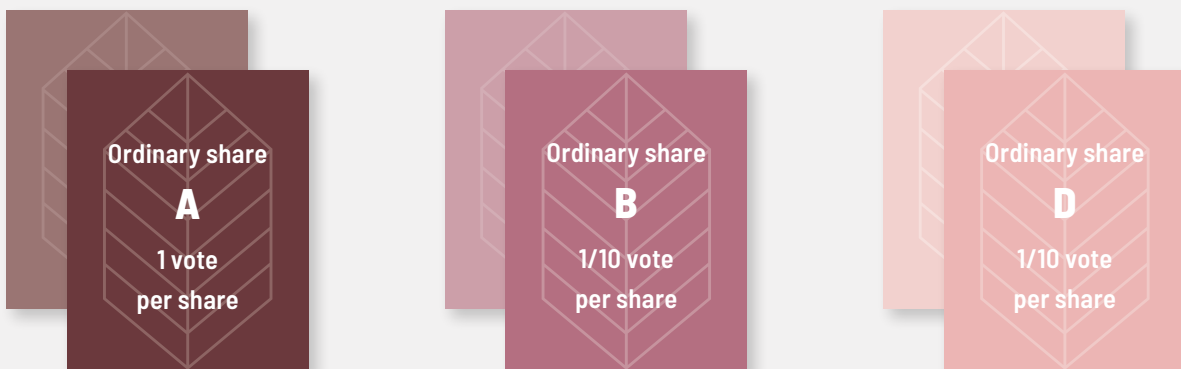
Share capital

Intea's share capital on 31 December 2021 amounted to SEK 20,900,000 million divided into 188,348,410 shares with a quota value of SEK 0.11 per share. According to the Articles of Association, the share capital shall be not less than SEK 20 million and not more than SEK 80 million divided into not less than 180 million shares and not more than 720 million shares.

Dividend

For the 2021 financial year, the Board proposes that a dividend of SEK 0.50 per Class A and Class B share be paid to ordinary shareholders. The Board of Directors proposes that a dividend of SEK 2.00 per Class D share be paid to Class D shareholders in accordance with the Articles of Association, with a quarterly payment of SEK 0.50.

Three different classes of shares



Largest tenants at 31 December 2021

Shareholders – Top 10	Class A shares	Class B shares	Class D shares	Capital, %	Votes, %
Henrik Lindekrantz, privately and through companies	3,195,000	7,941,488	0	5.9	16.2
Christian Haglund, privately and through companies	3,195,000	7,941,488	0	5.9	16.2
Svenska Handelsbanken Pension Fund		17,604,715	12,049,902	12.1	15.7
Saab Pension Fund		16,790,486	5,450,481	9.1	11.8
Volvo Pension Fund		14,518,499	4,942,341	7.9	10.3
Lantbrukarnas Ekonomi AB		13,992,077	4,542,057	7.5	9.8
Pensionskassan SHB Försäkringsförening		8,802,358	6,024,951	6.0	7.9
The Foundation for Baltic and East European Studies		10,633,968	3,451,977	5.7	7.5
Insurance company PRI Pensionsgaranti, mutual		9,794,439	3,179,457	5.3	6.9
The Riksbankens Jubileumsfond Foundation		8,395,230	2,725,254	4.5	5.9
10 largest shareholders	6,390,000	114,170,132	42,366,420	86.5	89.7
Other shareholders		17,291,744	8,130,114	13.5	10.3
Total	6,390,000	131,461,876	50,496,534	100.0	100.0

Share capital trend

The table below shows the trend for the company's share capital since its inception.

Year	Event	Change in the number of Class A shares	Change in the number of Class B shares	Change in the number of Class D shares	Total number of shares	Change in share capital	Total share capital	Quota value
2015	New formation	-	50,000	-	50,000	SEK 50,000	SEK 50,000	SEK 1
2016	New issue ¹⁾	-	950,000	-	1,000,000	SEK 950,000	SEK 1,000,000	SEK 1
2017	Bonus issue	-	9,000,000	-	10,000,000	SEK 9,000,000	SEK 10,000,000	SEK 1
2021	New issue ²⁾	550,000	-	-	10,550,000	SEK 550,000	SEK 10,550,000	SEK 1
2021	New issue ³⁾	-	3,740,491	-	14,290,491	SEK 3,740,491	SEK 14,290,491	SEK 1
2021	New issue ³⁾	-	-	5,610,726	19,901,217	SEK 5,610,726	SEK 19,901,217	SEK 1
2021	New issue ⁴⁾	160,000	-	-	20,061,217	SEK 160,000	SEK 20,061,217	SEK 1
2021	New issue ⁴⁾	-	168,000	-	20,229,257	SEK 168,000	SEK 20,229,257	SEK 1
2021	New issue ⁴⁾	-	29,040	-	20,258,257	SEK 29,040	SEK 20,258,257	SEK 1
2021	Share split 9:1	5,680,000	111,500,248	44,885,808	182,324,313	-	SEK 20,258,257	SEK 0.11
2022	New issue ⁵⁾	-	6,024,097	-	188,348,410	SEK 669,344.12	SEK 20,927,601.1	SEK 0.11

¹⁾ The subscription price was SEK 1 per share.

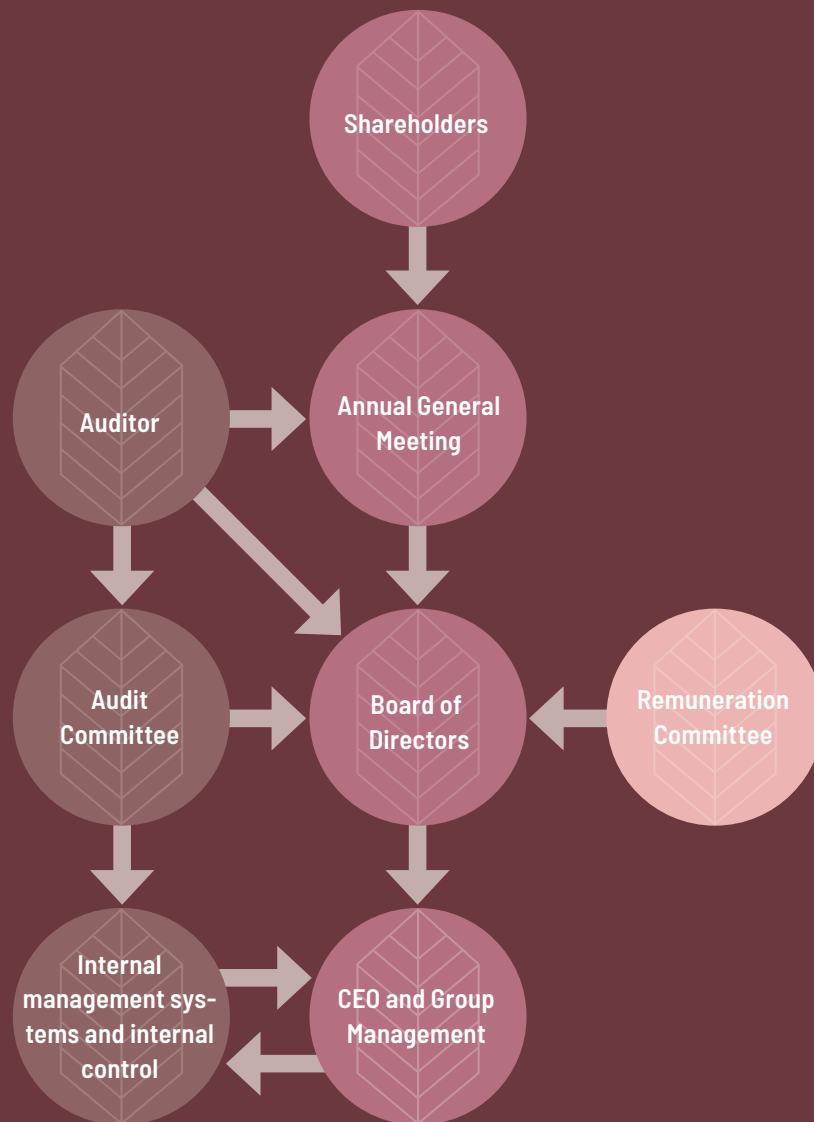
²⁾ Paid by offset. The subscription price was SEK 300 per share.

³⁾ Paid by offsetting all existing outstanding owner loans totalling SEK 2,805,365,100. The subscription price was SEK 300 per share.

⁴⁾ The subscription price was SEK 300 per share.

⁵⁾ The subscription price was SEK 41.50 per share. The rights issue was decided by the Board of Directors on 22 December 2021 and approved by the Extraordinary General Meeting on 18 January 2022, after which it was registered.

CORPORATE GOVERNANCE REPORT



Corporate governance

Intea Fastigheter AB (publ) ("Intea") is a Swedish public limited liability company. Governance at Intea is primarily based on the Swedish Companies Act, the Swedish Annual Accounts Act, Nasdaq Stockholm's regulatory framework for issuers of debt securities and other relevant Swedish and foreign laws, rules and guidelines, such as IFRS standards and the EU Market Abuse Regulation. The Company's governance is also based on Intea's Articles of Association and internal policies and guidelines. The articles of association specify, among other things, the seat of the Board of Directors, the direction of its activities, the limits on the number of shares and share capital, and the conditions for attending General Meetings. The company's Articles of Association do not contain specific provisions on the appointment and dismissal of directors or on the amendment of the Articles of Association. The full text of the Articles of Association is available on the company's website, www.intea.se.

The Swedish Code of Corporate Governance (the "Code") applies to all companies whose shares are listed on a regulated market in Sweden, and sets a higher standard for good corporate governance than the minimum requirements set out in the Swedish Companies Act. The Code allows for the possibility for the company to deviate from the rules and to choose alternative solutions that the company deems better suited to Intea and its business, provided that such possible deviations and the alternative solution are described and the reasons for them are explained (in accordance with the "comply or explain" principle). Intea is not subject to the Code, but the company intends to comply with it without deviation following listing of the company's shares on Nasdaq Stockholm.

This report has been prepared in accordance with the Annual Accounts Act and presents Intea's corporate governance during the 2021 financial year. The

Corporate Governance Report has been reviewed by Intea's auditor and the results of the review are set out in the opinion on pages 110-113 of this Annual Report.

Shareholders and shares

The share capital of the Company as at 31 December 2021 amounted to SEK 20,258,257 divided into a total of 182,324,313 shares and 23,983,431.3 votes, of which 6,390,000 Class A shares with one (1) vote each, 125,437,779 Class B shares with one-tenth (1/10) vote each and 50,496,534 Class D shares with one-tenth (1/10) vote each. On 22 December 2021, the company's Board of Directors decided on a directed share issue of a maximum of 6,024,097 Class B shares. The rights issue was approved at an Extraordinary General Meeting of the company on 18 January 2022. After registration of the new issue with the Swedish Companies Registration Office in January 2022, the share capital of the company will amount to SEK 20,927,601.12 divided into a total of 188,348,410 shares and 24,585,841 votes.

Other than as set out in the table below, to the best of the company's knowledge, there are no natural or legal persons whose direct or indirect shareholding in the company represents at least one tenth of the voting rights of all the shares in the company. For further information on the ownership structure, see page 95.

Annual General Meeting

According to the Swedish Companies Act, the General Meeting is the highest decision-making body of the company. The General Meeting may resolve on any matter of the company that does not explicitly fall within the exclusive competence of another corporate body. Each shareholder of Intea who is entitled to vote may vote for the full number of shares owned and represented by the shareholder without limitation of the number of votes.

At the General Meeting, shareholders exercise their voting rights on key issues

such as adoption of the balance sheets and profit and loss accounts, appropriation of Intea's profits, discharge from liability of the members of the Board of Directors and the Chief Executive Officer and election of members of the Board of Directors and auditors, as well as remuneration of the Board of Directors and the auditors.

The general meeting shall be held annually within six months of the end of the financial year. In addition to the annual general meeting, an extraordinary general meeting may be convened. Notice of any annual general meeting or extraordinary general meeting at which amendments to the Articles of Association will be considered shall be issued no earlier than six weeks and no later than four weeks before the Meeting. Notice of any other extraordinary general meeting shall be issued no earlier than six weeks and no later than three weeks before the meeting. Notice of both annual general meetings and extraordinary general meetings shall be given by advertisement in Post- och Inrikes Tidningar and by making the notice available on Intea's website. That notice has been given shall also be announced by advertisement in Dagens Nyheter.

Notices, minutes and communiqués of general meetings will be made available on Intea's website.

The right to attend and vote at general meetings, either in person or by proxy, is granted to shareholders who are registered in Intea's share register maintained by Euroclear Sweden on the record date (as determined in accordance with the Swedish Companies Act) and who notify the Company of their intention to attend by no later than the date specified in the notice convening the general meeting. In order to be entitled to participate in the general meeting shareholders whose shares are registered with a bank or other nominee must, in addition to informing the Intea, request that their shares be temporarily re-registered in their own name in the share register maintained by Euroclear Sweden. Shareholders should

inform their nominees to that effect in good time before the record date. Shareholders may bring one or two assistants to a general meeting, but only if the shareholder notifies the company of the number of assistants in accordance with the procedure for notification of shareholders to general meetings.

Shareholders wishing to have a matter considered at the general meeting must send their request in writing to the Board of Directors. Any Intea shareholder who submits a matter for consideration with sufficient notice has the right to have the matter dealt with at the General Meeting.

Shareholder meetings in 2021

Annual General Meeting on 19 May 2021

The Annual General Meeting of Intea was held on 19 May 2021 in Stockholm. Among other things, the Annual General Meeting adopted the following resolutions. All decisions were in accordance with the proposals submitted, which are described in detail in the notice of the meeting, which is available at the company and on the company's website, www.intea.se.

- Adoption of the accounts for 2020 and discharge from liability of the Board of Directors and the Chief Executive Officer for the management of the company's affairs during the financial year 2020.
- Dividend to shareholders of SEK 60,000,000 and carry forward to new account the remaining available profit of SEK 576,019,021.
- Remuneration of the Board of Directors shall be as follows: SEK 475,000 to the Chairman of the Board, SEK 200,000 to the investor-appointed Board members and SEK 350,000 to the independent members.
- Re-election of Board members Håkan Sandberg, Mattias Grahn, Caesar Åfors, Kristina Alvendal and Henrik Lindekrantz and new election of Håkan Hellaeus. The meeting also decided to re-elect Caesar Åfors as Chairman of the Board.
- Re-election of KPMG AB as auditor, with Peter Dahllöf as auditor in charge.

Extraordinary General Meetings on 30 June 2021

On 30 June 2021, two Extraordinary General Meetings were held in Stockholm. The resolutions adopted at the Extraordinary General Meetings included the following. All resolutions were in accordance with the submitted proposals, which are described in detail in the notices for the Extraordinary General Meetings that are available at the company and on the company's website, www.intea.se.

- Amendment of the company's Articles of Association. The amendments decided upon included the introduction of a share class provision in the Articles of Association, whereby shares may be issued in three classes: Class A, Class B and Class D ordinary shares. It was decided that the existing outstanding shares of the Company shall be Class B ordinary shares.
- Dividend of SEK 14 per share with record date of 30 June 2021.
- A number of directed share issues as described below. The subscription price in all issues was SEK 300 per share,
- a maximum of 550,000 Class A ordinary shares, entailing an increase in the share capital of a maximum of SEK 550,000. The right to subscribe for shares was granted to Antea AB.
- a maximum of 3,740,491 class B ordinary shares, entailing an increase in the share capital of a maximum of SEK 3,740,491. The right to subscribe for shares was granted to holders of claims against the company in connection with owner loans.
- a maximum of 7,480,983 Class D ordinary shares, entailing an increase in the share capital of a maximum of SEK 7,480,983. The right to subscribe for shares was granted to holders of claims against the company in connection with owner loans.
- a maximum of 160,000 Class A ordinary shares, entailing an increase in the share capital by a maximum of SEK 160,000. The right to subscribe for shares was granted to Antea AB.

- a maximum of 168,000 Class B ordinary shares, entailing an increase in the share capital of a maximum of SEK 168,000. The right to subscribe for shares was granted to Antea AB or, in the event that Antea AB does not subscribe, to Antea AB's owners Christian Haglund and Henrik Lindekrantz.
- a maximum of 29,040 Class B ordinary shares, entailing an increase in the share capital by a maximum of SEK 29,040. The right to subscribe for shares was granted to Inhoc AB.
- Authorisation for the Board of Directors, on one or more occasions, during the period until the next Annual General Meeting, to decide on a new issue of ordinary Class D shares, with or without derogation from shareholders' preferential rights. The total number of shares that may be issued under this authorisation may not exceed 3,204,300 shares. In addition to payment in cash, payment may be made in kind or by set-off, or otherwise subject to conditions. The purpose of the authorisation and the reason for any deviation from shareholders' preferential rights is to enable the exercise of outstanding capital pledges from the company's shareholders during the period until the planned listing of the company's shares on Nasdaq Stockholm.

Extraordinary General Meeting on 2 September 2021

On 2 September 2021, an Extraordinary General Meeting was held in Stockholm. The following decisions were among those taken by the Extraordinary General Meeting. All decisions were in accordance with the proposals submitted, which are described in detail in the notice of the meeting, which is available at the company and on the company's website, www.intea.se.

- Election of Pernilla Ramslöv and Christian Haglund as members of the Board of Directors for the period until the end of the next Annual General Meeting. Henrik Lindekrantz stepped down from

the Board to focus on his role as Chief Executive Officer of the company.

- Fees to the Board of Directors shall be paid in accordance with the amount decided at the 2021 Annual General Meeting, with the adjustment that an additional annual Board fee will be paid, however, that such annual fee will be paid pro rata in relation to the length of the term of office.

Extraordinary General Meeting on 30 September 2021

On 30 September 2021, an Extraordinary General Meeting was held in Stockholm. The following decisions were among those taken by the Extraordinary General Meeting. All decisions were in accordance with the proposals submitted, which are described in detail in the notice of the meeting, which is available at the company and on the company's website, www.intea.se.

- Dividend for Class D ordinary shares of SEK 13.50 per Class D ordinary share for the 2020 financial year with quarterly payments of SEK 4.50 per Class D ordinary share. The record dates for dividends on Class D ordinary shares were set for Thursday, 30 September 2021, Thursday, 30 December 2021 and Thursday, 31 March 2022. In connection with the resolved split of the Company's shares (see below), it was resolved to adjust the dividend amount per share to which ordinary Class D shares are entitled accordingly, i.e. to SEK 0.50 per Class D ordinary share and payment date, as from the first record date for dividends that falls after the record date for the split.
- Amendment of the Articles of Association of the Company in accordance with the proposal of the Board of Directors in the notice of the Extraordinary General Meeting.
- Split of the company's shares whereby one (1) existing share in the company, regardless of class, is divided into nine (9) shares (share split 9:1).

Extraordinary General Meeting on 13 October 2021

On 13 October 2021, an Extraordinary General Meeting was held in Stockholm. The following decisions were among those taken by the Extraordinary General Meeting. All decisions were in accordance with the proposals submitted, which are described in detail in the notice of the meeting, which is available at the company and on the company's website, www.intea.se.

- Adoption of the principles for the appointment of the Nomination Committee and the terms of reference for the Nomination Committee in accordance with the proposal of the Board of Directors in the notice of the Extraordinary General Meeting.
- Authorisation for the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, with or without deviation from shareholders' preferential rights, to decide on a new issue of Class B ordinary shares and/or Class D ordinary shares in connection with a listing of the Company's Class B ordinary shares and/or Class D ordinary shares on Nasdaq Stockholm. Payment must be made in cash. New issues made with a deviation from shareholders' preferential rights shall be made at the market subscription price, including a market issue discount where applicable. If the Board of Directors deems it appropriate in order to facilitate the delivery of shares in connection with the listing, the new shares may be subscribed for by a bank or investment firm at a subscription price equal to the quota value, provided that there is a commitment to provide the company with a value equal to the difference between a fair market subscription price, less any fair market issue discount, and the quota value of the newly issued shares.
- Authorisation for the Board of Directors, on one or more occasions during the period until the next Annual General Meeting, with or without derogation from shareholders' preferential rights, to decide on the issue of Class B ordinary shares and/or Class D ordinary shares, as well as warrants and/or convertible bonds with the right to subscribe or convert into such shares. The total number of shares to be issued under the authorisation (including shares that may be issued upon exercise or conversion of warrants or convertibles issued under the authorisation) may in aggregate correspond to an increase in the share capital of no more than ten percent based on the company's registered share capital at the time the authorisation is exercised for the first time. In addition to payment in cash, payment may be made in kind or by set-off, or otherwise subject to conditions. If the Board of Directors decides on an issue with derogation from shareholders' preferential rights, the reason shall be to enable the raising of capital for expansion, acquisitions and/or for the company's business. Issuance of shares, warrants and/or convertibles in derogation of the shareholders' preferential rights shall be made at the market subscription price, including a market issue discount where applicable. If the Board of Directors deems it appropriate in order to facilitate the delivery of shares in connection with a new issue of shares, the new shares may be subscribed for by a bank or investment firm at a subscription price equal to the quota value, provided that there is a commitment to provide the company with a value equal to the difference between a market subscription price, less any market issue discount, and the quota value of the newly issued shares.

Nomination Committee

At the Extraordinary General Meeting held on 13 October 2021, it was resolved that principles for the appointment of the Nomination Committee and instructions for its work would apply until such time as a General Meeting resolves to change them.

According to these principles, the company shall have a Nomination Committee consisting of one representative of each of the five largest shareholders in terms of voting rights, together with the Chairman of the Board. The Chairman of the Board is the convener of the Nomination Committee.

The Nomination Committee shall be constituted on the basis of shareholder statistics from Euroclear Sweden AB as of the last business day in August of the year prior to the annual General Meeting and other reliable shareholder information provided to the company at that time. If the first day of trading in the company's Class B and Class D shares on Nasdaq Stockholm falls after the last business day in August, the Chairman of the Board shall, prior to the annual General Meeting following the listing, contact the five largest shareholders of the company in terms of voting rights as of the last business day of the calendar month in which the company's Class B and Class D shares were admitted to trading on Nasdaq Stockholm.

For the purposes of determining who constitutes the largest shareholders in terms of voting rights, a group of shareholders shall be deemed to constitute one owner if they (i) have been grouped together in the Euroclear Sweden register or (ii) have made public and notified the company that they have entered into a written agreement to take a long-term approach to the management of the company by exercising their votes in a coordinated manner.

If any shareholder chooses to waive his or her right to appoint a member to the Nomination Committee, the right shall pass

to the next largest shareholder in terms of voting rights. If a Nomination Committee of five owner-appointed members cannot be convened after contacting the ten largest shareholders of the company in terms of voting rights, the Nomination Committee may consist of three owner-appointed members.

The Chairman of the Nomination Committee shall, unless the members agree otherwise, be the member representing the largest shareholder in terms of voting rights. However, the Chairman of the Board or other member of the Board shall not serve as the Chairman of the Nomination Committee. Members of the Board of Directors may be members of the Nomination Committee, but shall not constitute a majority of the members of the Nomination Committee. The majority of the members of the Nomination Committee shall be independent of the company and its management. The Chief Executive Officer and any other member of senior management shall not be a member of the Nomination Committee. At least one of the members of the Nomination Committee shall be independent of the largest shareholder or group of shareholders in the company in terms of voting rights who work together in the management of the company.

The Nomination Committee shall prepare proposals on the following matters to be submitted to the Annual General Meeting for decision:

- chairman of the meeting,
- number of Board members,
- the election of Board members and Chairman of the Board,
- fees and other remuneration for Board duties to each of the Board members and, where applicable, remuneration for committee work,
- election of auditor
- remuneration of the auditor,

- to the extent deemed necessary, amendments to the principles for the appointment of the Nomination Committee and the instructions for the Nomination Committee; and

- other matters that may be referred to a nomination committee under the Code.

The Nomination Committee's proposals shall be presented in the notice of the Annual General Meeting and on the company's website.

In the case of a General Meeting other than an annual General Meeting, the proposal of the Nomination Committee shall include the election or elections to be held at the General Meeting.

Board of Directors

The Board of Directors is the highest decision-making body after the General Meeting and the highest executive body. According to the Companies Act, the Board of Directors is responsible for the organisation of the company and the management of its affairs, and must continuously assess the financial situation of Intea and the Group and ensure that Intea's organisation is designed to ensure adequate control over the company's accounting, cash management and other financial affairs. In addition, the Board appoints the Chief Executive Officer.

The members of the Board of Directors (with the exception of any employee representatives) are normally elected by the Annual General Meeting for the period until the end of the next Annual General Meeting. The Board of Directors of the Company shall consist of not less than three (3) and not more than nine (9) directors, with no deputies. There is no limit to the length of time a member may serve on the Board. The Board currently consists of Caesar Åfors (Chairman), Kristina Alvendal, Mattias Grahn, Christian Haglund, Håkan Hellaeus, Pernilla Ramslöv and Håkan Sandberg. Further information regarding the Board members can be found on pages 106–107

“Board of Directors, senior management and auditor”. The Chairman of the Board has a special responsibility to direct the work of the Board and to ensure that the Board fulfils its statutory duties.

The Board has established written rules of procedure for its work, which must be evaluated, updated and redefined annually at the statutory Board meeting. The rules of procedure regulate, among other things, the functions and the distribution of work between the members of the Board and the Chief Executive Officer. In connection with the statutory Board meeting, the Board also adopts instructions for the CEO regarding financial reporting and the division of labour between the Board and the CEO.

The Board meets regularly according to a schedule set out in the Rules of Procedure, which includes certain fixed decision points. In addition to these Board meetings, additional Board meetings may be convened to deal with matters that cannot be left to an ordinary Board meeting. In addition to the Board meetings, the Chairman of the Board and the Chief Executive Officer have an ongoing dialogue regarding the management of the company. The Board has established an Audit Committee under the Swedish Companies Act and a Remuneration Committee under the Swedish Code of Corporate Governance. The current composition and tasks of the Committees are described below.

Audit Committee

The Board has established an Audit Committee consisting of three members: Caesar Åfors, Mattias Grahn and Håkan Hellaeus. Caesar Åfors chairs the Committee. Without prejudice to the other responsibilities and duties of the Board of Directors, the Audit Committee shall, inter alia, monitor Intea's financial reporting, monitor the effectiveness of the company's internal control and risk management, keep

itself informed as to the audit of the annual accounts and consolidated accounts, review and monitor the impartiality and independence of the auditor, paying particular attention as to whether the auditor provides the company with services other than audit services, and assist in the preparation of the procurement of audit services and in connection with the General Meeting's resolution on the election of the auditor.

Remuneration Committee

The Board has established a Remuneration Committee consisting of three members: Kristina Alvendal, Håkan Sandberg and Pernilla Ramslöv. Kristina Alvendal chairs the Committee. The main task of the Remuneration Committee is to prepare the Board's decisions on issues relating to remuneration principles, remuneration and other terms and conditions of employment for the Company's management. The Committee is also tasked with resolving on remuneration levels for senior executives other than the CEO, monitoring and evaluating any variable remuneration programme for senior executives and monitoring and evaluating the application of the guidelines as to remuneration of senior executives established by the General Meeting and the company's current remuneration levels and structures.

Evaluation of the Board and CEO

The Board shall carry out an annual evaluation of its work, including its working methods, the focus of its work and the availability and need for specific expertise on the Board. The aim of the evaluation is to improve the working methods and efficiency of the Board. It is also intended to get an idea of the type of issues that the Board believes should be given greater priority and in which areas additional experience and expertise may be required on the Board.

In the 2021 evaluation, Board members responded to various questions in a

questionnaire. The overall results of the evaluation have been presented to the Board.

The Board evaluates the performance of the CEO on an ongoing basis. A formal evaluation is carried out once a year.

Work of the Board in 2021

The Board has a number of scheduled Board meetings during the year with standing decision points. Additional meetings are held for relevant matters that are raised. In 2021, the Board met 33 times. In addition to day-to-day matters, the Board's meetings during the year mainly dealt with issues related to new business and a possible listing of the company's shares.

In 2021, the Audit Committee held three meetings. During the year, the Audit Committee dealt with issues related to financial reporting and auditing.

In 2021, the Remuneration Committee met twice. The meetings included the company's guidelines for remuneration to senior executives and remuneration levels to the CEO and other senior executives.

Chief Executive Officer and Management Team

The CEO of Intea reports to the Board of Directors and manages the day-to-day business of the company in accordance with the Companies Act and the Board's guidelines and instructions. The division of labour between the Board of Directors and the Chief Executive Officer is laid down in the Rules of Procedure for the Board of Directors and the Instructions to the Chief Executive Officer. Measures which, in view of the scale and nature of the company's activities, are of an unusual nature or major importance fall outside the scope of day-to-day management. The Chief Executive Officer shall also take such measures as are necessary to ensure that Intea's accounts are kept in compliance with the law and that the funds are managed in a satisfactory manner.

The Chief Executive Officer shall keep the Board continuously informed regarding developments in Intea's business and ensure that the Board receives sufficient information to enable it to assess the company's financial position on an ongoing basis.

The CEO and other members of the management team are in continuous dialogue with the company's Board of Directors. In addition to Henrik Lindekrantz (founder and CEO), the management team consists of Christian Haglund (founder, Deputy CEO and Head of Strategic Development), Eva Bång (CFO), Charlotta Wallman Hörlin (Chief

Operating Officer), Henrik Olsson (Head of Real Estate), Kjell-Åke Nilsson (Head of Business Development), Peter Jacobsson (Project Manager) and Linda Schuur (Head of Sustainability).

Remuneration of the Board of Directors, the CEO and other senior executives

Remuneration of the Board of Directors
Remuneration and other compensation for members of the Board of Directors, including the Chairman, are determined by the General Meeting.

At the Extraordinary General Meeting on 2 September 2021, it was resolved that the remuneration to the Board of Directors shall

be paid in the following amounts, in accordance with the resolution of the Company's Annual General Meeting 2021:

- SEK 475,000 to the Chairman of the Board;
- SEK 200,000 to investor-appointed members; and
- SEK 350,000 to independent members.

The Board fee was unchanged in relation to the decision on the Board fee taken at the 2021 AGM, with the adjustment that an additional annual Board fee will be paid due to the new election of Pernilla Ramslöv,

Attendance at meetings

Name		Attendance at meetings in 2021						
		Independent	Board meetings		Remuneration Committee meetings		Audit Committee meetings	
			Participated	Total	Participated	Total	Participated	Total
Caesar Åfors ¹⁾	Chairman of the Board	Yes	33	33	-	-	3	3
Håkan Sandberg ²⁾	Member	No	32	33	2	2	-	-
Mattias Grahn	Member	No	33	33	-	-	3	3
Kristina Alvendal	Member	Yes	33	33	2	2	-	-
Håkan Hellaeus ¹⁾	Member	No	21	24	-	-	3	3
Pernilla Ramslöv ³⁾	Member	Yes	14	14	2	2	-	-
Christian Haglund ³⁾	Member	No	13	14	-	-	-	-
Henrik Lindekrantz ⁴⁾	Member	No	18	19	-	-	-	-
Magnus Jarlén ⁵⁾	Member	No	9	9	-	-	-	-

¹⁾ Elected as Chairman at the Annual General Meeting on 19 May 2021, Board member since 2016.

²⁾ Chairman of the Board until the Annual General Meeting on 19 May 2021 and thereafter a Board member.

³⁾ Elected as a Board member at the Extraordinary General Meeting on 2 September 2021.

⁴⁾ Retired from the Board of Directors in connection with the Extraordinary General Meeting on 2 September 2021.

⁵⁾ Retired from the Board of Directors in connection with the Annual General Meeting on 19 May 2021.

however that such annual fee will be paid pro rata in relation to the length of the term of office.

The Company's Board members are not entitled to any benefits after they have resigned. The total remuneration of the elected Board members for the 2021 financial year is shown in note 5.

Guidelines for remuneration of senior executives

At the Extraordinary General Meeting on 13 October 2021, it was decided to adopt guidelines for the remuneration of senior executives. The guidelines shall apply to the remuneration of the Chief Executive Officer, the Deputy Chief Executive Officer,

other members of the Executive Committee and, where applicable, the remuneration of the members of the Board of Directors in addition to Director's fees. The guidelines shall apply to remuneration that is agreed, and changes made to remuneration already agreed, after the guidelines have been adopted by the General Meeting. The guidelines do not cover remuneration approved by the General Meeting.

According to the guidelines, Intea shall offer market-based levels of remuneration and terms and conditions of employment in order to retain and, where required, attract and recruit senior executives with the required qualities, skills and experience.

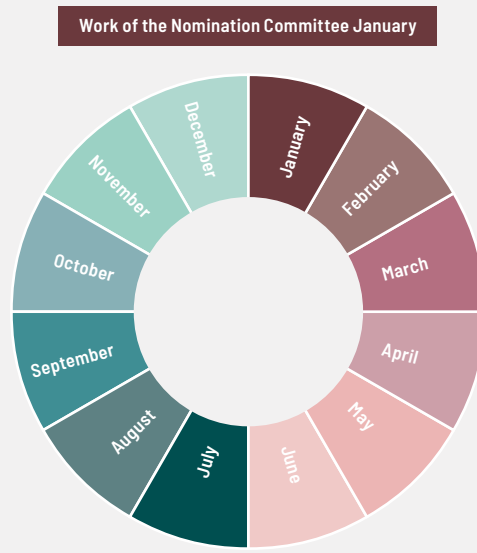
Furthermore, the remuneration shall contribute to the fulfilment of the company's objectives and be consistent with the interests of the shareholders. Remuneration to Intea's management is paid mainly in the form of cash salary, customary benefits and pension. Remuneration may be a combination of fixed and variable remuneration.

The guidelines are available in their entirety on the company's website, www.intea.se

Remuneration for the 2021 financial year for the CEO and for the other members of the management team taken together is shown in note 5.

Work of the Board (annual wheel)

- Board meeting December**
 - Project report
 - Auditor debriefing
 - Budget
- Board meeting November**
 - Interim report, Q3
 - Financial report
 - Forecasting, simulation and ongoing projects
 - Business update, Q3
 - Calendar for the coming year(s)
- Board meeting August/September**
 - Strategy
 - Planning
- Board meeting July**
 - Interim report, Q2
 - Financial report
 - Forecasting, simulation and ongoing projects
 - Business update, Q2



- Work of the Nomination Committee January**
- Statutory Board meeting May**
 - Authorised signatory
 - Rules of Procedure of the Board of Directors
 - Instructions to the CEO
 - Composition of committees
 - Policies and governance documents
 - Audit plan and review of the annual wheel

- Board meeting February**
 - Year-end report, Q4
 - Income statement and balance sheet for the full year
 - Financial report
 - Forecasting, simulation and ongoing projects
 - Business update, Q4
 - Proposal for profit appropriation
 - Auditor debriefing
 - Follow-up acquisitions
 - Board and CEO evaluation
- Board meeting March/April**
 - Signature annual report
 - Annual report published in connection with signing
 - Notice of the Annual General Meeting, including matters for the Annual General Meeting, such as the remuneration report
- Board meeting May**
 - Interim report, Q1
 - Financial report
 - Forecasting, simulation and ongoing projects
 - Business update, Q1
- Annual General Meeting**
 - Adoption of the annual report
 - Election of the Board
- Investor Forum**

Internal control and risk management

General

The Board's responsibility for internal control is governed by the Companies Act, the Annual Accounts Act – which requires information on the main features of Intea's internal control system to be included in the Corporate Governance Report – and the Code. The purpose of good internal control is to achieve effective operations that meet their objectives, ensure reliable internal and external financial reporting and compliance with applicable laws, regulations, policies and instructions.

The Board has overall responsibility for Intea's internal control. This is formally enforced by written rules of procedure which define the responsibilities of the Board and how responsibilities are allocated between Board members, the Board Committee and the Chief Executive Officer.

The company's internal control structure is based on the framework of the Committee of Sponsoring Organizations (COSO) of the Treadway Commission. Based on the framework, Intea applies the following building blocks to achieve good internal control: control environment, risk assessment, control activities, information and communication, and governance and monitoring.

Control environment

Internal control is based on the division of responsibilities and tasks through the Rules of Procedure of the Board, the Rules of Procedure of the Committees, the Instructions to the CEO including Reporting Instructions, the Code of Conduct and policies. Compliance with these is monitored and evaluated continuously by the person responsible for such duties. The overall control environment also includes the performance of a Group-wide risk assessment where risks are identified and evaluated. The management team is responsible for ensuring that risks are adequately managed.

Risk assessment

The identification, assessment and management of risks are central to both the Group-wide risk analysis process and Intea's identification and scoping of key processes related to Internal Control Financial Reporting ("ICFR"). Process maps and process descriptions document the processes, including identified risks and controls. See Risks and uncertainties, pages 58–62.

Control activities

For each identified risk at Group-wide level and within ICFR, controls are linked until the risk is considered eliminated or reduced to an acceptable level. Control activities are documented so that there is traceability of performance. Developed measures, documented process maps and risk/control matrices are examples of how control activities are managed within the Group.

Information and communication

Relevant information must be communicated in the right way, to the right recipients and at the right time. Communicating relevant information, both upwards and downwards in an organisation and to external parties, is an important part of good internal control. Management Group meetings will be used as a forum for communication and dissemination of information. Similarly, it is the responsibility of the management team to ensure that process owners have adequate knowledge of the material risks, as well as related control activities for the specific process.

Governance and monitoring

The internal control and risk management system is monitored on an ongoing basis to ensure that it is maintained and that changes are made where necessary, and that changes in working practices are evaluated. The Management Team evaluates Group-wide risk assessment and management, as well as specific control activities performed

in each material process, to ensure that they remain relevant to address the material risks faced by Intea.

The Board is ultimately responsible for Intea's risk management. Management is responsible for identifying, evaluating and managing risks and for reporting these to the Board.

A self-assessment of the effectiveness of internal control is carried out annually. The company's CFO is responsible for presenting the results to the Audit Committee and the Board of Directors.

Audit

As a public company, Intea is required to have at least one auditor who audits the annual accounts and financial statements of the company and the Group, as well as the management of the Board of Directors and the Chief Executive Officer. The audit shall be as thorough and wide-ranging as required by good auditing practice. After each financial year, the auditor shall submit an audit report and a group audit report to the Annual General Meeting.

In accordance with the Companies Act, Intea's auditors are elected by the General Meeting. According to Intea's articles of association, the company must appoint one auditor, with a maximum of one deputy. At the 2021 Annual General Meeting, the auditing firm KPMG AB was re-elected as the company's auditor for the period until the end of the next Annual General Meeting. In 2021, the total remuneration to the Company's auditor amounted to SEK 4.8 million, of which SEK 3.5 million relates to the audit assignment, SEK 0.1 million relates to audits in addition to the audit assignment and SEK 1.2 million relates to other assignments.

SIGNATURES OF THE BOARD

Signatures of the Board

To the best of their knowledge, the Board of Directors and the Managing Director declare that the annual accounts have been prepared in accordance with Swedish generally accepted accounting principles and that the consolidated accounts have been prepared in accordance with the international accounting standards referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on the application of international accounting standards. The annual accounts and consolidated accounts give a true and fair view of the position and performance of the parent company and the Group.

The Directors' report for the parent company and the Group provides a true and fair overview of the parent company's and the Group's business operations, financial position and earnings and describes material risks and uncertainties faced by the company and Group companies.

Stockholm, 18 March 2022

Caesar Åfors
Chairman
Board member

Kristina Alvendal
Board member

Mattias Grahn
Board member

Christian Haglund
Board member and Vice President

Håkan Hellaeus
Board member

Pernilla Ramslöv
Board member

Håkan Sandberg
Board member

Henrik Lindekrantz
Chief Executive Officer

The Annual Report and the Consolidated Financial Statements have been approved for issue by the Board of Directors and the Chief Executive Officer on 18 March 2022, as stated above. The Group's income statement and balance sheet and the parent company's income statement and balance sheet are subject to approval at the Annual General Meeting on 18 May 2022.

Our audit report was submitted on 18 March 2022

KPMG AB

Peter Dahllöf
Authorised auditor

Board of Directors



CAESAR ÅFORS

Chairman of the Board since 2021.
Board member since 2016.

Born: 1959

Education: Master of Forestry.

Other experience: Caesar has over thirty years of experience in the real estate sector and has held positions such as Head of Transactions, CFO, Head of IR, CFO and Deputy CEO of Klöver AB (publ) and CEO of Torslanda Property Investment AB (publ) and Link Prop Investment AB (publ).

Main occupation: Own business at Virå Bruk.

Other current roles:

Chairman of the Board, Länsförsäkringar AB (publ), Länsförsäkringar Södermanland. Board member of Virå Bruk AB, Catena AB, Lansa Fastigheter AB and CRK Forest Management AB.

Holdings in the company: -



MATTIAS GRAHN

Board member since 2016.

Born: 1969

Education: Upper secondary school economics and training in Board management.

Other experience: Mattias has extensive experience in treasury operations and asset management at companies such as Saab.

Main occupation: head of Saab's Pension Fund.

Other current roles:

Board member of the Swedish Pension Funds Association

Holdings in the company: -



HÅKAN SANDBERG

Board member since 2016.

Born: 1948

Education: Higher Business Administration course at Stockholm University and Linköping University.

Other experience: Håkan has previous experience from serving as Chairman of the Board of Stadshypotek Bank AB and as a Board member of various Boards in the Handelsbanken Group. Håkan has also served as Executive Vice President of Svenska Handelsbanken AB, a member of the Central Bank Management, Svenska Handelsbanken AB, and before that as Manager of the Regional Bank of Southern Norrland, Svenska Handelsbanken AB.

Other current roles: Board member, KlaraBo Sverige AB and Scandinavian Resort i Sälen AB.

Holdings in the company: -



KRISTINA ALVENDAL

Board member since 2020.

Born: 1972

Education: Bachelor of Laws from Stockholm University.

Other experience: Kristina has previous experience from serving as a member of the City Council of Stockholm with responsibility for housing, real estate and urban development. Christina has further experience from serving in political roles at local, national and European level, and as Chief Executive Officer of Airport City Stockholm.

Other current roles: Chief Executive Officer of Kristina Alvendal AB. Board member of Svefa Partners AB, Svefa Holding AB, Belatchew Arkitekter AB, Danske Hypotek AB (publ), Bricknova AB, AB Salktennis, and AF Gruppen ASA.

Holdings in the company: -

BOARD AND MANAGEMENT TEAM



CHRISTIAN HAGLUND

Board member since 2021.

Born: 1979

Education: Economics degree from Lund University.

Other experience: Together with Henrik Lindekrantz, founder of the company and former CFO of the company. Christian has previous experience from serving as CFO of Vacse AB (publ) and Head of Asset Management at Atlas Copco AB. In addition, Christian has served as investment advisor to Epiroc AB since 2018.

Other current roles:

Board member of Invictum AB, Kim Denzler AB, Antea AB, Inhoc AB, I Know a Place AB and Astrid Education AB.

Holdings in the company:

3,195,000 Class A shares (through Invictum AB) and 7,941,488 Class B shares (of which 1,122,308 are held directly (through endowment insurance) and the remainder are held through Invictum AB. Christian owns 100 percent of all shares and votes in Invictum.



HÅKAN HELLAEUS

Board member since 2021.

Born: 1983

Education: Economics degree from Lund University.

Other experience: Håkan has previous experience as CFO of Volvo Pension Foundation.

Other current roles: CEO of Volvo Pension Foundation. Board member, AW Elteam Aktiefbolag, Nordika II Fastigheter AB and Nordika III Fastigheter AB.

Previous assignments in the last five years: -

Holdings in the company: -



PERNILLA RAMSLÖV

Board member since 2021.

Born: 1970

Education: Engineering Degree in Materials Engineering from the KTH Royal Institute of Technology.

Other experience: Pernilla has extensive experience as an entrepreneur and is the founder and CEO of NOX Consulting AB. In addition, Pernilla has experience as Business Development Director at WM Data and Ivar Jacobson AB, and as Sales Manager at Jaczone AB.

Other current roles: Chief Executive Officer, Nox Consulting AB. Board member, Nox Academy AB and Nox Partners AB.

Holdings in the company: -



PETER DAHLÖF

Authorised auditor
KPMG AB.

Management team



HENRIK LINDEKRANTZ

Chief Executive Officer since 2016.¹⁾

Born: 1970

Education: Law degree from Lund University.

Other experience: Together with Christian Haglund, founder of the company and former member of the Board of Directors of the company. Has previous experience from serving as General Counsel at Vacse AB (publ) and General Counsel at Atlas Copco AB. Before that, he worked as a lawyer at Mannheimer Swartling Advokatbyrå in Stockholm.

Other current roles: Chairman of the Board, Antea AB and I Know a Place AB. Board member, Lindera AB, Artun AB, Inhoc AB, Eralind AB, and Fanny Franzén Fastighet AB.

Holdings in the company: 3,195,000 Class A shares (through Artun AB) and 7,941,488 Class B shares (of which 1,122,308 are held directly [(through endowment insurance)] and the remainder are held through Artun AB. Henrik owns 100 percent of all shares and votes in Artun AB.

¹⁾ Founder of the company and former member of the Board of Directors of the company.



CHRISTIAN HAGLUND

Executive Vice President and Head of Strategic Development since 2021.¹⁾

See description under the heading "Board of Directors" on page 107.

¹⁾ Founder of the company and former employee of Intea AB since 2016.



EVA BÅNG

CFO since 2021.¹⁾

Born: 1968

Education: Master's degree in Business Administration from Uppsala University.

Other experience: Previous experience from serving as CFO of Hemsö Fastighets AB, interim CFO of financial services company Catella AB, CFO of Ingka Centres Holding BV, Leiden, and Financial Director Nordics at Unibail-Rodamco-Westfield SE.

Holdings in the company: 54,209 Class B shares.

¹⁾ Previously employed as CFO of Intea AB since 2020.



CHARLOTTA WALLMAN HÖRLIN

Chief Operating Officer since 2021.¹⁾

Born: 1976

Education: Law degree from Stockholm University and Master of Laws from the University of Glasgow.

Other experience: Specialist in real estate law, serving previously as a lawyer at Mannheimer Swartling Advokatbyrå and as a partner at Advokatfirman Morris Law. In addition, Charlotta has experience from serving as General Counsel and Deputy CEO at Nordisk Renting AB.

Holdings in the company: 67,771 Class B shares.

¹⁾ Previously employed as COO of Intea AB since 2019.



HENRIK OLSSON

Head of Property since 2021.¹⁾

Born: 1978

Education: Civil Engineering degree from Chalmers University of Technology.

Other experience: Henrik has previous experience in property management and business development from serving as a property manager within Skanska Göteborg AB, as well as from serving as Regional Manager for Skanska Sverige AB's owner-occupier property development in Stockholm. In addition, Henrik has served as Business Development Manager for Skanska Sverige AB.

Other current roles: Board member, Nextopia AB, Dare2Care AB, D2C Fastigheter Lönnen AB, Sverigehuset Fastigheter AB and Inhoc AB.

Holdings in the company: 50,764 Class B shares.

¹⁾Previously employed as Head of Real Estate in Intea AB (between 2019 and 2020), then Deputy CEO (between 2020 and 2021).



KJELL-ÅKE NILSSON

Head of Business Development since 2021.¹⁾

Born: 1958

Education: Economics degree from the Linnaeus University in Växjö.

Other experience: Kjell-Åke has more than thirty years' experience from working in the real estate sector, including seven working in government, where Kjell-Åke has held positions as Head of Premises Management and Head of Real Estate at the Swedish Courts Administration. In addition, he has served as CEO of Vätter Esplanaden AB.

Other current roles: -

Previous assignments in the last five years: -

Holdings in the company: 94,866 Class B shares.

¹⁾Previously employed as Business Development Manager at Intea AB since 2016.



PETER JACOBSSON

Head of Project Development since 2021.¹⁾

Born: 1971

Education: Degree in Construction and Real Estate Engineering from Halmstad University, Civil Engineering and Economics degree from Stockholm School of Economics and training in project management from the KTH Royal Institute of Technology.

Other experience: Peter has previous experience from serving as CEO and Board member of Fem Hjärtan Holding AB and Bygg-Fast AB, and as Regional Manager and Project Manager at Bygg-Fast AB.

Other current roles: Chairman of the Board, Intea Änggårdens AB. Board member, Klättermustvåan AB, Adalco AB and Vitartes Utveckling Göteborg AB.

Holdings in the company: 35,535 Class B shares.

¹⁾Previously employed as project manager at Intea AB since 2018.



LINDA SCHUUR

Head of Sustainability since 2021.

Born: 1978

Education: Master's degree in architecture from Chalmers University of Technology, course in Global Cooperation at Stanford University, Diploma as Head of Sustainability at Aktuell Hållbarhet.

Other experience: Linda has more than sixteen years' experience in the construction and real estate sector. Previously, Linda has served, for example, as architect, business developer and sustainability manager, and has also had responsibility for internationalisation.

Other current roles: Chief Executive Officer and member of the Board of Schuur Studio AB.

Previous assignments in the last five years: -

Holdings in the company: -

Auditor's Report

To the general meeting of the shareholders of Intea Fastigheter AB (publ), corp. id 559027-5656

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Intea Fastigheter AB (publ) for the year 2021, except for the corporate governance statement on pages 96-104 and the sustainability report on pages 42-50. The annual accounts and consolidated accounts of the company are included on pages 52-93 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 96-104 and sustainability report on pages 42-50. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of investment properties

See disclosure 9 and accounting principles on page 72 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

- Investment properties are reported in the consolidated accounts at fair value. The Group's investment properties comprise approximately 96 percent of the Group's total assets.
- The fair value of the properties as of December 31, 2021 has been determined based on valuations performed by independent external valuers.
- Given the investment properties' significant share of the Group's total assets and the element of assessments included in the valuation process, this constitutes a particularly important area in our audit.
- The risk is that the book value of investment properties may be overestimated or underestimated and that any adjustment of the value directly affects the profit for the period.

Response in the audit

- We have considered whether the applied valuation methodology is reasonable by comparing it with our experience of how other real estate companies and valuers work and what assumptions are normal when valuing comparable objects.
- We have assessed the competence and independence of the external valuers and we have reviewed the valuers' assignment agreements in order to assess whether there are contractual terms that may affect the scope or direction of the external valuers' assignments.
- We have tested the controls that the company has established to ensure that the input data provided to the external valuers is correct and complete.
- We have randomly tested the established property valuations. In doing so, we have used current market data from external sources, especially regarding assumptions about yield requirements, discount rates, rental levels and vacancies.
- We have checked the accuracy of the information about the investment properties that the company provides in the annual report, especially with regard to elements of assessments and applied key assumptions.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-51, 106-109 and pages 114-122. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible

for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

- Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Intea Fastigheter AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the

group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the

proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 96-104 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 *The auditor's examination of the corporate governance statement*. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 42-50, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 *The auditor's opinion regarding the statutory sustainability report*. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Intea Fastigheter AB (publ) by the general meeting of the shareholders on 19 May 2021. KPMG AB has been the company's auditor since 2015

Stockholm 18 March 2022

KPMG AB

Peter Dahllöf
Authorized Public Accountant

Multiyear review

Amounts in SEKm	2021	2020	2019	2018
Income statement				
Income	733.2	548.6	487.8	371.8
Property expenses	-124.3	-98.3	-105.3	-93.7
Net operating income	608.9	450.3	382.5	278.2
Administrative expenses	-240.9	-66.9	-61.4	-45.9
Financial items	-201.0	-238.1	-202.3	-146.5
Earnings from property management	167.0	145.3	118.8	85.9
<i>of which profit from property management excl. interest on shareholder loans</i>	245.7	279.4	241.4	176.1
Changes in value of investment properties	2,207.0	452.5	446.4	206.1
Changes in value of derivatives	126.9	-42.6	-33.0	-16.0
Tax	-531.6	-143.0	-133.4	-52.2
Profit/loss for the year	1,969.3	412.2	398.7	223.8
Balance sheet				
Investment properties	17,797.4	10,237.9	9,371.0	7,004.1
Other non-current assets	543.8	182.7	107.5	88.7
Cash and cash equivalents	197.7	395.4	143.8	133.6
Total assets	18,538.9	10,816.0	9,622.3	7,226.4
Equity	7,206.5	1,944.9	1,588.3	1,066.0
Deferred tax liability	970.8	438.7	295.1	169.8
Derivatives	0.0	77.2	34.7	1.7
Shareholder loans	0.0	2,235.4	2,235.4	1,763.4
Interest-bearing liabilities	9,814.4	5,758.3	5,199.4	3,948.4
Non-interest-bearing liabilities	547.2	361.5	269.3	277.2
Total equity and liabilities	18,538.9	10,816.0	9,622.2	7,226.4

Key performance indicators

Key performance indicators	2021	2020	2019	2018
Property and operational key performance indicators				
Property value, SEKm	17,797.4	10,237.9	9,371.0	7,004.1
Yield, %	4.4	4.9	4.7	4.9
Lettable area, sqm	454,310	324,792	297,436	269,205
Contractual rental value per sqm	1,910	1,827	1,718	1,590
Financial occupancy rate, %	99.0	98.7	98.8	98.8
Surplus ratio, %	83.1	82.1	78.4	74.8
Share of public-sector tenants, %	94.0	93.8	93.6	93.4
Remaining lease period, years	6.0	6.2	6.6	6.3
Net investments, SEKm	5,352	414	1,936	1,468
Profit from property management, SEKm	167.0	145.3	118.8	85.9
Profit/loss from property management, excluding interest on shareholder loans	245.7	279.4	241.1	176.1
Credit key performance indicator				
Loan-to-value ratio, %	54.0	52.4	53.9	54.4
Interest coverage ratio, multiple	3.0	3.7	4.0	4.1
Capital commitment, years	3.3	3.3	3.4	3.8
Fixed-rate period, years	3.2	4.9	4.7	4.4
Share interest rate, %	1.31	1.82	1.63	1.55
Share of secured debt, %	12.6	15.6	17.7	11.9
Key performance indicators per Class A and Class B share				
Adjusted long-term net asset value, SEK	46.9	30.2	25.3	20.5
Growth in adjusted long-term net asset value, %	55.2	19.3	24.9	17.7
Adjusted earnings from property management, excl. interest on shareholder loans, SEK	2.47	1.79	1.59	1.43
Growth in earnings from property management, %	38.2	12.3	11.4	46.8
Dividend, SEK	2.22	0.56	0.56	0.39
Profit for the period, SEK (IAS 33)	15.60	3.71	4.43	2.62
Number of shares at end of period, million	137.9	111.0	111.1	94.7
Average number of shares during the period, million	124.6	111.0	111.1	85.3
Key performance indicators per Class D share¹⁾				
Equity, SEK	33.0	-	-	-
Earnings, SEK (IAS 33)	0.5	-	-	-
Dividend, SEK	0.5	-	-	-
Number of shares at end of period, million	50.5	-	-	-
Average number of shares during the period, million	50.5	-	-	-

¹⁾Class D shares did not exist before 2021.

Property inventory

As at 31 December 2021, the company owned and managed a property portfolio in Sweden of 31 properties with a total property value of SEK 17,797.4 million. The property portfolio is diversified across 16 municipalities and has a total area of 454,000 sqm.

By property category			Lettable area, 000 sqm					Total
Property	Address	Municipality	Justice	Higher education	Health care	Other public	Non-public	
Fanan 54	Spetsvinkelgatan 11-19	Halmstad		15				15
Fanan 55	Spetsvinkelgatan 9	Halmstad		2				2
Fanan 57	Spetsvinkelgatan 21-29	Halmstad		12				12
Fanan 60	Linjegatan 12	Halmstad		3				3
Fanan 62	Spetsvinkelgatan 11	Halmstad		10				10
Fanborg 3	Kristian IV:s väg 1-3	Halmstad		21		2		24
Fanan 49	Linjegatan 8-10	Halmstad		7				7
Fanan 51	Linjegatan 5-7	Halmstad					6	6
Smedstad 1:21	Brigadgatan 26	Linköping	57		18	6	4	86
Artilleristen 1	Student plan 2 etc.	Östersund		28	4	15	5	52
Åkeriet 10	Prästgatan 53	Östersund				2		2
Lagmannen 6	Köpmangatan 21	Östersund			7			7
Onkel Adam 9	Köpmangatan 16-20	Östersund				6		6
Tingshuset 7	Storgatan 6	Östersund	4					4
Eric Ugglan 2	Eric Ugglas plats 2	Skövde	4					4
Karlsro 1	Karlsrogatan 2	Solna	13					13
Lasarettet 2	Vänerparken 1 etc.	Vänersborg			16	19		35
Lasarettet 6, 7 & 8	Vänerparken 11, 12	Vänersborg				3		3
Haren 3	Korsgatan 20, 22	Vänersborg				6		6
Tullen 6	Esplanaden 1	Norrköping	6					6
Eldaren 6	Norra Kajplan 6	Kalmar		29				29
Landsdomaren 6	Baravägen 1	Lund			27			27
Anneborg 2:4	Spårvägen 1	Falköping				4		4
Näsby 34:24	Elmetorpsvägen 15	Kristianstad		33				33
Niagara 2	Nordenskiöldsgatan 1 etc.	Malmö		21				21
Högkvarteret 1	Berga Allé 25	Helsingborg	19					19
Högkvarteret 2	Berga Allé 21	Helsingborg	18					18
Total property units under management			122	182	73	63	15	454
Duvan 1	Hospitalsgatan 6	Härnösand						0
Seglet 1	Skjutbanevägen 16	Örebro						0
Part of Kristianstad 4:47	Vattentornsvägen	Kristianstad						0
Total project properties¹⁾			0	0	0	0	0	0
Total property portfolio			122	182	73	63	15	454

¹⁾ The estimated lettable area of the project properties totals 55,500 sqm.

PROPERTY INVENTORY

By region	Property	Address	Municipality	Lettable area, 000 sqm				Total
				South	East	West	North	
	Fanan 54	Spetsvinkelgatan 11	Halmstad	15				15
	Fanan 55	Spetsvinkelgatan 11	Halmstad	2				2
	Fanan 57	Spetsvinkelgatan 21	Halmstad	12				12
	Fanan 60	Linjegatan 12	Halmstad	3				3
	Fanan 62	Spetzvinkelgatan 11	Halmstad	10				10
	Fanborg 3	Kristian IV:s väg 1-3	Halmstad	24				24
	Fanan 49	Linjegatan 8-10	Halmstad	7				7
	Fanan 51	Linjegatan 5-7	Halmstad	6				6
	Smedstad 1:21	Brigadgatan 26	Linköping		86			86
	Artilleristen 1	Student plan 2 etc.	Östersund				52	52
	Åkeriet 10	Prästgatan 53	Östersund				2	2
	Lagmannen 6	Köpmangatan 21	Östersund				7	7
	Onkel Adam 9	Köpmangatan 16-20	Östersund				6	6
	Tingshuset 7	Storgatan 6	Östersund				4	4
	Eric Ugglas 2	Eric Ugglas plats 2	Skövde			4		4
	Karlsro 1	Karlsrogatan 2	Solna		13			13
	Lasarettet 2	Vänerparken 1 etc.	Vänersborg			35		35
	Lasarettet 6, 7 & 8	Vänerparken 11, 12	Vänersborg			3		3
	Haren 3	Korsgatan 20, 22	Vänersborg			6		6
	Tullen 6	Esplanaden 1	Norrköping		6			6
	Eldaren 6	Norra Kajplan 6	Kalmar	29				29
	Landsdomaren 6	Baravägen 1	Lund	27				27
	Anneborg 2:4	Spårvägen 1	Falköping			4		4
	Näsby 34:24	Elmetorpsvägen 15	Kristianstad	33				33
	Niagara 2	Nordenskiöldsgatan 1 etc.	Malmö	21				21
	Högkvarteret 1	Berga Allé 25	Helsingborg	19				19
	Högkvarteret 2	Berga Allé 21	Helsingborg	18				18
	Total property units under management			227	105	52	70	454
	Duvan 1	Hospitalsgatan 6	Härnösand					0
	Seglet 1	Skjutbanevägen 16	Örebro					0
	Part of Kristianstad 4:47	Vattentornsvägen	Kristianstad					0
	Total project properties¹⁾			0	0	0	0	0
	Total property portfolio			227	105	52	70	454

¹⁾ The estimated lettable area of the project properties totals 55,500 sqm.

Basis for key performance indicators

Intea publishes a number of financial key performance indicators that are not defined by IFRS and are therefore alternative performance measures according to the European Securities and Markets Authority (ESMA). The company believes that these key performance indicators provide valuable additional information about its performance and position.

Amounts in SEKm	Full year 2021	Full year 2020
Share of public-sector tenants, %		
Contractual rent, public-sector tenants, SEKm	807.1	549.7
(±) Contractual rent, total, SEKm	858.6	585.8
Share of public-sector tenants, %	94.0	93.8
Loan-to-value ratio, %		
Interest-bearing liabilities, SEKm	9,814.4	5,758.2
(-) Cash and cash equivalents and short-term investments, SEKm	-197.7	-395.4
Net debt, SEKm	9,616.7	5,362.8
(±) Fair value of properties, SEKm	17,797.4	10,237.9
Loan-to-value ratio, %	54.0	52.4
Financial occupancy rate, %		
Contractual rental value on an annual basis, SEKm	858.6	585.8
(±) Contractual rental value on an annual basis at the end of the period, SEKm	867.6	593.4
Financial occupancy rate, %	99.0	98.7
Adjusted earnings from property management per Class A and Class B share, SEK		
Adjusted earnings from property management excl. interest on shareholder loans, SEK m	245.7	279.4
Reversal cost of management agreement	165.0	-
(-) Dividend Class D shares, SEKm	98.4	80.4
Total	312.3	199.0
(±) Adjusted average number of Class A and Class B shares, millions	124.6	111.1
Adjusted earnings from property management per Class A and Class B share, SEK	2.51	1.79
Average interest rate at the end of the period, %		
Interest expense on an annual basis at the end of the period, SEKm	128.6	104.8
(±) Interest-bearing liabilities at the end of the period according to the balance sheet, SEKm	9,814.4	5,758.2
Average interest rate at the end of the period, %	1.31	1.82
Adjusted long-term net asset value, SEKm		
Equity according to balance sheet at the end of the period, SEKm	7,206.5	1,944.0
of which Class D shares, SEKm	1,664.4	-
Issuance from shareholder loans, SEKm	-	894.1
Deferred tax liabilities, SEKm	970.8	438.7
Derivatives, SEKm	-49.7	77.2
Adjusted long-term net asset value	6,461.2	3,354.0
Adjusted long-term net asset value per Class A and Class B share, SEKm		
Long-term net asset value, SEKm	6,461.2	3,354.0
(±) Number of Class A and Class B shares at end of period, SEKm	137.9	111.1
Adjusted long-term net asset value per ordinary share, SEK	46.9	30.2

BASIS FOR KEY PERFORMANCE INDICATORS

Amounts in SEKm	Full year 2021	Full year 2020
Net investments, SEKm		
Acquisitions during the period, SEKm	4,970.5	131.2
(-) Investments in new-builds, extensions and redevelopment, SEKm	382.0	283.2
(+) Disposals during the period, SEKm	-	-
Net investments, SEKm	5,352.5	414.4
Interest coverage ratio, multiple		
Profit/loss before financial items, SEKm	368.0	383.4
Net financial income for the period excl. interest on shareholder loans and site leasehold, SEKm	-121.4	-104.0
Interest coverage ratio, multiple	3.0	3.7
Surplus ratio, %		
Operating surplus for the period, SEKm	608.9	450.3
Rental income for the period, SEKm	733.2	548.6
Surplus ratio, %	83.0	82.1

Definitions and purpose

Key performance indicators	Definition	Purpose
Share of public-sector tenants, %	Contractual rental value from public-sector tenants divided by total contractual rental value.	The performance indicator is used to highlight the overall credit risk of the company's tenants. A high proportion of income from public-sector tenants contributes to lower credit risk.
Share of secured debt, %	Secured debt as a share of total assets.	The performance indicator is a measure of the degree of structural subordination to unsecured debt.
Loan-to-value ratio, %	Interest-bearing liabilities minus shareholder loans where applicable, cash and cash equivalents and short-term investments in relation to the fair value of the properties.	This performance indicator is used to highlight the financial risk of the company and shows the proportion of the business that is financed by interest-bearing liabilities.
Yield, %	The net operating income on an annual basis for the property portfolio at the end of the period in relation to the value of the property portfolio at the end of the period less the value of ongoing projects and unused building rights.	The key performance indicator shows the earnings generation before financial expense and costs for central administration are taken into account.
Financial occupancy rate, %	Contractual rent on an annual basis at the end of the period in relation to the sum of contractual income, estimated market rent for unlet space and, where applicable, discounts on an annual basis.	The performance indicator illustrates the economic utilisation rate of the Company's lettable area.
Tenant category	Tenants' activities distributed per contracted rent. Intea's tenant categories are The Judiciary, Higher Education, Health care, Other Public sector and Non-Public sector.	
Property category	The main activity in the property is calculated on contractual rental value per object. There may be areas within a property category that refer to activities other than the main category. Intea's property categories are Justice, Higher Education, Health Care, Public sector other and Non-public sector.	
Property value, SEKm	The amount at which the company's investment properties are carried in the balance sheet at the end of the period.	The performance indicator highlights the value of the company's property portfolio.
Profit from property management, SEKm	Profit/loss before changes in value, tax and, where applicable, interest expense on shareholder loans.	The performance indicator illustrates the profitability of property management, including the cost of shareholder loans.
Profit from property management, excluding interest on shareholder loans, SEKm	Profit/loss before changes in value, tax and, where applicable, interest expense on shareholder loans.	The performance indicator illustrates the profitability of the property management.
Average interest rate at the end of the period, %	Average interest on interest-bearing liabilities excluding, where applicable, shareholder loans, including costs of committed lines of credit and derivatives.	The performance indicator is used to highlight the interest rate risk of the company's interest-bearing liabilities.
Adjusted earnings from property management per Class A and Class B share, SEK	Earnings from property management less, where appropriate, the profit/loss for the period attributable to Class D shares or interest expense on shareholder loans in relation to the average number of Class A and Class B shares outstanding during the period. ¹⁾	The performance indicator is used to illustrate the company's earnings from property management per Class A and Class B share in a way that is consistent for listed companies.
Loan commitment, years	Average remaining maturity at the end of the period of interest-bearing liabilities, if any, excluding shareholder loans.	The performance indicator is used to highlight risk associated with refinancing. A long maturity indicates lower refinancing risk.
Adjusted long-term net asset value, SEKm	Equity at the end of the period, net of deferred tax, interest rate derivatives and, where applicable, non-controlling interests as shown in the balance sheet, less a maximum of SEK 33 per Class D share multiplied by the number of Class D shares outstanding. ¹⁾	The performance indicator is an established measure of the long-term net asset value of the Company and other listed companies, which allows for analyses and comparisons.

¹⁾ The performance indicator has been adjusted to simulate a reclassification of shareholder contributions to Class B shares and the completed refinancing where the shareholder loan was replaced by a combination of Class B and Class D shares (40 percent and 60 percent respectively).

DEFINITIONS

Key performance indicators	Definition	Purpose
Adjusted long-term net asset value per Class A and Class B share, SEK	Long-term net asset value in relation to the number of Class A and Class B shares out standing at the end of the period. ¹⁾	The performance indicator highlights the long-term net asset value share of holders of Class A and Class B shares.
Like-for-like portfolio	Properties owned for entire comparable periods that have not been classified as project properties during those periods.	
Loan commitment, years	Average remaining maturity at the end of the period of interest-bearing liabilities, if any, excluding shareholder loans.	The performance indicator is used to highlight risk associated with refinancing. A long maturity indicates lower refinancing risk.
Contractual annual rent	Contractual rental income on an annual basis less rent discounts and losses.	
Net investments	The sum of cash flow from investments made in investment and development properties, adjusted for any sales during the period.	Key performance indicators to highlight the Company's ability to achieve operational objectives.
Property value, SEKm	The amount at which the company's investment properties are carried in the balance sheet at the end of the period.	The performance indicator highlights the value of the company's property portfolio.
Property units	A registered property or, as the case may be, if the registered property is occupied by several buildings in which the main uses vary within Intea's property categories, such buildings constitute property units.	
Public-sector tenants	Tenants for which the credit risk of the tenancy is borne by the state, a municipality or region.	The performance indicator is used to highlight the credit risk in the company's income.
Project property	Property or a well-defined part of a property that has been left vacant for the purpose of conversion and improvement. Project properties also include buildings under construction and properties with an investment of at least 20 percent of its fair value. The reclassification from project property to completed property is carried out at 1 January of the year following completion.	
Fixed-rate period, years	Average maturity at the end of the period of interest-bearing liabilities, if any, excluding shareholder loans but including the effect of interest-rate derivatives.	The performance indicator is used to highlight interest rate risk. A long fixed-rate term indicates lower interest rate risk.
Interest coverage ratio, multiple	Profit/loss from property management for the period, excluding interest expense on shareholder loans, as a share of net financial income for the period.	The performance indicator illustrates interest rate risk by highlighting the sensitivity of the company's earnings from property management to changes in interest rates.
Remaining contract period, years	The average remaining lease term for public-sector tenants weighted based on contractual rent.	The key performance indicator is used to highlight the company's rental risk.
Surplus ratio, %	Net operating income in relation to total rental income during the period.	The performance indicator illustrates the profitability of the property management activities.

Intea Fastigheter AB (publ)

Company registration number: 559027-5656

The Board of Directors has its registered office in Stockholm.

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Annual General Meeting

Intea Fastigheter AB (publ)'s Annual General Meeting will be held on 18 May in Stockholm with an option to participate digitally.

Calendar*Financial statements*

Interim report January–March 2022	18 May 2022
Annual General Meeting 2022	18 May 2022
Interim report January–June 2022	19 July 2022
Interim report January–September 2022	27 October 2022
Year-end report 2022	17 February 2023

Under construction

Intea in collaboration with Korp Kommunikation

Photographer

Krook & Tjäder: Page 1, picture – project development, page 23 – Fanan 55, Kristianstad , page 28, 31 & 33 – Kristianstad

Werner Nyström: Page 20 – Niagara 2, Malmö

Studio-E/NCC: Page 21 – Fanan 62, Kalmar, page 36 – Kalmar

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Sweco/Arkitema: Page 27 – Helsingborg

Göran Strand: Pages 43, 49 & 51 – Campus Östersund

