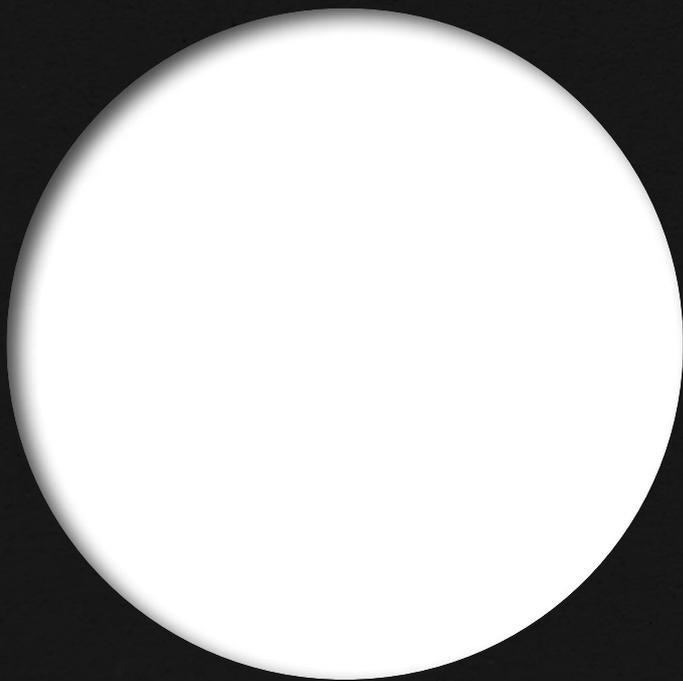


ANNUAL
REPORT
2021



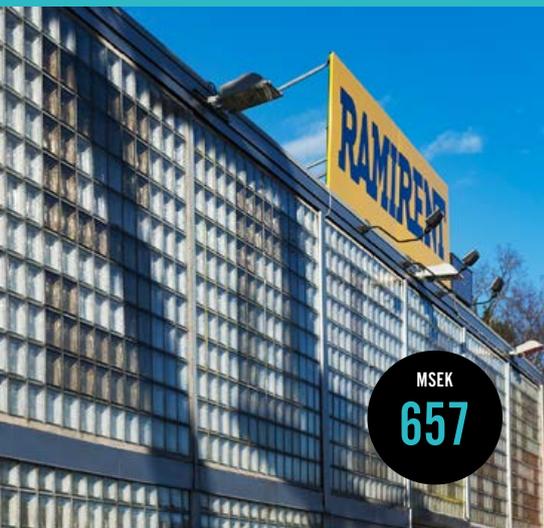


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FOCUS ON TRANSACTIONS





MSEK
657

COMBINED ACQUISITION AND DIVESTMENT AGREEMENTS

Acquisition of five properties in Uppsala, Norrtälje and Nacka for MSEK 657. Total of 39.5 thousand sqm and annual rental value of MSEK 50 as well as divestment of two project properties in Lund and Hanninge for MSEK 477.



MSEK
377

NYFOSA ACQUIRES PROPERTY PORTFOLIO IN NORRLAND

Acquisition of nine properties in nine cities in lower Norrland for MSEK 377. Total of approximately 47 thousand sqm and rental value of approximately MSEK 27.

ACQUISITION OF PROPERTY PORTFOLIO IN LULEÅ

Acquisition of 20 properties located in Luleå and Boden for MSEK 420. Total of approximately 42 thousand sqm and annual rental value of MSEK 37.2.

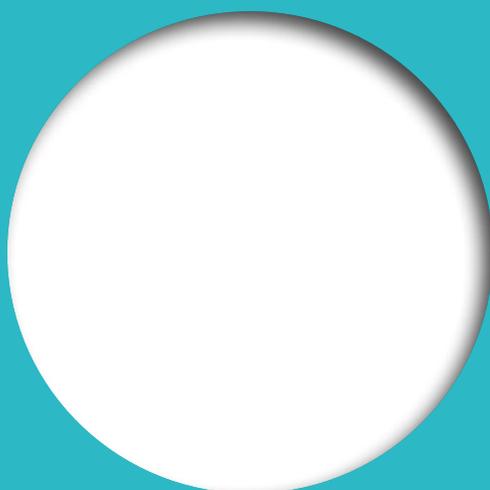
MSEK
420

FIRST ACQUISITIONS IN FINLAND

In a portfolio transaction, nine office properties and one project property in the Finnish university town of Jyväskylä were acquired for approximately SEK 2.1 billion. Two other acquisitions comprised ten properties in Oulu, Tampere and Hyvinkää for close to MSEK 358. Total of approximately 97 thousand sqm and annual rental value of MSEK 218.



MSEK
2,458



SEK **6.2** billion

ACQUIRED
PROPERTIES
2021

SEK **0.7** billion

DIVESTED
PROPERTIES
2021

TWO ACQUISITIONS IN FINLAND

Two separate transactions for the acquisition of seven commercial properties in the Finnish regional cities of Jyväskylä, Lappeenranta and Kuopio for MSEK 767, an area of approximately 67 thousand sqm and an annual rental value of approximately MSEK 100.



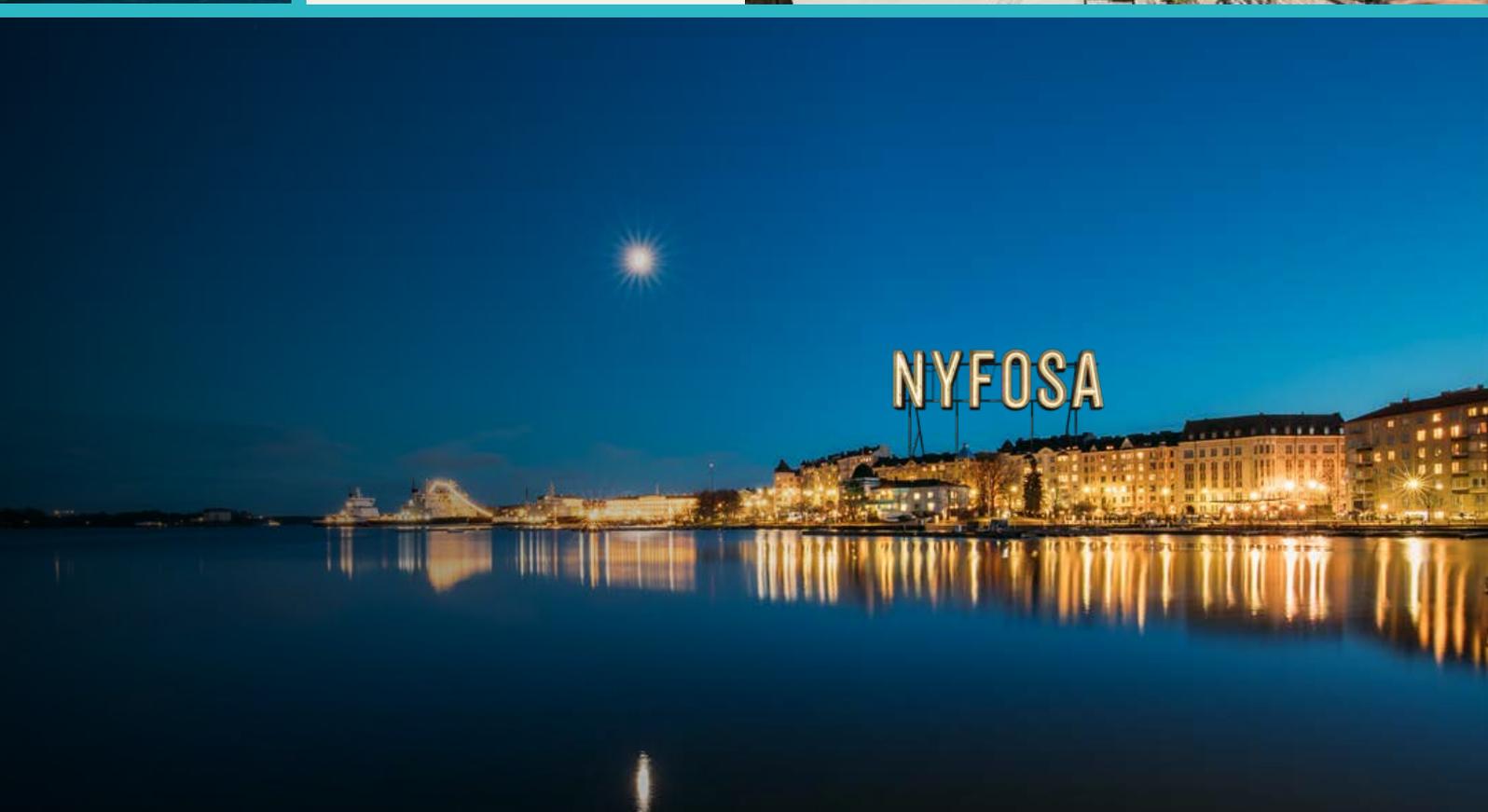
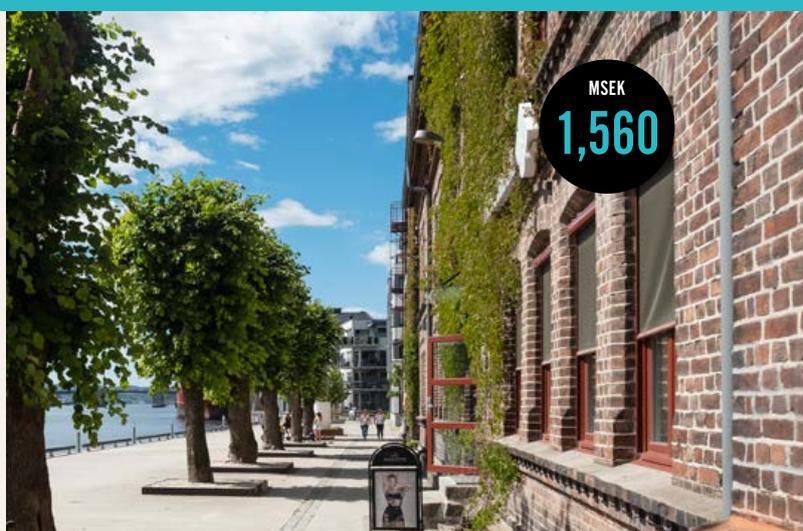
ADDITIONAL ACQUISITIONS IN TAMPERE AND OULU IN FINLAND

Two properties in the Finnish regional cities of Tampere and Oulu for MSEK 298 with leasable area of 27 thousand sqm and annual rental value of MSEK 31.



NYFOSA'S JOINT VENTURE SAMFOSA ACQUIRES IN NORWAY

The first acquisition for Nyfosa's joint venture in Norway, Samfosa, encompassing a total of 13 property units and ten projects in Skien, Porsgrunn and Horten, southeast of Oslo for approximately MSEK 1,560. Total of approximately 95 thousand sqm and annual rental value of MSEK 119. Closing took place in January 2022.



NYFOSA 2021

IT'S VERY EASY TO DESCRIBE OUR WAY OF WORKING. IT IS ABOUT SEEING THINGS IN A NEW LIGHT. CHANGING PERSPECTIVE, DISCOVERING OPPORTUNITIES AND GETTING THE BEST OUT OF EACH INVESTMENT. IN PRACTICE, IT MEANS THAT WE DO THE BUSINESS WE BELIEVE IN, REGARDLESS OF CATEGORY OR GEOGRAPHY. THIS ENABLES US TO CREATE AND DEVELOP A PROPERTY PORTFOLIO WITH STRONG CASH FLOWS AND INCREASING VALUES.

KEY FIGURES

	2021	2020
Income, MSEK	2,459	2,035
Net operating income, MSEK	1,651	1,415
Surplus ratio, %	67.1	69.5
Profit from property management, MSEK	1,973	1,334
– per share, SEK	10.46	7.35
Profit after tax, MSEK	3,112	2,225
– earnings per share after dilution, SEK	16.49	12.25
Distributable cash flow, MSEK	1,436	1,254
– per share, SEK	7.64	6.91
Return on equity, %	20.4	19.3
Equity/assets ratio, %	42.4	41.8
EPRA NRV, MSEK	18,325	14,744
– per share, SEK	95.93	79.91
Net loan-to-value ratio, properties, %	55.2	56.9

SEK **43.6** billion

PROPERTY VALUE INCL.
PARTICIPATIONS IN JOINT
VENTURES
DECEMBER 31, 2021

SEK **37.1** billion

PROPERTY VALUE
EXCL. PARTICIPATIONS IN JOINT VENTURES
DECEMBER 31, 2021

MSEK **1,679**

EARNINGS CAPACITY
PROFIT FROM PROPERTY
MANAGEMENT
DECEMBER 31, 2021



SUSTAINABILITY EFFORTS 2021

Efforts to lower CO₂ emissions continued in 2021 and involved analyses to identify wise investments in energy-optimization measures in our properties. The share of Nyfosa's property value that has sustainability certification rose to 15 percent and we established a green finance framework — both of which are key tools in efforts toward a more sustainable property portfolio.

Of the Sustainable Development Goals, Nyfosa focuses on the two that the business has the greatest potential to influence.



NYFOSA OWNS PROPERTIES IN HIGH-GROWTH REGIONS IN SWEDEN AND FINLAND

Nyfosa's properties are situated in high-growth regions and transportation hubs in Sweden and Finland. On December 31, 2021, Nyfosa's property portfolio comprised 447 properties with a total property value of SEK 37.1 billion, a rental value of MSEK 3,017 and a leasable area of 2,780 thousand sqm.



CEO COMMENTS

BROADENED OPPORTUNITIES FOR BUSINESS AND GROWTH

At Nyfosa, we always have our sights set on transactions and steadily improving the property portfolio with the aim of building shareholder value. In 2021, we cultivated even stronger conditions for transactions by adding two new markets in which to do business, Finland and Norway. Meanwhile and building by building, we worked to develop the properties' value in the best and most sustainable way.

2021 was yet another an active year for Nyfosa. With net acquisitions of properties for just over SEK 6 billion, we boosted the property value to SEK 37 billion and delivered healthy growth in cash flow and return on equity. We achieved the financial target of an annual growth in distributable cash flow per share of 11 percent. I am pleased to report that our portfolio is continuing to deliver strong and growing cash flows as a result of aggressive leasing activities and good business deals.

Three markets for business

Nyfosa's strategy is to operate where the best business deals are, regardless of category and geography, in order to build cash flow and value. In 2021, Nyfosa took a major step to expand these opportunities by entering two new countries, Finland and Norway. Sweden is still our core market but a presence in three strong markets means that we are broadening our base for selecting the best business deals, something we view as a strength in Nyfosa's continued growth.

In April, we decided to enter the Finnish market, which lacks an opportunistic player like Nyfosa. After having monitored the Finnish market for some time, we saw that the Finnish market has attractive business opportunities that suit Nyfosa. The ambition was to establish a broad property portfolio in high-growth locations that positively contribute to growth in cash flow per share, and we set a target of building a property portfolio of approximately SEK 7 billion within five years.

After almost one year in Finland, I note that the analysis was accurate and that we accomplished what we set out to do. Nyfosa has grown rapidly in the Finnish market. In total, we own properties for approximately SEK 5.7 billion, and we have built up a property portfolio featuring modern offices and solid industry and discount retail in growing regional cities. Our collaboration with Brunswick and their invaluable market insight and contacts has been a factor in our successful establishment in Finland.

At the close of 2021, we also entered the Norwegian market to, in a similar manner, create conditions for capitalizing on attractive business opportunities in regional cities. In this case through a joint venture – Samfosa – with the Norwegian property company Samfunnsbyggeren. As early as January 2022, we took possession of the first acquisition, a property company with a portfolio of just over SEK 1.5 billion in which Nyfosa's share is MSEK 750. This provides a combination of sound cash flows and vast development potential. Not only is this an excellent starting point for Samfosa in Norway, we also gained a very talented on-site team for property management and continued growth.

Steady demand for offices

We continued to see stable demand for Nyfosa's premises and also noted positive net leasing each quarter throughout the year. I am both grateful and proud that we managed to maintain such strong leasing growth despite this second pandemic year, an accomplishment that is due to intense efforts from our management team and a foundation of solid properties. We own many properties in several segments and each property serves its purpose.

If we look to the office market, our belief is that offices most definitely have a place in tomorrow's work life. We see bustling activity in the premises in our regions and have not seen any general decline in demand for offices. In all, I conclude that the office market as a whole will not change dramatically after the pandemic, even if some changes in behavior patterns may alter how we use the offices.

Sustainable progress

Property management's efforts to achieve our sustainability targets are progressing and we are working in a structured manner to enhance energy efficiency building by building, thereby contributing to profitability through lower energy consumption. We carried out many large and small projects



“With a presence in three strong markets, we are broadening our base for selecting the best business deals.”

– STINA LINDH HÖK, CEO

during the year aimed at improving our portfolio in various ways — from installation of ten solar cell facilities and improved surface water management to more systematized follow-up of materials use for greater resource efficiency. During the year, we increased the share of our property portfolio that has sustainability certification to 15 percent of the property value. With this as a foundation, we can also heighten our share of green financing, a measure we launched in 2021 by drafting a green finance framework. Given that we have only owned our properties for an average of 1.5 years, this is good progress and the work continues.

Cash flows provide financial stability

During the year, we were able to successfully use the capital market as a supplement to bank financing, our main form of financing, providing us with the opportunity to grow profitably. At the start of 2022, we also managed to complete several business deals that we are particularly happy with, not least of which is the acquisition of 43 properties in Finland for SEK 2.1 billion in February.

Nyfosa’s clear focus on cash flow and good bank relationships are vital for us at a stage when there is significant uncertainty about the future development of the interest-rate and financing markets.

Early in the new year, our lives were suddenly marked by a war in Europe. In this new reality, we continue to run our business with immense gratitude that we live and work in a free and democratic country.

We are assessing the situation day by day, look ahead and focus on Nyfosa task: to build a high-return property portfolio in our opportunistic way. It is a sincere honor to be able to do this together with a fabulous and driven team of employees, with whom I now have the pleasure to meet with more often. I also want to thank our owners who support us and who have faith in Nyfosa’s chartered course and journey forward.

Stina Lindh Hök, CEO

BUSINESS MODEL AND STRATEGY

STABLE CASH FLOWS AND A SUSTAINABLE BUSINESS

Nyfosa is a transaction-based property company that continuously evaluates new business opportunities, regardless of region or category. Our aim is to build stable cash flows and a sustainable business. This opportunistic business model sets Nyfosa apart in the Nordic property market.

An opportunistic property company

Nyfosa is one of few listed property companies in Sweden with an opportunistic business model that is not limited geographically or to specific categories. Our focus is to create value by accumulating sustainable cash flows and continuously evaluating new business opportunities. Our broad investment strategy means that we are always ready to capitalize on business opportunities that arise. The opportunity to make acquisitions that are on the periphery of what other property companies and investors are looking for gives us the potential to do good business.

Evaluating many business opportunities

Nyfosa's business model is based on taking an active role in the transaction market, always with our ear to the ground and continuously evaluating a large number of business opportunities. By being perceived as an especially active property company in terms of both acquisitions and divestments, Nyfosa will become a natural and attractive business partner.

Experienced management and market-centric organization

Nyfosa has a management team with immense experience of transactions that vary in nature and complexity, and is highly skilled in identifying values, assessing potential and weighing risks. Nyfosa also has a market-centric organization with short decision-making paths and well-established processes in which most of the employees have extensive experience of conducting value-creating and sustainable management and development.

Optimize the value of the property portfolio

We manage and develop the properties in close cooperation with the tenants and neighboring community from the perspective that sustainability and profitability are interlinked. As part of efforts to enhance the cash flows and reduce the environmental impact, Nyfosa continuously evaluates how we can best optimize each building, ranging from minor to large-scale actions. This involves a number of different initiatives, from refurbishment of properties, optimization of operations and sustainability certification to working on new zoning plans and building rights for projects where we anticipate a value.

BUSINESS MODEL FOR SUSTAINABLE VALUE CREATION

Nyfosa's business model is based on taking an active role in the transaction market and constantly evaluating a large number of business opportunities. We manage and develop the growing property portfolio from the perspective that there is a link between sustainability and profitability. In this way, we generate growing cash flows and the sustainable development of our operations.



VISION

Nyfosa will be the Swedish property company that is the best at creating value.

BUSINESS CONCEPT

With its opportunistic approach and its agile, market-centric and bold organization, Nyfosa will create value by accumulating sustainable cash flows and continuously evaluating new business opportunities.



TARGETS AND STRATEGIES

Nyfosa's overall objective is to create sound and sustainable cash flow growth. In 2021, Nyfosa's earnings and cash flows grew robustly with continued low financial risk. Meanwhile, we took important steps toward our sustainability targets.

FINANCIAL TARGETS

Annual growth in distributable cash flow per share of 10 percent.

Outcome 2021:

+11%



Distributable cash flow per share, SEK

DIVIDEND POLICY

At least 40 percent of the distributable cash flow is to be distributed to the owners. Dividends are, on each occasion, to be considered in light of the company's business opportunities and may comprise a distribution in kind, buyback or cash dividend.

Target – share of distributable cash flow

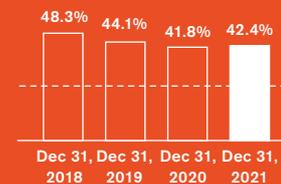
40%

Proposed dividends 2022

51%

FINANCIAL RISK LIMITS

Equity/assets ratio
At least 25 percent in the long term.



Loan-to-value ratio
Not to exceed 65 percent.



Interest-coverage ratio
Long term at least a multiple of 2.



SUSTAINABILITY GOALS

TARGETS 2025

Sustainability certification

By 2025, properties corresponding to 50 percent of the property value will have sustainability certification and 100 percent by 2030.

Streamlined consumption

By 2025, energy consumption per sqm will be reduced by 10 percent compared with 2020.

LONG-TERM TARGETS

Carbon emissions

Nyfosa will act to minimize the operation's carbon emissions.

► *Read more about Nyfosa's sustainability targets and outcomes in the Sustainability Report on pages 45–57.*

NYFOSA'S LONG-TERM STRATEGY FOR ACHIEVING THE TARGETS

Nyfosa's strategy is based on its business concept and comprises five parts, all of which work together to achieve the company's targets, both financial and sustainable. Nyfosa's vision is to be the Swedish property company that is the best at creating value. We believe that taking a long-term and sustainable approach is paramount to realizing our vision.

ATTRACT AND DEVELOP THE BEST EMPLOYEES

Solid expertise, business acumen and an established contact network is central to realizing our business concept and targets. By recruiting and developing motivated, creative and experienced employees Nyfosa creates an effective, agile and market-centric organization. The company works actively to be an employer that offers a creative, open and stimulating work environment with a focus on proximity to business decisions, inclusion in business development and personal development for all employees.

During the year, Nyfosa hired 26 new employees to manage the large portfolios and to focus on such matters as sustainability and digitization in property management as well as strengthening the transaction department.

ACTIVE IN THE TRANSACTION MARKET

Nyfosa works close to the transaction market to continuously evaluate new business opportunities. Our strong local presence and local knowledge is a key to continued growth. This creates a solid basis on which to assess the market trend, identify business opportunities at an early stage and make well-founded decisions. Combined with short and swift decision-making paths and well-established processes, we are able to simultaneously evaluate a large amount of business opportunities and swiftly complete transactions.

During the year, Nyfosa evaluated a large number of potential business deals and completed acquisitions for approximately SEK 6.2 billion and divestments for SEK 0.7 billion.

PRIORITIZE COMMERCIAL PROPERTIES IN HIGH-GROWTH REGIONS

Nyfosa focuses on cash flow and stable returns at limited risk, where the organization can add value through active management. The investment strategy has no restrictions in terms of property category, size or region, but it does have a pronounced priority for commercial properties in high-growth municipalities in Sweden. It is here that Nyfosa can leverage favorable trends such as a growing population and the local business community.

During the year, Nyfosa broadened the portfolio with commercial properties in high-growth municipalities in Norrland, in expansive regional cities in Finland and in Norway through a newly formed joint venture.

WITH SUSTAINABILITY ADD VALUE TO THE PORTFOLIO

Nyfosa manages, develops and enhances the property portfolio with the aim to increase the properties' earnings capacity and value. This active approach to property management is carried out professionally, profitably and sustainably through Nyfosa's local organization and the central functions in close dialogue with tenants, society and other operators.

During the year, Nyfosa has conducted an extensive analysis of the property portfolio, secured sustainability certification for properties corresponding to 9.5 percent of the property value, and started operating ten solar cell facilities.

ACT LONG TERM AND CLOSE TO THE TENANTS

By being a responsible property owner and a reliable, locally established partner, we help to build relationships and create value in the markets where we are active. A critical part of this involves optimizing opportunities for the tenants by thinking creatively, responding quickly to tenants who have questions and providing personalized service.

In 2021, Nyfosa has seen continued good demand for the company's premises and enjoyed positive net leasing during every quarter. Several value-creating investments were completed in close collaboration with tenants.

MARKET

MARKET PERFORMANCE AND TRENDS

Through Nyfosa's flexible investment strategy, we can develop the property portfolio's composition based on current markets. In 2021, the portfolio grew with a broad mix of geographic locations and property categories.

The Swedish property market, 2021

The Swedish property market noted in 2021 the highest annual volume and the largest number of transactions to date. The transaction volume for the full-year amounted to about SEK 400 billion, making Sweden Europe's third largest transaction market after Germany and the UK. A steadily favorable macroeconomic climate of low real interest rates, good financing opportunities and considerable access to capital paired with a wait-and-see approach in 2020 drove the market in 2021.

The share of international investors dropped from 26 percent in 2020 to 17 percent of the transaction volume as a result of the large portion of domestic structure transactions in the property market during the year.

After residential properties, offices were the year's second-most invested segment and accounted for a total of 21 percent of the transaction volume, corresponding to approximately SEK 83 billion. Volumes were primarily driven by major structure transactions as well as several large individual transactions. Warehouse/Logistics, reached sales of approximately

SEK 40 billion, corresponding to 10 percent of the transaction volume, and has seen continued strong investor interest and limited supply. The yield requirement for warehouse/logistics continued to decline. Industry accounted for about 5 percent of the volume, corresponding to SEK 20 billion.

Stockholm bolstered its dominant position in the investment market with 47 percent of the total transaction volume, while Malmö accounted for 11 percent and Gothenburg for 9 percent. Other large cities accounted for 22 percent of the transaction volume as a result of a greater interest in regional cities. With the exception of the major cities, the rest of Sweden accounted in total for approximately one-third of the transaction volume.

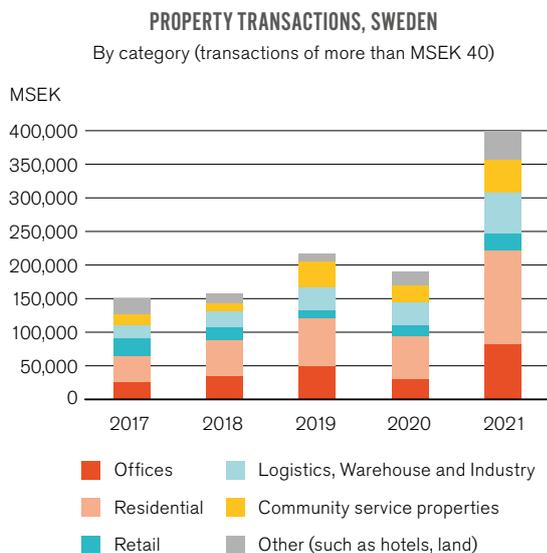
Interest from investors is deemed considerable following a robust year for the property market, and a vast influx of capital in the market is expected to generate significant activity in 2022. The macroeconomic situation in Sweden is considered favorable for property investments.

Finnish property market, 2021

The Finnish transaction market was active in 2021, although no records were broken in the market. Transaction volume amounted to EUR 7.0 billion, marking the strongest year since 2018. For Finland, the record-breaking year was 2017, when the transaction volume reached EUR 9.9 billion. Foreign investments drive the Finnish transaction market to a far greater extent than the Swedish and Norwegian markets. International investors accounted for 56 percent of the total transaction volume in 2021. Almost half of the international investors active in the market in 2021 were Swedish companies.

Competitors

With a portfolio comprising largely offices, logistics and warehouse buildings, industry and retail properties in several locations in Sweden, Nyfosa faces different competitors in each property category and region. Operators in the market include Swedish and international property funds, Swedish listed companies and privately owned property companies.



Market data from Newsec.

Other large cities are Borås, Gävle, Helsingborg, Jönköping, Karlstad, Linköping, Luleå, Norrköping, Sundsvall, Umeå, Uppsala, Västerås, Växjö, Örebro, Halmstad, Eskilstuna, Kalmar, Östersund and Lund.

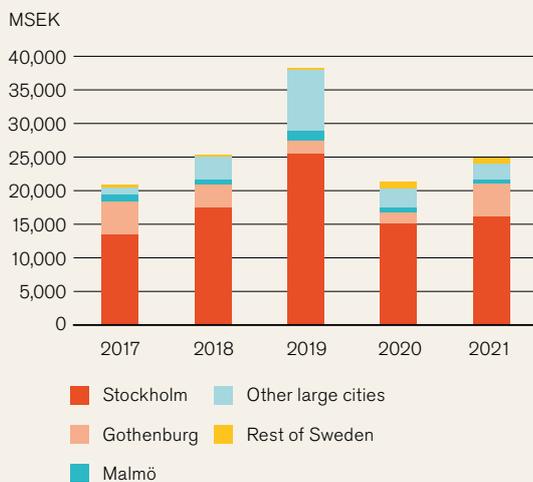
MARKET

OFFICES

- 21 percent of the total transaction volume in Sweden 2021.
- Structure transactions in Sweden and Finland.
- Vacancies are not expected to increase.

PROPERTY TRANSACTIONS – OFFICE

By region (transactions of more than MSEK 40)



Market data from Newsec

Transactions

In Sweden, the investment volume for office properties amounted to SEK 83 billion, representing 21 percent of the total transaction volume in 2021. This made office the second-largest segment in the transaction market during the year, with volumes driven foremost by structure transactions. Several individual transactions were made, and in many cases were completed at better levels than before the pandemic. Subsequently, the yield requirement declined within the segment. International investors made up a smaller share than in the previous year, in part due to the large share of structure transactions—although they are believed to have been more cautious due to the pandemic and are expected to increase their activity in the transaction market for offices in 2022. The yield requirement for office properties varies depending on the location of the property, its condition, cash flow and development potential. In recent years, the yield requirement in high-growth cities has declined, though the differences vary between different geographies. The yield requirement for office properties is larger and small regional cities is between 4.6 and 6.1 percent. It is expected to continue to decline during 2022, but may gradually increase if the macroeconomic situation improves and the repo rate is raised substantially.

In Finland, the office segment has historically speaking been the strongest segment in the transaction market and, at 29 percent of the total volume, it was the second-largest segment in the market in 2021. A number of structure transactions were completed during the year within the office segment in Finland. The yield requirement for offices in Finland is relatively low and dropped further during the year. In the Helsinki region, the yield requirement for offices is just over 3 percent.

Performance and trends in 2021

The debate regarding the office market in Sweden continued in 2021. Given that the pandemic dominated all of 2021, it has not been possible to make any definite conclusions regarding the future of offices. During the year, the office segment demonstrated strong underlying foundations, with discounts and downward pressure on leases morphing into upward pressure on leases in several locations. The leasing market also saw more activity during the year, and decisions once put on hold in 2020 were, in many cases, made in 2021. Flexible offices and employees are believed to become more standard in the office market. Vacancies that initially rose in 2020 are believed to fall back in time. While some cutbacks in terms

of area has been noted, overall demand does not appear to decline due to, among other things, an increase in office-bound workers in the country. Leases have become more flexible and shorter leases became more common in 2021 due to rising numbers of co-working operators in the market. The rent levels for office properties is determined by several parameters such as geographic location, condition and standard, the general market situation, the terms of the lease and the business structure in the area. A stronger service sector creates a larger market for office premises, which in turn drives rent levels. Rent levels are also highly linked to the selection of appropriate office premises in the area.

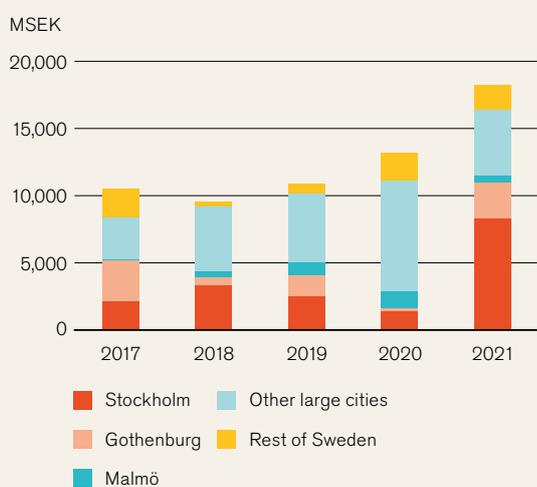
MARKET

LOGISTICS AND WAREHOUSES

- 10 percent of the total transaction volume in Sweden 2021.
- Substantial international investor interest.
- Trend toward more digitization and automation.

PROPERTY TRANSACTIONS – LOGISTICS AND WAREHOUSES

By region (transactions of more than MSEK 40)



Market data from Newsec

Transactions

In Sweden, the logistics/warehouse segment retained its appeal in the property market throughout 2021. The segment's transaction volume reached SEK 40 billion, corresponding to 10 percent of the total volume. Logistics remains the segment that attracts the single-highest share of international investors in the transaction market, accounting for 67 percent of the total transaction volume within the segment during the year, despite accounting for only 17 percent of the total Swedish transaction volume. Several large-scale investments within the logistics segment distinguished the year, with a total of eleven billion-kronor transactions, as compared with eight in 2020. Demand for large portfolios in the market is evident.

Particularly distinguishing is the continued significant yield compression. A yield requirement of 3.5–3.75 percent was noted for modern logistics in prime locations with long leases at the end of the year. Subsequently, the segment's yield requirement is approaching the yield requirement for offices. Given the strong demand among both domestic and international players, the yield requirement for the segment is expected to continue to fall in 2022.

In Finland, the warehouse, logistics and industry segment has traditionally not accounted for a high level of the transaction volume. Consequently, it was worth noting that more than twice as many warehouse, logistics and industry properties were acquired in 2021 as compared to 2020. The segment accounted for 13 percent of the total transaction volume during the year, surpassed only by the residential and office segments. Also in Finland, there was a decline in the yield requirement for the warehouse, logistics and industry segment during the year as well as a certain rent trend.

Performance and trends in 2021

Logistics properties are considered an attractive and long-term investment with tenants that have strong credit ratings, long-term leases and sustained high demand. Compared with other property segments, lease terms for warehouse and logistics properties are longer, normally within an interval of five to ten years. Rent levels for warehouse and logistics properties are determined by several parameters, including terms of the lease, size, modernity and efficiency. There is also a strong correlation to the property's geographic location and its proximity to logistics clusters, transportation hubs and major highways. In 2021, rent levels rose slightly more than the previous year due to higher construction costs and a lower supply of land. As a result, rent levels are expected to remain stable with an increase in the next few years that exceeds earlier expectations. However, in the long term, new

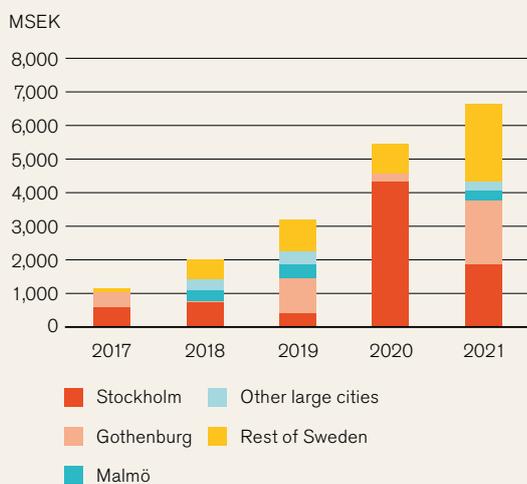
technology and infrastructure investments may facilitate new logistics locations, thereby adversely affecting rent levels. The transition to more e-commerce is continuing within all industries, contributing to a greater demand for warehouses and logistics. Predictions indicate that last-mile logistics will become increasingly important. Time from order to delivery is expected to drop significantly as more operators compete for market shares and delivery chain problems are resolved. The total logistics stock is expected to continue to rise exponentially in the next few years due to a lack of modern logistics space. In 2021, there was a long pipeline of logistics projects in progress and in planning. Vacancy levels for logistics/warehouse remain very low and the investment market will continue to view warehouse and logistics as attractive objects.

MARKET

INDUSTRY

- 5 percent of the total transaction volume in Sweden 2021
- Historically high interest from investors.
- Long-term tenants.

PROPERTY TRANSACTIONS—INDUSTRY
By region (transactions of more than MSEK 40)



Market data from Newsec

Transactions

In 2021, industrial properties accounted for about 5 percent of the total transaction volume, corresponding to almost SEK 20 billion. Industrial properties increased its share in the transaction market and is now historically high. A strong interest from investors paired with steady, relatively high yield requirements despite low vacancy levels and sound prospects make the segment attractive to investors. During the year, the yield requirement plummeted. Good market conditions and strong interest from investors coupled with low supply is a recipe for continued yield compression.

In Finland, transactions in the industry segment are reported together with warehouse and logistics. The segment has traditionally not represented a high share of the transaction volume. For example, the segment accounted for only 7 percent of the total transaction volume in Finland in 2020. Consequently, it was worth noting that more than twice as many warehouse, logistics and industry properties were acquired in 2021 as compared to 2020. The segment accounted for 13 percent of the total transaction volume during the year. Also in Finland, there was a decline in the yield requirement for the warehouse, logistics and industry segment during the year as well as a certain rent trend.

Performance and trends in 2021

The industry segment has gained increasingly more attention from investors as interest in logistics skyrockets. This segment has matured in the investment market in recent years. Investors have attained a greater understanding for the sound risk-adjusted yield that the segment offers. There is also a greater appreciation for the long-term tenants commonly found in industrial properties, even

though these tenants are slightly smaller companies. These tenants have long been the backbone of the economy in small towns and continue to play a critical role in the country's economy. At the same time, rent levels have escalated in many locations in recent years while demand for industrial properties has increased in general.

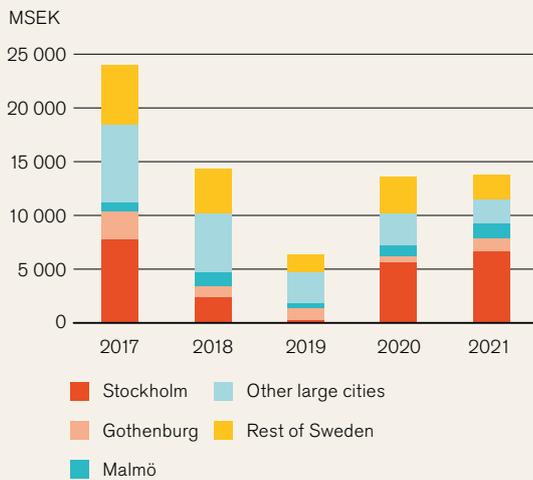
MARKET

RETAIL

- **7 percent of the total transaction volume in Sweden 2021.**
- **Higher transaction volume.**
- **Higher rent levels for big-box retail.**

PROPERTY TRANSACTIONS – RETAIL

By region (transactions of more than MSEK 40)



Market data from Newsec

Transactions

The transaction volume for retail properties climbed for the second consecutive year and amounted to approximately SEK 26 billion, corresponding to 7 percent of the year's total transaction volume. This marks a notable escalation from 2020 and 2019, demonstrating a recovering interest from investors for the segment. The transaction volume for 2021 was primarily driven by structure transactions in which several companies were bought up, but also separate individual transactions. For example, several shopping centers were sold toward the end of the year. In total, the grocery and big-box retail areas accounted however for more than 70 percent of the segment's total transaction volume during the year. The yield requirement differs greatly depending on the type of retail and the property's geographic location. In 2021, the yield requirement continued to fall for grocery and big-box retail, segments that normally have had very strong growth in recent years. With good market conditions for this type of retail, interest from investors is expected to remain strong over the next few years. Depending on location, shopping centers and city-center retail reported flat growth or a marginal dip in the yield requirement.

In Finland, 2021 was not the strongest year for the retail segment. Big-box retail and grocery stores proved to be attractive in the transaction market, but relatively few properties in the retail segment as a whole were sold. Subsequently, the segment accounted for only 9 percent of the total transaction volume during the year. Generally speaking, the yield requirement within the segment stagnant during the year, while rents continued to report a slightly negative trend.

Performance and trends in 2021

The retail segment has undergone a major transition in recent years, with the pandemic accelerating the trend toward a growing e-commerce. The physical retail segment continued to struggle in 2021 and division with the segment persists. Investors show a strong interest in discount retail and grocery retail, which often have long leases. Still today, this type of retail is deemed to be more immune to the e-commerce trend. The transaction volume for big-box and grocery retail amounted in 2021 to SEK 18.5 billion, as compared to shopping centers where the transaction volume amounted to SEK 7.7 billion. Interest from investors in shopping centers and city-center retail was lower during the year, although a number of transactions were noted in the market toward the end of the year.

Shopping centers are expected to see innovation and change in years to come involving, among other things, a higher level of service and consumer experiences. The rent level for retail properties is primarily linked to the geographic location and type of retail, though this differs between different types of retail. Rent levels have recovered for certain types of retail. For example, rent levels rose somewhat for big-box retail areas in 2021 compared with 2020. While rent hikes are relatively limited, rent levels are climbing. Shopping centers, on the other hand, are continuing to struggle and rent levels remain in many cases lower than before the pandemic. Some locations noted a negative rent trend during 2021.

TRANSACTIONS

ALWAYS READY TO DO BUSINESS

Nyfosa will always be prepared to do business. With our market-centric organization and transaction-oriented employees, we have what it takes to uphold both a transaction-based business model and sustainable management. In 2021, transactions for SEK 6.2 billion were completed, with emphasis in Finland where we established a property portfolio that has a strong cash flow.

Broad acquisition strategy

Nyfosa's acquisition strategy focuses on completing transactions that contribute to the best possible return and risk level in order to realize our goal of cash flow growth. Emphasis is on identifying business opportunities that lead to a diversified portfolio of properties that have stable cash flow and development potential. Mixed property portfolios comprising different categories of properties or geographic spread suits Nyfosa well. Competition for such portfolios may be slightly lower since fewer companies have strategies that allow for a diversified property portfolio. Moreover, we continuously evaluate and restructure Nyfosa's property portfolio to optimize the property portfolio and develop the composition based on market trends regarding returns and risks.

Ready for acquisitions

Transactions are the base of Nyfosa's cash flow growth. We are well-equipped to evaluate a large number of potential acquisitions in parallel, thereby facilitating a large selection. Proactive and reliable, Nyfosa is an attractive partner for property owners, banks, advisors, and other players in the industry. Nyfosa has favorable opportunities for flexible financing which benefits us in transaction operations. A strong liquidity and financial position provide a solid platform for us to act quickly in an acquisition situation and the capacity to invest in value-creating projects in the existing portfolio to improve profitability.

PROPERTY PORTFOLIO TRENDS

SEK **6.2** billion
ACQUIRED
PROPERTIES

SEK **0.7** billion
DIVESTED
PROPERTIES

CLOSING BY REGION AND PROPERTY CATEGORY

MSEK	Offices	Logistics/ Warehouse	Retail	Industry	Other	Total
Finland	2,607	0	248	655	0	3,510
Mälardalen	174	0	0	39	356	568
Greater Malmö	40	69	289	0	0	398
Coast of Norrland	18	187	257	51	201	714
Småland	0	28	0	0	0	28
Greater Stockholm	0	238	179	20	0	437
Other	57	123	195	184	29	588
Total	2,896	644	1,168	949	586	6,243

Close to the market

Nyfosa’s transaction organization has the expertise, creativity and resources to identify and realize the business opportunities that arise. Our broad presence throughout Sweden ensures good market insight and far-reaching contacts. Many of our transactions take place through direct contact with a seller.

At the beginning of the year, Nyfosa Finland, a subsidiary to Nyfosa, was established together with our partner Brunswick Real Estate as a minority shareholder. In just a short amount of time, Nyfosa Finland has built a high-quality property portfolio with stable cash flows. Through its well-established position in the Finnish property market, Brunswick has contributed greatly to this rapid growth through its good local know-how and extensive network.

Samfosa, a joint venture together with the Norwegian property company Samfunnsbyggeren, was established at the

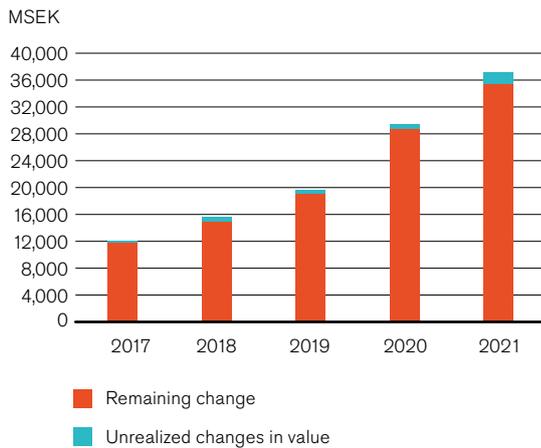
end of the year. The partner lends its immense knowledge about the Norwegian property market and considerable experience in terms of transactions in the sector.

Established transaction process

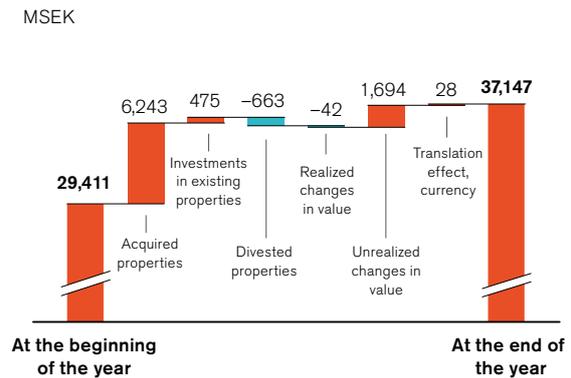
In our operations, we follow a well-established transaction process for implementing property transactions in a business-like and efficient manner. A considerable volume of business opportunities is always under review and an acquisition or divestment process can take from a few weeks to several years, depending on the complexity and other circumstances. Prior to a potential acquisition, we always analyze the transaction based on its unique potential. Great emphasis is placed on identifying, evaluating and managing any risks associated with the property and the portfolio. Key factors that are given special consideration include the opportunity for Nyfosa to add further value and to reduce the environmental impact.

“Transactions are the base of Nyfosa’s cash flow growth.”

PROPERTY PORTFOLIO TRENDS



CHANGES IN VALUE



TRANSACTIONS 2021

Nyfosa completes the transactions that we believe can contribute to our financial target of cash flow growth. During the year, this involved acquisitions in a new market, Finland, where large cities outside the Helsinki region offer excellent opportunities for finding properties with high returns and stable cash flows at acceptable risks. The transactions in Finland comprised both large and small portfolio acquisitions in Finnish regional cities of office properties and mixed properties, industry and warehouses. In Sweden, Nyfosa

acquisitions included two large portfolios in the northern part of the country and one portfolio of light industry and warehouses in the Stockholm region, coupled with individual acquisitions of properties in various categories.

In total, Nyfosa completed acquisitions for a value of approximately SEK 6 billion, of which SEK 3.5 billion in Finland, and divestments for SEK 0.7 billion. This means that Nyfosa increased the net property portfolio value by approximately SEK 21.6 billion in just over three years since the listing in November 2018.

SELECTION OF ACQUISITIONS 2021



SEK **2.1**
billion

LARGE ACQUISITION IN JYVÄSKYLÄ

The acquisition of nine modern office properties and one project property in one of Finland's largest regional cities formed a solid platform for Nyfosa's continued growth in Finland.

Acquisition, 2.1 billion

Rental value, approximately MSEK 183

Area 67,000 sqm offices,
8,000 sqm project

ACQUISITIONS IN THREE FINNISH REGIONAL CITIES

Acquisitions of commercial properties in the Finnish regional cities Jyväskylä, Lappeenranta and Kuopio broadened Nyfosa's Finnish portfolio with attractive locations and good returns.

Acquisitions, MSEK 767

Rental value, MSEK 100

Area 67,000 sqm and building rights



MSEK **767**



MSEK **377**

PORTFOLIO IN NORRLAND

Acquisitions of nine properties with professional hard ware retail in lower Norrland, with good locations in each city, modest rent levels and long-term leases.

Acquisitions, MSEK 377

Rental value, MSEK 27

Area, 47,000 sqm

NYFOSA IS EXPANDING IN FINLAND

In April 2021, Nyfosa decided to enter the Finnish market and expand its portfolio. After monitoring the Finnish market for some time, we saw that there are attractive business opportunities and place for an opportunistic property company like Nyfosa. We were right. During the year, Nyfosa acquired properties with strong cash flows in Finnish regional cities for a value of approximately SEK 3.5 billion.

FACTS NYFOSA FINLAND

Property value
MSEK 3,534

Rental value,
MSEK 342

Area
180 thousand sqm

Geographic presence
**Jyväskylä, Oulu,
Tampere, Hyvinkää, Kuopio
and Lappeenranta**

On Jan 1, 2022

PROPERTY VALUE BY CATEGORY



■ Offices, MSEK 2,640

■ Industry, MSEK 643

■ Retail, MSEK 251



A MARKET OF OPPORTUNITIES

The Finnish property market differs from the Swedish and offers opportunities that Nyfosa finds interesting. Finland's property sector is smaller than Sweden's with fewer property companies and lower liquidity, but the country has a healthy financial situation and the euro that can help to attract foreign investors. Furthermore, there is no property company in the country with Nyfosa's focus that can identify mixed-portfolio transactions comprised of different categories and geographies. But above all, competition for attractive objects is less in Finland than in Sweden, particularly outside the Helsinki regions where Nyfosa focuses on growing regional cities.

"We saw a good chance to enter the Finnish market, particularly since the Swedish market has limited supply and tough competition for properties, both from property companies and capital investors. In the Finnish market, we can find business opportunities at reasonable acquisition levels—good properties with good returns in growing locations," comments Stina Lindh Hök, CEO of Nyfosa.

Nyfosa has a broad focus in Finland, in line with Nyfosa's operations in the Swedish market. It concentrates on Finnish regional cities and includes all property categories except residential properties.

"There are many large and growing regional cities in Finland and it is primarily in these locations we want to grow. Competition in regional cities is less intense than in the Helsinki area. At the same time, demand for commercial premises is generally high given the university and

robust business community," comments Stina Lindh Hök.

LOCAL PRESENCE KEY

Understanding the industry and maintaining a network of contacts on location is paramount to successful establishment in a new market. Nyfosa opted to enter Finland with Brunswick Real Estate as partner. Brunswick Real Estate, which has served the Finnish market since 2006 and has an impressive track record in the country, will lead operational activities relating to transactions, property management and sustainability.

"We are extremely pleased with the partnership with Brunswick Real Estate, which lead property management and generate business. Together, we complement each other and it is to our advantage to have a local presence, particularly since the ability to speak Finnish when working with certain transactions is a deciding factor," comments Josephine Björkman, Head of Transactions at Nyfosa.

RAPID GROWTH WITH MULTIPLE ACQUISITIONS

Nyfosa defined rapid growth in Finland as a goal—under the condition that the right transactions were found. With an ambition to reach at least SEK 7 billion within five years, the pace has been fierce, to put it mildly, from the start. In less than one year, the Finnish property portfolio has grown to about SEK 3.5 billion. The first transactions were completed at the begin-

ning of July, a large portfolio acquisition comprising nine office properties and one project property in the Finnish university town of Jyväskylä for a total value of about SEK 2.1 billion. These acquisitions formed a solid platform for Nyfosa's continued growth in Finland and Nyfosa has, since then, completed acquisitions of several properties in Jyväskylä.

"The chance to acquire a large portfolio of modern, quality properties in prime locations in one of Finland's largest regional cities was an excellent start for us. With a growing population, universities, and an expansive business community, Jyväskylä is a classic example of cities that interest us in the Finnish market," comments Josephine Björkman.

Other large regional cities in which Nyfosa has made acquisition in 2021 include Oulu, Tampere and Hyvinkää where acquisitions include office, industrial and retail properties.

"FINLAND IS A MARKET WITH EXCELLENT OPPORTUNITIES FOR NYFOSA."

SUSTAINABLE PROFILE

Many of the modern office properties that Nyfosa has acquired in Jyväskylä have sustainability certification. This includes the Mattilanniemi 6&8 property that is certified at the Very Good level of BREEAM In-Use standard. The property, which has a leasable area of 17 thousand sqm, has undergone an energy savings project with highly positive results, boasting 25 percent in energy savings. Initiatives to optimize property operations is something that Nyfosa works intensely on in its property management and sees great value in making the most of the experience and expertise in the organization.

Nyfosa's intention is to continue to grow at a rapid pace in Finland and sees excellent potential to do so.

"We have the right structure in place and a solid partnership with Brunswick that generates many suggestions for acquisitions that we look at. We also have an organization that analyzes and completes acquisitions quickly. After almost one year in Finland, Nyfosa has a more established market position as an active, opportunistic company with the capacity to effectively complete many transactions. I believe in continued good growth in Finland," says Stina Lindh Hök in conclusion.





– HANNA RAUHALA,
PARTNER & COUNTRY HEAD
NYFOSA FINLAND

“At present, there are many attractive advantages in the Finnish market, both price-wise and competition-wise. Nyfosa has quickly become an established player who, with its forward-looking approach combined with its partner Brunswick’s know-how and extensive experience, maintains a fierce growth rate. Right now, we are making the most of being basically the sole market player capable of making acquisitions and managing properties at this rate and volume. We also have an extremely talented team that always delivers top quality, regardless of whether the pace is intense.”

PROPERTY MANAGEMENT AND DEVELOPMENT

WE ADD VALUE TO PROPERTIES AND BUILD RELATIONSHIPS

There's always room to improve a good property. Nyfosa's property management team strives to create value by adding value to a property portfolio, both big and small. The starting point is to optimize every property, satisfy the needs of the tenants and reduce the operation's climate impact. Positive net leasing throughout the year shows that demand for Nyfosa's premises remains strong.

Nyfosa's management works in a structured manner to add value to the existing property portfolio in close collaboration with tenants. By focusing proactively on the properties, we can meet the tenants' changing needs by finding smart solutions and sustainable investments. Nyfosa's high acquisition rate makes effective absorption of new properties in the portfolio an important part of the management organization's work, as is the identification of local business opportunities.

Nyfosa's property portfolio offers many, exciting development opportunities that we regularly evaluate. The starting point is to assess how we best contribute in the long term to add value for the tenants and increase the value of our property portfolio—through everything from small investments to developing new zoning plans. Optimization of the properties from a sustainability perspective is a part of the task of property management and has been so during 2021. We strive to reduce the properties' climate impact and create good environments for our tenants by addressing, for example, energy consumption, material choices and waste management in which sustainability certification is one of the tools. For Nyfosa, it is largely a question of adopting an holistic perspective in efforts to reduce the climate impact so as to be able to implement the measures that deliver the best effect. Digitization of various functions in our buildings is another area in which management is actively involved and that can contribute to both enhanced efficiency and better profitability.

We are close to tenants

Nyfosa can build long-term relationships with tenants by ensuring that they are satisfied and feel secure in carrying out their operations in Nyfosa's premises, regardless of the type of property, location or use. For us, this means that we need to be accessible and ensure the quality of maintenance and upkeep. Nyfosa's property managers have a great deal of personal responsibility and a clear mandate to make decisions. This enables the local management team to make swift decisions within its region, including investments up to a certain limit. This is something we believe leads to greater efficiency, wise decisions and good service for our tenants.

Property management also involves actively working close to the market to extend leases and lease vacant premises. Despite the special circumstances presented by the coronavirus pandemic, Nyfosa's management team has been successful in its leasing activities during the year due to a strong presence throughout the country and a creative approach to the potential development of premises.

Nyfosa conducts its management operations using its own personnel in key roles and by purchasing external services as needed. Our own employees mainly work in the core areas of relationships with tenants, technical management and leasing. External resources are mainly used for property operations, maintenance and upkeep.

Broad geographic presence

Nyfosa has a broad geographic presence in Sweden with properties in approximately 80 Swedish municipalities and six Finnish regional cities. We have our own property management office—currently nine offices—in key locations in Sweden with large property portfolios. In addition, we have an external organization that manages the portfolio in the coast of Norrland

region. In Finland, where Nyfosa established itself during the year, our partner Brunswick Real Estate leads operational activities in terms of transactions, management and sustainability issues on site. With highly experienced management team employees and structured work methods, we are capable of effectively handling a property portfolio that spans over many locations.

PROPERTY MANAGEMENT OFFICES



PROJECT – DEVELOPMENT OPPORTUNITIES CREATE VALUE

Nyfosa works continuously on adding value to the properties through renovations, streamlining operations and tenant-specific modifications. The aim is to create attractive premises, contribute to higher value and adapt the properties to realize sustainability targets. This work can also include drafting new zoning plans and building rights for projects in order to create value, regardless of whether we carry out the project ourselves or if we divest it to another operator who takes over. Such development can contribute to a higher value for other adjacent properties that Nyfosa owns and to a favorable development in the local community.

Nyfosa is currently planning and running a number of projects in locations such as Västerås, Luleå, Värnamo, Karlstad, Malmö, Gävle, Växjö and in the Stockholm region.



FROM INDUSTRY TO HOUSING IN KARLSTAD

KARLSTAD is growing by leaps and bounds with the construction of residential properties in the center of town. Nyfosa's property Skepparen 15 is in Viken/Orrholmen, one of the areas in which the city is expanding. An entire industrial area is gradually being converted into a residential area with an attractive lakeside location. Today, Nyfosa's property houses four buildings with premises leased for training, industry and offices.

"It makes perfect sense to evaluate new opportunities for an area like

this that has a nice, central location in the city. But this is also something the municipality of Karlstad is eager to pursue, and we've drafted a zoning plan together with the city to facilitate residential construction," comments Jan Kasslert, Regional Manager in Karlstad.

The new zoning plan, finalized at the beginning of 2022, allows the construction of about 450 homes with an area of approximately 45 thousand sqm gross floor area in Nyfosa's property while the two existing buildings earmarked for education can be preserved. For Nyfosa,

NEW OPPORTUNITIES FOR BRYGGERIET IN MALMÖ

IN MALMÖ, Nyfosa has several exciting projects in progress to facilitate new attractive districts and increase the value of the properties owned by the company. One of them is Bryggeriet 2 in southern Sofielund, not far from central Malmö, that has 36 thousand sqm offices, retail, club facilities and high school in industrial premises that were once a brewery for Pripps. This is an area in which Nyfosa sees great potential to develop, particularly in terms of making the district safer and more vibrant 24/7.

In close collaboration with the City of Malmö, Nyfosa has drafted a proposal and advocated for a change in the zoning plan for the area that is expected to be finalized during the first half of 2022. The ambition is to make it possible to create

an attractive district with apartments, offices, city businesses, training, new streets, squares and a park—and to considerably preserve buildings listed as being of historical value. The project focuses largely on social sustainability by enhancing social and health-promoting environments for those who live and work in the surrounding districts.

"For Nyfosa, the work of presenting opportunities to project develop Bryggeriet is typical for how we create value and enhance existing properties. Not only do we gain several different alternatives for the future, we can make a positive impact by improving the environment in those areas where we operate," comments Mathias Cronqvist, Regional Manager for Malmö.



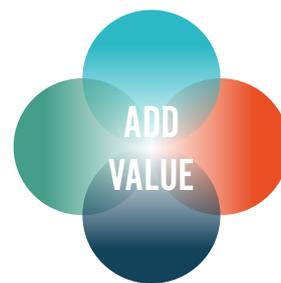


this is immensely valuable and offers various alternatives in the next step.

“First and foremost, Nyfosa is a transaction-oriented management company, not a project development company. This means that, in this kind of situation where it’s a question of major residential development investments, we look foremost at the potential for doing it together with one or more partners, or selling the building rights and letting someone else take over. Regardless of which alternative we choose, we have created value for Nyfosa, fully in line with our business model,” comments Jan Kasslert.



NYFOSA ADDS VALUE IN SEVERAL WAYS



RENOVATE AND REFURBISH PROPERTIES

Nyfosa primarily acquires already constructed buildings. The property portfolio generally maintains a high level of quality, although there are some properties in need of renovation. An investment often generates a lease with a longer lease term and higher rent levels. It is usually a question of modifying the premises, creating more modern and functional areas for the tenant in conjunction with moving in, or extending a lease. At the same time, it presents opportunities for more efficient and sustainable operations. The possibility of reducing climate impact is analyzed when upgrading an existing building.



OPTIMIZE OPERATIONS

Nyfosa makes a systematic analysis of the property portfolio to identify the potential to optimize building operations. The task of carrying out initiatives started in 2020 and intensified in 2021, leading also to the sustainability certification of a number of properties during the year. Examples of investments aimed at reducing the operation's climate impact and satisfying tenant requests include more efficient operations and heating systems as well as the installation of solar cell facilities and geothermal heating.



CARRY OUT DEVELOPMENT PROJECTS AND IDENTIFY NEW AREAS OF USE

Nyfosa continuously analyzes how each property can be developed through conversion and extensions or by changing the property's areas of use. A project may originate in the fact that a tenant's business is growing and there is a need for larger and better suited premises. When a city changes over time or new forms of communication evolve, what was once an office hotel may be better suited for apartments or for a school. Nyfosa works to change the zoning plans and thereby facilitate such a change. Nyfosa is currently working on such projects in Karlstad and Malmö.



PROMOTE LONG-TERM SUSTAINABILITY

Nyfosa focuses on the management and development of properties that have a favorable influence on the immediate environment and community in which we operate, and that contribute to reducing the climate impact. We do this because we can see that it adds value at many different levels. In property management we work, for example, in vulnerable areas to find an approach that helps to cultivate safe, secure and attractive environments and areas. In Malmö, Nyfosa is developing the Bryggeriet area and one ambition is to make the district more vibrant all day long and, by extension, safer.

“The job of technical property manager at Nyfosa is both satisfying and diversified! With the future and the best interest of our tenants in mind, I get to play a part in developing the technical standard of our properties and find sustainable solutions in response to growing external requirements.”



– HILDA HENNINGSSON,
VÄXJÖ

PROPERTY PORTFOLIO

BROADER PRESENCE MEANS MORE OPPORTUNITIES

Nyfosa acquires, manages, adds value to and sells different categories of properties with a broad presence in Sweden and Finland. The portfolio comprises primarily properties within the categories of offices, warehouse/logistics, industry and retail. Moreover, Nyfosa owns 50 percent of the property company Söderport in Sweden and Samfosa in Norway.

Nyfosa's properties have a broad span in terms of both geography and different categories of properties. Geographically speaking, most properties are situated in high-growth municipalities and at strategic warehouse/logistics locations in Sweden and regional cities in Finland. This provides us with a broad contact network of potential tenants and property players. The geographic diversity of the portfolio also spreads risks favorably, while the company's rent and property valuation levels generally remain stable based on even demand since most of the properties are located outside the central areas of the major cities. With a property portfolio comprising both offices and warehouses/logistics, industry and a certain degree of retail properties, Nyfosa has high diversification even in terms of property categories.

Nyfosa's property portfolio

At year-end, the property portfolio comprised 447 properties with a total property value of SEK 37.2 billion and a rental

value of MSEK 3,017 with a leasable area of 2,780 thousand sqm. In addition to the wholly owned property portfolio, Nyfosa owns 50 percent of the property company Söderport in Sweden and Samfosa in Norway. Söderport's properties are not included in the tables and diagrams below but are presented separately on pages 38–39. Samfosa had yet to take possession of any properties at year-end.

Tenants and lease structure

The risk in Nyfosa's portfolio is limited due to the large number of tenants divided among 6,819 leases, including garages and parking spaces, and with no dependence on a single large tenant. On December 31, 2021, the ten largest tenants accounted for about 12 percent of Nyfosa's rental income, divided among 208 leases. The average remaining lease term in the portfolio was 3.9 years. In Finland, a large share of the leases are "until further notice leases" for a 12-month period that are most often extended—a common

TOTAL PROPERTY PORTFOLIO



practice in the Finnish market. Finnish tenants lease their premises on average for a longer period. Among the largest tenants are Telia, the Swedish Transport Agency, Saab, Försäkringskassan, City Gross and the Swedish Public Employment Service, meaning a large share of companies that conduct tax-financed operations. Of total rental income, tax-financed rent contributed 27 percent.

Throughout 2021, Nyfosa's net leasing—the total of new leases and terminated leases— was positive, which is viewed as a sign that we have attractive properties, strong property management and presence in the right cities.

Rental income and property expenses

Nyfosa's rental income normally includes rent supplements, for example, for property tax, heating and electricity costs that are invoiced onward to tenants. Nyfosa's largest property expenses include operating expense items that pertain to heating, water, electricity and property upkeep. Other operating expenses mainly pertain to insurance, guard services and waste management. Another category of property expenses that are charged to operations is maintenance costs. Planned and ongoing maintenance is carried out continuously to retain the condition and standard of the properties. Property expenses also comprise the property tax imposed by the government, which currently amounts to 1.0 percent of the tax assessment value for non-residential properties and 0.5 percent for industrial properties. Nyfosa's costs for property administration consist primarily of expenses for charging rent, leasing, project management and marketing.

NYFOSA'S LARGEST TENANTS

December 31, 2021

	Rental income, MSEK	Percentage of total rental income, %	No. of leases	Average remaining term, years
Telia Sverige AB	52	2	64	2.3
Swedish Transport Agency	44	2	9	2.4
Saab AB	39	1	11	10.3
Försäkringskassan	36	1	13	1.8
City Gross Sverige AB	36	1	4	6.3
Swedish Public Employment Service	30	1	33	2.4
Förlagssystem JAL Aktiebolag	27	1	1	4.0
Swedish Police	26	1	24	3.0
Fresk Försäljning AB	25	1	9	11.0
PostNord Sverige AB	25	1	40	6.0
Other	2,487	88	6,611	3.7
Total	2,827	100	6,819	3.9

Earnings capacity

Given the ambition of maintaining a high rate of growth, the company's earnings capacity is an important measure for presenting Nyfosa's estimated earnings. The earnings capacity is stated for a specific point in time and based on certain assumptions. It must not be confused with a forecast and only serves as a basis for gaining an impression of the company's future earnings based on the existing leases. The Group's expected earnings capacity in 2021 was MSEK

6,819

LEASES INCLUDING GARAGES AND PARKING SPACES

12%

RENTAL INCOME TEN LARGEST TENANTS

3.9 years

AVERAGE REMAINING LEASE TERM:

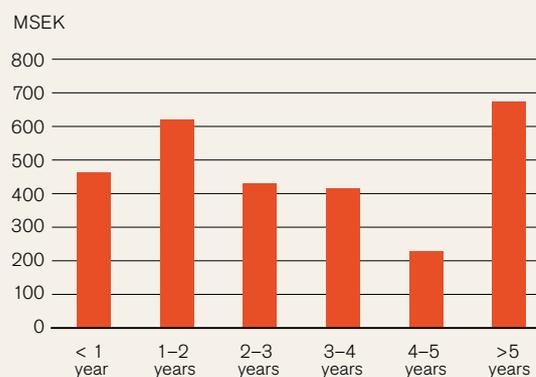
NET LEASING

December 31, 2021



LEASE MATURITY STRUCTURE

December 31, 2021



1,679, and the earnings capacity per share rose 20 percent to SEK 8.79 per share.

GROUP'S EARNINGS CAPACITY

MSEK	1 Jan 2022	1 Jan 2021
Rental income	2,827	2,233
Property expenses	-728	-595
Property administration	-97	-63
Net operating income	2,002	1,575
Central administration	-113	-95
Share in profit of joint ventures	241	237
Financial expenses	-451	-370
<i>of which ground rent</i>	<i>-8</i>	<i>-5.3</i>
Profit from property management	1,679	1,347
Earnings per share on balance-sheet date, SEK	8.79	7.30
Earnings less interest on hybrid bond per share on balance-sheet date, SEK	8.59	7.30

The company's current earnings capacity on a 12-month basis on January 1, 2022, is presented above. Current earnings capacity is to be considered solely as a hypothetical instantaneous impression and is presented only for illustrative purposes. The aim is to present annualized income and expenses based on the property portfolio, borrowing costs, capital structure and organization at a given point in time. The earnings capacity does not include an assessment of future periods in respect of rents, vacancy rates, property expenses, interest rates, changes in value or other factors impacting earnings. The data does

not include the possible effects of property transactions. The current earnings capacity must be considered together with other information in the annual report. The following information is used as the basis for assessing current earnings capacity:

- Annual rental income (including supplements and taking rent discounts into account) for leases registered on the balance-sheet date, plus other property-related income based on current leases;
- Operating and maintenance costs consist of an assessment of operating expenses and maintenance measures during a standard year;
- Property tax has been calculated on the basis of the current tax assessment value of the properties. Ground rent paid is included in the amounts;
- Costs for central administration and marketing have been calculated on the basis of the existing organization and the current size of the property portfolio;
- Nyfosa's shares of profit from property management from joint ventures before changes in value, calculated using the same method as Nyfosa;
- The assessment of earnings capacity does not assume any financial income.
- Financial expenses have been calculated on the basis of the company's average interest rate on December 31, 2021, including allocated opening charges, a total of 2.1 percent. The item also includes ground rent.

PROPERTY VALUE BY CATEGORY



- Offices, MSEK 19,348
- Logistics/Warehouse, MSEK 7,725
- Industry, MSEK 2,164
- Retail, MSEK 3,829
- Other, MSEK 4,079

PROPERTY VALUE BY REGION¹



- Mälardalen, MSEK 6,131
- Greater Stockholm, MSEK 5,674
- Coast of Norrland, MSEK 5,063
- Finland, MSEK 3,534
- Värmland, MSEK 3,531
- Småland, MSEK 3,501
- Greater Malmö, MSEK 3,018
- Greater Gothenburg, MSEK 502
- Other, MSEK 6,192

RENTAL VALUE BY CATEGORY



- Offices, MSEK 1,538
- Logistics/Warehouse, MSEK 616
- Industry, MSEK 214
- Retail, MSEK 336
- Other, MSEK 314

RENTAL VALUE BY REGION¹



- Mälardalen, MSEK 483
- Greater Stockholm, MSEK 380
- Coast of Norrland, MSEK 418
- Finland, MSEK 342
- Värmland, MSEK 284
- Småland, MSEK 321
- Greater Malmö, MSEK 234
- Greater Gothenburg, MSEK 44
- Other, MSEK 510

¹ The division of the metropolitan regions is consistent with Statistics Sweden's definition.

OFFICES



1. Formen 1, Umeå 2. Bagaren 10, Växjö 3. Glasmästaren 1, Växjö

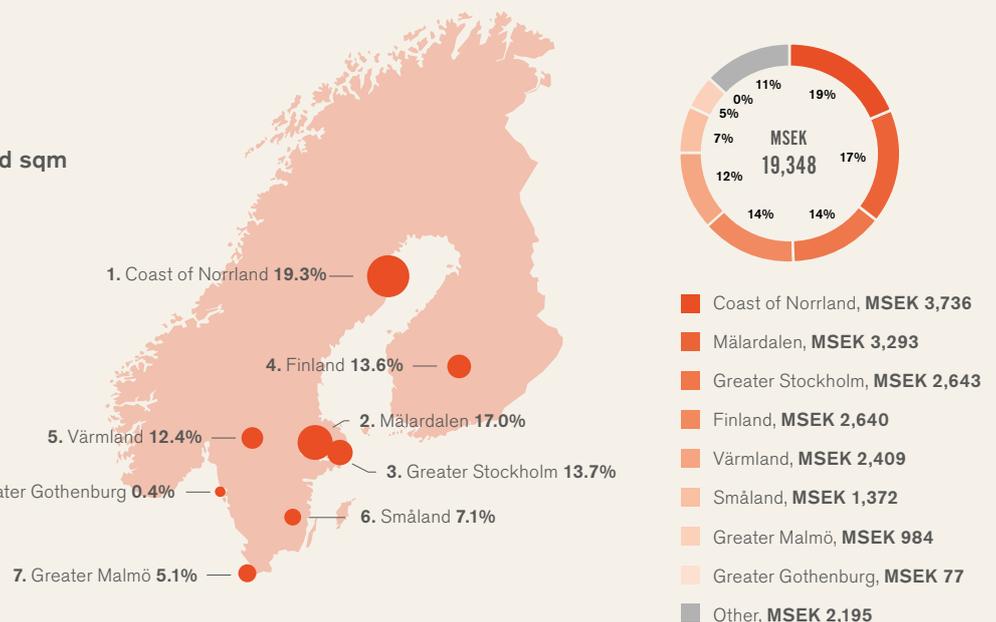
Office properties are Nyfosa's largest property category. Nyfosa's office properties are situated in Swedish high-growth municipalities such as Karlstad, Örnköldsvik, Sundsvall, Västerås and Växjö as well as Finnish regional cities such as Jyväskylä, Oulu and Tampere. Office properties are of high quality and most are centrally located in each town. The office buildings acquired in Finland during the year

are modern and in excellent condition. Nyfosa sees potential for further adding value to the property portfolio and increasing the leasing rate. Nyfosa has not noticed a tangible downturn in demand for the company's office premises due to the ongoing pandemic. During the year, the office portfolio grew through acquisitions, including one major portfolio in Jyväskylä, Finland.

KEY FIGURES FOR OFFICES

No. of properties	167
Total leasable area	1,080 thousand sqm
Property value	MSEK 19,348
Percentage of total property value	52%
Rental value	MSEK 1,538
Economic leasing rate	94%
Average remaining lease term:	2.7 years

PROPERTY VALUE FOR OFFICES BY REGION



LOGISTICS/WAREHOUSE



1. and 2. Bromsen 7, Örnsköldsvik 3. Snickaren 12, Växjö

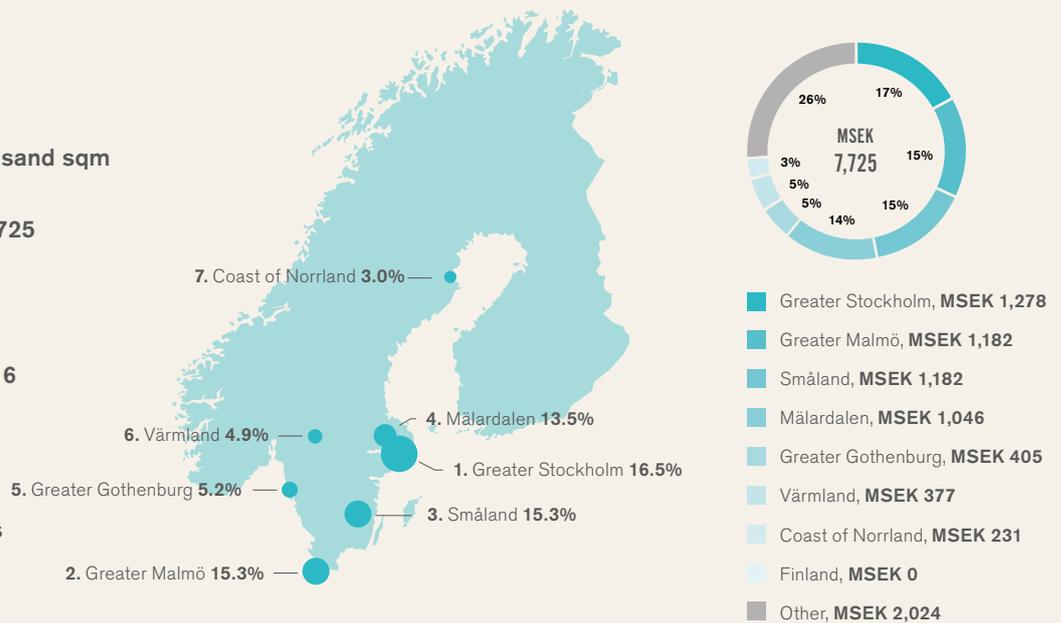
Nyfosa's logistics and warehouse premises are situated in towns that are strategic transportation locations in Sweden, such as Malmö, Hanninge, Karlstad, Borås and Växjö as well as regional cities in Finland. A considerable share of the properties are located in local and regional logistics hubs that are prime warehousing areas, particularly for e-commerce companies. The properties are predominantly modern logistics buildings with a highly flexible range of

applications. Modern logistics properties are optimized for logistics operations and the factors distinguishing them from older properties include high ceilings, pillar systems that do not restrict operations and flexible loading docks and cargo ports. The warehouse buildings are generally of normal standard and Nyfosa sees high potential for adding value to the portfolio of warehouse properties. During the year, a portfolio of warehouse/logistics properties in Luleå was acquired.

KEY FIGURES FOR LOGISTICS/WAREHOUSE

No. of properties	122
Total leasable area	882 thousand sqm
Property value	MSEK 7,725
Percentage of total property value	21%
Rental value	MSEK 616
Economic leasing rate	93%
Average remaining lease term:	4.5 years

PROPERTY VALUE FOR LOGISTICS/WAREHOUSE BY REGION



INDUSTRY



1. Fläkten 7, Växjö 2. Isbjörnen 7, Växjö 3. Sjömärket 3, Växjö

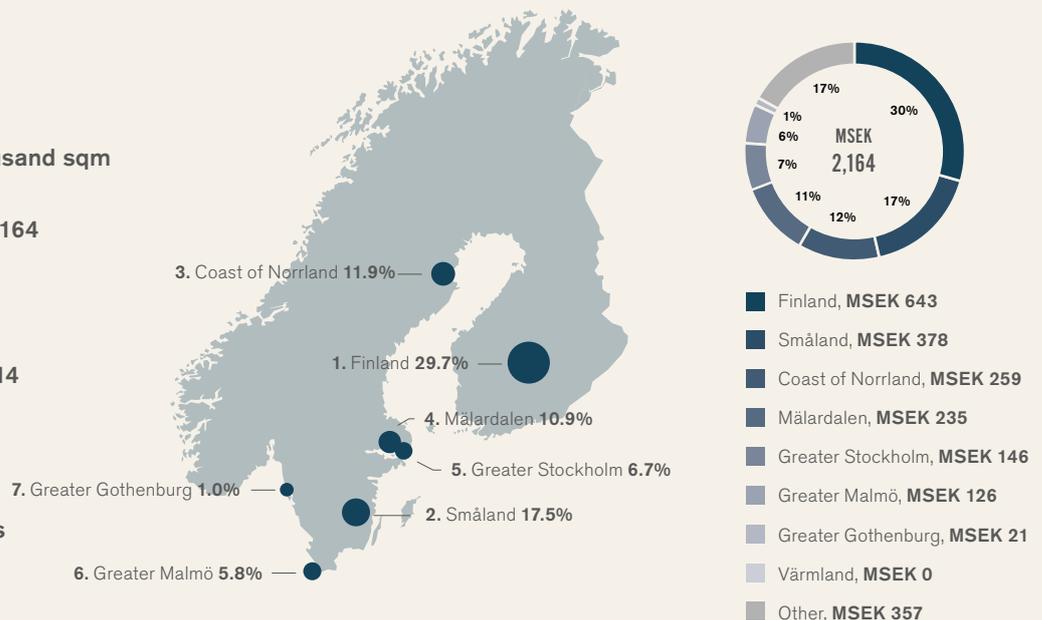
Nyfosa's property portfolio includes industrial properties situated in high-growth regions in locations such as Eskilstuna, Tampere and Oulu. A considerable portion of the properties are situated in attractive industrial areas with good access to public communication and a proximity to cities. A large portion of the properties are modern buildings with a highly flexible range of applications. The tenants are typically active

in sectors such as light industry, manufacturing, workshops and service. Industrial properties, that generally have a high leasing rate, are leased to one or more tenants. During the year, industrial properties were acquired in Tampere, Oulu and Hyvinkää in Finland as well as Luleå in Sweden. Industrial properties were previously recognized in the category of Other in Nyfosa's reporting.

KEY FIGURES INDUSTRY

No. of properties	53
Total leasable area	274 thousand sqm
Property value	MSEK 2,164
Percentage of total property value	6%
Rental value	MSEK 214
Economic leasing rate	97%
Average remaining lease term:	4.6 years

PROPERTY VALUE BY REGION



RETAIL



1. Bladbaggen 1, Västerås



2



3

2. Fibulan 1, Malmö 3. Valsta 3:29, Sigtuna

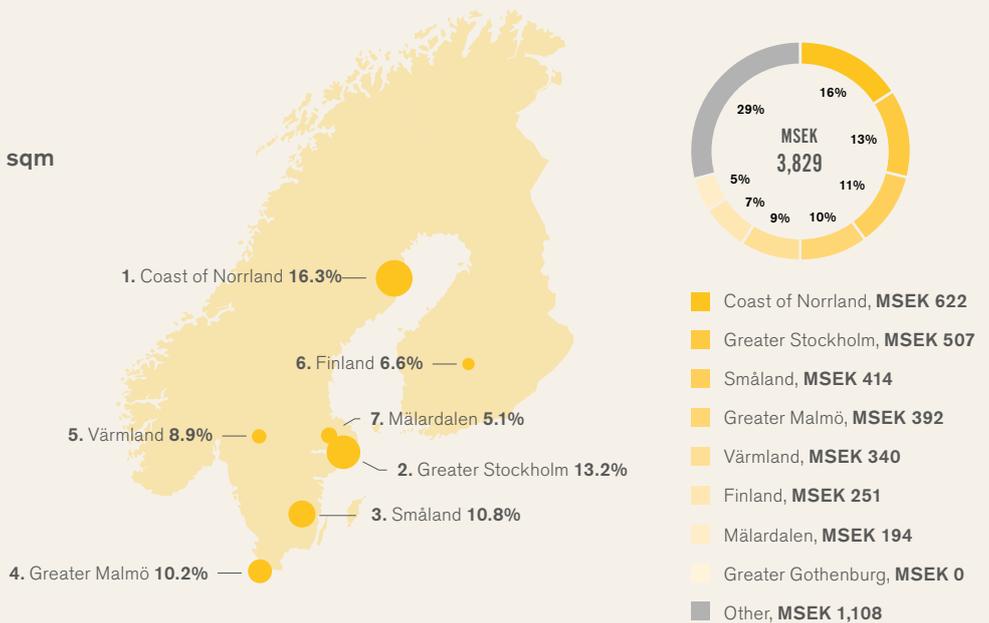
Nyfosa's retail properties are primarily situated in expansive and popular big-box retail areas in attractive locations close to public communication. These retail towns are primarily in Värnamo, Luleå, Borås, Västerås and Huddinge. Tenants include mainly established grocery, DIY and gardening and discount retail chains. The retail properties are of generally high quality, offer considerable flexibility in terms of use and have a high average leasing rate. Nyfosa views select

retail properties to be a good complement to other property categories in the portfolio. During the year, the trend continued within the category with higher demand for big-box retail and grocery properties. Nyfosa's acquisitions during the year involved an acquisition of a portfolio containing retail properties in nine cities in northern Sweden with professional hardware retail and long leases.

KEY FIGURES FOR RETAIL

No. of properties	61
Total leasable area	307 thousand sqm
Property value	MSEK 3,829
Percentage of total property value	10%
Rental value	MSEK 336
Economic leasing rate	95%
Average remaining lease term:	5.8 years

PROPERTY VALUE RETAIL BY REGION



OTHER



1. Aske 1:2, Upplands-bro 2. Skepparen 15, Karlstad 3. Tankstället 4, Malmö

Nyfosa also owns a small number of properties in other categories, such as premises for hotel operations, schools, restaurants, healthcare and apartments. The properties in the Other category have typically been part of a major portfolio acquisition.

Also properties in this category are located in high-growth regions that have positive population growth.

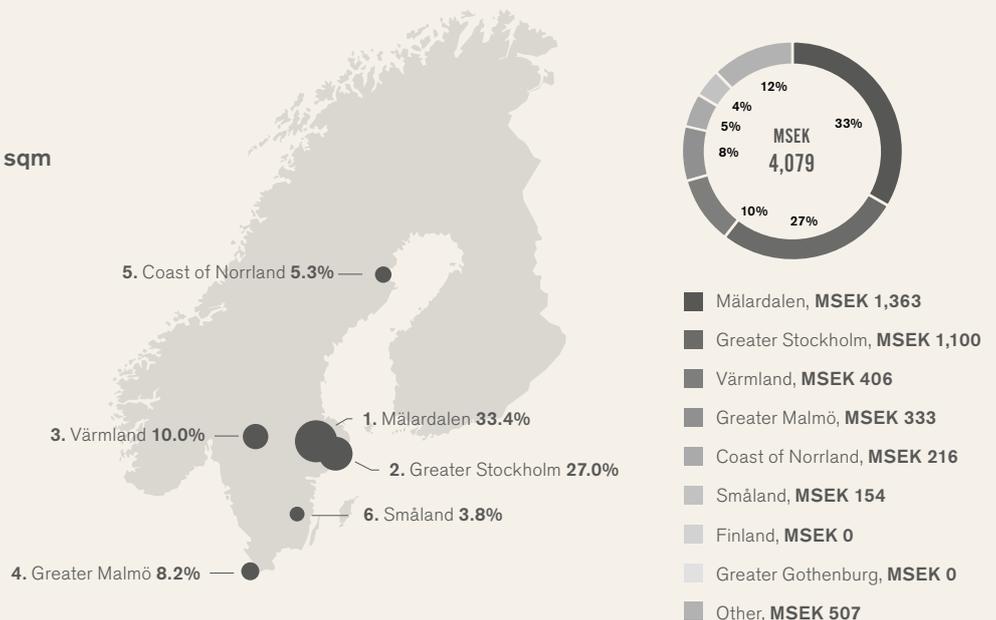
At year-end, the properties had a high average economic leasing rate of 98 percent.

Examples of towns that have properties within the Other category are Karlstad, Uppsala, Luleå, Stockholm, Örebro, Växjö and Malmö.

KEY FIGURES FOR OTHER

No. of properties	44
Total leasable area	238 thousand sqm
Property value	MSEK 4,079
Percentage of total property value	11%
Rental value	MSEK 314
Economic leasing rate	98%
Average remaining lease term:	5.4 years

PROPERTY VALUE FOR OTHER BY REGION



SAMFOSA – JOINT VENTURE



1. Bratsberg Headquarters, Porsgrunn 2. Grenland Logistikkpark, Porsgrunn 3. Lietorvet Kjøpesenter, Skien

Samfosa, a joint venture together with the Norwegian property company Samfunnsbyggeren, was established at the end of 2021. Nyfosa owns 50 percent of the shares in Samfosa.

The year's developments

In December 2021, Samfosa signed an agreement for the acquisition of the property company Bratsberg AS and took possession of the shares in the company in January 2022. The acquisition, the company's first in Norway, amounts to a total value of approximately MSEK 1,560, of which, Nyfosa's share corresponds to MSEK 780. The portfolio is a solid platform for continued growth in the country.

A total of 13 properties and 10 projects situated in Skien, Porsgrunn and Horten, in the expansive Grenland region southwest of Oslo make up the acquisition. The current

portfolio has a leasable area of about 95 thousand sqm distributed between offices, retail, warehouses and light industry. Among the largest tenants are names such as SATS, Power, Sensor and Memscap. Annual rental value amounts to approximately MSEK 119 and the average remaining lease term is 5.0 years. The leasing rate is 96 percent.

The project portfolio is estimated at approximately 64 thousand sqm of existing and potential building rights for both commercial premises and apartments. The majority of the projects are expected to start within five years. As part of the transaction, Samfosa will also take over Bratsberg's organization.

SÖDERPORT – JOINT VENTURE

Nyfosa owns 50 percent of the shares in property company Söderport. The remaining shares are owned by Sagax.

Söderport's property portfolio primarily comprises industrial and warehouse properties as well as a small share of office properties. The focal point of the property portfolio is in the Stockholm and Gothenburg regions. Söderport does not have its own operational organization. Instead, it procures property management and financial administration from Sagax and a small part of property management is procured from Nyfosa.

The year's developments

The trend in Söderport's net operating income remained stable, increasing by 3 percent year-on-year. The impact of the coronavirus pandemic on Söderport's operations has been limited.

Söderport's property portfolio increased in value by SEK 1 billion in total in 2021, amounting to SEK 12.9 billion at the close of the year. The total rental value amounted to MSEK 900 (894) and leases have an average remaining term of 4.6 years (4.7).

The share in Söderport was valued on balance-sheet date to MSEK 2,490 (1,960).

Torslanda Property Investment

Söderport's participating interest in Torslanda Property Investment (TPI) amounts to 78.1 percent and is a subsidiary to Söderport, consolidated in the financial statements.

Torslanda Property Investment is a Swedish property company that owns, manages and leases properties in Gothenburg and Stockholm. The property portfolio, comprising a total of eight properties for a value of SEK 2.7 billion at year-end, is fully leased. The properties have a total leasable area of 186 thousand sqm and primarily comprise office premises with Volvo Cars as the dominant tenant. Torslanda Property Investment has a management agreement with Sagax and Nyfosa, which are responsible for financial administration and property management.

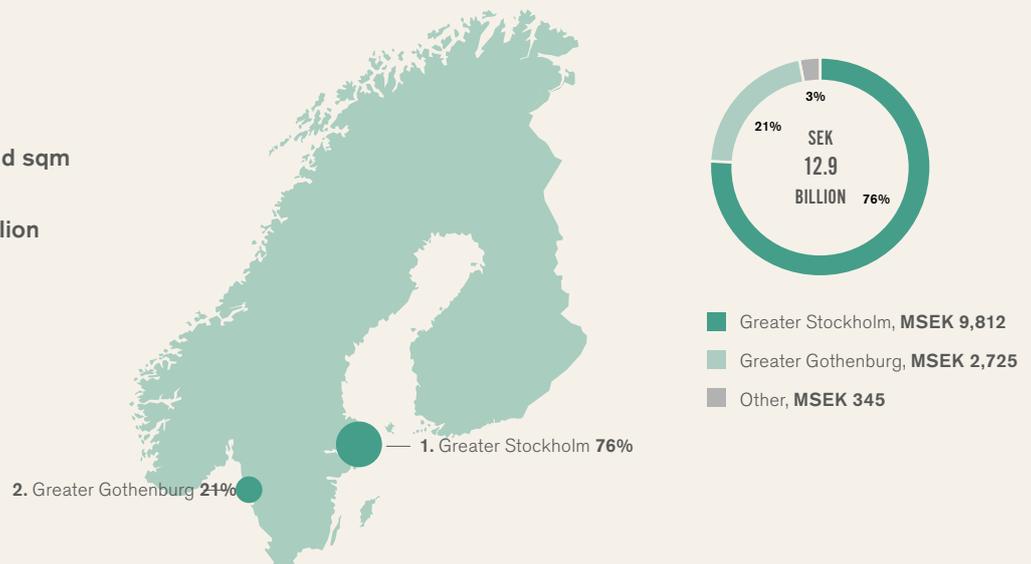
The Torslanda Property Investment share has been traded on Nasdaq First North Growth Market since January 2015. The last price paid on December 30, 2021, was SEK 20.90.

On November 18, 2021, an Extraordinary General Meeting of TPI resolved on a voluntary redemption offer at NAV for every fifth share. Söderport received proceeds of MSEK 264 in connection with the redemption offer.

KEY FIGURES FOR SÖDERPORT

No. of properties:	83
Total leasable area	743 thousand sqm
Property value	SEK 12.9 billion
Rental value	MSEK 900
Economic leasing rate	98%
Average remaining lease term:	4.6 years

PROPERTY VALUE FOR SÖDERPORT BY REGION



SÖDERPORT'S LARGEST TENANTS

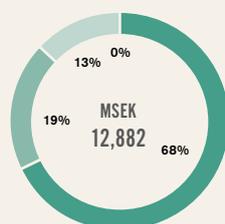
December 31, 2021

	Rental income, MSEK	Share, %	Number of leases	Average remaining term, years
Volvo Personvagnar AB	163	19	24	4.7
Bavaria Sverige Bil AB	23	3	3	8.7
Volvo Truck Center Sweden AB	22	3	6	7.6
Kakelspecialisten i Stockholm AB	21	2	1	11.0
Bring E-commerce & Logistics AB	21	2	3	10.0
Shiloh Industries AB	13	1	1	7.0
Opus Bilprovning AB	12	1	7	2.9
Nya BrandFactory AB	11	1	1	7.0
K.G.M. Datadistribution AB	10	1	2	6.0
Strukton Rail AB	10	1	2	3.3
Other	548	64	1,137	3.8
Total	853	100	1,187	4.6



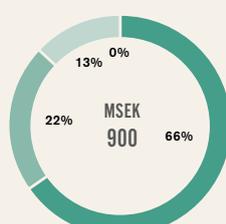
Mörto 9, Stockholm

PROPERTY VALUE



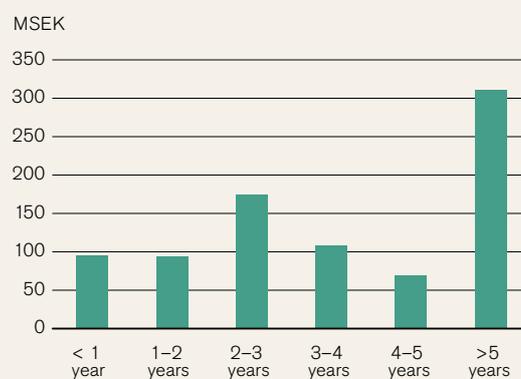
- Warehouse, MSEK 8,799
- Offices, MSEK 2,418
- Industry, MSEK 1,651
- Other, MSEK 14

RENTAL VALUE



- Warehouse, 591 MSEK
- Offices, MSEK 195
- Industry, MSEK 113
- Other, MSEK 1

LEASE EXPIRY FOR SÖDERPORT



LEASING

TO ULTRAMODERN PRODUCTION FACILITIES

Active leasing in close collaboration with the local business community and municipalities is a central part of Nyfosa's business. In this way, the company contributes to growth in the city and all the opportunities that this may present. One such example is the large-scale new lease that Nyfosa completed during the year of a vacant premise in an industrial area just outside Eskilstuna to Shenzhen Senior Technology Material (Senior).

LEASING SENIOR

Property

Eskilstuna
Grönsta 2:52

Tenant

Shenzhen Senior
Technology Material

Area,

13,900 sqm

Leasing

March 1, 2021



It was in March 2021 that it was decided that Senior would be investing big in Sweden with a new production facility in the battery industry and that it would do so with Nyfosa as partner. Senior will initially lease 14 thousand sqm in one of Nyfosa's industrial properties in Eskilstuna, with the intention of expanding production space to approximately 70 thousand sqm.

EUROPEAN HEADQUARTERS IN ESKILSTUNA

Senior is one of the world's largest suppliers of separator film for lithium-ion batteries, and the Eskilstuna-based facility where the tenant intends to invest SEK 2.5 billion will also serve as the company's headquarters in Europe. The establishment is expected to generate conditions for between 500 and 600 jobs, which is obviously extremely significant for Nyfosa as owner of several properties in Eskilstuna. The ambition is to deliver separator film to such customers as Northvolt's battery plant in Skellefteå. It will be possible to transport both raw materials and finished products to and from Eskilstuna sustainably by rail via the Eskilstuna container-freight terminal.

NYFOSA PLAYS AN ACTIVE ROLE

Behind Senior's decision to invest in Eskilstuna and Nyfosa for its new production facility is an initiative where Nyfosa, the municipality of Eskilstuna and other

local business community representatives collaborated for a long time to create attractive conditions for the company to establish itself in Sweden and Eskilstuna.

"Nyfosa actively participated in the talks between Senior and the Municipality of Eskilstuna regarding establishing operations in Sweden, and we are extremely pleased that Senior chose our premises for its modern production facility. It is positive that this future investment in the expansive battery industry is taking place in Sweden and that Nyfosa can contribute to this in a long-term collaboration," comments Stina Lindh Hök, CEO of Nyfosa.

COMPREHENSIVE SELECTION PROCESS

The selection process was comprehensive and the reason for choosing Eskilstuna has to do with the city's strategic logistics location and the possibility of transporting raw materials sustainably via the Eskilstuna container-freight terminal. Another reason is access to the technical experience that exists in the region. The possibility to

use fossil-free electricity to a greater extent than in other countries was yet another reason why the company chose to invest in Sweden and Eskilstuna. Doing so cultivates conditions to realize a low carbon footprint in production.

"Europe will be the most import market for electrification of transport and energy-

storage solutions in the future. Add to that the fact that the EU has set a goal to completely replace gas and diesel-driven vehicles with electric vehicles over the next 15 years. The potential is vast and the European market offers excellent opportunities for further growth.

Senior's establishment of a production facility

in Sweden is an import step forward in our global strategy," said Xufeng Chen, Senior's chairman of the board when the establishment was announced.

With Nyfosa's strong local presence through nine regional offices in Sweden and a presence in Finland, conditions are good for participating in this type of collaboration with municipalities, regions and local partners to develop solutions where Nyfosa plays an active role as landlord.

"NYFOSA HAS THE EXPERTISE AND ORGANIZATION TO BE ABLE TO CONTRIBUTE TO CRITICAL ESTABLISHMENTS IN SWEDEN."



FINANCING

FINANCING

Nyfosa finances its assets through equity, bank loans with Nordic banks and bonds issued in the Swedish capital market. The available liquidity and the company's stable financial position provides a solid platform to continue to grow.

Equity

At December 31, 2021, Nyfosa's equity totaled MSEK 17,268 (13,333), of which share capital was MSEK 96, equal to an equity/assets ratio of 42.4 percent (41.8).

At year-end, hybrid bonds of MSEK 800 were issued. The term is perpetual but Nyfosa has the possibility to call the hybrid bonds from November 18, 2025, and on each subsequent interest-payment date. Due to the perpetual term and the fact that interest payments can be held by the company, the hybrid bonds are recognized in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025. Like the hybrid bonds, interest is recognized in equity.

Interest-bearing liabilities

Nyfosa's interest-bearing liabilities comprise bank loans with Nordic banks and bond loans issued in the Swedish capital

market. Interest-bearing liabilities on the balance-sheet date amounted to MSEK 21,045, of which bank loans with properties as collateral amounted to MSEK 19,276 and senior unsecured bond loans to MSEK 1,873. The total net loan-to-value ratio of the properties was 55.2 percent (56.9). To support growth, the company has four prearranged lines of credit with banks, which have not always been fully utilized. The total scope in these revolving credit facilities can amount to a maximum of MSEK 4,647. This means that, against collateral in existing properties, Nyfosa can rapidly increase its borrowing at fixed terms to, for example, finance new property acquisitions. After having utilized the credit scope, the company has the opportunity to renegotiate credit facilities to a standard bank loan, at which point the unutilized portion of the facilities increases. On the balance-sheet date, the company had utilized MSEK 1,844 of the total amount granted of MSEK 2,521 against collateral in existing properties. To utilize the

KEY FIGURES IN THE LOAN PORTFOLIO

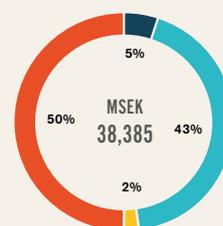
December 31, 2021

	2021	2020
Equity/assets ratio, %	42.4	41.8
Loan-to-value ratio of properties on balance-sheet date, %	56.7	58.0
Net loan-to-value ratio of properties on balance-sheet date, %	55.2	56.9
Interest-coverage ratio, multiple	3.4	3.8
Average interest ¹ , %	1.9	1.9
Average remaining fixed-rate period ² , years	1.0	1.6
Average remaining loan maturity period, years	2.5	2.9
Interest-rate hedged portion of liabilities ² , %	45	49
Fair value of derivatives, MSEK	22	3

1) Interest expense excluding opening charges charged to earnings over the term of the loan.

2) After the end of the year, the company signed an interest-rate cap, resulting in an average fixed-rate period of 1.3 years and an interest-rate hedged portion of liabilities of 48 percent.

SOURCES OF FINANCING



■ Bond loans, MSEK 1,873

■ Equity attributable to the Parent Company's shareholders excl. hybrid bond loans, MSEK 16,468

■ Hybrid bond loans, MSEK 800

■ Bank loans, MSEK 19,276

remaining MSEK 2,126 under this credit framework, recently acquired properties are firstly used as collateral. In addition to the revolving credit facilities, the company has unutilized overdraft facilities with banks totaling MSEK 200.

Combined, the available liquidity and strong financial position provide a solid platform to continue to grow and resilience to any negative effects from the business world. The company continuously monitors liquidity in the operations so that it can rapidly counter any negative impact.

Change in the loan portfolio

A MSEK 1,000 green senior unsecured bond was issued during the year. The opportunity to repurchase existing bonds of MSEK 628 was also offered. Furthermore, the company raised new fixed-term loans totaling MSEK 2,655 in connection with acquisitions. The utilization of revolving credit facilities increased by a net MSEK 165. Current bank loans

and portions of the utilized revolving credit facility were also refinanced. Ongoing repayments of MSEK 204 on fixed-term loans were made.

FINANCIAL RISK LIMITS

- Long term, the equity/assets ratio is to amount to at least 25 percent
- The loan-to-value ratio should not exceed 65 percent
- The interest-coverage ratio should not fall below a multiple of two

The key figures above do not represent financial objectives but rather risk limits, making it natural for Nyfosa to have a certain margin for these.

CHANGES IN INTEREST-BEARING LIABILITIES

December 31, 2021

MSEK	2021	2020
Interest-bearing liabilities at the beginning of the period	17,055	11,282
Repayment of bank loans	-3,297	-4,781
Bond loans issued	1,000	-
Bond loans repurchased	-628	-
Bank loans raised	6,902	10,583
Changes in borrowing fees	-4	-29
Translation effect, currency	-17	-
Interest-bearing liabilities at the end of the period	21,045	17,055

AVAILABLE LIQUIDITY

December 31, 2021

MSEK	2021	2020
Cash and cash equivalents	534	312
Unutilized revolving credit facility ¹⁾	676	896
Unutilized overdraft facilities	200	200
Total	1,410	1,408

¹⁾ Unutilized and previously granted loans on the balance-sheet date with existing properties as collateral. The loans are available to the company at short notice.

Maturity structure

Bank loans and bond loans of MSEK 4,352 fell due for payment in 2021. There are no indications that it will not be possible to refinance the bank loans with our Nordic relationship banks and that it will not be possible to manage the maturity of the bond loans. Nyfosa maintains regular dialogue with mainly Nordic banks to secure its long-term refinancing requirements. In addition to favorable opportunities for refinancing loan maturity with new bank loans, there is also the possibility to issue debt or hybrid instruments on the capital market, for healthy cash flows and for using them from operating activities.

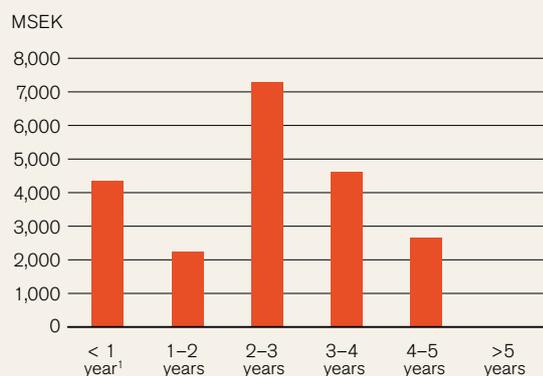
Exposure to interest-rate changes

Nyfosa mainly works with floating interest rates in its loan agreements. Exposure to interest-rate risk is managed by making use of derivative instruments, currently exclusively

interest-rate caps. The nominal volume of outstanding interest-rate caps amounted at year-end to MSEK 9,125, corresponding to 45 percent of interest-bearing liabilities. After the close of the year, the company signed a new interest-rate cap, increasing the share to 48 percent.

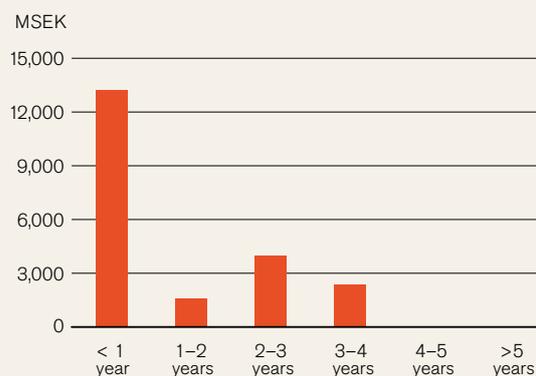
Limiting interest-rate risk increases the predictability of profit from property management and changes in interest-rate levels in the market do not fully impact the company's interest expenses. The sensitivity analysis below simulates the estimated impact on earnings if (i) the market interest rate were to change and if (ii) the company's average interest rate were to change. Some loan agreements have an interest-rate floor provision, which means that downturn in interest rates does not have as great an effect on expenses as an upturn.

MATURITY STRUCTURE LOAN MATURITY¹
December 31, 2021



¹) After the end of the year, the company signed an interest-rate cap, resulting in an average fixed-rate period of 1.3 years.

MATURITY STRUCTURE FIXED-RATE PERIODS¹
December 31, 2021



¹) Interest-bearing liabilities in the statement of financial position include allocated arrangement fees, which is the reason for the deviation between the table and the statement of financial position.

SENSITIVITY ANALYSIS

December 31, 2021

Earnings effect of change in average interest rate

	Change, %	2021	2020
Interest expenses assuming current fixed-interest periods and changed interest rates ¹	+/-1	+174/-19	+149 /-15
Interest expenses assuming change in average interest rate ²	+/-1	+/-211	+/-172
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1	+/-28	+/-7

¹) Taking into account derivative agreements.

²) Today's average rate increases/decreases by 1 percentage point. Increase/decrease does not take into account eventual effects of the derivative portfolio.

SUSTAINABILITY REPORT



SUSTAINABILITY REPORT

LASTING SUSTAINABILITY

2021 was yet another an active year for Nyfosa. Through acquisitions for just over SEK 6 billion, we added a further 86 properties to our portfolio and made investments worth approximately MSEK 475 in existing properties.

A property portfolio in constant change such as Nyfosa's places special demands on the sustainability agenda, something we have worked hard on during the year. With clear structure and a great deal of dedication, we take responsibility as a company for contributing to both a sustainable future and to sustained profitability.

Nyfosa's vision is to be the property company in Sweden that is the best at creating value. We believe systematic sustainability work creates the best conditions to do good business, just as a focus on the business contributes to sustainable property ownership. To reduce negative climate change, we must work from a long-term perspective that can be used in our transaction-based operations. This means we shoulder our responsibility as landlord, employer, business partner, lender and to our shareholders by, among other things, following the Ten Principles of the UN Global Compact for corporate sustainability.



“Considerable focus is devoted to cutting energy consumption in the portfolio.”

STINA LINDH HÖK, CEO

In 2021, property management continued its efforts to achieve our sustainability targets. To bolster both expertise and the muscle to get things done, we recruited property management talent to our local management teams. This addition has provided more effective property management and more effective property operations. It has also facilitated the concentrated efforts that have been spent on sustainability certification of buildings and laid the foundation for further improvements to cut energy consumption.

Considerable focus was directed at reducing energy consumption and we worked in a structured way, building by building, to identify the correct measures and investments. This leads to many large and small projects aimed at improving our portfolio in various ways—from installation of solar cell facilities and improved surface water management to more systematized follow-up of materials use for greater resource efficiency.

During the year, we increased the share of our property portfolio that has sustainability certification to 15 percent of the property value. With this as our platform, we have the requisites to heighten the share of green financing that we initiated in 2021 by establishing a green finance framework.

From the very start, Nyfosa has had a major focus on growth. With our brief history, rapid growth rate and an average holding period of 1.5 years per property, this is a good step forward. This work continues to cultivate resilient operations that have a lower climate impact. Doing so improves the prerequisites for healthy growth and profitability as we advance towards our goals.

Stina Lindh Hök
CEO



SUSTAINABILITY INITIATIVES 2021

A WORKPLACE FOR GROWTH AND DEVELOPMENT

At Nyfosa, we believe in knowledge as a driver to achieve more. If you have the right expertise, you make good decisions, which in turn lead to better business and more sustainable communities. Knowledge also enables us to change risks into business opportunities and ensure that our actions today make a positive contribution to the future.

We work actively to be an employer that offers a creative, open and stimulating work environment with a focus on proximity to business decisions, inclusion in business development and personal development for all employees. To be an attractive employer of tomorrow, we collaborate with local schools by offering students internships or degree projects. Through this collaboration, we can help to spread practical knowledge to the students while simultaneously boosting interest and securing regrowth

in the industry. In 2021, we had the opportunity to get to know three students and realize their potential, which later resulted in recruitments.

Today, Nyfosa is one of few listed companies that has a relatively even distribution of both men and women in various professions within the organization as well as on the management team and the Board. This demands that we continuously foster a corporate culture of equality and strive to ensure that everyone has the right conditions to continue to grow and develop within the company.

It is through our offering that we persuade people to remain and advance within the company, while also attracting new talented employees.

“Nyfosa has so many dedicated employees, so much energy and so many

people in the organization who can advance within the company through the projects we work on and through various types of skills development,” says Stina Lindh Hök, Nyfosa’s CEO.



SUSTAINABILITY – GOVERNANCE AND RESPONSIBILITY

Nyfosa is to conduct its operations with the aim of generating returns to the shareholders. Focus on profitability does not rule out sustainable business; rather it is a prerequisite to make the right decisions when choosing the direction forward. Nyfosa is responsible in all of its relationships, as employer, landlord and lender, toward society and the climate and as manager of the shareholders' capital.

To ensure that sustainability issues are a natural part of operations and that the work contributes to the company's financial targets, the company sets a number of sustainability targets every year. Nyfosa is to achieve growth in the distributable cash flow per share of 10 percent per year. Growth will take place in a manner whereby the financial risks are kept at a manageable level. This means the company must not assume too much debt relative to the properties' value. Nor must the costs of debt financing become too high in relation to earnings from property management. Investments we make in the properties will, among other things, contribute to an optimized operating expense through lower energy consumption, more reliable earnings and/or lower financing costs through green financing. The task of gaining sustainability certification for the buildings contributes to greater insight into each building's unique status and results in documented data for deciding on possible streamlined consumption.

Pages 10–13 of the Annual Report include a presentation of the company's targets, strategies and business model. Sustainability is an integrated part of all of these aspects.

Sustainability policy

Every year, Nyfosa's Board adopts the company's sustainability policy and other related policies, see www.nyfosa.se. The sustainability policy establishes how Nyfosa is to take environmental responsibility in transactions and property management, take social responsibility toward employees, tenants and suppliers, and to act with good business ethics, prevent money laundering and encourage all stakeholders in Nyfosa to come forward and report suspected misconduct at Nyfosa.

Continuous evaluation is taking place, in both the management team and on the Board, of how Nyfosa's sustainability agenda can make the best possible contribution to a sustainable society. With a growth strategy and opportunistic business concept, it is necessary to continuously return to, and reassess, previously adopted policies and goals.

Environmental responsibility

The company's environmental policy is established in the Sustainability policy, which offers guidance to the organization.

- Work actively to enhance the energy optimization of our buildings and premises.
- Be aware of the environmental risks and environmental liabilities associated with the properties and, when taking actions, draw up long-term sustainable solutions.
- Work with the tenants to achieve a healthy indoor environment.

OVERALL STANDPOINT

Nyfosa endorses the declaration of Fossil Free Sweden, which aims to halve carbon emissions from the construction and civil engineering sector between 2020 and 2030, halving them again between 2030 and 2040 to finally become climate neutral in 2045. Nyfosa subscribes to Agenda 2030 and the Ten Principles of the UN Global Compact. The company's efforts are to contribute to sustainable development, both locally and globally. The aim of the 2030 Agenda's 17 Global Sustainable Development Goals is to eradicate extreme poverty, reduce inequality and injustice, promote peace and justice and solve the climate crisis.



The Sustainable Development Goals and the 2030 Agenda constitute an overriding structure for our sustainability agenda, how we measure our outcomes and what we should measure.



Nyfosa subscribes to the Ten Principles of the UN Global Compact for corporate sustainability.

- Implement environmentally compatible conversions.
- Subject our suppliers to environmental and sustainability requirements.
- Raise the level of environmental and sustainability expertise and awareness among our employees.

Social Responsibility

Nyfosa is to offer a creative, open and stimulating work environment with a focus on inclusion and personal development. The company has decided to have a relatively small and efficient organization with short decision-making paths, where all employees have an awareness and understanding of the company's objectives and strategy.

Nyfosa is to promote health and create a healthy and secure work environment for all its employees. Equality efforts are to be a natural part of Nyfosa's operations. The conditions, rights and development opportunities of men and women must be equal within the entire company. Nyfosa is to help women and men to combine parenthood with working life. Of particular importance is that both women and men are given every opportunity to take parental leave or leave to care for children.

Nyfosa's tenants must always be able to rely on the fact that Nyfosa's properties offer a work environment that is safe, accessible and healthy. Nyfosa is to create, maintain and develop efficient procedures and methods for handling safety in and around buildings at Nyfosa's properties and to comply with prevailing requirements from public authorities.

Governance

Good business ethics and trusting relations are important starting points both internally and in contacts with external parties. Nyfosa's employees play a key role in alerting us if they suspect someone in operations is violating the company's ethical guidelines. Misconduct could include economic irregularities and corruption, serious harassment or discrimination, safety risks in the workplace or suspected environmental crimes. Employees are encouraged to speak with their immediate supervisor first. If they prefer to be anonymous, we offer a safe channel for reporting and dialogue through a whistleblower function, that is also available to external parties.

Sustainable Development Goals

Nyfosa has identified 12 Sustainable Development Goals on which the operations have a direct or indirect influence and that will lead sustainability efforts forward. On the basis of these 12 goals, Nyfosa has decided to prioritize two goals where we believe we have particular opportunity to influence: Gender Equality and Climate Action.

► You can read more about Nyfosa's governance and policies on the website, www.nyfosa.se



Nyfosa's focus in 2021



► Read more about Nyfosa's efforts with the UN Sustainable Development Goals on www.nyfosa.se



SUSTAINABILITY GOALS AND FOLLOW-UP

Supplier responsibility

Description

Nyfosa's suppliers are considered an extension of its own operations. The reason for adopting a Code of Conduct for Suppliers is to ensure that the working conditions at the companies that supply goods and services to the company fulfill Nyfosa's requirements in terms of work environment and ethical standards and that the assignment is conducted in an environmentally conscious manner. The largest suppliers are now aware that we prioritize working with those who have confirmed meeting Nyfosa's requirements. The work will be driven by day-to-day purchasing operations.

Goal:

In 2021, Nyfosa will adopt a Code of Conduct for Suppliers and obtain confirmation of the Code of Conduct from the largest suppliers.

Result 2021:

The Code of Conduct for Suppliers has been adopted and the suppliers who account for 20 percent of total purchased have confirmed it.



Green appendix leases

Description

Nyfosa offers a green appendix to its leases. The appendix is based on an agreement template for new and renegotiated leases issued by the Swedish Property Federation. A green appendix represents a way for the tenant and the property owner to work together to achieve more sustainable buildings. The portfolio's growing share of green appendixes has contributed to greater knowledge about how we, together with the tenants, can reduce our climate footprint. The work will be driven by day-to-day property management.

Goal:

In 2021, 100 new leases or renegotiated leases will include a green appendix.

Result 2021:

161 appendixes were signed during the year.



Sustainability certification

Description

By using sustainability certifications in our buildings, Nyfosa can ensure that sustainability issues are given a distinct focus in the organization. Certification facilitates green financing and entails a detailed documentation of the environmental performance of the building, which is valuable during the time we own it and as part of a sales process.

Goal:

By 2025, properties corresponding to 50 percent of the property value will have sustainability certification and 100 percent by 2030.

Result 2021:

43 properties with a value of SEK 5.6 billion had sustainability certification, corresponding to 15 percent of the property value.





Streamlined consumption

Description

Heating and cooling our premises uses a large amount of energy. We can reduce energy consumption in Nyfosa's properties through the installation of new technology or investments in other measures. The return on investments in reducing energy consumption is through lower operating expenses, and also lower carbon emissions.

Goal:

By 2025, energy consumption per sqm will have fallen by 10 percent compared with 2020.

Result 2021:

During the year, energy consumption rose in the like-for-like portfolio by 2 percent compared with the base year of 2020. The increase was due in part to premises being used to a greater extent than in 2020 when working from home was more common due to the pandemic.



Carbon emissions

Description

Carbon emissions have a significant environmental and climate impact. It is critical to minimize emissions to promote the climate and contribute to a good environment for future generations. Nyfosa works actively to reduce carbon emissions from operations through efficient use of resources and evaluating investments in, or purchase of, renewable energy.

Goal:

Nyfosa will act to minimize the operation's carbon emissions.

Result 2021:

New target 2022



Gender equality

Description

The number of Nyfosa employees is increased through new recruitments and by absorbing employees that come with completed acquisitions. We have been successful in achieving equality in recruitment but must continue to strive to even out gender differences in each professional group. Efforts will be driven forward in the entire organization.

Goal:

In the longer term, Nyfosa is to achieve equality in the property management organization with at least 40 percent of women and men in each professional group.

Result 2021:

Only a few professions within the company have an uneven gender distribution. The management team comprises two men and three women, and the Board comprises four men and three women.





SUSTAINABILITY INITIATIVES 2021

SUSTAINABILITY CERTIFICATION

Concentrated efforts to secure sustainability certification for Nyfosa's buildings continued throughout the year. The primary purpose of certification is to raise demand from potential tenants and heighten net operating income in the form of lower operating expenses. Furthermore, the review process also highlights the potential for improvement and serves as a solid data for deciding on any investments. In addition to the actual property's value, sustainability certification helps to ensure that sustainability issues receive a clear focus in the organization. Sustainability certifications are also data for green financing decisions and provide a detailed

documentation of the environmental performance of the building, which is valuable during the time Nyfosa owns the property and as part of a sales process.

During the year, 24 new certifications were completed and, of the acquired properties, eight had a sustainability certification on the transfer date. The year's completed certification include Örebro Karossen 5 at the BIU Very Good level and Huddinge Pentagonen 1 at the BIU Good level. Examples of acquired properties holding a sustainability certification are Jyväskylä Mattilanniemi 6&8 in accordance with the Very Good level of BREEAM.

On December 31, 2021, properties holding a sustainability certification within SGBC's framework for environmental certification made up 15 percent of the total property value. Nyfosa's target is that 50 percent of the property value will have sustainability certification by 2025 and 100 percent by 2030.



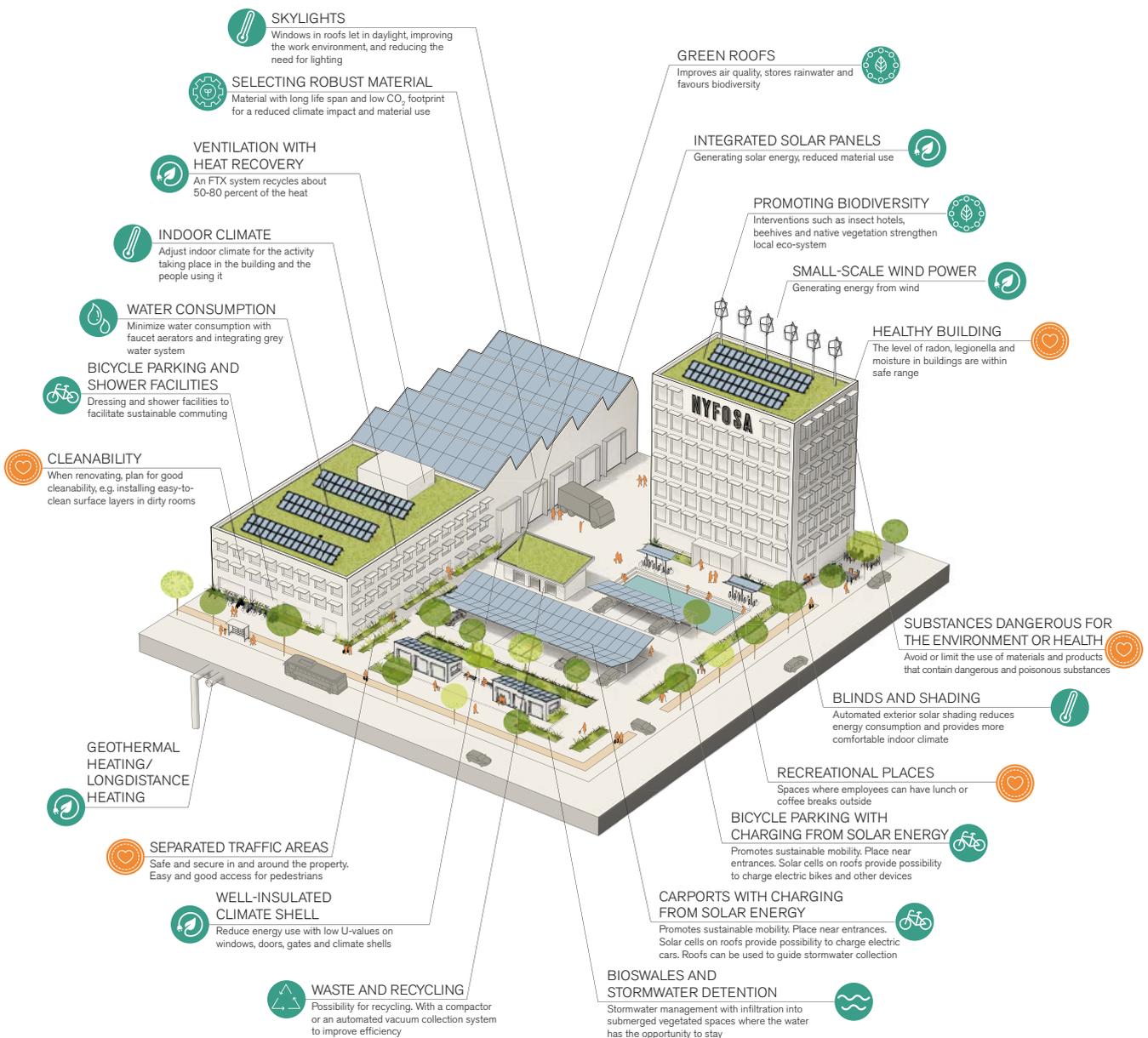
BUILDINGS WITH SUSTAINABILITY CERTIFICATION

	Property value, MSEK	No. of properties
BIU Good	2,486	28
BIU Very Good	136	2
BREEAM, Very Good	1,356	6
GreenBuilding	240	2
LEED BD+C Gold	382	1
LEED BD+C Platinum	360	1
LEED Gold	246	1
Sweden Green Building Council Bronze	295	1
Sweden Green Building Council Silver	112	1
Total	5,614	43

POTENTIAL SUSTAINABILITY PROJECTS IN OUR PROPERTIES

Through our property management, we implement large and small initiatives that make a difference on an aggregated level. For example, this involves being thorough in the choice of the material we use for refurbishments and tenant-specific modifications, being able to see improvement potential in energy consumption and protecting the local environment at and around our buildings. In this manner, the conditions are created for sustainable property ownership, financially and environmentally.

These measures are based on the sustainability certifications BREEAM In-Use and Miljöbyggnad i Drift (Green Building In Use) and serve as guidelines and inspiration within the organization to integrate more sustainable solutions in our properties. The measures successively improve the standard of the building and its surroundings, and therefore also the level of sustainability certification. Read more on the next page about some of the sustainability projects we conducted during the year.



SUSTAINABILITY PROJECTS COMPLETED IN 2021



SUSTAINABLE TECHNICAL SERVICES MANAGEMENT

District heating/Geothermal heating

A review of the properties' technical installations makes it possible to reduce the environmental impact and lower operating expenses. Installations in the properties must function as intended in order to maintain a good indoor climate for our tenants with as little environmental impact as possible. Functional testing paired with optimization has positive effects on the environmental impact with relatively little effort.

Examples of measures performed

In Värnamo, the heating installations in the Jungfru 11 property were updated and optimized. The update included replacing the district heating exchanger, the addition of new regulating valves and replacing radiator thermostats. An adjustment of the heating system was then carried out to avoid high supply temperatures and achieve a balance in the heating system. The result was lower energy consumption and better indoor climate for our tenants.



SURFACE WATER MANAGEMENT

Sunken plantations and surface water retention

Sunken plantations retain and cleanse surface water at hardened surfaces, such as roads, car parks and buildings. By guiding the water to sunken plantations, ponds and green areas, better conditions are created to mitigate the effects of strong and extensive rain.

Examples of measures performed

At the Storheden 1:102 property, a zoning plan project is underway to develop the commercial area. The property is adjacent to an important water catchment and in the process, Nyfosa is advocating better surface water management by separating surfaces with dirty surface water from surfaces with clean surface water in order to increase the share of rainwater and meltwater that can be delayed and infiltrated locally.



HEALTHY BUILDING

Healthy building

Radon, legionella and moisture are factors that are investigated to ensure a healthy building. Excessive amounts of radon can result in lung damage, which could increase the risk of lung cancer. Moisture problems in buildings may cause health problems and affect the design function. Land conditions and concealed environmental liabilities can also impact people and nature.

Examples of measures performed

Nyfosa works with preventive radon measurements and PCB assessments, as well as annual checks of the hot water temperatures. At the Sågen 9 property in Karlstad, we carried out an extensive analysis of the land during the year to ensure that a former nearby battery plant had not left pollutants in our property's land.



WATER USAGE

Water consumption

Several small measures can be used to reduce water consumption, such as ensuring that taps and toilets do not leak and that water-efficient fittings and toilets are selected when these are to be replaced. A water-efficient toilet, for example, uses a quarter of that used by a toilet from the 1970s.

Examples of measures performed

To the extent that it is technically possible, the properties' water meter was connected to a digital platform in order to efficiently read consumption levels. Follow-up of water consumption at the Tackan 9 property in Sollentuna revealed relatively high levels of water consumption, which was rectified by upgrading toilets and water installations to water-saving models.



RECYCLING AND WASTE MANAGEMENT

Waste and recycling

To reduce tenant waste, it is important to ensure that there is sufficient space and enough containers to sort waste in a central location in the property. Nyfosa's target is to recycle and reuse as much material as possible in order to benefit from an environmental and economic perspective. Before remodeling and tenant conversions, we investigate the potential to minimize the undertaking and to reuse construction materials and products.

Examples of measures performed

During 2021, follow-up of materials use and waste management was systematized in tenant-specific modifications. Ahead of a refurbishment project or tenant-specific modification, a project manager goes through a checklist to ensure that the project is as resource efficient as possible. The use of materials and waste are reported when the project is completed.



INDOOR CLIMATE

Indoor climate

Indoor climate and thermal comfort are a key aspect of several sustainability certifications. Comfort during the winter depends on a combination of indoor temperature and drafts, while comfort during the summer involves a combination of sunlight, sun protection and the option of opening windows. The indoor climate should be adapted to the activity being conducted by those present in the building. Measures to improve the indoor climate could be to replace windows to achieve better U-values, review the heaters' size, location and output, as well as reviewing supply air flows and supply air temperature.

Examples of measures performed

When getting the new premises at the Skepparen 15 property in order, indoor climate was a key factor for the students at the NTI Gymnasiet high school in Karlstad. A new ventilation system was designed resulting in new ventilation units with control systems that adapt the amount of air and heat according to the need in each classroom. To minimize sunlight penetration, automatically regulated sun protection was installed. During the refurbishment, the lighting system was updated with a presence-detection system that offers daylight control. All combined, the measures provide a sound indoor climate and low energy consumption.



BIODIVERSITY

Biodiversity

Planning for the benefit of biodiversity is an indicator within several sustainability certification programs. Nurturing flora and fauna that are naturally present in the region and creating environments with many local species makes them more stable and reduces the needs to manage green spaces. Small measures can make a difference, such as boxes for birds and bats, insect hotels and beekeeping, or cultivating plants that benefit insects.

Examples of measures performed

In connection with the sustainability certification of the Snickaren 12 property in Växjö, an insect hotel was produced to protect the surrounding environment's insects and pollinators. Nyfosa has reserved space where local beekeepers can place their beehives at properties in Örebro and Gothenburg. A share of the honey produced has been donated to the properties' tenants.



ROBUST CHOICE OF MATERIALS

Robust materials

Selecting robust material with a long lifetime often results in low climate impact from a lifecycle perspective. The climate impact of construction materials should always be regarded from a lifecycle perspective, with extraction, manufacturing and transport being taken into consideration, as well as the possibility for reuse or materials recovery. By selecting local materials that have a long lifetime for refurbishment and new building, not only is the climate footprint reduced through reduced materials use and transport, but also the maintenance costs of the building.

Examples of measures performed

During 2021, Nyfosa participated in a research project for building design with a lifecycle perspective in cooperation with, among others, IVL the Swedish Environmental Institute and the Swedish Energy Agency. The project involved providing players with the possibility to influence climate and cost perspectives, and energy use in relation to design and choice of materials, at an early stage in the construction process.



SUSTAINABLE INFRASTRUCTURE

Carpools and bike parks with charging and solar panels

Roofs are suitable for solar panels. Using spaces such as the roofs of carports and bike parks for solar panels results in effective use of these spaces. Solar panels integrated in roofing serve as a waterproofing sheet and can thus also reduce materials costs. Offering charging for electric vehicles and e-bikes encourages less fossil fuel-driven transports. By installing these charging sites in the best locations, for example, close to the entrances, those who choose sustainable modes of transport are benefited.

Examples of measures performed

At the Stora Mans 1 property in Älvsjö, measures were taken to improve accessibility and safety for cycling visitors by adding better lighting and clearing growth around the bicycle parking area. In downtown Halmstad, at the Svartmunken 2 property, Nyfosa installed two charging stations for electric and hybrid vehicles to promote sustainable travel and reduce the use of fossil fuel. In the first stage, eight charging boxes with a total of 16 charger outlets have been installed.

► You can read more about completed projects on the website, www.nyfosa.se

NYFOSA'S SUSTAINABILITY REPORT 2021

Nyfosa's Sustainability Report follows the guidelines from the international organization Global Reporting Initiative (GRI) and is prepared in accordance with the GRI Standards for the Core option. In the GRI index on pages 124–134, there are further details on where to find information in the Annual Report and in the Sustainability Report. Risk and risk management are reported on pages 59–65.

The content of the report, in addition to the formal sections according to the GRI Standards, aims to provide the reader with a broader understanding of the focus within the company related to the two global sustainability targets on which Nyfosa has chosen to focus, Gender equality and Climate action, but also areas that have proven important following dialog with our stakeholders.

Nyfosa follows the international standard for sustainability reporting and the sustainability report is subject to external audit. This means that we put high demands on ourselves and continue to accelerate the pace of the company's sustainability efforts in 2022.

Stakeholder dialogue

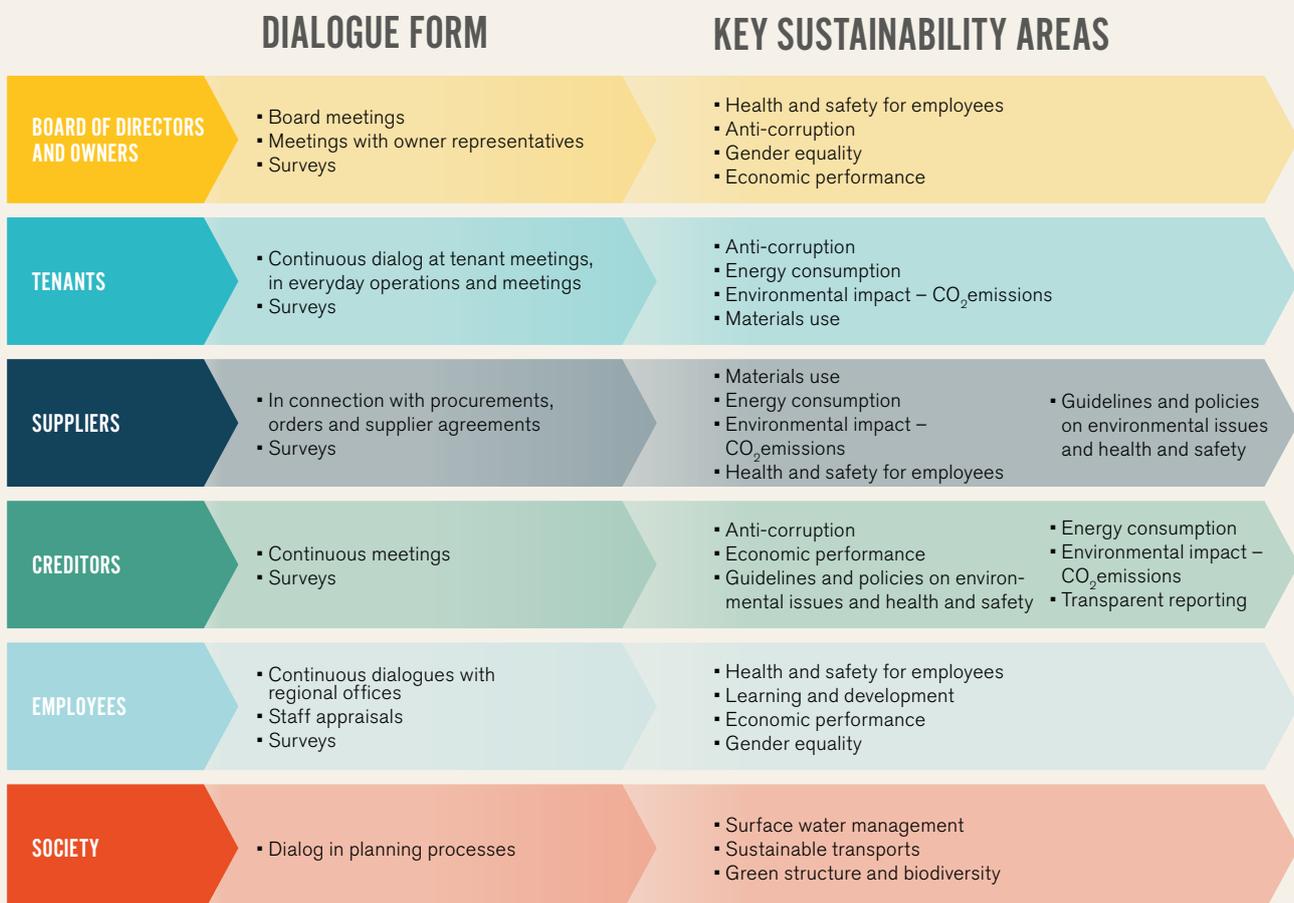
In 2020, a stakeholder dialogue was conducted to ascertain what Nyfosa's stakeholders regard as the most important

sustainability issues for the company. The outcome of this dialogue is deemed to still be relevant as the basis for Nyfosa's sustainability efforts. The dialogue was conducted using a web survey that was distributed to a selection of the company's tenants, creditors, partners and suppliers, shareholders and to all employees and Board members of the company. In addition, the company has a constantly ongoing dialogue with creditors, shareholders, tenants and other stakeholders in sustainability-related issues.

Materiality analysis

The survey and other dialogues with the company's stakeholders have created an image of the sustainability areas that are most important for Nyfosa to address. The areas that stood out were anti-corruption, financial results, equality, health and safety, energy use and environmental impact. With this as a starting point, the materiality analysis confirms that Nyfosa is focusing on the right aspects in its sustainability work and related reporting.

Sustainability data for the most important sustainability areas according to the stakeholder analysis are presented in the GRI section on pages 124–134.





Klingberget 6, Halmstad

SUSTAINABILITY INITIATIVES 2021

SOLAR POWER

During the year, Nyfosa has installed solar cell facilities at, among other places, six different properties in Värnamo. The more than 36 thousand sqm facilities annually produce 705,000 kWh, the equivalent of about 17 percent of the properties' total annual consumption. At the time of installation, the ambition was that all electricity produced should be used in each property and not sold to the market. Subsequently, it was important to modify the size of the facilities to the properties' unique usage patterns in order to realize optimum utilization. Many tenants feel that the change has been positive and welcome the opportunity to access locally produced, renewable energy. In properties where Nyfosa does not have control over the properties' electricity, the tenants have signed an agreement to purchase the electricity produced from Nyfosa instead of making it available to the public grid.

"Our tenants are extremely interested in sustainable energy and, in some instances, lease renegotiations combined with solar cell installations lead to tenants opting for a green appendix in the lease. This is completely in line with our sustainability target to increase the share of leases with green appendixes in the total portfolio. Generally speaking, our tenants appreciate the sustainability initiatives that we carry out and see that it benefits their business activities as well," comments Jonathan Möller, technical property manager at Nyfosa's property management office in Värnamo.

In addition to solar cell facilities, Nyfosa has regulated the heating systems at the properties Almen 9 and Jungfrun 11 in Värnamo. This is expected to provide savings of 25 percent heating for each property, thereby contributing to Nyfosa's sustainability target regarding streamlined consumption.

During 2021, Nyfosa has installed ten solar cell facilities at four different locations in Sweden.

Together with existing facilities, the estimated solar power production from the facilities taken into operation during the year amounts to 1 GWh a year, the equivalent of 1 percent of Nyfosa's total energy usage in 2021.



1 GWh
SOLAR
POWER

1%
OF NYFOSA'S
ENERGY USAGE
2021

“Growing focus on energy and sustainability issues means that even property owners have to shoulder more responsibility. During the year, we launched initiatives to structure energy supply and systems for our entire portfolio with the aim of lowering our own direct environmental impact. This is a effort fully in line with our sustainability agenda.”



– HENRIK BRANDIN,
ENERGY CONTROLLER
SWEDEN

RISKS

RISKS AND RISK MANAGEMENT

Nyfosa is continuously exposed to various risks, which could be significant to the company's future operations, earnings and financial position. Nyfosa works systematically and continuously on managing these and other risks and uncertainties. The focus is on preventing risks and evaluating how risk management can be converted into opportunities.

Nyfosa divides relevant risks and uncertainties for the company into five categories.

STRATEGIC RISKS	Risks attributable to the business model
OPERATIONAL RISKS	Property owner risks
FINANCIAL RISKS	Risks attributable to external liabilities
SUSTAINABILITY RISKS	Environment-related risks, social responsibility and liability risks
EXTERNAL ENVIRONMENT	Risks that arise outside the company's operations

Risk by category	Consequence	Probability	Management of risk	Changes during the year
STRATEGIC RISKS				
Changes in value of properties	Major	Improbable	Focus area	→
High transaction activity level	Minor	Improbable	Monitor	→
Property development	Minor	Possible	Monitor	→
Employees and expertise	Minor	Possible	Monitor	→
OPERATIONAL RISK				
Rental income	Average	Possible	Monitor	↘
Property expenses	Minor	Possible	Monitor	→
Tax	Average	Improbable	Monitor	→
IT and infrastructure	Average	Possible	Monitor	→
FINANCIAL RISKS				
Interest-rate risk	Average	Possible	Focus area	→
Financing and refinancing risk	Major	Improbable	Focus area	→
Currency exposure	Average	Improbable	Monitor	New risk
SUSTAINABILITY RISKS				
Occupational health and safety	Minor	Improbable	Monitor	↘
Reputation	Average	Improbable	Monitor	→
Internal processes and controls	Average	Improbable	Monitor	→
Environmental impact	Average	Improbable	Focus area	↗
Climate issues	Average	Possible	Focus area	→
EXTERNAL ENVIRONMENT				
Macroeconomic	Major	Possible	Focus area	→
Crisis	Average	Possible	Monitor	↘
Regulatory changes	Minor	Possible	Monitor	→
Regulatory compliance	Minor	Possible	Monitor	→

↗ = Increased monitoring
→ = Unchanged monitoring
↘ = Decreased monitoring

STRATEGIC RISKS

Risk that the company's strategy, including a high transaction level and sustainable development of the existing portfolios, does not support the financial target that is an annual growth in distributable cash flow per share of 10 percent.

Description of the risk	Risk management	Exposure and outcome
<p>CHANGES IN VALUE OF PROPERTIES</p> <p>The property portfolio's total value is the largest asset item in the statement of financial position. Small changes in components that affect the value of an individual property can in total have a major impact on the company's financial position.</p> <p>The value is affected not only by supply and demand in the market, but by several other factors that are both property specific and market specific. Because the value is based on several components with an element of assumption regarding future rent levels and leasing potential, there is a degree of subjectivity in the value ascribed to the object.</p>	<ul style="list-style-type: none"> The chosen strategy entails owning a large number of properties that are geographically diverse, thereby resulting in a balanced risk profile. The prioritized property category is commercial properties in high-growth municipalities where we can see an increase in relocation and business. To minimize the risk of errors in the value of the property portfolio, the company engages external appraisers to value all properties ahead of each quarterly closing. The assignment is shared by at least two appraisers. 	<p>A major negative change in value of the properties can result in breaching the credit terms of the loan agreements. In the event of this, the company risks higher financing costs, larger loan repayments or, as a final measure, that the loan is called in for payment.</p> <p>Outcome The total value development in the property portfolio was positive throughout the full-year. No credit terms were breached.</p>
<p>TRANSACTION ACTIVITY</p> <p>The company's strategy is to be constantly active in the transaction market. This means that a large share of potential property acquisitions constantly need to be evaluated. There is a risk of misjudging the market, a property's potential or the development of a geographic area as well as risks linked to a seller who acts unethically.</p>	<ul style="list-style-type: none"> There is a well-defined acquisition process and extensive capacity in the company to evaluate potential business. With its broad geographic presence, the organization has an extensive contact network and is highly knowledgeable of the market's commercial property players. Nyfosa occupies a strong position in the transaction market, with unquestioned knowledge of complex portfolio transactions, which means that sellers and buyers often contact us. 	<p>Difficulties finding transactions may affect the company's ability to achieve the financial target. Incorrect business decisions could constitute losses for the company.</p> <p>Outcome During the past 12-month period, transactions for SEK 6.2 billion were completed.</p>
<p>PROPERTY DEVELOPMENT</p> <p>Investments are continuously made in the existing property portfolio in the form of modifications and improvements.</p> <p>Investment projects could be delayed or more expensive than the assessment in the investment decision or the tenant's payment capacity could decline.</p>	<ul style="list-style-type: none"> Investments are generally carried out as a tenant conversion in conjunction with renegotiations or new leases. Regardless of whether the investment is associated with renegotiations or new leases, the tenant's credit rating is evaluated. If an investment is made in the property's public space, a thorough assessment of the investment's impact on the property's long-term value is made. Those property development projects that are carried out are conducted together with established and experienced suppliers, with a high level of internal control in the investment process. 	<p>Higher costs for investment projects adversely impact the company's cash flow.</p> <p>Delays of investment projects tie up capital longer than expected.</p> <p>Outcome No significantly higher costs or delays have been encountered during the year. There were no significant bankruptcies among tenants during the year.</p>
<p>EMPLOYEES AND EXPERTISE</p> <p>Nyfosa's organization has been deliberately built up with a relatively small number of people in order to create flexibility and proximity to business, which could lead to dependency on existing key talent.</p>	<ul style="list-style-type: none"> Competency needs are evaluated continuously in order to adapt the organization to prevailing requirements, and active work is conducted to promote internal manager sourcing. To minimize the dependence on individuals, the company has documented job descriptions and clear process maps. 	<p>Should Nyfosa fail to retain qualified staff and senior executives, or if they are frequently on sick leave, this could adversely affect Nyfosa's operations, financial position and earnings.</p> <p>Outcome Exceptionally low personnel turnover during the year. Recruitment of new managers with technical expertise to meet the need for know-how in energy and sustainability issues.</p>

OPERATIONAL RISK

The risk of not achieving the growth target for the organization's management of the existing property portfolio.

Description of the risk	Risk management	Exposure and outcome
<p>RENTAL INCOME</p> <p>The leasing rate and level of rental income are largely dependent on the company's own actions, but are also affected by economic cycles.</p> <p>Rent levels and the leasing rate are both highly affected by overall growth in the economy but also growth at regional and local levels where Nyfosa conducts operations. The risk of loss of rent and vacancies is also related to tenants and the contractual structure.</p>	<ul style="list-style-type: none"> Nyfosa's property portfolio is geographically diversified, with a large number of tenants with differentiated lease tenures. The risk of bad debts is managed by conducting credit assessments of tenants for all new leases and continuously during the lease term. If necessary, the lease may have to be supplemented with surety, a rental deposit or a bank guarantee. All rents are paid in advance on a quarterly or monthly basis. A certain level of vacancies may have a positive effect since it provides scope in the form of new leases and flexibility in relation to existing tenants. 	<p>Lower rental income and/or lower leasing rates could adversely affect the operations, financial position and earnings. When a vacancy occurs, this could entail costs for customizing the premises for a new tenant, and a risk that the vacancy will be long-term.</p> <p>If tenants fail to fully meet their commitments in accordance with the lease, this may also lead to higher vacancy rates with a resulting reduction in property value.</p> <p>Outcome</p> <p>The company has had positive net leasing for the past 11 quarters. Demand for the company's premises has thus been consistently high. Rent losses and late payments increased slightly during the pandemic but have returned to a normal level. In general, the pandemic has not had a material impact on the company.</p>
<p>PROPERTY EXPENSES</p> <p>Risks of cost increases beyond what Nyfosa can compensate for through contractually agreed rents, index and surcharges for onward invoicing. The risks extend also to unforeseen expenses and extensive renovation needs.</p>	<ul style="list-style-type: none"> Property expense analyses are performed regularly during the year. Discrepancies are followed up. 	<p>With the exception of interest expenses, costs such as electricity, water, heating, cooling and wastewater are, the largest expenses for the company.</p> <p>Prices for property expenses are governed by supply and demand alongside policy decisions, which could potentially change.</p> <p>The basis for calculating ground rent may be amended for future renegotiations.</p> <p>The basis for calculating property tax may be changed through policy decisions.</p> <p>Outcome</p> <p>Electricity prices rose at the end of 2021. Most of the leases are designed so that tenants pay for their electricity consumption at the current cost.</p>
<p>TAX</p> <p>Regulations governing the recognition of taxes and the application of these accounting regulations are complex fields. From time to time, Nyfosa has cases under review by, and ongoing dialogues with, the Swedish Tax Agency regarding individual taxation matters.</p> <p>Because it is possible to appeal Tax Agency's tax rulings and the judicial bodies' interpretation and reviews take place in many stages, it can take a long time to establish the correct application of legislation. This may adversely affect Nyfosa and investors' assessment of Nyfosa.</p> <p>The Swedish Tax Agency's tax rulings as well as court rulings may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture.</p> <p>In the case of future audits or reviews, there is a risk that the Swedish Tax Agency could object to Nyfosa's assessment, for example, with respect to the deductibility of certain costs, opportunities for depreciation for tax purposes or the opportunity to deduct loss carryforwards from previous years.</p>	<ul style="list-style-type: none"> Nyfosa carefully follows political developments and continuously monitors developments in the regulatory area to identify proposals for regulatory changes at an early stage. This monitoring ensures that Nyfosa understands the effects of any regulatory changes well in advance and that Nyfosa is well prepared should new regulations require an adaptation of internal processes to ensure compliance with the new regulations. Nyfosa monitors the taxation laws and practices that are in effect whenever it files tax returns. To further safeguard the quality of both tax returns and financial statements, Nyfosa continuously checks its judgments of complex tax matters with external experts. Within Nyfosa, all functions work together through clear-cut processes to satisfy regulatory requirements for continuous reporting and payment of taxes and to identify and manage tax risks. 	<p>Even if tenants are responsible for their share of the property taxes due at all times in the majority of Nyfosa's leases, changes to the property tax and other taxes such as corporation tax, VAT and other state levies and tax-related contributions could have a negative impact on Nyfosa's operations, financial position and earnings.</p> <p>A future change in the tax situation for Nyfosa could have a negative impact on Nyfosa's operations, financial position and earnings.</p> <p>Outcome</p> <p>A small number of late charges for taxes and fees arose during the year related to closing on larger property portfolios.</p> <p>All tax deductions are openly declared in tax declarations to reduce the risk of tax surcharges if the Tax Agency has a different opinion.</p>

Description of the risk	Risk management	Exposure and outcome
<p>IT AND INFRASTRUCTURE</p> <p>Risks related to inadequate physical and digital IT infrastructure</p> <p>Risk of systems hacking</p>	<ul style="list-style-type: none"> Nyfosa has chosen an external IT service supplier. The supplier is well-established in Sweden and has a business area dedicated to the property sector that has built up expertise over many years. Nyfosa has regular dialogues and formal meetings at strategic and operational levels with the supplier. The company's Board adopts every year an information security policy. Management follows up every year that the accounting function's continuity plan is updated. A backup function has been implemented. 	<p>Delayed financial reporting to the market.</p> <p>Outcome No availability incidents were reported in 2021. Security was tightened during the year by adding new services to reduce risks associated with mailboxes. Management adopted an instruction for the use of the company's IT and telephony during the year. Each user must confirm every year that they have read the instruction.</p>

FINANCIAL RISKS

The risk of not achieving the long-term growth target due to shortcomings in financial covenants for current financing or that the company breaches the financial risk limits, equity/assets ratio >25%, loan-to-value ratio <65% and ICR >2.0.

Description of the risk	Risk management	Exposure and outcome
<p>INTEREST-RATE RISK</p> <p>Interest-rate risk refers to the risk that changes in interest rates could affect interest expenses, which represent the company's single largest cost item.</p>	<ul style="list-style-type: none"> Nyfosa mainly works with floating interest rates in its loan agreements. Mainly interest-rate caps are used to reduce interest-rate risk, but occasionally these can be combined with other derivatives such as interest-rate swaps. Limiting interest-rate risk increases the predictability of Nyfosa's profit from property management and changes in interest-rate levels do not fully impact the Group's interest expenses. Interest-rate caps and swaps are entered into to adapt the company's fixed-rate periods to the decided finance policy and existing loan agreements. 	<p>In the longer term, changes in interest rates have a material impact on earnings and cash flow.</p> <p>Outcome The interest-coverage ratio was a multiple of 3.4 (3.8) during the year. The average interest rate was 1.9 percent (1.9) on December 31. The interest-rate hedged portion of loans on December 31, 2021 was 45 percent (49).</p>
<p>FINANCING AND REFINANCING RISK</p> <p>Nyfosa grows primarily through acquisitions, and the company finances growth through external capital and the accrued cash flow. A declining market or economic climate could adversely affect the company's growth opportunities if access to external capital is limited or is only possible at considerably higher costs.</p> <p>When existing bank loans and bonds are refinanced in the future, there is a risk that it will not be possible to secure new loans or renew loans, or only at less favorable terms.</p>	<ul style="list-style-type: none"> The company annually adopts a finance policy that stipulates, inter alia, general rules for the company's financing and how the risks associated with financing operations are to be limited. The company engages in continuous discussions with existing and prospective financiers to ensure that the necessary financing can be obtained in all situations. The assessment is that a stable financial position combined with a strong statement of financial position and a high credit rating provides continued favorable potential for growth. 	<p>If raising loans becomes more difficult or more expensive, this would adversely impact the company's potential to acquire properties and implement investments and projects.</p> <p>Outcome Refinancing of existing bank loans and securing new bank loans in conjunction with acquisitions was carried out during the year at good terms for the company. The average interest rate on December 31, 2021 was 1.9 percent (1.9).</p>
<p>CURRENCY EXPOSURE</p> <p>Nyfosa is exposed to exchange rate risks due to investments and liabilities in EUR and NOK. Nyfosa's presentation currency is SEK and all balance-sheet items in EUR and NOK are translated to SEK. Translation differences may have a material impact on the Group's operations, financial position and operating earnings in SEK.</p>	<ul style="list-style-type: none"> Currency risk is managed by financing acquisitions of properties in EUR or NOK through borrowings in EUR or NOK. Transaction exposure in the Group is managed by matching income and expenses in the same currency. 	<p>Net exposure, assets less liabilities in EUR or NOK impacts Nyfosa's equity. In accordance with IAS 21, exchange rate effects for foreign operations are recognized under the heading Other comprehensive income. Others exchange rate effects are recognized in profit or loss.</p> <p>A 10 percent fluctuation in the SEK/EUR or SEK/NOK exchange rate would impact profit from property management by MSEK 144.</p> <p>Outcome Net exposure on December 31, 2021 amounted to MEUR 141 and MNOK 0.</p>

SUSTAINABILITY RISKS

Risks related to occupational health and safety, the company's market reputation, the quality of internal processes, the impact of the operations on the environment and climate changes that affect the company's assets. All sustainability risks could have a negative impact on the company's financial performance.

Description of the risk	Risk management	Exposure and outcome
<p>OCCUPATIONAL HEALTH AND SAFETY</p> <p>A number of significant psychosocial stresses related to working life can be found in society. It is Nyfosa's responsibility to ensure a healthy work environment, both physically and psychosocially, for its employees and in its capacity as the client.</p>	<ul style="list-style-type: none"> Nyfosa applies occupational health and safety legislation and other regulations and requirements relevant to the company. A reasonability assessment is performed for tenders submitted in procurement processes for services from suppliers and partners. The company regularly monitors sick leave, long-term sick leave and work-place accidents. As part of efforts to prevent ill health, Nyfosa offers a health and well-being package and regular medical checkups to all employees, and all of Nyfosa's employees are covered by medical expenses insurance. The company has an anonymous whistleblower function that can be used to report any improprieties. 	<p>A high level of sick leave could affect the progress of the operations.</p> <p>Outcome Sick leave in 2021 amount to 2.32 percent.</p>
<p>REPUTATION</p> <p>Nyfosa is to be a responsible company and a modern property owner. If the company contravenes laws or regulations or otherwise acts unethically, it could result in damage to Nyfosa's brand.</p>	<ul style="list-style-type: none"> Nyfosa follows the Swedish Corporate Governance Code. The company has internal governing documents and policies that outline procedures and divisions of responsibility. The company has an anonymous whistleblower function on its external website and internal intranet that can be used to report any improprieties. A Code of Conduct for Suppliers was adopted during the year. 	<p>A tarnish reputation among tenants, employees and other stakeholders.</p> <p>Outcome No cases were reported using the whistleblower function.</p>
<p>INTERNAL PROCESSES AND CONTROLS</p> <p>Deficient procedures, irregularities or internal or external events could cause disruptions or damage to the operations.</p> <p>The company's business model is based on maintaining a relatively small organization. A large part of financial management and property operations is purchased from external service providers. There is the risk that internal processes and controls among these external service providers do not meet the requirements set by the company.</p>	<ul style="list-style-type: none"> The company follows a risk management process based on a risk management policy adopted by the Board. Policy documents and analyses are in place for all material processes in the company's operations. The Code of Conduct contains guidelines for the conduct of employees in certain situations and includes an established whistleblowing procedure. Process descriptions, procedures and control functions for processes carried out by external service providers are stipulated in agreements and governing documents. Every year, the company's accounting function tests identified controls that are found in processes that impact the financial reporting. Every year the external auditors examine and test the company's process and controls. 	<p>Errors in the financial reporting. Financial losses due to irregularities.</p> <p>Outcome Both internal and external audits of the compliance of processes and efficiency of controls were carried out without any major observations.</p>
<p>ENVIRONMENTAL IMPACT FROM THE COMPANY'S OWN OPERATIONS</p> <p>Nyfosa invests in properties by acquiring buildings that have already been constructed. These assets are managed responsibly to extend their lifetimes. This requires regular maintenance as well as remodeling and extensions to adapt the premises to current demand.</p> <p>Heating the buildings results in carbon emissions. Ineffective use of resources in property management creates negative effects for the environment.</p>	<ul style="list-style-type: none"> The Board has established sustainability targets to which management is to steer the operations. These targets include certifying buildings, reducing energy consumption and reducing carbon emissions. 	<p>Damage to confidence in the company among tenants, employees and other stakeholders.</p> <p>Outcome On December 31, 2021, 43 properties for a total value of SEK 5.6 billion had sustainability certification, a total of 161 green appendices were signed and efforts to identify potential investments in energy enhancements were made in parallel with the certification processes.</p>

Description of the risk	Risk management	Exposure and outcome
<p>CLIMATE ISSUES</p> <p>The climate changes that have partly happened and that scientists predict will happen entail the risk of a negative impact on properties.</p> <p>Extreme weather conditions, rising sea levels and temporary flooding are examples of risks related to climate change.</p>	<ul style="list-style-type: none"> Analyzing risks is part of the acquisition process for new properties. Increase knowledge about the impact of climate change on operations. The company is monitoring developments in expertise to continuously keep this matter relevant and update procedures and work methods as necessary. 	<p>These risks may lead to damage to properties and people, lower property values and higher insurance premiums.</p> <p>Outcome</p> <p>Three properties suffered water damage during the summer rains during the year. Some of the costs for restoring the buildings was covered by insurance.</p>

EXTERNAL ENVIRONMENT

Risk that crises in the external environment, such as a virus outbreak, recession and trade wars adversely affect the company's operations. Risk that regulatory changes adversely affect the company's operations, such as higher costs when transitioning to new regulatory compliance.

Description of the risk	Risk management	Exposure and outcome
<p>MACROECONOMIC</p> <p>Macroeconomic risks pertain to risks related to general decline in demand in the economy, inflation or deflation, or general difficulties securing financing, alternatively financing at a higher cost.</p>	<ul style="list-style-type: none"> Market surveillance. Due diligence and negotiations with tenants. Internal reporting model for local market conditions. Business intelligence in management and the Board. 	<p>A weak economy adversely affects demand for premises, resulting in more vacancies, falling market rents and absence of indexation in existing agreements. Further, there is a greater risk that tenants will have trouble paying or even declare bankruptcy, which has an immediate adverse effect on the cash flow.</p> <p>Limited access to capital inhibits the company's possibilities to conduct operations. Ultimately, a lower demand in the economy could cause property values to fall.</p> <p>Outcome</p> <p>The company has had positive net leasing for the past 11 quarters. Demand for the company's premises has thus been consistently high. Rent losses and late payments increased slightly during the pandemic but have returned to a normal level. In general, the pandemic has not had a material impact on the company.</p>
<p>CRISIS</p> <p>Crises can arise when something happens in the work or within the organization that Nyfosa is unable to influence or predict. This includes terrorist attacks, cyber-attacks, virus outbreaks, extreme weather conditions and environmental disasters, or intelligence leaks.</p>	<ul style="list-style-type: none"> Crisis management plan drafted by management and the Board, published on the intranet. Successions planning for senior executives Insurance coverage for full value of properties. Guidelines for information security, and create understanding and awareness among users that information is an asset to be handled carefully. Continuity plan for financial reporting and IT support. System for digitally processing the signing of company documents and external leases. 	<p>Can lead to economic losses.</p> <p>Outcome</p> <p>The pandemic had a relatively low impact on the company's operations.</p> <p>To date, the ongoing geopolitical crisis in Ukraine has not affected the company's operations. However, it cannot be ruled out that the operations will be impacted in both the short and long terms, for example, due to a change in climate in the capital and/or property markets in which the company operates.</p>

Description of the risk	Risk management	Exposure and outcome
<p>REGULATORY CHANGES</p> <p>There is a risk of amendments in regulatory frameworks, such as tax and EU regulations, MAR or GDPR, which means higher costs and could necessitate changes in operations.</p>	<ul style="list-style-type: none"> Monitor updates and amendments in regulatory frameworks. Established network of advisors. 	<p>Changes in regulatory frameworks could affect future opportunities to complete investments, or make these more expensive, leading to lower returns in future. New bank legislation may affect access to financing, the price on borrowed capital and trigger credit terms that also involve higher financing expenses.</p> <p>Amended tax levels and tax legislation, such as amendments to rules for depreciation deductions or bans on packaging of properties, could affect the company's tax expense in future.</p> <p>Outcome No effect on operations during the year.</p>
<p>REGULATORY COMPLIANCE</p> <p>Compliance with policies.</p>	<ul style="list-style-type: none"> Market surveillance. Due diligence and negotiations with tenants. Internal reporting template within the organization pertaining to local market conditions. Network. Business intelligence in management and the Board. 	<p>Can lead to fines, tarnished reputation.</p> <p>Risk that improprieties or unethical behavior takes place internally, or among customers or suppliers. Can lead to loss of reputation.</p> <p>Outcome Nothing to report for the year.</p>

THE SHARE

THE NYFOSA SHARE

The Nyfosa share has been listed on the Large Cap segment of Nasdaq Stockholm since November 23, 2018. On the last day of trading in 2021, the price of the share amounted to SEK 156.00, corresponding to a market capitalization of MSEK 29,800.

Share price trend and volume of trading

The volume weighted average price on the last day of trading of the year, December 30, 2021, was SEK 113.00. The price of the Nyfosa share increased about 88 percent during the year. During the same period, the Nasdaq Stockholm PI index increased 34 percent, while the Carnegie Real Estate Index increased 48 percent. A total of about 100 million Nyfosa shares were traded for a total value of SEK 11.3 billion in 2021. An average of 394,535 shares were traded on every day of trading.

Share capital

On December 31, 2021, Nyfosa's share capital amounted to MSEK 96, distributed among 191,022,813 shares with a quotient value of SEK 0.5 per share. According to the Articles of Association, the share capital shall amount to not less than MSEK 80 and not more than MSEK 320, distributed among not fewer than 160,000,000 shares and not more than 640,000,000 shares.

Directed share issue, June 2021

A directed share issue of 6,521,740 shares, based on the authorization granted by the AGM on April 21, 2021, took place at a price of SEK 115 per share in June 2021, which provided Nyfosa with proceeds of about MSEK 750 before issue costs. The new share issue entailed that the number of new shares in Nyfosa increased 6,521,740, from 184,501,073 to 191,022,813. The share capital increased SEK 3,260,870.00, from SEK 92,250,536.50 to SEK 95,511,406.50. The share issue entailed a dilution of approximately 3.4 percent, based on the total amount of shares in Nyfosa after the share issue.

Dividend policy and dividend proposal

At least 40 percent of the distributable cash flow¹⁾ is to be distributed to the owners. Dividends are, on each occasion, to be considered in light of the company's business opportunities and may comprise a distribution in kind, buyback or cash dividend.

For the 2021 financial year, the Board proposes that the AGM resolves that an ordinary dividend of SEK 3.80 per share with quarterly payment of SEK 0.95 per share. The dividend corresponds to 51 percent of the distributable cash flow.

Shareholder information

On the final day of trading of the year, Nyfosa had 19,062 shareholders, of which Swedish investors, institutions and private individuals owned 69 percent of the shares and voting rights, and the remaining shares and votes were owned by foreign shareholders. The ten largest owners jointly controlled 55.5 percent of the share capital and voting rights. The table below presents Nyfosa's largest shareholders on December 31, 2021, based on information from Modular Finance Monitor.

Warrants program

Nyfosa currently has two long-term incentive programs (LTIP 2019 and LTIP 2021) based on warrants. A description of the warrants programs is provided in Note 8 on page 102. The number of warrants outstanding at the end of the year is presented in the table on page 67.

¹⁾ Cash flow from operating activities before changes in working capital

THE COMPANY'S SHARE CAPITAL TREND

Date	Event	Change in share capital (SEK)	Change in number of shares	Share capital after change (SEK)	Number of shares after change
October 17, 2017	New formation	–	–	50,000.00	500
May 21, 2018	Division of shares	–	99,500	50,000.00	100,000
May 21, 2018	New share issue	78,814,124.50	157,628,249	78,864,124.50	157,728,249
August 21, 2018	New share issue	5,000,000.00	10,000,000	83,864,124.50	167,728,249
February 17, 2020	New share issue	3,231,412.00	6,462,824	87,095,536.50	174,191,073
March 9, 2020	New share issue	5,155,000.00	10,310,000	92,250,536.50	184,501,073
June 9, 2021	New share issue	3,260,870.00	6,521,740	95,511,406.50	191,022,813

SHARE PERFORMANCE



Source: Nasdaq Stockholm

SPECIFICATION OF SHAREHOLDERS

December 31, 2021

Shareholders	Number of shares	Percentage share	
		Capital, %	Votes, %
AB Sagax	25,915,323	13.6	13.6
Länsförsäkringar Funds	17,373,053	9.1	9.1
Swedbank Robur Funds	14,725,910	7.7	7.7
Handelsbanken Funds	9,739,326	5.1	5.1
SEB Funds	9,344,860	4.9	4.9
BlackRock	7,080,693	3.7	3.7
Vanguard	6,783,050	3.6	3.6
Lannebo Fonder	5,256,210	2.8	2.8
Kåpan Pensioner Försäkringsförening	4,880,014	2.6	2.6
Jens Engwall	4,853,411	2.5	2.5
Total ten largest owners	105,951,850	55.6	55.6
Other shareholders	85,070,963	44.4	44.4
Total	191,022,813	100.0	100.0

Source: Modular Finance Monitor

OWNERSHIP STRUCTURE BY SIZE

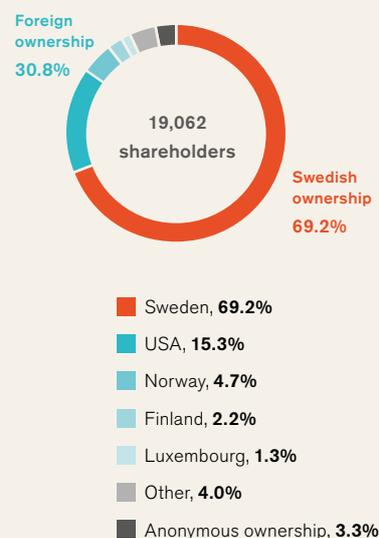
December 31, 2021

Ownership structure	No. of shareholders	Share, %
1 – 500	14,541	76.3
501 – 1,000	2,174	11.4
1,001 – 5,000	1,795	9.4
5,001 – 10,000	219	1.1
10,001 – 15,000	76	0.4
15,001 – 20,000	37	0.2
20,001 –	220	1.2
Total	19,062	100

Source: Modular Finance Monitor

GEOGRAPHIC DISTRIBUTION OF SHAREHOLDING

December 31, 2021



WARRANTS PROGRAM (LTIP 2019, 2021)

December 31, 2021

Changes during the year, no.	2021, LTIP 2019	2020, LTIP 2019	2021, LTIP 2021:1	2021, LTIP 2021:2
Warrants outstanding at the beginning of the year	1,514,300	1,674,300	0	0
Warrants subscribed	0	0	325,241	325,241
Warrants forfeited	-210,000	-160,000	0	0
Warrants exercised	0	0	0	0
Warrants outstanding at year-end	1,304,300	1,514,300	325,241	325,241

CORPORATE GOVERNANCE

CORPORATE GOVERNANCE REPORT 2021

Corporate governance at Nyfosa is based on Swedish law and other generally accepted good practice in the securities market as well as internal rules and guidelines. Nyfosa also follows the Swedish Corporate Governance Code (the “Code”) and applied it without any deviations in 2021.

GENERAL MEETINGS

The General Meeting is Nyfosa’s highest decision-making body, at which the shareholders exercise their voting rights. The Swedish Companies Act (2005:551) and the Articles of Association prescribe how notice of the Annual General Meeting (AGM) and Extraordinary General Meetings are to take place and who is entitled to participate in and vote at such Meetings. In addition to laws on a shareholder’s right to participate in a General Meeting, Nyfosa’s Articles of Association stipulate that shareholders must notify their intention to attend the General Meeting not later than the date indicated in the notice of the Meeting, and also give notification if they intend to be accompanied by an assistant. There are no restrictions on the number of votes that each shareholder may cast at the Meeting. Nyfosa’s General Meetings are held in Nacka or Stockholm. The company does not apply any special arrangements to the function of the General Meeting, either based on the provisions of the Articles of Association

**NYFOSA’S 2022
ANNUAL GENERAL MEETING**

Nyfosa’s 2022 AGM will be held on April 19, 2022. More information about the AGM (including instructions on how to notify attendance) is available at www.nyfosa.se.

or any shareholders’ agreements known to the company. Resolutions adopted at a General Meeting are announced after the Meeting in a press release, and the minutes from the Meeting are published on the company’s website. The AGM held on April 21, 2021 authorized the Board on one or more occasions for the period before the next AGM, by applying or disapplying shareholders’ preferential rights, to decide to issue new shares in the company, although not more than 10 percent of the total number of shares in Nyfosa on the date of the AGM.

THE WORK OF THE BOARD

The work of the Board follows the adopted rules of procedure pertaining to the year’s scheduled Board meetings illustrated alongside. The Board also regularly addresses such as major acquisitions, divestments, investments and the CEO report and finance report.

JAN	FEB	MAR	APR	MAY
<ul style="list-style-type: none"> Year-end closing meeting Quarterly closing Draft of Year-end Report Report from the Audit Committee Meeting with auditors Accounting and audit matters and audit report Proposed dividends Risk identification and risk management (including identifying how sustainability matters impact the company’s risks and business opportunities) Board discussions without the presence of management 		<ul style="list-style-type: none"> Matters ahead of the AGM (proposed agenda, remuneration report, motions, etc.) Report from the Remuneration Committee Decision on any bonus outcome for last year Annual Report including the Corporate Governance Report 		<ul style="list-style-type: none"> Quarterly closing Draft interim report (Q1) Report from the Audit Committee Rules of procedure, instructions, delegation of authority and policy documents. Review of company management’s other assignments and potential conflicts of interest Board discussions without the presence of management

The 2021 AGM also resolved to amend the Articles of Association to enable the introduction of a new Article 11 that allows for the Board to collect powers of attorney in accordance with the procedure described in Chapter 7, Section 4, of the Swedish Companies Act and enables the Board to decide that the shareholders shall be able to exercise their right to vote by post before the General Meeting.

The share and shareholders

Information about Nyfosa shares and major shareholders is provided on pages 66–67 of this Annual Report. The largest shareholder is AB Sagax with a holding of 13.6 percent. The remaining 86.4 percent is owned by institutional investors and private individuals in Sweden and abroad. None of these shareholders, directly or indirectly, hold shares that represent one tenth or more of the votes for all shares in the company.

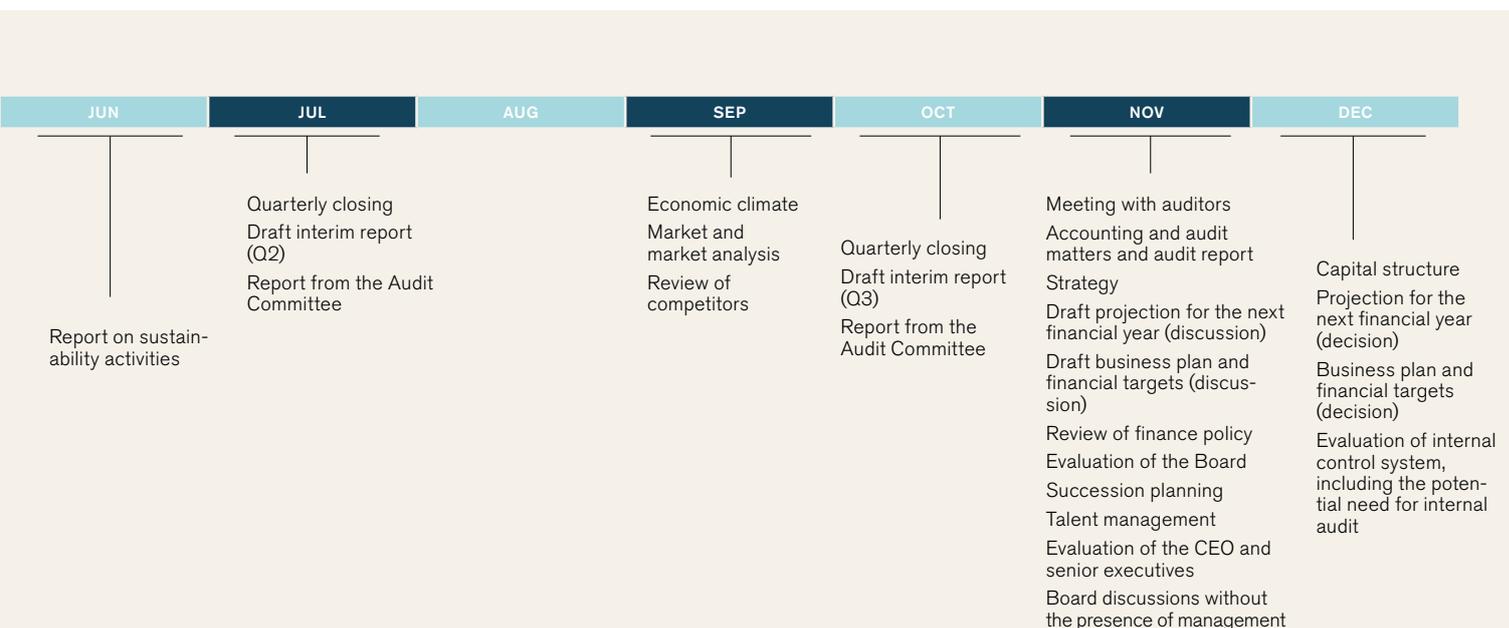
Nomination Committee

The AGM of Nyfosa on May 9, 2019 adopted instructions for the Nomination Committee's composition and work within the company. According to these instructions, which apply until further notice, the Nomination Committee is to comprise the Chairman of the Board and four members appointed by the four largest shareholders in the company in terms of voting rights on July 31. If any of the four largest shareholders in terms of voting rights does not exercise their right to appoint a member, this right to appoint such a committee member is transferred to the next largest shareholder who is not already entitled to appoint a member of the Nomination Committee. The chairman of the Nomination Committee is to be the member representing the largest shareholder in terms of voting rights, unless the members agree otherwise. The composition of the Nomination Committee is to be announced not later than six months before the AGM. If a Committee member leaves or major changes take place in the ownership structure, the composition of the Nomination Committee may change to

reflect this. Such a change will then be announced as soon as possible. The task of the Nomination Committee is to prepare proposals on the election of Board members and auditors, remuneration of the Board members and auditors, the election of the Chairman of the Meeting and any necessary amendments to the instructions for the Nomination Committee. For more information about the current instructions for the Nomination Committee, visit the company's website.

The Nomination Committee ahead of the 2022 AGM comprised David Mindus, representing AB Sagax (Chairman of the Nomination Committee); Johannes Winborg, representing Länsförsäkringar Fondförvaltning AB; Lennart Francke, representing Swedbank Robur Funds; Suzanne Sandler, representing Handelsbanken Fonder; and Johan Ericsson, Board Chairman of Nyfosa AB.

The Nomination Committee applied the Code's rule 4.1 on diversity policy for its work. The aim of the diversity policy is to satisfy the importance of sufficient diversity on the Board of Directors in respect of gender, age and nationality, as well as experience, professional background and lines of business. The Nomination Committee has proposed to the AGM to be held on April 19, 2022 that the Board comprise two women and five men, entailing that the share of women is less than the targets set by the Swedish Corporate Governance Board. The selection of Board candidates has taken place without discrimination regarding, for example, age, sexual orientation, gender or religious affiliation. The Nomination Committee is of the opinion that the proposed Board, with regard to Nyfosa's operations, development stage and other conditions, has an appropriate composition, characterized by diversity and breadth regarding the director's competence, experience and background. Thus, the Nomination Committee considers that the proposal meets the Code's requirements for diversity and breadth. Additional information is available in the Nomination Committee's reasoned statement regarding the Nomination Committee's proposals to the 2022 AGM.



Board of Directors

According to the Articles of Association, Nyfosa's Board of Directors is to comprise at least four and no more than ten members, with no deputy members. The Articles of Association contain no specific clauses governing the appointment or dismissal of Board members or regarding amendment of the Articles of Association. The members of the Board are elected by the AGM for the period until the end of the next AGM. The AGM held on April 21, 2021, reelected Johan Ericsson, Marie Bucht Toresäter, Lisa Dominguez Flodin, Jens Engwall, Per Lindblad, Mats Andersson and Jenny Wärmé as Board members. Johan Ericsson was also reelected Chairman of the Board. Jens Engwall also has a consultancy agreement with the company alongside his

Board assignment. The consultancy agreement is to provide advisory services, in the first instance to the company's CEO, and also to continue to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expires on December 31, 2022. No other Board member has been or is employed in the Group. For more information about Nyfosa's Board members and information about their independence in relation to the company and management, refer to pages 70–71. Information about the company's largest shareholders is provided on page 67.

The Board is the company's highest administrative body, and its duties are regulated by the Swedish Companies Act, the Articles of Association and the Code. The Board of

BOARD OF DIRECTORS



Johan Ericsson

Chairman of the Board

Year of birth: 1951

Board member since: May 7, 2018

Education and professional experience: Master in Business Administration, Stockholm School of Economics. Previous experience from senior positions and various roles in the Catella group (1993–2015).

Other ongoing assignments: CEO of Solnaberg Property AB (publ). Chairman of Market Art Fair Intressenter AB (and other Board assignments in the Group), and Fastighetsbolaget Emilshus AB (and other board assignments in the Group) and Board member of Brinova Fastigheter AB (publ) and Torekov By AB.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 30,000

Independent in relation to the company, Group Management and the company's major shareholders.



Marie Bucht Toresäter

Board member

Year of birth: 1967

Board member since: May 7, 2018

Education and professional experience: Master in Business Administration, Uppsala University. Previous experience from senior positions at, inter alia, Headlight International AB (2015–2017), Skanska ID (2013–2015), NCC Property Development Nordic AB (2012–2013) and Newsec Advice AB (1999–2012).

Other ongoing assignments: CEO of Novi Real Estate AB, Nordier Property Group AB, Nordier Property Advisors AB and Board member of MVB Holding AB.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 5,156

Independent in relation to the company, Group Management and the company's major shareholders.



Lisa Dominguez Flodin

Board member

Year of birth: 1972

Board member since: May 7, 2018

Education and professional experience: Bachelor's degree in accounting and auditing, Mid Sweden University, Östersund, and MBA, San Jose State University. Previous experience as, inter alia, CFO of Grön Bostad AB (2016–2021), CEO of Cibus Nordic real Estate AB (publ) (2018) and Board member (including member of the audit committee) of NP3 Fastigheter AB (publ) (2014–2017) as well from senior positions at Oscar Properties AB (2017), Cityhold Property AB (2012–2016) and NBP Group (2011–2012).

Other ongoing assignments: CFO of Granitor (formerly Midroc), Board member of LCF Financial Services AB and Flodin Kapital AB.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 7,500

Independent in relation to the company, Group Management and the company's major shareholders.



Jens Engwall

Board member

Year of birth: 1956

Board member since: November 15, 2017

Education and professional experience: Master of Engineering, Royal Institute of Technology, Stockholm. Experience as the founder and CEO of Nyfosa AB (2018–2020) and Hemfosa Fastigheter AB (2009–2018), CEO of Kungsleden AB (1993–2006) and experience from the property sector through, inter alia, previous positions at Skanska AB.

Other ongoing assignments: Chairman of the property company Söderport Property Investment AB and other Board assignments in the Söderport group, Chairman of Torslanda Property Investment AB (publ), Board member of Bonnier Fastigheter AB and Hibridge Mezzanine AS.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 4,853,411, of which 400,000 via companies

Warrants in the company as of Dec 31, 2021: 250,000 warrants

Not independent in relation to the company and Group Management. Independent in relation to the company's major shareholders.

ATTENDANCE AT BOARD AND COMMITTEE MEETINGS

Board member	Board meetings	Audit Committee meetings	Remuneration Committee meetings
Johan Ericsson (Chairman of the Board)	23/23	–	5/5
Marie Bucht Toresäter	22/23	6/6	–
Lisa Dominguez Flodin	21/23	6/6	–
Jens Engwall	21/23	2/6 ¹⁾	–
Mats Andersson	22/23	–	5/5
Per Lindblad	23/23	–	5/5
Jenny Wärmé	22/23	6/6	–

1) Member of Audit Committee from April 21, 2021



Mats Andersson

Board member

Year of birth: 1954

Board member since: May 9, 2019

Education and professional experience: Master in Business Administration, Stockholm University. Previous experience from inter alia Fourth Swedish National Pension Fund, where he was CEO for ten years, Third Swedish National Pension Fund as well as senior positions at Skandia Liv, Deutsche Bank, S.G. Warburg and Hägglöf & Ponsbach. Mats has been Board member of several listed companies.

Other ongoing assignments: Board member of The Global Challenges Foundation, Carneo AB, Carnegie Fonder AB, CAAM Fund Services and Tobacco Free Portfolios Ltd and a number of advisory assignments.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): –

Independent in relation to the company, Group Management and the company's major shareholders.



Per Lindblad

Board member

Year of birth: 1962

Board member since: May 7, 2018

Education and professional experience: Master of Science in Agriculture Economics, Swedish University of Agricultural Sciences (SLU), Uppsala. Previous experience from inter alia senior positions at SEB (2008–2017).

Other ongoing assignments: CEO of Landshypotek Bank Aktieföretag and Chairman of Lyckås Aktieföretag.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 10,000

Independent in relation to the company, Group Management and the company's major shareholders.



Jenny Wärmé

Board member

Year of birth: 1978

Board member since: April 23, 2020

Education and professional experience: Master of Laws, Stockholm University. Previous experience as a lawyer at Mannheimer Swartling Advokatbyrå, Head of Legal and Corporate Affairs at Hemla AB (formerly D. Carnegie & Co AB), Board member of Stendörren Fastigheter AB, Board member of Amasten Fastighets AB (publ), Board member of Tre Kronor Property Investment AB and law clerk at the Norrtälje District Court.

Other ongoing assignments: General Counsel and senior partner at Slättö Förvaltning AB. Board member of PropCap Advisory Sweden AB and Jywfyf AB.

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 1,000

Independent in relation to the company, Group Management and the company's major shareholders.

Directors is thus responsible for the company's organization and the administration of the company's affairs. The Board is also charged with monitoring financial developments, ensuring the quality of financial reporting and the internal control and evaluating the operations based on the established objectives and guidelines adopted by the Board. Furthermore, the Board decides on significant investments and major changes in the Group's organization and operations. This work is based on rules of procedure adopted by the Board every year that regulate the distribution of work and responsibilities between the Board members and CEO. The Board also adopts a delegation of authority and instructions for financial reporting, the CEO and the Board's Committees, and decides on a number of general policies for the company's operations. These include an insider policy, finance policy, IT policy, information security policy, sustainability policy, communication policy and policy on related-party transactions. All of these internal governing documents are reviewed at least once annually and also regularly updated as necessary.

The work of the Board

In addition to the statutory Board meeting, elected held immediately after the AGM, the Board meets at least six times a year (scheduled Board meetings). The dates of meetings and the main standing items on the agenda to be discussed at the scheduled meetings follow a set plan in the Board's rules of procedure. Extra Board meetings can be convened when required. Nyfosa's Board held 23 meetings during the year, one of which was a statutory Board meeting. For information about attendance at these meetings, refer to the table on page 71. The secretary at the Board meetings is the company's Head of Legal. Prior to each meeting, the Board members receive an agenda and written material for the items to be discussed at the meeting. The agenda ahead of each scheduled Board meeting included a number of standing items: The CEO's review of the operations, acquisitions, divestments and investments as well as financial reporting.

Besides regular Board matters, including major acquisitions, divestments and investments, the Board addressed issues related to raising capital, financing, geographic expansion, the organization and sustainability in 2021.

Evaluation of the Board and the CEO

Once annually, in accordance with the Board of Directors' rules of procedure, the Chairman of the Board initiates an evaluation of the Board's work. In 2021, the Chairman had in consultation with the Nomination Committee some separate contact with the members as part of this evaluation. A consultant was also engaged to conduct an external evaluation of the Board. The external evaluation was carried out as an online questionnaire and also in the form of individual interviews with the company's Board members, CEO and auditor. The purpose of the evaluation is to assess the results of the Board's and the Committees' work, the effectiveness of the work method and how it can be improved. The evaluation also aims to identify the type of matters that the Board should be given more scope to address and the areas that could potentially require addi-

tional experience and expertise on the Board. The result of the evaluation was discussed by the Board and reported to the Nomination Committee by the Chairman and the external evaluation consultant. The Board also continuously evaluates the work of the CEO. An evaluation is carried out at least once a year without the CEO attending.

Board Committees

The Board has established two committees from within its ranks: an Audit Committee and a Remuneration Committee, which both follow instructions adopted by the Board. These committees are sub-committees that prepare matters for the Board and do not have any own power of decision. The matters addressed at committee meetings are minuted and reported as necessary at the next Board meeting.

Audit Committee

The Audit Committee is to assist the Board in completing its supervisory role of audit matters. The Committee's main task is stipulated in the Companies Act. These include overseeing the company's financial reporting, risk management and the effectiveness of internal control and governance as well as maintaining contact with and evaluating the work, qualifications and independence of the external auditor. The Committee is also to assist in preparing proposals for the General Meeting to resolve on the election and remuneration of auditors. The results of the Committee's work in the form of observations, recommendations and proposals for decision or action are continuously reported to the Board. The Audit Committee in 2021 comprised Board members Lisa Dominguez Flodin (Chairman), Marie Bucht Toresäter, Jenny Wärmé and Jens Engwall, with Jens Engwall becoming a new member after the statutory Board meeting on April 21, 2021. The Audit Committee held six meetings in 2021 and addressed matters on the company's internal control and governance, sustainability efforts and quarterly reporting.

Remuneration Committee

The main tasks of the Remuneration Committee are to assist the Board by presenting proposals, providing advice and preparing matters regarding remuneration of and other terms of employment for the company's CEO and principles for remuneration of company management. Furthermore, the task of the committee is to monitor and evaluate the outcome of variable remuneration programs, and Nyfosa's compliance with the remuneration guidelines adopted by the General Meeting. The Remuneration Committee in 2021 comprised Board members Johan Ericsson (Chairman), Per Lindblad and Mats Andersson. The Remuneration Committee held five meetings in 2021, at which all members participated, and addressed matters including remuneration of senior executives, the structure of incentive programs, the buyback of warrants, the structure of the remuneration report and the review of the company's guidelines for remuneration of senior executives.

Remuneration of Board of Directors

The AGM on April 21, 2021, resolved that the fees to the Board members be paid such that SEK 500,000 be paid



From the left Ann-Sofie Lindroth, Anders Albrektsson, Stina Lindh Hök, Josephine Björkman and Johan Ejerhed

SENIOR EXECUTIVES

Stina Lindh Hök

CEO

Year of birth: 1973

Education and professional experience:

Master of Science in Engineering, KTH Royal Institute of Technology, Stockholm. Experience as Transaction Manager at Hemfosa Fastigheter AB (2010–2018), COO at Nyfosa (2018–2020), project manager for transactions at Atrium Ljungberg AB (2009–2010) and Leimdörfer Fastighetsmarknad AB (2006–2008) and as head of property management at Fabege AB (2005).

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 74,210

Warrants in the company as of Dec 31, 2021: 196,000

Johan Ejerhed

Head of Finance

Year of birth: 1976

Education and professional experience:

Master of Engineering, international industrial economics (finance), Linköping University. Project manager in structured real estate financing at SEB (2004–2018).

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 2,500

Warrants in the company as of Dec 31, 2021: 199,000

Anders Albrektsson

Head of Property Management

Year of birth: 1974

Education and professional experience:

Head of Property Management Sweden, Newsec Property Asset Management AB (2016–2020), Customer Manager, Folksamuppdraget, Newsec AM (2007–2015), and Property Manager, Newsec AM (2005–2006).

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): –

Warrants in the company as of Dec 31, 2021: –

Ann-Sofie Lindroth

Head of Financial Control

Year of birth: 1976

Education and professional experience:

Master of Science in Business Administration, Lund University. Previous experience as Controller and Head of Finance at Hemfosa Fastigheter AB (2012–2018), auditor at EY Real Estate (2004–2012), and real estate agent at Svensk Fastighetsförmedling (1996–1999).

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 9,626

Warrants in the company as of Dec 31, 2021: 156,000

Josephine Björkman

Head of Transactions

Year of birth: 1975

Education and professional experience:

M.Sc. International Business from the School of Business, Economics and Law at the University of Gothenburg. Experience of Head of Transactions at Jernhusen (2011–2017), Business Developer Manager at GE Real Estate Norden (2004–2011), Master black belt GE Real Estate Norden (2001–2004) and analyst GE Capital London (1999–2001).

Shareholding in the company as of Dec 31, 2021 (incl. any shares held by related parties): 3,720

Warrants in the company as of Dec 31, 2021: 114,000

AUDITOR

KPMG AB

Auditor-in-Charge Mattias Johansson, born in 1973, is an Authorized Public Accountant, partner of KPMG Sweden and member of FAR (institute for the accountancy profession in Sweden).

to the Chairman of the Board and SEK 200,000 be paid to each of the Board members elected by the AGM who are not employed by the company. For work on the Audit Committee, fees were to be paid in the amount of SEK 70,000 to the Chairman of the Committee and SEK 35,000 to each of the other members of the Committee. For work on the Remuneration Committee, fees were to be paid in the amount of SEK 40,000 to the Chairman of the Committee and SEK 20,000 to each of the other members of the Committee.

CEO and Group Management

The CEO is appointed by the Board and is responsible for the daily management of the company and the Group's activities in accordance with the Board's instructions. The CEO instruction states that the CEO is responsible for the administration of the Board and Board reporting as well as preparing matters that require a decision by the Board, for example, adopting the interim report and Annual Report, decisions on major acquisitions, sales or investments and raising large loans. The CEO has appointed a Group Management team that is responsible for different parts of the operations. Nyfosa's Group Management currently comprises the CEO, Head of Financial Control, Head of Transactions, Head of Property Management and Head of Finance. The CEO functions as chairman of Group Management and makes decisions in consultation with other members of Group Management. The work of Group Management follows an annual cycle of eight scheduled meetings. Extra meetings are convened as required.

Guidelines for remuneration of senior executives

The AGM on April 23, 2020 resolved on guidelines for the remuneration of Nyfosa's senior executives. These guidelines apply until further notice, but not longer than until the 2024 AGM. No decision on adjusting the guidelines was made in 2021. These guidelines include the fact that Nyfosa is to apply market-based and competitive forms of remuneration that are simple, long-term and measurable. Remuneration may comprise a fixed and variable portion. The guidelines also include requirements for the structure of remuneration and a cap on variable remuneration. The Board may deviate from the guidelines if there are special reasons to do so in an individual case. Such deviations are to be presented at the next AGM. For the complete guidelines, visit the company's website. The amount of remuneration paid in 2021 is presented in Note 8. The guidelines for remuneration of senior executives are available in the Annual Report on page 82 and on the company's website www.nyfosa.se.

Auditor

At the AGM on April 21, 2021, KPMG AB was elected to serve as auditor until the end of the next AGM. Auditor-in-Charge Mattias Johansson was born in 1973 and is an Authorized Public Accountant and member of FAR (institute for the accountancy profession in Sweden).

The auditor examines the Annual Report, accounts and the administration by the Board and CEO. The auditor then reports to the AGM. In addition to the audit assignment, KPMG was engaged for additional services in 2021, primarily tax advice. Such services have always, and solely, been provided insofar as they are consistent with the regulations in the Swedish Auditing Act (1999:1079) and FAR's rules of professional conduct pertaining to the objectivity and independence of auditors.

Internal control and governance

The Board's responsibility for the internal control and governance is regulated by the Companies Act, the Annual Accounts Act (1995:1554) and the Code. Information about Nyfosa's system for internal control, governance, risk management and the Board's measures to monitor the effectiveness of the internal control and governance is to be included in the company's corporate governance report. The Board, which has ultimate responsibility, is to ensure, inter alia, that Nyfosa has effective internal control and formalized procedures to ensure compliance with established principles for financial reporting, internal control and governance. The Group's Head of Financial Control is responsible for implementing and maintaining the formalized procedures.

Nyfosa's procedures and processes for internal control, governance and risk management are based on the COSO framework (Committee of Sponsoring Organizations of the Treadway Commission). The process has been designed to ensure adequate risk management, including reliable financial reporting in accordance with IFRS, applicable laws and regulations as well as other requirements to be applied by companies listed on Nasdaq Stockholm. This work involves the Board, Group Management and other personnel.

Control environment

Nyfosa's control environment is founded on governing documents, processes and structures that set the basis for establishing internal control and governance in the organization. The Board monitors and ensures the quality of the internal control and governance in accordance with the Board's rules of procedure, the instructions for the CEO and the Committees and the associated delegation of authority and attestation ordinance. In addition, the Board has adopted a risk management policy that includes fundamental guidelines governing risk management, internal control and governance. These guidelines pertain to, for example, risk assessment, risk measures, control activities, action plans, evaluation and reporting. The internal control and governance activities are also presented in other governing documents, such as Nyfosa's accounting manual, sustainability policy and finance policy. These activities include regular checks and follow-ups of outcome compared with expectations and pre-

vious years, and supervision of, for example, the accounting policies applied by Nyfosa. In addition, Nyfosa provides an anonymous whistleblower function for all employees, business partners, tenants, suppliers and other external contracts that is regulated in separate guidelines and monitored by the Chairman of the Audit Committee.

Since the Group's ongoing accounting activities and the preparation of the quarterly and annual accounts, etc., have been partly outsourced to external service providers (Newsec Property Asset Management, PrimeQ and Colliers), Nyfosa's accounting manual also addresses the collaboration with these providers. The responsibility for maintaining an effective control environment and the continuous work on risk assessment and internal control and governance regarding the financial reporting is delegated to the CEO. However, the Board has ultimate responsibility. The Audit Committee is responsible for monitoring the efficiency of the company's internal control, governance and risk management regarding the financial reporting. Group Management regularly reports to the Board and the Audit Committee following established procedures. Responsibilities, authorities and governing documents comprise the control environment for Nyfosa, together with laws and regulations. All internal governing documents are regularly updated to include changes in, for example, legislation, accounting standards or listing requirements.

Risk assessment

Every year, Nyfosa's Group Management performs a risk evaluation of strategic, financial, operational and compliance risks. The risks identified as the most material are documented in a risk list that is evaluated by Nyfosa's Group Management and a risk owner is appointed for every risk to clarify the division of responsibilities and ownership. The risk analysis also includes an assessment of the control activities established throughout the operations to manage the risks. Taking into account these existing control activities, the probability of a risk occurring within a defined period of time is evaluated, as is its impact on established targets. The risk assessment provides insight into the consequences for the Group if no action is taken, the risk-reducing measures that are in place and the level of risk that the organization wants to achieve by taking further action. The outcome of the risk analysis and accompanying action plan is presented to the Audit Committee and Board.

Control activities

Nyfosa's control activities are established based on identified risks, with the aim of ensuring Nyfosa's internal control and governance over the company's financial reporting. Identified risks are managed by implementing well-defined key processes with integrated control activities, such as dividing and delegating responsibility, collaboration and principles for distribution of responsibility between Nyfosa and external service providers and a defined decision-making process. Nyfosa's key processes include activities and controls intended to manage and minimize identified risks. In addition to these key processes, Nyfosa's control activities comprise ongoing monitoring of financial results and financial position, company-wide controls and general IT controls.

Information and communication

Nyfosa has built an organization, procedures and systems for information and communication aimed at providing the market with relevant, reliable, correct and up-to-date information about the Group's performance and financial position and ensuring that the financial reporting is correct and effective. The internal governing documents clarify who is responsible for what, and the daily interaction between the officers concerned ensures that the necessary information and communication reaches all relevant parties. Every month, Group Management receives certain financial information about the company and its subsidiaries in respect of the development of leasing and other property management work, reviews and monitoring of ongoing and future investments and liquidity planning. The Board receives regular financial reports on the Group's financial position and earnings performance. In addition, the Board receives a report every year from Group Management on consolidated risks for the Group with an accompanying action plan, which in turn is followed up by the Board and Group Management once per year. For external disclosure of information, a communications policy has been adopted by the Board, designed to ensure that the company complies with the requirements for disseminating correct information to the market at the right time.

Monitoring

The Board continuously evaluates the information provided by Group Management. Nyfosa's financial position, investments and operating activities are normally discussed at each Board meeting and Group Management meeting. The Board is also responsible for monitoring the internal control and governance. This work includes ensuring that measures are taken to address any shortcomings, and following up proposals to address issues highlighted in connection with the external audit.

Follow-ups and separate evaluations are continuously carried out in accordance with an adopted risk management policy and accounting manual at various levels within the Group. The risk owner appointed in the risk management policy is responsible for the management of a specific risk by regularly analyzing developments, monitoring risk measures and providing status reports to management. Approved measures and risk owners are also monitored based on the Board's and Group Management's annual follow-up of the action plan, at the same time as line managers are given the opportunity to highlight relevant risk information. The risk management process is in turn evaluated once a year to identify opportunities for improvement.

Internal audit

In light of Nyfosa's operations, organizational structure and the organization of the financial reporting, the Board has not found any reason to establish a separate internal audit function. Instead, the company's Group-wide controller function has been adapted to also manage the internal control activities. The matter of establishing a separate internal audit function is discussed by the Board every year.

FINANCIAL INFORMATION



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MULTI-YEAR OVERVIEW AND KEY FIGURES

	2021	2020	2019	2018	2017
Property-related key figures					
Income, MSEK	2,459	2,035	1,370	1,064	1,031
<i>Property expenses</i>					
Operating expenses, MSEK	-439	-324	-251	-184	-146
Maintenance costs, MSEK	-167	-140	-99	-71	-66
Property tax, MSEK	-112	-93	-65	-46	-42
Rental value, MSEK	3,017	2,451	1,740	1,404	1,076
Property administration, MSEK	-91	-63	-50	-36	-30
Net operating income, MSEK	1,651	1,415	905	728	746
Surplus ratio, %	67.1	69.5	66.0	68.4	72.4
Economic leasing rate, %	93.6	92.0	91.2	91.4	89.8
Remaining lease term ¹ , years	3.9	3.7	4.1	4.1	4.2
Yield ² , %	5.4	5.4	5.5	5.6	5.8
Property value, MSEK	37,147	29,411	19,602	15,582	12,090
Leasable area, 000s sqm	2,780	2,380	1,877	1,577	1,136
No. of properties	447	361	230	177	128
Share-related key figures					
Profit from property management per share, SEK	10.46	7.35	6.63	5.47	6.04
Profit from property management excluding changes in value and tax in joint ventures per share, SEK	6.90	6.32	4.85	3.94	4.53
Earnings per share before dilution, SEK	16.52	12.25	8.24	9.63	7.24
Earnings per share after dilution, SEK	16.49	12.25	8.24	9.63	7.24
Equity, MSEK	17,268	13,333	9,781	8,392	3,479
EPRA NRV per share, SEK	95.93	79.91	65.37	55.36	25.64
EPRA NTA per share ³ , SEK	89.76	75.33	60.11	-	-
EPRA NDV per share, SEK	86.04	72.27	58.32	50.03	20.74
Distributable cash flow per share, SEK	7.64	6.91	4.73	4.19	4.35
Key financial data					
Return on equity, %	20.4	19.3	15.2	27.2	37.9
Equity/assets ratio, %	42.4	41.8	44.1	48.3	25.5
Loan-to-value ratio, properties, %	56.7	58.0	57.6	52.9	54.4
Net loan-to-value ratio, properties, %	55.2	56.9	54.6	51.6	53.1
Debt/equity ratio, multiple	1.2	1.3	1.1	1.0	1.9
Interest-coverage ratio, multiple	3.4	3.8	4.2	4.9	7.0

1) On balance-sheet date.

2) According to earnings capacity.

3) The performance measure was not restated as per December 31 for 2016-2018.

RECONCILIATION OF KEY FIGURES

Net asset value	2021	2020	2019	2018	2017
Equity, MSEK	17,236	13,333	9,781	8,392	3,479
Hybrid bonds	-800	-	-	-	-
Deferred tax, MSEK	1,252	760	627	452	404
Derivatives, MSEK	-22	-3	-2	-9	-4
Deferred tax in joint ventures, 50%, MSEK	596	544	454	339	257
Derivatives in joint ventures, 50%, MSEK	62	110	104	111	164
Number of shares, millions	191	185	168	168	168
EPRA NRV per share, SEK	95.93	79.91	65.37	55.36	25.64
Estimated actual deferred tax, MSEK ¹	-711	-419	-529		
Estimated actual deferred tax in JV, Nyfosa's share, MSEK	-470	-425	-354		
EPRA NTA per share², SEK	89.76	75.33	60.11		
Deferred tax, MSEK	-541	-341	-98	-452	-404
Derivatives, MSEK	22	3	2	9	4
Deferred tax in JV, Nyfosa's share, MSEK	-210	-118	-100	-339	-257
Derivatives in JV, Nyfosa's share, MSEK	-62	-110	-104	-111	-164
EPRA NDV per share, SEK	86.04	72.27	58.32	50.03	20.74

1) Assumptions include that loss carryforwards are expected to be used in the next five years with nominal tax of 20.6 percent. The property portfolio is expected to be realized over 50 years when the entire portfolio will be indirectly sold via companies and the purchaser's deduction for deferred tax is 7 percent. The discount rate amounted to 3 percent. Past key figures were not restated.

2) The performance measure was not restated as per December 31 for 2016-2018.

Net asset value is the total capital that the company manages on behalf of its owners and the value can be calculated in different ways depending on the time perspective and turnover rate in the property portfolio. EPRA NRV (Net Reinvestment Value) is based on the company never selling its assets and aims to reflect the value required for building up the operations again. Equity (attributable to the Parent Company's shareholders in the statement of financial position less hybrid bonds) was adjusted for items that do not involve any payment in the near future, such as derivatives and deferred tax liabilities, both in Nyfosa's statement of financial position and Nyfosa's share of derivatives and deferred tax in joint ventures' statement of financial position. EPRA NTA (Net Tangible Assets)

assumes that the company will make property transactions and thus be liable to pay certain taxes. The performance measure comprises equity (attributable to the Parent Company's shareholders in the statement of financial position less hybrid bonds) adjusted for the portion of deferred tax, both in Nyfosa's statement of financial position and Nyfosa's share of deferred tax in joint ventures' statement of financial position, measured at market value taking into consideration how the company has carried out property transactions in the past few years. EPRA NDV (Net Disposal Value) comprises equity attributable to the Parent Company's shareholders in the statement of financial position and less hybrid bonds.

Equity/assets ratio	2021	2020	2019	2018	2017
Equity, MSEK	17,236	13,333	9,781	8,392	3,479
Total assets, MSEK	40,626	31,907	22,201	17,355	13,632
Equity/assets ratio, %	42.4	41.8	44.1	48.3	25.5

The performance measure is calculated as equity, attributable to the Parent Company's shareholders, as a percentage of total assets.

Return on equity	2021	2020	2019	2018	2017
Profit for the year, MSEK	3,112	2,225	1,382	1,615	1,215
Average equity, MSEK	15,285	11,557	9,087	5,936	3,202
Return on equity, %	20.4	19.3	15.2	27.2	37.9

The performance measure is calculated as profit for the year as a percentage of average equity, attributable to the Parent Company's shareholders, for the year.

Loan-to-value ratio and net loan-to-value ratio	2021	2020	2019	2018	2017
Interest-bearing liabilities, MSEK	21,045	17,055	11,282	8,240	6,583
Property value, MSEK	37,147	29,411	19,602	15,582	12,090
Loan-to-value ratio, %	56.7	58.0	57.6	52.9	54.4
Cash and cash equivalents, MSEK	534	312	588	192	160
Net loan-to-value ratio, %	55.2	56.9	54.6	51.6	53.1

The loan-to-value ratio is calculated by using interest-bearing liabilities, excluding liabilities for right-of-use assets, as a percentage of the value of the properties according to the statement of financial position. The net loan-to-value ratio is calculated by using net loans,

meaning interest-bearing liabilities less cash and cash equivalents, as a percentage of the value of the properties according to the statement of financial position.

Interest-coverage ratio	2021	2020	2019	2018	2017
Profit from property management, MSEK	1,973	1,334	1,112	918	1,013
Share in profit of joint ventures, MSEK	888	404	491	412	380
Depreciation/amortization, MSEK	-1	-1	0	0	0
Financial income and expenses, MSEK	-443	-327	-195	-131	-106
Interest-coverage ratio, multiple	3.4	3.8	4.2	4.9	7.0

The interest-coverage ratio is calculated by excluding shares in profit in joint ventures, depreciation/amortization and financial income and expenses from profit from property management. The performance measure treats ground rent as a property expense,

similar to previous calculations. This profit is then expressed as a percentage of financial income and expenses to calculate the interest-coverage ratio.

BOARD OF DIRECTORS' REPORT

The Board of Directors and CEO of Nyfosa AB ("Nyfosa"), postal address Box 4044, SE-131 04 Nacka, Sweden and Corp. Reg. No. 559131-0833, hereby submit the Annual Report and consolidated annual accounts for the 2021 financial year.

Comparative figures presented in parentheses refer to the preceding year. The financial statements are presented in millions of Swedish kronor (MSEK), meaning that rounding differences may occur.

Operations

Nyfosa is a transaction-based and opportunistic property company in which business activities are in focus. The company's business concept is based on active participation in the transaction market combined with an investment strategy that can be flexible to the property market, meaning it is not limited by property category, region, scope of the transaction nor holding period. A flexible investment strategy and an efficient and near-to-market organization with documented transaction know-how and experience from assessing and evaluating risks provide Nyfosa with a solid foundation for creating and completing investments in properties or property portfolios that are often on the peripheral in terms of the types of investments preferred by other operators. The emphasis is on identifying value and assessing the development potential to leverage business opportunities that may lead to a portfolio of high-yielding properties, primarily commercial. Nyfosa's method of conducting property transactions and developing and adding value to properties creates a property portfolio with the potential to generate high and stable return.

Business concept

With its opportunistic approach and its agile, market-centric and bold organization, Nyfosa will create value by accumulating sustainable cash flows and continuously evaluating new business opportunities.

Vision

Nyfosa will be the property company in Sweden that is the best at creating value.

Organization and employees

Nyfosa has a decentralized and relatively small organization, which creates the conditions for efficient and short decision-making paths where all employees have an

awareness and understanding of the company's objectives and strategies. The operational structure takes the form of Group Management, Group-wide functions and property management. In order to create flexibility that can be adapted to Nyfosa's development, the organizational structure is flat, in which the most vital functions are provided in-house. The more standardized functions are insourced from external service providers.

Group Management

Nyfosa's Group Management has extensive knowledge of the property market and long experience of conducting property transactions and value creating investments in the property portfolio. It comprises five people: the CEO, Head of Finance, Head of Financial Control, Head of Property Management and Head of Transactions.

Group-wide functions

Nyfosa has Group-wide functions for economy, finance, market/communication, legal issues and transactions. At year-end, a total of 11 employees worked in these functions (excluding members of Group Management).

Property management

The company's head office is located in Nacka, Stockholm, with local property management offices in Västerås, Örebro, Karlstad, Värnamo, Växjö, Gothenburg, Malmö and Sundsvall. The average number of employees in the property management organization at year-end was 67 (excluding members of Group Management). The properties in Norrland and Finland are mainly managed by external managers.

Employees

The average number of employees in 2021 was 70 (63). The percentage of women senior executives was about 50 percent.

Corporate governance

A separate corporate governance report can be found on pages 68–75 of this Annual Report.

Guidelines for remuneration of and other terms of employment for senior executives

The AGM on April 23, 2020, resolved on guidelines for the remuneration of Nyfosa's senior executives.

These guidelines apply until further notice, but not longer than until the 2024 AGM. No decision on adjusting the guidelines was made in 2021.

A prerequisite for the successful implementation of the company's business strategy and safeguarding of its long-term interests, including its sustainability and equality, is that the company is able to recruit and retain qualified personnel. Accordingly, these guidelines state that Nyfosa is to apply market-based and competitive forms of remuneration that are simple, long-term and measurable. The types of remuneration are to motivate senior executives to do their utmost to safeguard shareholders' interests.

Remuneration of senior executives may comprise a fixed and variable portion as well as pension benefits and other benefits. The fixed salary for senior executives is to be market-aligned and based on expertise, responsibility and performance. Variable remuneration is to be paid to senior executives where the Board believes that it encourages the right behaviors and does not jeopardize long-term value creation. The variable remuneration is to reward target-related performance and improvements in simple and transparent structures, and is to be capped. Outcome is to be related to fulfillment of the company's financial targets and other measurable sustainability targets that support long-term shareholder value. Most established targets are to be the same for the senior executives but can, to less of an extent, refer to individual performance. Variable remuneration of senior executives must not exceed four months' salary and is not to be pensionable.

Senior executives may be offered incentive programs that are to primarily be share or share-price based to promote commitment to the development of the company and are to be implemented on market terms. For more information about outstanding incentive programs, visit the company's website.

The Board may derogate from the guidelines, in whole or in part, if in a specific case there is special cause for the derogation and a derogation is necessary to serve the company's long-term interests, including its sustainability, or to ensure the company's financial viability. Any derogation from the guidelines for remuneration of senior executives by the Board is to be included in the remuneration report at the next AGM. The amount of remuneration paid in 2021 is presented in Note 8. For the complete guidelines, visit the company's website.

Significant risks and uncertainties

All organizations encounter uncertainty and the challenge is to determine how much uncertainty can be accepted in the company's efforts to increase value for its stakeholders. Uncertainty presents both opportunities and risks with the potential to both increase and erode value. Company-wide risk management enables management to efficiently manage uncertainty and related opportunities and risks.

Risk management is an integrated part of the business planning process at Nyfosa. Critical success factors for achieving the growth and return objectives were identified in the company's long-term business plan. The main uncertainty factor is attributable to changes in value in the property portfolio. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rent level and operating expenses, and in part such market-specific factors as the yield requirement and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the properties to decline, which could have a negative impact on Nyfosa's operations, financial position and earnings.

For information on financial risks and financial risk management, see Note 3.

Sustainability Report

In accordance with Chapter 6, Section 11 of the Annual Accounts Act, Nyfosa has decided to prepare the statutory sustainability report as a separate report from the Annual Report, found on pages 45–64 and 124–134.

Commentary on financial performance

Income

Income amounted to MSEK 2,459 (2,035), up MSEK 424 or 21 percent. The change was attributable to the larger portfolio, but also renegotiations and new leases in the like-for-like portfolio. On December 31, 2021, the total leasable area amounted to 2,780 thousand sqm (2,380) and the economic leasing rate for the year was 93.6 percent (93.1).

Net operating income

Property expenses mainly refer to operating expenses such as heating, water, electricity and property upkeep and amounted to MSEK 717 (557). Costs for property administration amounted to MSEK 91 (63). Management of the portfolio yielded a surplus ratio of 67.1 percent (69.5).

Profit from property management

Costs for central administration amounted to MSEK 128 (132).

Profit from participations in joint ventures of MSEK 888 (404) comprised Nyfosa's share of Söderport's profit for the full-year after tax and a value adjustment to Nyfosa's participations in joint ventures. Nyfosa's share of Söderport's profit from property management amounted to MSEK 235 (217) and changes in values and tax in Söderport impacted the share in profit by MSEK 698 (187).

Financial income and expenses, including expenses for right-of-use assets, amounted to MSEK –443 (–327). Financial expenses include exchange-rate losses of MSEK –8 attributable to loans in EUR. Green bonds of MSEK 1,000 were issued during the year. An offer was made to repurchase existing bonds of approximately MSEK 628 in connection with the issue. The repurchase was charged to financial

expenses in the amount of about MSEK 10 in the second quarter. The average interest rate was 1.9 percent (1.9). The higher financial expense was mainly due to higher net debt. Interest expenses for the hybrid bonds issued during the year are not charged to profit or loss. Interest of 3M STIBOR + 475 basis points is booked directly against equity, as for the hybrid bonds, due to the perpetual term.

Profit from property management amounted to MSEK 1,973 (1,334). Excluding revaluations and tax in joint ventures, profit from property management amounted to MSEK 1,302 (1,147).

Changes in value

The changes in value of properties amounted to MSEK 1,652 (1,063), of which unrealized changes in value totaled MSEK 1,694 (737). The unrealized changes in value were mainly attributable to lower yield requirements, new leases that have taken place and renegotiated leases.

Tax

The tax expense for the period amounted to MSEK 532 (174), of which MSEK 445 (96) pertained to changes in deferred tax liabilities attributable to investment properties. The effective tax rate was 14.6 percent (7.2). The deviation from the nominal tax rate of 20.6 percent was mainly due to the add-back of deferred tax in connection with property sales and the fact that profit from participations in joint ventures comprised profit after tax, and thus did not constitute taxable income for Nyfosa. Deferred tax on temporary differences was valued at 20.6 percent.

Financing

In 2021, assets were financed through equity, bank loans with Nordic banks and bond loans issued in the Swedish capital market. Equity on the balance-sheet date amounted to MSEK 17,268 (13,333) and interest-bearing liabilities, excluding liabilities attributable to right-of-use assets, to MSEK 21,045 (17,055), of which bank loans with properties as collateral amounted to MSEK 19,276 (15,555) and senior unsecured bond loans to MSEK 1,873 (1,500). Hybrid bonds of MSEK 800 were issued during the fourth quarter. The term is perpetual but Nyfosa has the possibility to call the hybrid bonds from November 18, 2025 and on each subsequent interest-payment date. Due to the perpetual term and the fact that interest payments can be held by the company, the hybrid bonds are recognized in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025. Like the hybrid bonds, interest is recognized in equity. The loan-to-value ratio of the properties was 56.7 percent (58.0).

Interest-bearing liabilities

Interest-bearing liabilities, excluding liabilities attributable to right-of-use assets, increased MSEK 3,990 during the year. Bank loans totaling MSEK 6,902 were raised. A MSEK 1,000 green senior unsecured bond was issued during the period. The opportunity to repurchase existing bonds of MSEK 628 was also offered. Current bank loans and portions of the utilized revolving credit facility were also refinanced. Repayments for the year and redemption of bank loans in connection with maturity and vacating properties amounted to MSEK 3,297. Bank loans of MSEK 4,352 fall due for payment in 2022. There are no indications that it will not be possible to refinance the liabilities with our Nordic relationship banks.

Cash flow

During the year, operating activities contributed MSEK 1,389 (1,267) in positive cash flow, of which dividends on participations in joint ventures amounted to MSEK 332 (300). Taking possession of and vacating properties, both directly and indirectly via companies, impacted cash flow from investing activities by a net MSEK -5,556 (-8,322). Investments in existing properties were made in the amount of MSEK -475 (-285). Cash flow from financing activities made a positive contribution of MSEK 4,884 (7,064), primarily due to the bond loans issued during the year.

Parent Company

For 2021, the Parent Company reported profit after tax of MSEK 2,223 (2,171). The Parent Company's fees for central and property administrative services from Group companies amounted to MSEK 102 (87). Profit for the year is the same as comprehensive income for the year.

At December 31, 2021, the Parent Company's equity totaled MSEK 11,464 (8,458), of which restricted equity was MSEK 96 (92). Intra-Group liabilities amounted to MSEK 3,827 (1,174) and intra-Group receivables amounted to MSEK 17,067 (10,616).

The share

The Nyfosa share is listed on the Large Cap segment of Nasdaq Stockholm. At year-end, the share capital amounted to MSEK 96 (92). The number of shares on the balance-sheet date amounted to 191,022,813 with a quotient value of SEK 0.50 (0.50) each. Each share entitles the holder to one vote. The number of shareholders on the balance-sheet date was 19,062. For a list of the largest shareholders, refer to the section "The share" on pages 66–67 of this Annual Report.

Share capital trend	Date	Change in number of shares	Quotient value, SEK	Change in the share capital, MSEK
New formation	October 17, 2017	500	100	0
Division of shares	May 21, 2018	99,500	–	0
New share issue	May 21, 2018	157,628,249	0.50	79
New share issue	August 21, 2018	10,000,000	0.50	5
New share issue	February 17, 2020	6,462,824	0.50	3
New share issue	March 9, 2020	10,310,000	0.50	5
New share issue	June 9, 2021	6,521,740	0.5	3
Total		191,022,813	0.50	96

Expectations concerning future development

Nyfosa does not provide a forecast on its future financial performance. In 2022, the company will continue its focused work on creating value by being transaction-based and capitalizing on the business opportunities that arise.

Despite the pandemic, the company reported positive net leasing for the year. Demand for the company's premises was consistently high. Rent losses and late payments increased slightly during the pandemic but have returned to a normal level. The effects of the pandemic did not generally have a material impact on the company and future expectations are that the company's resilience in this respect will continue.

To date, the ongoing geopolitical crisis in Ukraine has not affected the company's operations. However, it cannot be ruled out that the operations will be impacted in both the short and long terms, for example, due to a change in climate in the capital and/or property markets in which the company operates.

The Board's proposed appropriation of profit

The following funds in the Parent Company Nyfosa AB are available for distribution by the Annual General Meeting (amounts in SEK).

Unrestricted equity, SEK	Dec 31, 2021
Share premium reserve	2,068,793,318
Retained earnings	7,077,134,984
Profit for the year	2,222,943,777
Total unrestricted equity	11,368,872,079

The following funds are available for distribution by the AGM

Ordinary dividend, SEK 3.80 per share ¹	725,886,689
To be carried forward	10,642,985,390
Total	11,368,872,079

¹) Quarterly payment of SEK 0.95 per share.

For information regarding the company's earnings and financial position, refer to the following financial statements and the accompanying notes to the accounts.

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF PROFIT/LOSS

MSEK	Note	2021	2020
Rental income	5	2,421	2,001
Other property income	6	39	35
Total income		2,459	2,035
Property expenses			
Operating expenses		-439	-324
Maintenance costs		-167	-140
Property tax		-112	-93
Property administration	21	-91	-63
Net operating income	7	1,651	1,415
Central administration	7, 8, 9, 21	-128	-132
Other operating income and expenses	7	5	-26
Share in profit of joint ventures	14	888	404
Financial income	10	3	29
Financial expenses	10	-439	-352
Expenses related to right-of-use assets		-7	-5
Profit from property management		1,973	1,334
<i>Profit from property management excluding changes in value and tax in joint ventures</i>		<i>1,302</i>	<i>1,147</i>
Changes in value of properties, realized	13	-42	327
Changes in value of properties, unrealized	13	1,694	737
Changes in value of financial instruments, unrealized		19	1
Profit before tax		3,644	2,399
Current tax	11	-49	-42
Deferred tax	11	-483	-132
Profit for the year		3,112	2,225
Statement of profit/loss and other comprehensive income			
Profit for the year		3,112	2,225
Other comprehensive income			
Items that have or could be transferred to profit for the period		9	-
Comprehensive income for the year		3,121	2,225
Profit for the year attributable to:			
Parent Company shareholders		3,112	2,225
Non-controlling interests		0	-
Comprehensive income for the year attributable to:			
Parent Company shareholders		3,120	2,225
Non-controlling interests		1	-
Profit for the year per share before dilution, SEK	12	16.52	12.25
Profit for the year per share after dilution, SEK	12	16.49	12.25

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

MSEK	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Non-current assets			
Investment properties	13	37,147	29,411
Assets with right-of-use		237	163
Participations in joint ventures	14	2,490	1,916
Derivatives	3	22	3
Other assets		3	2
Total non-current assets		39,898	31,495
Current assets			
Rent receivables		14	13
Current receivables	15	179	86
Cash and cash equivalents	16	534	312
Total current assets		727	412
TOTAL ASSETS		40,626	31,907
EQUITY AND LIABILITIES			
Equity			
Share capital	26	96	92
Other contributed capital		3,760	3,760
Translation reserve		8	–
Retained earnings including profit for the year		12,573	9,481
Hybrid bonds		800	–
Equity attributable to Parent Company shareholders		17,236	13,333
Non-controlling interests		32	–
Total equity		17,268	13,333
Liabilities			
<i>Non-current liabilities</i>			
Non-current interest-bearing liabilities	17	16,492	16,127
Liabilities attributable to right-of-use assets		229	158
Other non-current liabilities		48	19
Derivatives	3	–	–
Deferred tax liabilities	18	1,252	760
<i>Total non-current liabilities</i>		<i>18,021</i>	<i>17,064</i>
<i>Current liabilities</i>			
Current interest-bearing liabilities	17, 21	4,553	928
Other current liabilities	19, 21	783	582
<i>Total current liabilities</i>		<i>5,337</i>	<i>1,510</i>
Total liabilities		23,357	18,573
TOTAL EQUITY AND LIABILITIES		40,626	31,907

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

MSEK	Equity attributable to the Parent Company's shareholders							Non-controlling interests	Total equity
	Share capital	Other contributed capital	Translation reserve	Retained earnings incl. profit for the year	Hybrid bonds	Total			
Opening equity, Jan 1, 2020	84	3,760	–	5,937	–	9,781	–	9,781	
Transactions with Parent Company shareholders									
Contributions from and distributions to shareholders									
New share issue	8	–	–	1,319	–	1,327	–	1,327	
Issue of warrants	–	–	–	0	–	0	–	0	
Total transactions with Parent Company shareholders	8	–	–	1,319	–	1,327	–	1,327	
Profit for the year	–	–	–	2,225	–	2,225	–	2,225	
Other comprehensive income for the year	–	–	–	–	–	–	–	–	
Comprehensive income for the year	–	–	–	2,225	–	2,225	–	2,225	
Closing equity, Dec 31, 2020	92	3,760	–	9,481	–	13,333	–	13,333	
Opening equity, Jan 1, 2021	92	3,760	–	9,481	–	13,333	–	13,333	
Transactions with Parent Company shareholders									
Contributions from and distributions to shareholders									
New share issue	3	–	–	740	–	743	–	743	
Issue of warrants	–	–	–	3	–	3	–	3	
Issue of hybrid bonds	–	–	–	–	800	800	–	800	
Interest and other expenses on hybrid bonds	–	–	–	–9	–	–9	–	–9	
Dividends resolved	–	–	–	–753	–	–753	–	–753	
New share issue to non-controlling interests	–	–	–	–	–	–	31	31	
Total transactions with Parent Company shareholders	3	–	–	–19	800	784	31	814	
Profit for the year	–	–	–	3,112	–	3,112	0	3,112	
Other comprehensive income for the year	–	–	8	–	–	8	1	9	
Comprehensive income for the year	–	–	8	3,112	–	3,120	1	3,121	
Closing equity, Dec 31, 2021	96	3,760	8	12,573	800	17,236	32	17,268	

CONSOLIDATED STATEMENT OF CASH FLOWS

MSEK	Note	2021	2020
Operating activities			
Profit from property management		1,973	1,334
Adjustments for non-cash items	22	-839	-368
Dividend received from joint ventures		332	300
Tax paid		-29	-11
Cash flow from operating activities before changes in working capital		1,436	1,254
Increase (-)/decrease(+) in operating receivables		22	-8
Increase (+)/decrease (-) in operating liabilities		-70	21
Cash flow from operating activities		1,389	1,267
Investing activities			
Direct and indirect acquisitions of investment properties	22	-6,211	-12,026
Direct and indirect divestments of investment properties	22	655	3,704
Investments in existing investment properties		-475	-285
Investments in joint ventures		-17	-
Other		-2	0
Cash flow from investing activities		-6,051	-8,608
Financing activities			
New issue of shares/warrants		744	1,327
New issue of hybrid bonds		793	-
Dividends to shareholders		-609	-
Loans raised	22	7,849	10,518
Repayment of loans	22	-3,924	-4,781
New share issue to non-controlling interests		30	-
Cash flow from financing activities		4,884	7,064
Cash flow for the year		221	-276
Cash and cash equivalents at the beginning of the period		312	588
Exchange differences in cash and cash equivalents:		1	-
Cash and cash equivalents at the end of the period		534	312

PARENT COMPANY STATEMENT OF PROFIT/LOSS

MSEK	Note	2021	2020
Net sales		102	87
Other external costs	9	-48	-42
Personnel costs	8	-97	-86
Loss before financial income and expenses		-43	-42
Profit from participations in joint ventures	10	1,288	300
Profit from participations in Group companies	10	874	1,850
Interest income and similar income items	10	125	82
Interest expenses and similar expense items	10	-82	-62
Profit before appropriations		2,161	2,128
Appropriations			
Group contributions paid/received		67	35
Provision to tax allocation reserve		0	7
Profit before tax		2,228	2,170
Current tax	11	0	-
Deferred tax	11	-5	1
Profit for the year¹		2,223	2,171

1) Other comprehensive income is the same as profit for the year.

PARENT COMPANY STATEMENT OF FINANCIAL POSITION

MSEK	Note	Dec 31, 2021	Dec 31, 2020
ASSETS			
Financial non-current assets			
Participations in Group companies	24	0	0
Non-current receivables from Group companies		5,277	5,377
Participations in joint ventures	14	–	412
Deferred tax assets		–	1
Total financial non-current assets		5,277	5,791
Total non-current assets			
Current receivables from Group companies		11,790	5,239
Other current receivables		10	8
Cash and bank balances		280	145
Total current assets		12,080	5,391
TOTAL ASSETS		17,357	11,181
EQUITY AND LIABILITIES			
Restricted equity			
Share capital	26	96	92
Unrestricted equity			
Share premium reserve		2,069	1,326
Hybrid bonds		800	–
Retained earnings		6,277	4,868
Profit for the year		2,223	2,171
Equity		11,464	8,458
Untaxed reserves			
		0	–
Liabilities			
Bonds		991	1,491
Other non-current liabilities		4	4
Total non-current liabilities		995	1,495
Bonds		873	–
Current liabilities to Group companies		3,827	1,174
Other current liabilities		197	55
Total current liabilities		4,897	1,229
Total liabilities		5,893	2,724
TOTAL EQUITY AND LIABILITIES		17,357	11,181

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY

MSEK	Restricted equity	Unrestricted equity			Total equity
	Share capital	Share premium reserve	Hybrid bonds	Retained earnings incl. profit for the year	
Opening equity, Jan 1, 2020	84	8		4,868	4,960
Transactions with the company's shareholders					
New share issue	8	1,327		–	1,335
Issue costs		–8			
Buyback of warrants					
Total transactions with the company's shareholders	8	1,318		–	1,327
Profit for the year	–	–		2,171	2,171
Closing equity, Dec 31, 2020	92	1,326		7,039	8,458
Opening equity, Jan 1, 2021	92	1,326	–	7,039	8,458
Transactions with the company's shareholders					
New share issue	3	747	–	–	750
Issue costs	–	–7	–	–	–7
Issue of hybrid bonds	–	–	800	–	800
Interest and other expenses on hybrid bonds	–	–	–	–9	–9
Dividends resolved	–	–	–	–753	–753
Issue of warrants	–	3	–	–	3
Total transactions with the company's shareholders	3	743	800	–762	784
Profit for the year	–	–	–	2,223	2,223
Closing equity, Dec 31, 2021	96	2,069	800	8,500	11,464

PARENT COMPANY STATEMENT OF CASH FLOWS

MSEK	Note	2021	2020
Operating activities			
Profit before appropriations		2,162	2,128
Adjustments for non-cash items	22	-1,962	-1,850
Income tax paid		-3	-
Cash flow from operating activities before changes in working capital		196	278
Cash flow from changes in working capital			
Increase (-)/decrease (+) in operating receivables		-2	3
Increase (+)/decrease (-) in operating liabilities		142	4
Cash flow from operating activities		336	285
Investing activities			
Change in loans to Group companies		-4,952	-2,284
Change in loans from Group companies		3,594	576
Cash flow from investing activities		-1,358	-1,708
Financing activities			
Issue of shares/warrants		744	1,327
Issue of hybrid bonds		793	-
Dividends to shareholders		-752	-
Issue of bond loans		1,000	-
Repayment of bond loans		-628	-
Cash flow from financing activities		1,157	1,332
Cash flow for the year		135	-91
Cash and cash equivalents at the beginning of the year		145	236
Cash and cash equivalents at the end of the year		280	145

NOTES TO THE FINANCIAL STATEMENTS

NOTES TO THE FINANCIAL STATEMENTS

NOTE 1

GENERAL INFORMATION

Nyfosa AB, Corporate Registration Number 559131-0833, is a public limited liability company with its registered office in Nacka. The company's share has been traded on the Large Cap segment of Nasdaq Stockholm since November 23, 2018. The Annual Report and consolidated financial statement were approved for issue by the Board of Directors and the CEO on March 14, 2022. The consolidated statement of profit/loss, statement of profit/loss and other comprehensive income and statement of financial position as well as the Parent Company statement of profit/loss and statement of financial position will be adopted at the Annual General Meeting on April 19, 2022.

NOTE 2

SIGNIFICANT ACCOUNTING POLICIES

Compliance with standards and legislation

The consolidated financial statement have been prepared in accordance with the International Financial Reporting Standards (IFRS), issued by the International Accounting Standards Board (IASB) as adopted by the EU. The Swedish Financial Reporting Board's recommendation RFR 1 Supplementary Accounting Rules for Groups has also been applied. The Parent Company applies the same accounting policies as the Group except for the cases stated below in the section "Parent Company accounting policies."

Accounting policies for the combined financial statements

Nyfosa AB was registered with the Swedish Companies Registration Office on October 27, 2017 and was dormant until December 2017. Nyfosa AB acquired 122 companies (indirectly) at carrying amount from various subsidiaries of Hemfosa Fastigheter AB between December 2017 and May 2018. The acquired companies are primarily property-owning companies, but also holding companies. Since the operations have not historically formed a Group according to the IFRS definition, there are no consolidated financial statements for the periods prior to May 2018. Accordingly, the historical financial information for the periods prior to December 31, 2017 have been prepared as combined financial statements for Nyfosa AB and its subsidiaries. The accounting policies for the combined financial statements are presented in Note 2 Significant accounting policies on page F-37 of the prospectus "Admission to trading of the shares in Nyfosa AB on Nasdaq Stockholm."

Measurement basis applied to the preparation of the financial statements

Assets and liabilities are recognized at historical cost, except for fixed-income derivative instruments and investment properties that are measured at fair value.

Functional currency and presentation currency

The functional currency for the Parent Company is Swedish kronor (SEK), which is also the presentation currency for the Parent Company and the Group. This means that the financial statements are presented in SEK. All amounts, unless otherwise stated, are rounded to the nearest million.

Judgements and estimates in the financial statements

The preparation of the financial statements in accordance with IFRS requires that company management make judgements and estimates, and make assumptions that affect the application of the accounting policies and the amounts of assets, liabilities, income and expenses recognized. The actual outcome may deviate from these judgements and estimates. Estimates and assumptions are reviewed regularly. Changes in estimates are recognized in the period in which the change is made if the change only affects that period, or in the period in which the change is made and future periods if the change affects the period in question and future periods. Judgements made by company management in the application of IFRS that have a significant impact on the financial statements and estimates made that may entail significant adjustments in the following year's financial statements are described in more detail in Note 23.

Significant accounting policies applied

The accounting policies described below were applied consistently to all periods presented in the consolidated financial statements. The Group's accounting policies were also consistently applied by the Group's companies.

New accounting policies and new revised standards approved by the EU**New standards that came into effect in 2021**

No new or amended standards came into effect or were implemented in 2021.

New standards and interpretations that come into effect in 2022 and beyond

Other new and amended standards and interpretations from the IFRS Interpretations Committee are not currently deemed to have a material impact on Nyfosa's earnings or financial position.

Classification etc.

Non-current assets and non-current liabilities essentially comprise amounts expected to be recovered or paid more than 12 months after the balance-sheet date. Virtually all significant current assets and current liabilities in the Parent Company and Group consist of amounts expected to be recovered or paid within 12 months of the balance-sheet date.

Operating segment reporting

Nyfosa's operations comprise one operating segment, that is to say, the operations comprise a business that generates income and expenses and whose operating profit is regularly assessed by the company's chief operating decision maker as a basis for monitoring earnings and allocating resources.

Consolidation principles**Subsidiaries**

Subsidiaries are companies that are under the controlling influence of Nyfosa. Controlling influence is achieved when Nyfosa has control over the investment object, is exposed or entitled to a variable return from its holding in the company and can exercise control over the investment to influence the return. When assessing whether controlling influence exists, potential vote-carrying shares are taken into account, as is whether the company has de facto control. Acquisitions of companies can be classified either as business combinations or as asset purchases according to IFRS 3. This is an individual assessment that is made for each individual acquisition. Should the corporate acquisition essentially only comprise property(ies) and not significant processes, the acquisition is classified as an asset purchase. Other

NOTE 2 cont.

corporate acquisitions are classified as business combinations and thus include strategic processes associated with the operation. In the case of an asset purchase, deferred tax attributable to the property acquisition is not recognized. Instead, a possible discount for non-tax-deductible cost reduces the property's cost. During subsequent measurement of an acquired property at fair value, the tax discount will be replaced in full or in part by a recognized change in value of the property. When selling an asset subject to a tax discount, a negative change in value will arise, which matches in full or in part the tax discount provided. Acquisitions conducted to date have been assessed as constituting asset purchases. When acquisitions of subsidiaries entail an acquisition of net assets that do not constitute an operation, the cost is allocated to the individual identifiable assets and liabilities based on their fair value on the acquisition date. Transaction costs are added to the cost of the acquired net assets. Non-controlling interests arise if the acquisition is not for 100 percent of the subsidiary. Non-controlling interests can be recognized in two ways. These two alternatives are recognizing the non-controlling interests' proportionate share of net assets or measuring the non-controlling interests at fair value, meaning that the non-controlling interests have a share of goodwill. The choice between the two options for recognizing non-controlling interests is made on a case-by-case basis.

Subsidiaries are consolidated according to the acquisition method. This method entails regarding the acquisition of a subsidiary as a transaction through which the Group indirectly acquires the assets of the subsidiary and assumes its liabilities and contingent liabilities. The consolidated cost is determined on the basis of an acquisition analysis carried out in connection with the acquisition. The acquisition analysis determines the fair value of the identifiable assets, assumed liabilities and any non-controlling interests on the date of acquisition.

The financial statements of subsidiaries are included in the consolidated financial statement from the date of acquisition until the date when control ceases.

Non-controlling interests

In non-wholly owned subsidiaries, non-controlling interests are recognized as external shareholders' share of the subsidiary's equity. This item is included as part of Nyfosa's equity. The share attributable to non-controlling interests is included in profit or loss. Disclosures on the share of earnings attributable to non-controlling interests are recognized through profit or loss. The effects of transactions with non-controlling interests are recognized in equity if they do not entail a change in the controlling interest.

Translation of foreign operations

The financial statements for each of the foreign subsidiaries are recognized in the functional currency, which is the local currency in which operations are conducted. In accordance with IAS 21 The Effects of Changes in Foreign Exchange Rates, Nyfosa considers the EUR to be the functional currency for operations in Finland and the NOK to be the functional currency for the operations in Norway. When preparing the consolidated financial statements, the balance sheets of the Group's subsidiaries are translated from their functional currency to SEK based on the exchange rates on the balance-sheet date. Income and expense items are translated at the average rates for the year. Any translation differences arising are recognized in other comprehensive income and as a change in reserves in the Group's equity. Accumulated translation differences are recognized in profit or loss when the foreign operations are divested.

Joint ventures

For accounting purposes, joint ventures are defined as companies in which the Group has common control through cooperation agreements with one or more partners, whereby the Group is entitled to the net assets rather than a direct right to assets and commitments

pertaining to liabilities. In the consolidated financial statements, holdings in joint ventures are consolidated in accordance with the equity method. The equity method entails that the carrying amount of the share in joint ventures recognized in the consolidated financial statements corresponds to the Group's share of the joint ventures' equity as well as consolidated goodwill and any other remaining consolidated surpluses or deficits. The Group's share of the profit of joint ventures adjusted for any depreciation/amortization, impairment and dissolution of acquired surpluses or deficits is recognized in the Group's profit for the year as "Share in profit of joint ventures." These shares in profit less dividends received from joint ventures comprise the main change in the carrying amount of participations in joint ventures. The Group's share of other comprehensive income in joint ventures is recognized on a separate line in the Group's other comprehensive income. Any differences arising from the acquisition between the cost of the holding and the owner company's share of the net fair value of the joint venture's identifiable assets and liabilities are recognized in accordance with the same policies as for acquisitions of subsidiaries. Transaction costs that arise are included in cost. When the Group's share of recognized losses in joint ventures exceeds the carrying amount of the participations in the Group, the value of the participations is reduced to zero. Losses are also deducted against non-current financial balances without collateral, which in terms of the economic significance comprise part of the owner company's net investment in joint ventures. Continued losses are not recognized unless the Group has provided guarantees to cover losses arising in joint ventures. The equity method is applied until the date on which the significant influence ceases.

Transactions eliminated on consolidation

Intra-group receivables and liabilities, income and expenses, and unrealized gains or losses arising from transactions between Group companies are eliminated in their entirety when the consolidated financial statements are prepared. Unrealized gains arising from transactions with joint ventures are eliminated to the extent corresponding to the Group's participating interest in the company. Unrealized losses are eliminated in the same manner as unrealized gains, but only insofar as no impairment is required.

Rental income

Rental income encompass all types of rental income including such additions as property tax, heating, etc. Rental income is recognized straight line in profit or loss based on the conditions of the agreement. The total cost for rent discounts provided are recognized as a decrease in rental income straight line over the lease term. Leases are classified as operating leases.

Other property income

Other property income comprises onward invoiced costs, insurance compensation received and damages and compensation received from the government's rental discount scheme during the year.

Gains/losses from property sales

Gains/losses from the sale of properties and shares and participations in property-owning companies are recognized under the heading "Changes in value of properties, realized" and correspond to the difference between the obtained selling price less selling expenses and the most recent carrying amount, plus investments implemented following the latest value date. Income from property sales is recognized on the date of taking possession, unless the risks and benefits have been transferred to the buyer on an earlier occasion. If the risks and benefits have been transferred, the property sale is recognized at the earlier date. In assessing the date of revenue recognition, agreements between the parties governing risks and benefits, as well as involvement in ongoing management, are taken into account.

NOTE 2 cont.

Circumstances beyond the control of the seller and/or buyer that could affect completion of the transaction are also taken into consideration. Any provisions for such items as non-invoiced selling expenses or other remaining costs attributable to the transaction conducted are made on the sales date.

Other operating income

Other operating income refers to income from secondary activities in the normal business operations such as capital gains on tangible assets, exchange-rate gains on receivables and operating liabilities.

Financial income and expenses

Financial income comprises interest income on invested funds. Interest income is recognized at the rate in which it is earned. Financial expenses refer to interest, fees and other expenses arising when Nyfosa takes up interest-bearing liabilities. From 2019, this also includes lease expenses and ground rent. Financial expenses are charged to profit or loss for the period to which they are attributable. Derivatives are utilized to financially hedge the risks of interest-rate exposure to which the Group is exposed. Interest payments regarding fixed-income derivatives are recognized as interest expenses in the period to which they refer. Other changes in the fair value of fixed-income derivatives are recognized on a separate line in profit or loss.

Taxes

Income tax comprises current tax and deferred tax. Income tax is recognized in profit or loss except when the underlying transaction is recognized in other comprehensive income or in equity.

Current tax is tax that is to be paid or received in the current year, with the application of the tax rates that have been decided or are decided in practice on the balance-sheet date. Current tax also includes adjustments of current tax attributable to prior periods.

Deferred tax is calculated in accordance with the balance-sheet method, based on temporary differences between carrying amounts and tax bases of assets and liabilities. Temporary differences are not recognized for differences arising on initial reporting of assets and liabilities that are not business combinations that, at the time of the transaction, affect neither recognized nor taxable earnings. Temporary differences attributable to participations in subsidiaries and joint ventures that are not expected to be reversed in the foreseeable future are also not taken into consideration. The valuation of deferred tax is based on how the underlying assets or liabilities are expected to be realized or settled. Deferred tax is calculated with the application of the tax rates and tax rules established or decided in practice on the balance-sheet date. Deferred tax assets on deductible temporary differences and loss carryforwards are only recognized to the extent that it is likely that it will be possible to utilize these. Changes in the deferred tax asset/tax liability are recognized in profit or loss as deferred tax. Deferred tax assets and tax liabilities are offset where they relate to income tax levied by the same authority and where the Group intends to settle the tax in a net amount.

Financial instruments

Financial instruments recognized in the statement of financial position include such assets as cash and cash equivalents, rent and accounts receivables and derivatives. Liabilities include accounts payable, loans and notes payable, as well as derivatives.

Recognition in and derecognition from the statement of financial position

A financial asset or financial liability is recognized in the statement of financial position when the company becomes party to it in accordance with the instrument's contractual conditions. A receivable is recognized when the Group has performed and a contractual obligation for the counterparty to pay exists, even if an invoice has not been

sent. Accounts receivable are recognized in the statement of financial position when an invoice has been sent. A liability is recognized when the counterparty has performed and a contractual obligation for the company to pay exists, even if an invoice has not yet been received. Accounts payable are recognized when the invoice has been received. A financial asset is derecognized from the statement of financial position when the rights in the contract are realized, have matured or the company loses control over them. The same applies to portions of a financial asset. A financial liability is derecognized from the statement of financial position when the obligation in the contract is met or eliminated in another manner. The same applies to a portion of a financial liability. A financial asset and a financial liability are offset and recognized in a net amount in the statement of financial position only when a legal right exists to offset the amounts and there is an intention to settle the item in a net amount or to simultaneously realize the asset and settle the liability. Acquisitions and divestments of financial assets are recognized on the date of transaction, meaning the date on which the company undertakes to acquire or divest the asset.

Classification and measurement

Financial instruments, which are not derivatives, are initially recognized at cost, corresponding to the fair value of the instrument plus transaction costs. Derivatives are initially measured at fair value without additions or deductions for transaction costs; transaction costs are recognized in profit or loss. The Group's financial instruments have been classified and measured as described below.

Financial assets measured at amortized cost

This category primarily includes cash and cash equivalents, rent receivables and other receivables. The business model comprises generating value by receiving contractual payments. Measurement is carried out at amortized cost by applying the effective interest method. The Group's credit loss reserves (loss allowance) are based on the company's expectations of tenants' payment capacity. The loss allowance totals an insignificant amount due to the short terms of the receivables.

Financial liabilities measured at amortized cost

Financial liabilities in this category primarily refer to loans, accounts payable and other liabilities. Other financial liabilities are measured at amortized cost by applying the effective interest method. Interest expenses and exchange-rate gains and losses are recognized in profit or loss.

Financial assets and liabilities measured at fair value through profit or loss

Derivative instruments are measured at fair value through profit or loss. Hedge accounting is not applied to fixed-income derivatives.

Hybrid bonds

Hybrid bonds of a total of MSEK 800 under a framework of MSEK 2,000 were issued during the fourth quarter of 2021. The hybrid bonds are perpetual and Nyfosa governs the payment of interest and the principal of the instruments, which is why they are classified as equity instruments under IAS 32. Issue costs and tax attributable to issue costs and interest to the hybrid bond holders are recognized directly in equity. The bonds have a floating interest rate of 3M STIBOR + 475 basis points per annum until the first call date of November 18, 2025.

Leases

Leases under which the lessor accounts for essentially all risks and benefits associated with ownership are classified as operating leases. All leases attributable to investment properties are to be considered operating leases. Refer to the policy on income for information on recognition of these leases.

NOTE 2 cont.

From January 1, 2019, Nyfosa recognizes right-of-use assets and lease liabilities in accordance with IFRS 16 for most leases, except for leases that are deemed to be immaterial.

Tangible assets

Tangible assets comprise equipment that has been recognized at cost less accumulated depreciation and any impairment. Cost includes the purchase price and costs directly attributable to transport the asset to the correct site and to prepare it for the manner intended by the acquisition. Depreciation takes place straight line over the estimated useful life of the asset. The estimated useful lives are: Equipment 5–10 years. The asset is depreciated from the acquisition date. The useful life is the period during which the asset is expected to be available for use in the Group.

Investment properties

Investment properties are properties held for the purpose of receiving rental income or an increase in value or a combination of the two. Properties under construction and conversion intended to be used as investment properties when the work is completed are also classified as investment properties.

Measurement

Investment properties are initially recognized at cost, which includes expenses directly attributable to the acquisition such as expenses for land registration and taking out mortgage deeds. Investment properties are measured at fair value in the statement of financial position. Fair value is based on the valuations of independent appraisers with recognized qualifications and satisfactory expertise in the valuation of properties of this type and in the relevant locations. All properties are valued every quarter. The properties are also inspected if they have not been visited by the appraisers for the last two years. Fair value is based on market value, which is the amount estimated to be received in a transaction at the time of valuation between knowledgeable parties who are independent of each other and who have an interest in the transaction being carried out after customary marketing in which both parties are assumed to have acted with insight, common sense and without coercion. Additional expenses are capitalized only when it is probable that the Group will receive future financial benefits associated with the asset and the expenses can be reliably determined. All other additional expenses are recognized as a cost in the period in which they arise. Critical to the assessment when an additional expense is added to the carrying amount is whether the expense refers to the replacement of identified components, or parts thereof, in which case such expenses are capitalized. Borrowing costs directly attributable to the purchase, construction or production of assets that take a considerable amount of time to complete for their intended use or sale are included in cost. For the Nyfosa Group, this is mainly the case in conjunction with the construction of or major conversion projects for investment properties. Borrowing costs are calculated based on the financial requirements of the project and the Group's borrowing costs. Borrowing costs comprise interest and other expenses arising when a company borrows money. Other repair and maintenance costs are expensed in the period in which they occur. Both unrealized and realized changes in value are recognized in profit or loss, after profit from property management. Rental income and income from property sales are recognized in accordance with the policies described in the section on revenue recognition. A description of the measurement method applied, material input data in value measurements and the level in the fair value hierarchy that applies to the various components of the property portfolio is presented in Note 13.

Dividends

Dividends are recognized as a liability after the Annual General Meeting has approved the dividend.

Earnings per share

The calculation of earnings per share before dilution is based on profit for the year in the Group attributable to the Parent Company's shareholders, less interest on hybrid bonds, in relation to the weighted average number of shares outstanding during the year.

When calculating earnings per share after dilution, the weighted average number of shares is increased if the subscription price of the options in the Group's incentive program during the reporting period have been lower than the average share price for the period. If there is a small difference between the subscription price and the average share price for the period, the dilutive effect is small. If there is a large difference in price, then the effect is greater.

Employee benefits**Defined-contribution pension plans**

The Nyfosa Group has only defined-contribution pension plans. Defined-contribution pension plans are those plans in which the company's obligation is limited to the contributions the company undertakes to pay. In such cases, the amount of the employee's pension depends on the contributions that the company pays to the plan or to an insurance company and the return generated by the contribution. Consequently, it is the employee who bears the actuarial risk (that remuneration can be lower than expected) and the investment risk (that the invested assets may be insufficient for the expected remuneration). The company's obligations regarding contributions to defined-contribution plans are recognized as an expense in profit or loss at the rate in which they are earned by employees performing services for the company during a period.

Short-term remuneration

Short-term remuneration such as salaries to employees is calculated without discounting and is recognized as an expense when the related services are received. A provision is recognized for the anticipated cost of bonus payments and when the Group has a valid legal or informal duty to make such payments as a result of services received from employees and when the obligation can be reliably calculated.

Severance pay

A liability and expenses for severance pay are recognized at the earliest of the following times:

- When the company can no longer withdraw the offer of such remuneration
- When the company recognizes restructuring expenses that are within the scope of IAS 37 and encompass employee benefits.

When remuneration is provided to employees due to the employee having accepted an offer of remuneration in exchange for terminating employment, the time at which the company can no longer withdraw the offer of remuneration is the earliest of the following times:

- When the employee accepts the offer, meaning signs a contract.
- When a limit to the company's ability to withdraw the offer comes into effect.

Incentive programs

Employees have acquired warrants at fair value under the framework of incentive programs. These warrants entitle the holder to purchase shares in Nyfosa at a certain subscription price. The company subsidizes by paying a cash bonus portion of the participant's premium. This subsidy corresponds to the amount that the participant decides to invest in each incentive program, up to a guaranteed level. However, no compensation is paid for the participant's tax expense, which means in practice that, through this premium subsidy, the company provides a cost cover contribution in each program that after tax paid corresponds to approximately 50 percent of the participant's

NOTE 2 cont.

acquisition costs. The subsidy is paid on two occasions, 50 percent each time, during the term of each program.

The incentive programs are deemed to comprise an equity-based, share-based remuneration for which no expenses are recognized since fair value has been paid. Disclosures are provided on the share-based remuneration. Since the bonus amount is not dependent on the value of the share – but instead on the amount paid – an expense is recognized in profit or loss during the term of the bonus liability.

Provisions

A provision differs from other liabilities since there is uncertainty regarding the date of payment and the amount for settling the provision. A provision is recognized in the statement of financial position when there is an existing legal or informal obligation as a result of an event that has occurred, and it is probable that an outflow of financial resources will be required to settle the obligation, and a reliable estimate of the amount can be made. The provision is posted in an amount that represents the best estimate of what will be required to settle the existing obligation on the balance-sheet date. Where the effect of when a payment is made is significant, provisions are calculated through the discounting of the anticipated future cash flow at an interest rate before tax that reflects current market assessments of the time value of money and, if applicable, the risks related to the liability.

Contingent liabilities

A contingent liability is recognized when there is a possible commitment originating from events that have occurred and whose occurrence will be confirmed only by one or several uncertain future events or when there is a commitment that is not recognized as a liability or provision because it is probable that an outflow of resources will be required.

Parent Company accounting policies

A statement of profit/loss and a statement of profit/loss and other comprehensive income are presented for the Parent Company. For the Group, these two statements jointly comprise the statement of profit/loss and other comprehensive income. The Parent Company statement of profit/loss and statement of financial position have been prepared in accordance with the format stated in the Annual Accounts Act, while the statement of profit/loss and other comprehensive income, statement of changes in equity and statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows.

Differences between the Group's and the Parent Company's accounting policies

The differences between the Group's and the Parent Company's accounting policies are described below.

Future changes to accounting policies

Unless otherwise stated below, the Parent Company's accounting policies were changed in 2021 in accordance with what is stated above for the Group.

Classification and measurement of financial instruments

The Parent Company has chosen not to apply IFRS 9 to financial instruments. However, some of the principles in IFRS 9 are applicable, such as impairment, recognition/derecognition and the effective interest method for interest income and interest expenses.

In the Parent Company, financial non-current assets are measured at cost less any impairment and financial current assets according to the lowest value principle. The IFRS 9 impairment rules are applied to financial assets measured at amortized cost. Impair-

ment of unlisted shareholdings that are not holdings in subsidiaries or joint ventures is recognized if the present value of expected future cash flows are lower than the carrying amount. The Parent Company does not have any listed shares.

Classification and presentation format

The Parent Company statement of profit/loss and statement of financial position have been prepared in accordance with the format stated in the Annual Accounts Act, while the consolidated statement of profit/loss, statement of profit/loss and other comprehensive income, statement of financial position, statement of changes in equity and statement of cash flows are based on IAS 1 Presentation of Financial Statements and IAS 7 Statement of Cash Flows. The differences compared with the consolidated financial statements that appear in the Parent Company statement of profit/loss and statement of financial position primarily relate to the recognition of non-current assets and equity.

Subsidiaries

Participations in subsidiaries are recognized in the Parent Company according to the cost method. This means that transaction costs are included in the carrying amount for holdings in subsidiaries. Conditional purchase considerations are measured based on the probability of the purchase consideration being paid. Any changes to the provision/receivable adjust the cost.

Borrowing costs

In the Parent Company, borrowing costs are charged to profit or loss for the period to which they are attributable.

Group contributions

Group contributions that the Parent Company receives from subsidiaries or pays to subsidiaries are recognized as appropriations in the statement of profit/loss.

Financial guarantees

The Parent Company's financial guarantees primarily comprise guarantees for subsidiaries. Financial guarantees entail that the company has a commitment to reimburse the holder of a debt instrument for losses incurred by the holder due to a named debtor not making payment when due according to the contractual terms. The Parent Company applies an exception rule, compared with the IFRS 9 rules, for the recognition of financial guarantees, as approved by the Financial Reporting Board. This exception rule refers to financial guarantees issued for subsidiaries. The Parent Company recognizes financial guarantees as provisions in the statement of financial position when the company has a commitment for which payment will probably be required to settle it.

Leases

The principles for leases under IFRS 16 are not applied by the Parent Company. The Parent Company applies the exemption in RFR 2, which means that the Parent Company recognizes existing leases in the same manner as in prior years.

Participations in joint ventures

The Parent Company held participations in joint ventures until 2021. The amount in the statement of financial position corresponded to the expense for acquiring the participations. The cost included expenses that are directly attributable to the acquisition, in addition to the purchase price.

NOTE 3

FINANCIAL RISKS AND RISK MANAGEMENT

The Group is exposed to various financial risks through its business activities. These are market, liquidity and credit risk attributable to financial instruments.

The company's finance policy states the mandate and guidelines for managing financial risks and capital management.

In order to minimize interest-rate and funding risks, the bullet points below act as guidelines for Nyfosa's finance policy:

- The company's total loan-to-value ratio may not exceed 65 percent
- The company's interest-payment capacity may not be lower than an interest-coverage multiple of 2
- The company must have at least four main creditors
- Not more than 25 percent of the loan liability may fall due for renegotiation during the same 12-month period
- The average term for the loans may not be shorter than 1.5 years.

The basis for the company's choice of strategy for managing interest-rate risk comprises the choice of an interest-rate maturity strategy for the loans combined with a selection of derivative instruments to alter the interest-rate risk.

The financial risk limits are continuously monitored by quarterly reports to the Board.

Surplus liquidity is to be invested in low-risk liquid assets until such time as the funds can be used for investments. Liquidity is only to be used for accelerated repayments if no investments or acquisitions are planned for the foreseeable future.

None of the companies in the Group itself are under any external capital requirements.

Interest-rate risk

Variations in market interest rates have a material impact on Nyfosa's earnings, meaning that managing interest-rate risk is a key part of the finance department's work.

For Nyfosa, interest-rate risk primarily pertains to the risk of excessively high interest expenses and thus lower earnings due to market interest rates. Interest-rate risk refers to the risk of choosing too high a percentage of fixed-rate periods in a scenario of falling rates or sustained low variable rates.

Fixed-rate periods

MSEK	Dec 31, 2021				Dec 31, 2020			
	Overdraft facilities ¹	Interest-rate cap	Amount	Share, %	Overdraft facilities ¹	Interest-rate cap	Amount	Share, %
<1 year	21,149	-7,925	13,224	63	17,154	-8,125	9,029	53
1-2 years	0	1,575	1,575	7	0	1,200	1,200	7
2-3 years	0	4,008	4,008	19	0	1,575	1,575	9
3-4 years	0	2,342	2,342	11	0	4,008	4,008	23
>4 years	0	0	0	0	0	1,342	1,342	8
Total	21,149	0	21,149	100	17,154	0	17,154	100

¹) The loans comprise undiscounted amounts. The interest-bearing liabilities in the statement of financial position include arrangement fees.

Liquidity and refinancing risk

Liquidity risk is the risk of not having sufficient payment capacity in the short and the long term to honor the Group's payment obligations. The finance department provides short-term liquidity forecasts on a week-by-week basis and also long-term rolling 12-month liquidity forecasts. The forecasts are updated continuously on a weekly and quarterly basis.

The Group has overdraft facilities to ensure flexible cash management and to effectively deal with peaks and troughs in payment streams.

The basis for the company's choice of strategy for managing interest-rate risk comprises the choice of an interest-rate maturity strategy for the loans combined with a selection of derivative instruments to alter the interest-rate risk.

The maturity structure of the loan portfolio, including derivative instruments, is to be a balance between short and long fixed-rate periods. Expected interest expenses and risks as well as the company's prospects and financial trend are assessed in order to determine the strategy for managing interest-rate risk. The strategy chosen is to be described in the normal portfolio.

The normal portfolio is the maturity structure of the fixed-rate periods that has been chosen as a benchmark, taking into consideration the company's economic and financial position and risk appetite. The finance function continuously monitors the outcome of the company's actual loan portfolio in relation to the normal portfolio. The normal portfolio and intervals for maximum deviations and interest-rate risk mandates are stipulated in the finance policy.

Derivative instruments

In its risk management, Nyfosa may use derivative instruments linked to the underlying loan portfolio. Derivative instruments are used only as a tool for risk management.

The derivatives comprise interest-rate caps recognized as the present value of the expected flows during the remaining maturity of the position. The estimated flows are calculated by viewing the strike level and forward rates of 3-month STIBOR and their volatility. If the forward rates (or the volatility) decline, the value of the derivative will decrease.

MSEK	Change	2021	2020
Interest expenses assuming changed interest rates with current fixed-rate periods ¹	+/-1%	+174/-19	+149/-5
Interest expenses assuming change in average interest rate ²	+/-1%	+/-211	+/-172
Revaluation of fixed-income derivatives attributable to shift in interest rate curves	+/-1%	+/-28	+/-7

¹) Taking into account derivative agreements.

²) Today's average rate, taking into account derivative agreements, increases/decreases by 1% Increase/decrease does not take into account eventual effects of the derivative portfolio.

Refinancing risk is the risk that financing or refinancing of the company's liabilities or operations cannot be obtained to the same extent or can only be obtained at a significantly higher cost. According to the finance policy, existing and prospective financiers are engaged in continuous discussions to ensure that the necessary financing can be obtained in all situations.

NOTE 3 cont.

Maturity structure, interest-bearing liabilities

MSEK	Dec 31, 2021			Dec 31, 2020		
	Loan maturity ^{1,2}	Share, %	Interest, loans	Loan maturity ^{1,2}	Share, %	Interest, loans
<1 year	4,352 ³	21	358	695	4	323
1–2 years	2,254	11	303	4,948	29	266
2–3 years	7,289	34	222	2,419	14	204
3–4 years	4,602	22	70	6,435	38	140
>4 years	2,651	13	30	2,658	15	13
Total	21,149	100	983	17,154	100	946

1) The loans comprise undiscounted amounts. The interest-bearing liabilities in the statement of financial position include arrangement fees.

2) Refers to final payment of the loan principal outstanding on the balance-sheet date, not including ongoing repayments.

3) After the end of the year, the company signed an interest-rate cap, resulting in an average fixed-rate period of 1.3 years.

In addition to the financial liabilities whose undiscounted cash flows are presented in the table above, Nyfosa holds 40 site leasehold agreements whose annual ground rent amounts to MSEK 8 undiscounted. These leases are considered to be perpetual by Nyfosa since Nyfosa does not have the right to terminate them. The site leasehold agreements are normally renegotiated at intervals of 10–20 years for the Swedish agreements, which will have an effect on the amount of ground rent.

Credit risk

Credit risk is the risk that a counterparty may be unable to fulfill its commitments, thus resulting in a loss. Nyfosa has a wide spread of risks in its contract portfolio based on a large number of leases (6,819). The company has a small number of dominant tenants, with the ten largest tenants representing 12 percent of total rental income distributed between 208 leases. This means that exposure to the credit risk of individual tenants is very low. Tenants are notified of rents and these are paid in advance, which means that all of Group's rent receivables of MSEK 14 (13) have fallen due for payment.

Cash and cash equivalents are only deposited in accounts with Nordic banks and credit institutions that have a credit rating of at least A- (S&P) or A3 (Moody's).

Items in the statement of financial position corresponding to the amount of credit risk

MSEK	Dec 31, 2021	Dec 31, 2020
Rent receivables	14	13
Current receivables	100	37
Cash and cash equivalents	534	312
Total	648	362

Offsetting of financial instruments

To limit counterparty risk, Nyfosa has entered into standardized netting agreements (ISDA agreements) with all derivative counter-

parties, which entails that in the event of the counterparty becoming insolvent or another incident arising Nyfosa can offset outstanding derivatives with positive and negative values.

MSEK	Financial assets		Financial liabilities	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Carrying amount in the statement of financial position	22	3	–	–
Amount encompassed by netting	–	–	–	–
Amount after netting	22	3	–	–

Currency risk

Nyfosa has invested in properties in the Finnish and Norwegian markets and is thus exposed to currency risk. The presentation currency is SEK and all balance-sheet items in EUR have been translated to SEK. Translation differences may have a material impact on the Group's operations, financial position and operating earnings in SEK. Currency risk is managed by financing acquisitions of properties in EUR by raising borrowings in EUR. Transaction exposure in the Group is managed by matching income and expenses in the same currency.

Currency exposure comprises net assets in EUR. In accordance with IAS 21, exchange rate effects for foreign operations are recognized under the heading Other comprehensive income. Others exchange rate effects are recognized in profit or loss. Net assets in foreign currency amounted to MEUR 141 and MNOK 0 on December 31, 2021.

Sensitivity analysis

Earnings effect of exchange rate fluctuations, MSEK	Change	Dec 31, 2021	Dec 31, 2020
SEK/EUR	+/-10%	+/-144	–
SEK/NOK	+/-10%	+/-0	–

NOTE 4

OPERATING SEGMENTS

Nyfosa's operations comprise one operating segment, that is to say, Nyfosa's operations comprise a business that generates income and expenses and whose operating profit is regularly assessed by the company's management and Board as a basis for monitoring earnings and allocating resources. Nyfosa primarily has operations

in Sweden but also in Finland. Total income for the Group in 2021 amounted to MSEK 2,459 (2,035), of which MSEK 2,359 (2,035) referred to Sweden and MSEK 101 (–) to Finland. No one tenant accounts for more than 10 percent of rental income.

NOTE 5

LEASES

The Group as lessor

The total rental value amounted to MSEK 3,017, of which vacancy rent was MSEK 164. The share of rental income connected to the consumer price index (CPI) corresponded to 90 percent of total rental income. On December 31, 2021, Nyfosa had 6,819 leases including 2,607 leases for garages and parking spaces. Nyfosa has only a small number of dominant tenants. The ten largest tenants represent only 12 percent of total rental income and are distributed between 208 leases, which means that Nyfosa's exposure to the

credit risk of individual tenants is very low. Tenants are notified of rents and these are paid in advance, which means that all of Group's rent receivables of MSEK 14 (13) have fallen due for payment.

Nyfosa leases out its investment properties under operating leases. The average remaining lease term at year-end 2021 was 3.9 years (3.7). Leases expiring during the year ahead are expected to be renegotiated at corresponding rent levels. Contractual rental income expires as shown in the table below.

Maturity structure of contractual leases

Year of expiry	Dec 31, 2021			Dec 31, 2020		
	Contractual annual rent	Share, %	No. of leases	Contractual annual rent	Share, %	No. of leases
<1 year	463	16	3,593	315	14	2,909
1–2 years	621	22	1,429	503	22	1,088
2–3 years	429	15	731	430	19	889
3–4 years	415	15	549	366	16	563
4–5 years	227	8	178	159	7	122
>5 years	672	24	339	510	22	234
Total	2,827	100	6,819	2,282	100	5,805¹

1) Including a total of 2,493 leases (1,095) for garages and parking spaces.

Contractual future rental income from existing leases

MSEK	Dec 31, 2021	Dec 31, 2020
Contractual income due for payment within one year	2,643	1,938
Contractual income due for payment between one and five years	5,627	4,096
Contractual income due for payment after five years	2,626	1,568

The Group's rental income includes service income of MSEK 167 (123), corresponding to 6.9 percent (6.1) of rental income.

The Group as lessee

Nyfosa is the lessee of passenger cars and site leaseholds. Payments of lease payments for passenger cars are expensed in profit or loss straight-line over the term.

Ground rent

Ground rent pertains to the annual fee that the owner of a building on municipally owned land has to pay to the municipality. The charge

for these leaseholds is currently calculated so that the municipality receives real interest on the estimated market value. The ground rent is allocated over time and is normally renegotiated at intervals of ten to 20 years for the Swedish ground rent. In Finland, site leasehold agreements are not renegotiated in the same way as in Sweden. Instead they are subject to annual indexation until the end of the agreement. Nyfosa has 40 site leasehold agreements, of which 23 will be renegotiated within the next five years. Ground rent costs in 2021 totaled MSEK 7 (5).

On the balance-sheet date, Nyfosa had a total lease liability of MSEK 237, based on interest of 3.25 percent. Refer to Note 20 for the maturity of the lease liability.

Agreed ground rent

MSEK	2021	2020
Within 1 year	8	5
Between one and five years	22	14
Longer than five years	58	4
Total	88	23

NOTE 6

OTHER PROPERTY INCOME

Other property income comprises onward invoiced costs, insurance compensation received and damages.

NOTE 7

OPERATING EXPENSES SPECIFIED BY COST TYPE

MSEK	2021	2020
Operating expenses	439	324
Maintenance costs	167	140
Property tax	112	93
Other external costs	118	108
Personnel costs	101	86
Depreciation/amortization	1	1
Damages	–	30
Total operating expenses	937	783

NOTE 8

EMPLOYEES, PERSONNEL COSTS AND REMUNERATION OF SENIOR EXECUTIVES

<i>Group</i>			<i>Parent Company</i>		
MSEK	2021	2020	MSEK	2021	2020
Management			Management		
Salaries and other remuneration, etc.	15	17	Salaries and other remuneration, etc.	15	17
Pension costs, defined-contribution plans	2	3	Pension costs, defined-contribution plans	2	3
Social security contributions	5	6	Social security contributions	5	6
Of which, CEO			Of which, CEO		
Salaries and other remuneration, etc.	5	4	Salaries and other remuneration, etc.	5	4
Pension costs, defined-contribution plans	0	1	Pension costs, defined-contribution plans	0	1
Social security contributions	2	2	Social security contributions	2	2
Other employees			Other employees		
Salaries and other remuneration, etc.	54	42	Salaries and other remuneration, etc.	50	42
Pension costs, defined-contribution plans	5	4	Pension costs, defined-contribution plans	5	4
Social security contributions	18	14	Social security contributions	18	14
Total costs for employee benefits	100	85	Total costs for employee benefits	96	85
<i>Average number of employees</i>			<i>Average number of employees, Parent Company</i>		
Average number of employees			Average number of employees		
Average number of employees	70	63	Average number of employees	64	63
Of whom, women	46	30	Of whom, women	36	30
Percentage, women	53%	48%	Percentage, women	48%	48%

Salaries and other remuneration of senior executives

The 2021 AGM adopted guidelines for the remuneration of senior executives for the period until the 2022 AGM. These guidelines include the fact that market-based and competitive forms of remuneration are to be applied that are simple, long-term and measur-

able. Remuneration may comprise a fixed and variable portion. The guidelines include requirements for the form of remuneration and a cap on variable remuneration. The Board may deviate from the guidelines if there are special reasons to do so in an individual case. Refer to the company's website for complete information.

Parent Company

	Basic salary/ Board fee		Variable remuneration		Pension costs		Other remuneration		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
SEK thousand										
Johan Ericsson <i>Chairman of the Board</i>										
Remuneration from Parent Company	503	465	-	-	-	-	-	-	503	465
Stina Lindh Hök <i>CEO</i>										
Remuneration from Parent Company	3,600	700	1,195	-	483	75	91	17	5,369	793
Jens Engwall <i>Board member and former CEO</i>										
Remuneration from Parent Company	1,841	2,967	-	-	81	683	36	192	1,958	3,842
Lisa Dominguez Flodin <i>Board member</i>										
Remuneration from Parent Company	250	230	-	-	-	-	-	-	250	230
Marie Bucht Toresäter <i>Board member</i>										
Remuneration from Parent Company	218	200	-	-	-	-	-	-	218	200
Mats Andersson <i>Board member</i>										
Remuneration from Parent Company	205	190	-	-	-	-	-	-	205	190
Per Lindblad <i>Board member</i>										
Remuneration from Parent Company	205	190	-	-	-	-	-	-	205	190
Jenny Wärmé <i>Board member</i>										
Remuneration from Parent Company	218	133	-	-	-	-	-	-	218	133
Other senior executives <i>(4 (5) individuals)</i>										
Remuneration from Parent Company	7,301	9,173	2,839	3,184	1,872	1,765	265	353	12,277	14,474
Total	14,340	14,315	4,034	3,184	2,436	2,523	392	563	21,202	20,585

NOTE 8 cont.

Incentive programs

Nyfosa currently has two long-term incentive programs (LTIP 2019 and LTIP 2021) based on warrants. The programs aim to create a remuneration structure which is competitive, to provide alignment for the management team with company strategy and, in addition to creating focus among employees on delivering exceptional performance that contributes to value creation for shareholders, also give employees more opportunities to take part in the company's success. Both programs require that the participant is employed for the entire duration of the program. If employment ends, the company has the right to buy back the warrants at the lower of the market value and the cost. The company subsidizes by paying a cash bonus portion of the participant's premium. This subsidy corresponds to the amount that the participant decides to invest in each incentive program, up to a guaranteed level. However, no compensation is paid for the participant's tax expense, which means in practice that, through this premium subsidy, the company provides a cost cover contribution in each program that after tax paid corresponds to approximately 50 percent of the participant's acquisition costs. The subsidy is paid on two occasions, 50 percent each time, during the term of each program.

LTIP 2019, Warrants program TO1

The first incentive program at Nyfosa was introduced after a resolution by the 2019 AGM. A total of 1,950,000 warrants were issued, of which 1,304,300 are outstanding today. Accordingly, full exercise could result in the issue of 1,304,300 shares, which corresponds to a dilution of approximately 0.7 percent of the total number of shares and votes in the company, subject to any recalculation which may occur as a result of the terms and conditions of the warrants.

The warrants were transferred to the participants on two separate occasions at a price that, at the transfer date, corresponded to the market value, by applying a generally accepted valuation method calculated by an independent valuation agency. The fair value on issuance in May 2019 amounted to SEK 4.91 per warrant and in November 2019 to SEK 2.63 per warrant. Basis for valuation:

	May 2019	November 2019
Average share price, SEK	60.46	65.02
Volatility, %	20.0 for the Nyfosa share, 13.5 for CREX	20.0 for the Nyfosa share, 13.5 for CREX
Risk-free interest, %	-0.48	-0.39
Dividends, %	0.9 for the Nyfosa share, 2.0 for CREX	0.8 for the Nyfosa share, 1.8 for CREX
Term, years	3.75	3.29

The warrant holders are entitled to subscribe for one new share for each warrant during a three-month period between October 25, 2022 and June 10, 2023.

The subscription price per share on exercise of the warrants is based on the average price of the share at the date of issue of the warrants, plus upward or downward indexation according to the average performance of all listed property companies, calculated using Carnegie's Real Estate Index (CREX) based on an average index for the period May 10–23, 2019 compared with an average index for the period September 1–14, 2022.

The average price of the share on the issue date comprised the average closing rate for the period May 10–23, 2019 and October 24 – November 6, 2019 according to Nasdaq Stockholm's official share price list.

LTIP 2021, Warrants program TO2 and TO3

The second incentive program was introduced after the 2021 AGM when a resolution was made on the directed issue of 1,098,000 warrants, of which 549,000 warrants are of Series I and 549,000 warrants are of Series II. Of the warrants issued, 650,482 are outstanding, of which 325,241 in each Series. Accordingly, full exercise could result in the issue of 650,482 new shares, which corresponds to a dilution of approximately 0.3 percent of the total number of shares and votes in the company, subject to any recalculation which may occur as a result of the terms and conditions of the warrants.

The warrants were transferred to the participants at a price that corresponded to the market value, by applying a generally accepted valuation method calculated by an independent valuation agency. The fair value on issuance amounted to SEK 4.87 per warrant (Series I) and SEK 7.14 per warrant (Series II). Basis for valuation:

Average share price, SEK	101.32
Volatility, %	22.0 for the Nyfosa share, 13.3 for real estate index
Risk-free interest, %	Series I: -0.20, Series II: -0.25
Dividends, SEK	Series I: quarterly dividend of SEK 0.75–0.95 per share
Term, years	3.75

The warrant holders are entitled to subscribe for one new share for each warrant (regardless of Series) during a three-month period between April 15, 2024 and December 9, 2024.

The subscription price per share on exercise of the Series I warrants is linked to Nyfosa's future share price trend and is to amount to SEK 124.10, corresponding to 122.5 percent of the average price of the share on the issue date of the warrants.

The subscription price per share on exercise of the Series II warrants is an amount corresponding to the volume weighted average share price on the trading day that Nyfosa publishes the interim report for the period January–March 2024 reduced by an amount corresponding to the highest of:

- (i) an amount corresponding to the average share price for the period between April 22 and May 4, 2021, multiplied by
 - a) the average total return index value for Nyfosa for the period between April 22 and May 4, 2021 (starting index value 100) in comparison with the index value for the trading day that Nyfosa publishes the interim report for the period January–March 2024,
 - b) reduced by the average total return index value for real estate companies listed on Nasdaq Stockholm during the same period (starting index value 100), and
- (ii) SEK 0.

The average price of the share on the issue date comprised the average closing rate for the period between April 22 and May 4, 2021, according to Nasdaq Stockholm's official share price list. The total return index that shall be applied contains all the real estate companies listed in Nasdaq Stockholm's real estate index (SX35GI) at the time and takes into account the companies' share price development and dividends paid.

NOTE 9

FEES AND REMUNERATION OF AUDITORS

MSEK	2021	2020
Audit assignment	8	6
Auditing activities in addition to audit assignment	1	0
Tax consultancy	1	1
Other consultancy services	0	0
Other audit firm	0	–
Total fees and remuneration of auditors	9	8

Audit assignments are defined as the statutory auditing of the annual report and consolidated financial statement, as well as the administration of the Board of Directors and the CEO, and the audit and other review conducted in accordance with contracts or agreements.

This includes other assignments that are the responsibility of the company's auditors, as well as guidance and assistance occasioned by observations made in conjunction with such reviews or the completion of such other work assignments.

NOTE 10

FINANCIAL INCOME AND EXPENSES

Group

MSEK	2021	2020
Financial income	3	29
Interest expenses	–374	–314
Expenses related to site leaseholds	–7	–5
Exchange-rate losses	–8	0
Other financial expenses	–57	–37
Financial expenses	–446	–357
Net	–443	–327

Parent Company

MSEK	2021	2020
Dividend from Group companies	874	1,850
Profit from participations in joint ventures	1,288	300
Interest income	125	82
Financial income	2,287	2,232
Interest expenses	–61	–55
Other financial expenses	–21	–8
Financial expenses	–82	–62
Net	2,205	2,170

Of the Group's interest expenses, MSEK 368 (308) refers to interest attributable to liabilities measured at amortized cost. Other financial expenses primarily refer to borrowing costs allocated over the term of the loan agreement.

The figure for the Parent Company's interest expenses amounted to MSEK 61 (55). Other financial expenses primarily refer to borrowing costs allocated over the term of the loan agreement and exchange-rate differences on repurchases of bonds.

Of the Parent Company's profit from participations in joint ventures, MSEK 1,088 refers to the gain from the sale of participations in Söderport Holding AB to a subsidiary in the Nyfosa Group. MSEK 200 refers to dividends that the Parent Company received from Söderport before the divestment.

NOTE 11

INCOME TAX

Recognized tax amounted to MSEK 532 (174), of which MSEK 49 (42) was current tax. Current tax and deferred tax are calculated based on a nominal tax rate of 20.6 percent. Current tax is based on taxable profit for the year, which is lower than recognized profit. The deviation from the nominal tax rate of 20.6 percent was mainly due to revaluation of deferred tax liabilities when properties were vacated and the fact that profit from participations in joint ventures comprised profit after tax, and thus did not constitute taxable income for Nyfosa. Given Nyfosa's operations in Finland, the Finnish tax rate of 20.0 percent is applied to the Finnish companies. This difference in foreign tax rates did not have a material effect on the Group in 2021.

Swedish accounting legislation does not permit measuring properties at fair value in legal entities, which is why the change in value of properties only takes place at Group level and thus does not impact taxation. The remeasurement of fair value gives rise to deferred tax in the Group.

Group

Reconciliation of effective tax, MSEK	2021	2020
Profit before tax	3,644	2,399
Tax according to applicable tax rate for Parent Company	–20.6% –751	–21.4% –513
Non-deductible costs	–0.9% –31	–1.8% –44
Tax-exempt income	0.2% 6	1.5% 36
Profit from participations in joint ventures	5.1% 187	3.6% 87
Capitalization of loss carryforwards not capitalized in prior years	0.4% 13	0.4% 10
Loss carryforwards for the year not capitalized	–0.2% –6	–
Non-taxable sales of properties	0.4% 13	11.4% 274
Tax attributable to prior years	0.0% –1	–0.1% –2
Effect of changed tax rate	0.0% 1	–
Other	1.0% 36	–0.8% –20
Recognized effective tax	–14.6% –532	–7.2% –174

Current tax expense	2021	2020
Current tax expense	–49	–39
Adjustment of tax attributable to prior years	–1	–2
Current tax expense	–49	–42

Deferred tax expense	2021	2020
Deferred tax attributable to investment properties	–463	–88
Deferred tax attributable to derivatives	–4	0
Deferred tax attributable to untaxed reserves	18	–7
Deferred tax income attributable to the capitalized tax value of loss carryforwards during the year	13	13
Deferred tax expense due to utilization of previously capitalized loss carryforwards	–47	–49
Total deferred tax expense	–483	–132
Total recognized tax	–532	–174

NOTE 11 cont.

Parent Company

Reconciliation of effective tax	2021		2020	
Profit before tax		2,228		2,170
Tax according to applicable tax rate for Parent Company	-20.6%	-459	-21.4%	-464
Non-deductible costs		0		0
Tax-exempt income	20.4%	454	21.4%	464
Other		-	0.1%	2
Recognized effective tax	-0.2%	-5	0.1%	1

NOTE 12

EARNINGS PER SHARE

A directed share issue of 6,521,740 took place during the year. The subscription price totaled an amount close to the current price of the share. Accordingly, the dilution effect was low and past key figures were not restated.

The calculation of earnings per share for 2021 is based on profit for the year attributable to the Parent Company's shareholders amounting to MSEK 3,112 (2,225). Profit for the year less interest on hybrid bonds of MSEK 4.4 (-) amounted to MSEK 3,107, which was divided between 188.1 million average number of shares outstanding.

	2021	2020
Profit for the year attributable to the Parent Company's shareholders, MSEK	3,112	2,225
Average weighted number of shares, millions	188	182
Average weighted number of shares after dilution, million	188	182
Earnings per share before dilution, SEK	16.52	12.25
Earnings per share after dilution, SEK	16.49	12.25

NOTE 13

INVESTMENT PROPERTIES

Investment properties are recognized according to the fair value method. The table below shows the change in value in each financial year.

Changes in value of investment properties

MSEK	Total	
	Dec 31, 2021	Dec 31, 2020
Fair value at the beginning of the year	29,411	19,602
Cost of investment properties, asset purchase	6,243	12,217
Investments in existing properties	475	285
Divestment of investment properties	-663	-3,756
Realized changes in value of divested properties	-42	327
Unrealized changes in value of properties	1,694	737
Translation differences, currency	28	-
Fair value at the end of the year	37,147	29,411

Realized and unrealized changes in value are recognized after profit from property management in profit or loss. The measurement of fair value for all investment properties is classified at Level 3 of the fair value hierarchy.

Determining fair value

Nyfosa engages two external appraisers that each value a part of the portfolio. All properties are valued every quarter, except for those for which possession was taken during the most recent quarter or a sales agreement has been signed. In these cases, the agreed property value is used. The uncertain business environment did not have any significant impact on property values. Under the assignment agreements, the appraisers are to inspect each priority every three years.

Valuation techniques

The value of the properties has been assessed based on a market-adapted cash-flow estimate. The yield requirement used in the estimate derives from sales of comparable properties. The valuation was performed based on a combined location-price method, using reported benchmark purchases and the yield method, meaning a transaction-based method.

Significant factors when selecting required returns include an assessment of the object's future rent trend, changes in value and any development potential as well as the maintenance condition of the property. Key value parameters are location and rent level, as well as vacancy rates. For each property, a cash flow forecast is prepared that extends at least five years into the future. The expected receipts match the terms of prevailing leases. For vacant spaces, an estimate is performed by individually assessing each property. The expected disbursements are estimated on the basis of historical property expenses. The inflation assumption in the valuation models on December 31, 2021 was 2.0 percent (2.0) for 2022 and the years ahead. The valuation is based on a present-value calculation of the estimated cash flow and the present value of the market value at the end of the calculation period. Ongoing projects have been measured according to the same policy but less the remaining investment.

NOTE 13 cont.

	Fair value, MSEK		Net operating income ¹ , MSEK		Yield ¹ , %		Interval, yield requirement, %		Discount rate for cash flow, %		Discount rate for residual value, %	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
	Offices	19,348	16,018	1,015	809	5.2	5.1	4,4–8,9	4,5–8,0	4,0–10,5	4,0–10,1	6,2–10,5
Logistics/ Warehouse	7,725	6,399	394	350	5.1	5.5	5,0–8,2	5,2–11,5	4,3–10,2	4,8–10,6	6,8–10,2	7,2–10,6
Retail	3,829	2,602	226	158	5.9	6.1	5,3–9,2	5,7–8,5	5,5–10,8	7,8–10,6	5,5–10,8	7,6–10,6
Industry ²	2,164	–	140	–	6.5	–	5,8–10,0	–	4,0–12,0	–	7,8–12,0	–
Other	4,079	4,393	228	257	5.6	5.9	4,3–10,0	5,0–11,5	4,0–10,1	4,0–13,4	5,0–10,1	7,0–13,4
Total	37,147	29,411	2,002	1,575	5.4	5.4	5.83	6.03	7.55	7.70	7.86	8.02

1) According to earnings capacity.

2) From December 31, 2021, industrial properties are recognized as a separate category. Industrial properties in the current category of Industry were included in the category Other as per December 31, 2020, and thus no comparative figures are recognized for the category of Industry in this table.

Sensitivity analysis – impact on fair value

	Change	Earnings effect, MSEK	
		2021	2020
Change in net operating income ¹	+/-5.00%	+/-1,642	+/-1,020
Change in yield requirement	+/-0.25%	+/-1575	+/-1,272
Change in growth assumptions	+/-0.50%	+/-158	+/-127
Change in discount rate	+/-0.25%	+/-1,203	+/-987

1) Refers to the appraisers' estimated net operating income in the valuation.

Impact on profit for the period apart from changes in value

MSEK	2021	2020
Rental income	2,421	2,001
Direct costs for investment properties that generated rental income during the period	-671	-512
Direct costs for investment properties that did not generate rental income during the period	-47	-45

NOTE 14

PARTICIPATIONS IN JOINT VENTURES

In the fourth quarter of 2021, Nyfosa acquired 50 percent of the participations in the Norwegian company Samfosa. The remaining shares are owned by Samfunnsbyggeren AS. The joint venture is governed by shareholders' agreements giving both owners equal power of decision, meaning that neither partner has a controlling influence. The holding is classified as Participations in joint ventures and Nyfosa's share in the profit of Samfosa will be recognized in the Group's profit from property management. The operations of Samfosa comprise owning, managing and developing properties in Norway. In December, Samfosa signed an agreement to acquire the property company Bratsberg AS, encompassing a total of 13 property units and ten projects. The total property value was MSEK 1,560 and closing took place in January 2022.

Nyfosa owns 50 percent of the shares in the property company Söderport Property Investment AB ("Söderport"). Söderport is jointly owned with AB Sagax (50 percent holding each), and ownership is governed by shareholders' agreements giving both owners equal power of decision, meaning that neither partner has a controlling influence. The holding is a joint venture and Nyfosa's share in profit of Söderport is recognized in the Group's profit from property management.

Nyfosa owns 50 percent of the shares in RandNyf Kanoten 10 Projektutveckling AB. The company is owned jointly with Randviken Fastigheter. None of the parties have control of the company, which is why the asset is classified as a joint venture.

MSEK	Söderport		Kanoten 10		Samfosa		Total	
	Dec 31, 2021	Dec 31, 2020						
Carrying amount at the beginning of the year	1,916	1,812	0	–	–	–	1,916	1,812
Dividends received	-332	-300	–	–	–	–	-332	-300
Share in profit of joint ventures	906	404	0	–	0	–	906	404
Acquisitions for the year	17	–	0	0	0	–	17	0
Impairment for the year	-17	–	–	–	–	–	-17	–
Carrying amount at end of the year	2,490	1,916	0	0	0	–	2,490	1,916

Joint ventures	Corp. Reg. No.	Registered office	Share, %	Carrying amount	
				Dec 31, 2021	Dec 31, 2020
Söderport Property Investment AB	559194-8681	Stockholm	50%	2,490	1,916
RandNyf Kanoten 10 Projektutveckling AB	559262-0644	Stockholm	50%	0	0
Samfosa AS	926,769,170	Oslo	50%	0	–

NOTE 14 cont.

Söderport Property Investment AB

Söderport is jointly owned with property company Sagax (50 percent holding each). Ownership is governed by shareholders' agreements giving both owners equal power of decision, meaning that neither partner has a controlling influence. Söderport is thus a joint venture and Nyfosa's share in Söderport's profit is recognized in the Group's profit from property management. Söderport's property portfolio primarily comprises industrial, warehouse and office properties, presenting a suitable supplement to Nyfosa's wholly owned property portfolio. The focal point of the property portfolio is in the Stockholm and Gothenburg regions. Söderport does not have its own operational organization. Instead, it procures property management and financial administration from Sagax and a small part of property management is procured from Nyfosa.

Torslanda Property Investment

78.1 percent of the company Torslanda Property Investment AB ("TPI") is owned and is thus consolidated with Söderport's statement of profit/loss and statement of financial position. The minority share in TPI, corresponding to 21.9 percent, is the reason that Nyfosa's participation does not correspond to 50 percent of Söderport's earnings and equity.

TPI is a Swedish property company that owns, manages and leases properties in Gothenburg and Stockholm. The property portfolio, comprising a total of eight properties at a value of SEK 2.7 billion at year-end, is 99.8 percent leased. The properties have a total leasable area of 186 thousand sqm and primarily comprise office premises with Volvo Cars as the dominant tenant. Torslanda Property Investment has a management agreement with Sagax and Nyfosa, which are responsible for financial administration and property management.

Söderport Property Investment AB

MSEK	2021	2020
Rental income	853	818
Net operating income	699	679
Net interest income	-166	-185
Profit from property management	504	466
Changes in value of properties	1,484	606
Changes in value, derivatives	99	-11
Tax	-186	-217
Profit	1,900	844
of which, Nyfosa's share	906	404

	Dec 31, 2021	Dec 31, 2020
Investment properties	12,882	11,910
Right-of-use assets	304	271
Current assets	477	228
Equity	5,291	4,136
of which, Nyfosa's share	2,490	1,916
Non-current liabilities	7,873	7,922
of which, deferred tax liabilities	1,192	1,087
of which, derivatives	124	220
Current liabilities	499	351
No. of properties	83	82
Leasable area, 000s of sqm	743	778

Parent Company

MSEK	Dec 31, 2021	Dec 31, 2020
Accumulated cost	412	412
Divestment to other Group companies	-412	-
Carrying amount at the end of the year	-	412

NOTE 15

CURRENT RECEIVABLES

MSEK	Dec 31, 2021	Dec 31, 2020
Current receivables	100	37
Prepaid expenses and accrued income	79	49
Total current receivables	179	86

NOTE 16

CASH AND CASH EQUIVALENTS

MSEK	Dec 31, 2021	Dec 31, 2020
<i>The following subcomponents are included in cash and cash equivalents:</i>		
Cash and bank balances	534	312

NOTE 17

LIABILITIES

MSEK	Dec 31, 2021	Dec 31, 2020
Non-interest-bearing liabilities falling due within one year after the balance-sheet date	783	582
Non-interest-bearing loans falling due to more than five years after the balance-sheet date	48	19
Interest-bearing loans falling due within one year after the balance-sheet date	4,352	695
Between 1-5 years after the balance-sheet date	16,693	16,360
More than 5 years after the balance-sheet date	-	-
Total liabilities, excl. deferred tax liabilities and lease liabilities	21,876	17,656

Nyfosa has pledged assets for all loans in the form of property mortgages. In addition, the majority of the Group's credit agreements with creditors contain covenants concerning either a specific loan-to-value ratio and/or a specific interest-coverage ratio. Certain credit agreements contain covenants that pertain solely to the company raising the loan and its subsidiaries, while other credit agreements include covenants linked to the Nyfosa Group's earnings and/or financial position. The Group met the covenants included in the loan agreements for 2021 and 2020.

MSEK	Dec 31, 2021	Dec 31, 2020
Net loan-to-value ratio, %	55.2	56.9
Remaining fixed-rate period, years	1.0	1.6
Remaining term for loans, years	2.5	2.9

NOTE 18

DEFERRED TAX LIABILITIES/ASSETS

Nyfosa recognized deferred tax liabilities in 2021 totaling a net MSEK 1,252 (760). The amount is the net of deferred tax assets attributable to valued tax loss carryforwards and deferred tax liabilities attributable to temporary differences between carrying amounts and taxable values of the investment properties.

NOTE 18 cont.

Deferred tax is recognized for temporary differences between the tax values and the accounting values. The deferred tax that existed in connection with asset purchases is, however, not to be recognized in the statement of financial position on the acquisition date according to applicable rules, known as the initial recognition exemption.

The residual value of investment properties for tax purposes totaled MSEK 16,185 (12,720) on December 31, 2021.

MSEK	Dec 31, 2021	Dec 31, 2020
Deferred tax assets		
<i>Loss carryforwards</i>		
At the beginning of the year	268	304
Recognized in profit or loss	-34	-36
Acquired and divested assets	3	0
At the end of the year	238	268
<i>Derivatives</i>		
At the beginning of the year	-1	0
Recognized in profit or loss	-4	0
At the end of the year	-4	-1
Deferred tax liabilities		
<i>Properties</i>		
At the beginning of the year	-1,028	-931
Recognized in profit or loss	-445	-95
Acquired and divested assets	-13	-1
At the end of the year	-1,485	-1,028
Deferred tax liabilities, net		
At the beginning of the year	-760	-627
Recognized in profit or loss	-483	-132
Acquired and divested assets	-9	-1
At the end of the year	-1,252	-760

NOTE 19

OTHER CURRENT LIABILITIES

MSEK	Dec 31, 2021	Dec 31, 2020
Accrued financial expenses	89	67
Prepaid rental income	356	323
Other accrued expenses and prepaid income	76	45
Accounts payable	48	37
Other current liabilities	214	110
Total other current liabilities	783	582

NOTE 20

FINANCIAL ASSETS AND LIABILITIES – BY CATEGORY AND FAIR VALUE

MSEK	Financial assets/ liabilities measured at fair value through profit or loss		Financial assets measured at amortized cost		Financial liabilities measured at amortized cost		Total carrying amount	
	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020	Dec 31, 2021	Dec 31, 2020
Derivatives	22	3	-	-	-	-	22	3
Rent receivables	-	-	14	13	-	-	14	13
Current receivables	-	-	54	5	-	-	54	5
Cash and cash equivalents	-	-	534	312	-	-	534	312
Total financial assets	22	3	602	331	-	-	624	333
Liabilities to credit institutions	-	-	-	-	21,149	17,154	21,149	17,154
Accounts payable	-	-	-	-	48	37	48	37
Other liabilities	-	-	-	-	201	122	201	122
Total financial liabilities	-	-	-	-	21,398	17,313	21,398	15,813

NOTE 20 cont.

The carrying amount of all financial instruments is a reasonable estimate of the fair value. This is because receivables and liabilities that are interest-bearing have short fixed-rate periods and, on the balance-sheet date, the level of interest rates, including margins, for the loans matched the terms in the loan agreements. Receivables and liabilities that do not bear interest have short maturities. Derivatives, which have been measured at fair value through profit or loss, are attributable to Level 2 of the fair value hierarchy, which means that the value has been calculated based on observable market prices.

NOTE 21**RELATED-PARTY TRANSACTIONS***Related-party transactions*

The Group owns participations in joint ventures, refer to Note 14. Söderport is managed by AB Sagax, except for property management which is managed by Nyfosa. The company TPI, of which Söderport owns 78.1 percent, also purchases management services from Nyfosa and Sagax. Property management fees between the companies are based on market terms. Nyfosa's fee totals MSEK 3 per year. The Group has no receivables from joint ventures on December 31, 2021.

The company signed a consultancy agreement with Board member Jens Engwall in 2020. His assignment under the agreement is to provide advisory services, in the first instance to the company's CEO, and also to continue to serve as the company's Board member in Söderport Property Investment AB and Torslanda Property Investment AB. The agreement came into effect on March 1, 2021 and expires on December 31, 2022. Annual fees of MSEK 1 are paid.

NOTE 22**SPECIFICATIONS FOR THE STATEMENT OF CASH FLOWS***Group*

MSEK	2021	2020
Adjustments for non-cash items for operating activities		
Share in profit of joint ventures	-888	-404
Allocated borrowing fees	48	35
Depreciation of tangible assets	1	1
Total non-cash items for operating activities	-839	-368

Direct and indirect acquisitions of investment properties

MSEK	2021	2020
<i>Assets and liabilities acquired</i>		
Investment properties	5,584	12,182
Loss carryforwards	3	-
Operating receivables	119	69
Cash and cash equivalents	100	195
Total assets	5,806	12,447
Deferred tax liabilities	2	2
Current operating liabilities	144	260
Total liabilities	147	262
Purchase consideration paid	5,659	12,186
Impact on cash and cash equivalents	5,559	11,991

Direct and indirect divestments of investment properties

MSEK	2021	2020
<i>Assets and liabilities acquired</i>		
Investment properties	679	3,775
Operating receivables	3	24
Cash and cash equivalents	0	3
Total assets	682	3,802
Deferred tax liabilities	-	-1
Current operating liabilities	12	76
Total liabilities	12	76
Purchase consideration received	671	3,725
Impact on cash and cash equivalents	671	3,723

Reconciliation of liabilities deriving from financing activities

Changes in loan portfolio, MSEK	2021	2020
Liabilities at the beginning of the period	17,055	11,282
Repayment	-3,924	-4,781
Loans raised	7,919	10,583
Other ¹	-4	-29
Liabilities at the end of the period	21,045	17,055

1) The item of "Other" does not affect cash flow.

Parent Company

MSEK	2021	2020
Adjustments for non-cash items for operating activities		
Dividend from subsidiaries	874	1,850
Capital gain on divestment of participations in joint ventures	1,088	-
Total non-cash items for operating activities	1,962	1,850

NOTE 23**SIGNIFICANT ESTIMATES AND ASSESSMENTS****Measurement of investment properties**

For significant assumptions and assessments affecting the measurement of Nyfosa's investment properties, refer to Note 13. Nyfosa's property portfolio is recognized in the statement of financial position at fair value, and the changes in value are recognized in profit or loss. The fair value is based on internal valuations that are performed continuously and the properties are also valued every quarter by an external independent appraiser. The value of the properties is affected not only by supply and demand in the market but also by a number of other factors, in part property-specific factors such as the leasing rate, rent level and operating expenses, and in part such market-specific factors as the yield requirement and the cost of capital, which are derived from comparable transactions in the property market. Deterioration in either a property or the market could cause the value of the company's properties to decline, which could have a negative impact on the Nyfosa's operations, financial position and earnings.

Valuations require assessments of and assumptions about future cash flows and determination of the discount factor (yield requirement). An uncertainty interval of +/- 5-10 percent is usually applied to property valuations to reflect the uncertainty of assumptions and assessments made.

NOTE 23 cont.

Measurement of loss carryforwards

The regulatory framework governing taxation of the type of business operated by Nyfosa is complex and comprehensive in terms of both income tax and VAT/property taxation. Moreover, interpretation and application of these regulations by courts of law can change over time. Changes in these regulations, or in their interpretation by judicial bodies, could impact Nyfosa's earnings and position either positively or negatively. From time to time, Nyfosa has cases under review by, and ongoing dialogs with, the Swedish Tax Agency regarding individual taxation matters. The Tax Agency makes tax rulings that can be appealed and reviewed in administrative courts of appeal. The regulations governing the recognition of taxes, and the property sector's application of these accounting regulations, are also complex. The regulatory framework is complex, the Tax Agency's review possibilities are comprehensive and the judicial bodies' interpretation and reviews take place in many stages, which means that it can take a long time to establish the correct appli-

cation of legislation in complex taxation matters. This may entail that actions taken or completed transactions that were previously considered permissible according to the regulatory framework may need to be reappraised at a later juncture. Nyfosa monitors the taxation laws and practices that are in effect whenever it files tax returns. Nyfosa's assessments and calculations in the tax area, and the accounting of these matters, are reassessed at the end of each reporting period.

Classification of acquisitions

The IFRS 3 accounting standard states that acquisitions must be classified as business combinations or asset purchases. An individual assessment of the character of the acquisition is required for each individual transaction. Nyfosa's corporate acquisitions in 2021 encompass only properties and no material processes, which is why the transactions are deemed to be asset purchases.

NOTE 24

SHARES IN GROUP COMPANIES

SEK thousand	Dec 31, 2021	Dec 31, 2020
Accumulated cost		
At the beginning of the year	50	50
Carrying amount at the end of the year	50	50

Holdings in subsidiaries

Nyfosa AB's directly and indirectly owned subsidiaries are presented below.

Directly owned subsidiaries

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %	Carrying amount, SEK thousand Dec 31, 2021
Nyfosa Holding AB	559134-9443	Nacka	500	100	50

Indirectly owned companies

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Alkotten 2 Fastighets AB	559009-6631	Nacka	500	100
Nyfosa Antennhuset AB	556742-5946	Nacka	100,000	100
Nyfosa Armaturen 1 Fastighets AB	556372-6933	Nacka	1,000	100
Nyfosa Armaturen 10 Fastighets AB	559100-8205	Nacka	500	100
Nyfosa Aske 1:2 Fastighets AB	559032-4082	Nacka	500	100
Nyfosa Aspen 10 Fastighets AB	559199-3182	Nacka	500	100
Nyfosa Axethuset AB	556742-6027	Nacka	100,000	100
Nyfosa Bagaren 10 Fastighets AB	556738-6270	Nacka	1,000	100
Nyfosa Bandsågen 1 Fastighets AB	559199-3174	Nacka	500	100
Nyfosa Barkassen 7 Fastighets AB	559224-3660	Nacka	50,000	100
Nyfosa Barkassen 9 Fastighets AB	556397-9771	Nacka	200	100
Nyfosa Barkenlund Oxbacken KB	969695-6771	Nacka	100	100
Nyfosa Bergnäset 3:25 Fastighets AB	559067-9063	Nacka	50,000	100
Nyfosa BidCo AB	559221-7730	Nacka	50,000	100
Nyfosa BidCo Holding AB	559221-7748	Nacka	50,000	100
Nyfosa Björnen 11 Fastighets AB	559036-2306	Nacka	500	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Björnen 12 Fastighets Kommanditbolag	969675-0588	Nacka	100	100
Nyfosa Björnen 13 Fastighets AB	559222-2912	Nacka	50,000	100
Nyfosa Björnen 7 Fastighets AB	559224-3686	Nacka	50,000	100
Nyfosa Björnänge 8:1 Fastighets AB	559136-4749	Nacka	500	100
Nyfosa Bladbaggen 1 Fastighets AB	556606-3656	Nacka	1,000	100
Nyfosa Blocket 1 AB	556742-5938	Nacka	100,000	100
Nyfosa Blåbäret 2 Fastighets AB	556957-3362	Nacka	500	100
Nyfosa Blåbäret 4 Fastighets AB	556874-5011	Nacka	50,000	100
Nyfosa Blåsten 3 Fastighets AB	559224-3694	Nacka	50,000	100
Nyfosa Blåsten 4 Fastighets AB	559224-3702	Nacka	50,000	100
Nyfosa Bocken 1 Fastighets AB	556708-2754	Nacka	100,000	100
Nyfosa Boden 1:167 Fastighets AB	559082-9700	Nacka	500	100
Nyfosa Bolby 10:6 Fastighets AB	556720-1461	Nacka	1,000	100
Nyfosa Boländerna 21:4 Fastighets AB	559129-9952	Nacka	50,000	100
Nyfosa Boländerna 5:2 Fastighets Kommanditbolag	969682-6743	Nacka	100	100
Nyfosa Brisen 4 Fastighets AB	559224-3710	Nacka	50,000	100
Nyfosa Bromsen 1 Fastighets AB	559224-3728	Nacka	50,000	100
Nyfosa Bromsen 6 Fastighets AB	559222-2920	Nacka	50,000	100
Nyfosa Bromsen 7 Fastighets AB	559110-6140	Nacka	500	100
Nyfosa Bronsdolken 26 Fastighets AB	556677-1472	Nacka	10,000	100
Nyfosa Bronskragen 3 Fastighets AB	556851-4441	Nacka	50,000	100
Nyfosa Bronskragen 4 Fastighets AB	556955-4701	Nacka	50,000	100
Nyfosa Brudbuketten 11 Fastighets AB	559176-9798	Nacka	50,000	100
Nyfosa Bryggeriet 2 Fastighets AB	559111-6404	Nacka	500	100
Nyfosa BTCS First Shopping AB	556689-1007	Nacka	1,000	100
Nyfosa Byrådirektören 3 Fastighets AB	556044-1031	Nacka	50,000	100
Nyfosa Bälgen 10 Fastighets AB	559224-3736	Nacka	50,000	100
Nyfosa Bälgen 9 Fastighets AB	559101-4500	Nacka	500	100
Nyfosa Böthuset AB	556742-3537	Nacka	100,000	100
Nyfosa Cementhuset 10 AB	556742-4576	Nacka	100,000	100
Nyfosa Cementhuset 4 AB	556742-7363	Nacka	100,000	100
Nyfosa Cementhuset 5 AB	556742-5573	Nacka	100,000	100
Nyfosa Cementhuset 7 AB	556742-4642	Nacka	100,000	100
Nyfosa Cementhuset 9 AB	556742-5961	Nacka	100,000	100
Nyfosa Cementhuset AB	556742-3511	Nacka	100,000	100
Nyfosa Centrum 20:1 Fastighets AB	556670-3509	Nacka	1,000	100
Nyfosa Cirkeln 2 Fastighets AB	559001-2059	Nacka	1,000	100
Nyfosa Cirkelsågen 2 Fastighets AB	559200-1217	Nacka	500	100
Nyfosa Dahlberg Fastighets AB	556721-0942	Nacka	100,000	100
Nyfosa Danmarks Säby 10:2 Fastighets AB	556983-3709	Nacka	500	100
Nyfosa Danmarks-Kumla 8:31 Fastighets AB	559229-5751	Nacka	500	100
Nyfosa Danvikscenter Fastighets AB	556822-0684	Nacka	500	100
Nyfosa Domkraften 5 Fastighets AB	556740-9155	Nacka	1,000	100
Nyfosa Drivhjulet 3 Fastighets AB	556866-8098	Nacka	500	100
Nyfosa Druvan 13 Fastighets AB	559224-3744	Nacka	50,000	100
Nyfosa Ekorren 11 Fastighets AB	559222-2938	Nacka	50,000	100
Nyfosa Ekstaven 3 Fastighets AB	559249-9056	Nacka	250	100
Nyfosa Eldaren 1 Fastighets AB	559106-8043	Nacka	500	100
Nyfosa Elektrikern 5 Fastighets AB	556634-6754	Nacka	1,000	100
Nyfosa Emelie AB	559196-0975	Nacka	500	100
Nyfosa Emelie HoldCo 1 AB	559168-5762	Nacka	50,000	100
Nyfosa Falköping Alunsckiffen 1 Fastighets AB	556728-7395	Nacka	100	100
Nyfosa Fastighetsaktiebolaget Asienhuset	556742-5995	Nacka	100,000	100
Nyfosa Fastighetsaktiebolaget Brudbuketten	556742-3495	Nacka	100,000	100
Nyfosa Fastighetsaktiebolaget Gröna Lagret	556490-8191	Nacka	50,000	100
Nyfosa Fastighetsaktiebolaget Sprintern	556742-7736	Nacka	100,000	100
Nyfosa Fastighetsaktiebolaget Storbådan	556742-3479	Nacka	100,000	100
Nyfosa Fastighetsaktiebolaget Träskruven	556742-5532	Nacka	100,000	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Fastighetsaktiebolaget Valbrevet	556742-6019	Nacka	100,000	100
Nyfosa Filen 2 Fastighets AB	556818-4443	Nacka	500	100
Nyfosa Filret 6 Fastighets AB	556790-5525	Nacka	1,000	100
Nyfosa Finland Invest AB	559279-3698	Nacka	25,000	100
Nyfosa Firman 2 Fastighets AB	559200-8592	Nacka	500	100
Nyfosa Firman 4 Fastighets AB	559068-9567	Nacka	500	100
Nyfosa Fjädern 14 Fastighets AB	559224-3751	Nacka	50,000	100
Nyfosa Fjädern 16 Fastighets AB	559224-3769	Nacka	50,000	100
Nyfosa Flintkärnan 2 Fastighets AB	556734-0111	Nacka	1,000	100
Nyfosa Flundran 4 Fastighets AB	556713-1866	Nacka	1,000	100
Nyfosa Flygkameran 2 Fastighets AB	559156-2565	Nacka	50,000	100
Nyfosa Flygledaren 7 Fastighets Handelsbolag	916762-2035	Nacka	100	100
Nyfosa Fläkten 1 Fastighets AB	556287-5160	Nacka	1,000	100
Nyfosa Fläkten 7 Fastighets AB	556818-4450	Nacka	500	100
Nyfosa Forskarbyn 2 Fastighets AB	559124-8918	Nacka	50,000	100
Nyfosa Freja 13 Fastighets AB	559224-3777	Nacka	50,000	100
Nyfosa Friberg 4:16 Fastighets AB	559032-4074	Nacka	500	100
Nyfosa Furudal 7 Fastighets AB	559136-0077	Nacka	500	100
Nyfosa Fåraherden 1 Fastighets AB	559124-8884	Nacka	50,000	100
Nyfosa Fängelset 5 Fastighets AB	556608-9339	Nacka	100	100
Nyfosa Företagaren 9 Fastighets AB	556575-5211	Nacka	1,000	100
Nyfosa Förrådet 9 Fastighets AB	556770-3334	Nacka	1,000	100
Nyfosa Försäljaren 9 Fastighets AB	556866-8072	Nacka	500	100
Nyfosa Genetikern 2 Fastighets AB	556715-7770	Nacka	1,000	100
Nyfosa Getingen 5 Fastighets AB	559148-3291	Nacka	50,000	100
Nyfosa Gillet 1 Fastighets AB	556881-0583	Nacka	500	100
Nyfosa Gjutaren 1 Fastighets Kommanditbolag	969694-0064	Nacka	1,000	100
Nyfosa Gjutaren 3 Fastighets AB	559110-6231	Nacka	500	100
Nyfosa Gjutformen 1 Fastighets AB	559005-7039	Nacka	1,000	100
Nyfosa Golläggaren 2 Fastighets AB	556561-0788	Nacka	1,000	100
Nyfosa Grophuset 3 Fastighets AB	556982-0524	Nacka	50,000	100
Nyfosa Grästegen 2 Fastighets AB	559224-3785	Nacka	50,000	100
Nyfosa Grävmaskinen 1 Fastighets AB	556937-3896	Nacka	500	100
Nyfosa Grönsta 2:52 Fastighets AB	556822-4983	Nacka	500	100
Nyfosa Gumsen 45 Fastighets AB	556244-9818	Nacka	1,000	100
Nyfosa Gyllehemmet 1 Fastighets AB	556746-1206	Nacka	100,000	100
Nyfosa Gångjärnet 2 Fastighets AB	559224-3793	Nacka	50,000	100
Nyfosa Gävle Norr 12:5 Fastighets AB	556866-3776	Nacka	500	100
Nyfosa Gördelmakaren 5 Fastighets AB	556708-2739	Nacka	1,000	100
Nyfosa Halvmånen 3 Fastighets AB	556892-9623	Nacka	1,000	100
Nyfosa Hammaren 21 Fastighets AB	559224-3801	Nacka	50,000	100
Nyfosa Handformaren 2 Fastighets AB	559099-8174	Nacka	50,000	100
Nyfosa Hangaren 2 Fastighets AB	559163-3762	Nacka	100,000	100
Nyfosa Hantverkaren 1 AB	556742-7686	Nacka	100,000	100
Nyfosa Hedenstorp 2:1 Fastighets AB	556869-5125	Nacka	500	100
Nyfosa Henrika AB	559171-8738	Nacka	50,000	100
Nyfosa Henry HoldCo 1 AB	556506-9837	Nacka	150	100
Nyfosa Henry HoldCo 2 AB	559068-8387	Nacka	1,000	100
Nyfosa Henry HoldCo 3 AB	559221-7656	Nacka	50,000	100
Nyfosa Henry HoldCo 4 AB	559138-6775	Nacka	1,000	100
Nyfosa Henry HoldCo AB	559276-2677	Nacka	25,000	100
Nyfosa Henry TL HoldCo 4 AB	556990-6547	Nacka	500	100
Nyfosa Henry TopCo AB	559276-2669	Nacka	25,000	100
Nyfosa Hermelinen 15 Fastighets HB	969687-0253	Nacka	100	100
Nyfosa Herrhagen 1:10 Fastighets AB	559224-3819	Nacka	50,000	100
Nyfosa Holmögadhuset 3 AB	556742-3446	Nacka	100,000	100
Nyfosa Holmögadhuset 4 AB	556742-3453	Nacka	100,000	100
Nyfosa Hvitfeldt 22 Fastighets AB	556862-9884	Nacka	500	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Hybelejen 17 Fastighets AB	559224-3843	Nacka	50,000	100
Nyfosa Håltås 1:18 Fastighets AB	556748-0537	Nacka	1,000	100
Nyfosa Högom 3:106 Fastighets AB	556880-6227	Nacka	500	100
Nyfosa i Värnamo Fastigheter AB	556101-5107	Nacka	80,000	100
Nyfosa i Växjö Fastigheter AB	556192-5305	Nacka	1,000	100
Nyfosa Idaho AB	556811-5298	Nacka	100,000	100
Nyfosa Idaho BidCo AB	559226-9863	Nacka	50,000	100
Nyfosa Idaho HoldCo 1 AB	559260-1875	Nacka	25,000	100
Nyfosa Idaho HoldCo 2 AB	556858-1267	Nacka	500	100
Nyfosa Idaho HoldCo 3 AB	556971-2945	Nacka	500	100
Nyfosa Idaho Holding AB	559226-9871	Nacka	50,000	100
Nyfosa Idéhuset 2 Fastighets AB	559104-7161	Nacka	50,000	100
Nyfosa Importören 2 Fastighets AB	556737-7618	Nacka	1,000	100
Nyfosa Industrihuset 17 AB	556742-7009	Nacka	100,000	100
Nyfosa Industrin 8 Fastighets AB	556348-6272	Nacka	1,000	100
Nyfosa Iput Förvaltning AB	556862-9876	Nacka	500	100
Nyfosa Jakobsberg 2:2583 Fastighets AB	556637-7320	Nacka	1,000	100
Nyfosa Jordbrohuset AB	556742-5599	Nacka	100,000	100
Nyfosa Jungfrun 11 Fastighets AB	556911-2914	Nacka	500	100
Nyfosa Kanoten 10 Fastighets AB	559222-2946	Nacka	50,000	100
Nyfosa Karlstad HoldCo 10 AB	559224-3637	Nacka	50,000	100
Nyfosa Karlstad HoldCo 11 AB	559224-3645	Nacka	50,000	100
Nyfosa Karlstad HoldCo 12 AB	559224-3678	Nacka	50,000	100
Nyfosa Karlstad HoldCo 4 AB	559224-3827	Nacka	50,000	100
Nyfosa Karlstad HoldCo 5 AB	559224-3835	Nacka	50,000	100
Nyfosa Karlstad HoldCo 6 AB	559224-3595	Nacka	50,000	100
Nyfosa Karlstad HoldCo 7 AB	559224-3603	Nacka	50,000	100
Nyfosa Karlstad HoldCo 8 AB	559224-3611	Nacka	50,000	100
Nyfosa Karlstad HoldCo 9 AB	559224-3629	Nacka	50,000	100
Nyfosa Karossen 5 Fastighets AB	556992-6230	Nacka	50,000	100
Nyfosa Karossen Fastighets AB	559012-8186	Nacka	500	100
Nyfosa Kassetten 1 Fastighets AB	559191-4808	Nacka	500	100
Nyfosa Katten 18 Fastighets AB	559039-8169	Nacka	500	100
Nyfosa Klingberget 6 Fastighets AB	559122-1501	Nacka	500	100
Nyfosa Knarranäs 8 Fastighets AB	559083-6002	Nacka	500	100
Nyfosa Knarranäs 10 Fastighets AB	559158-5491	Nacka	500	100
Nyfosa Knutby 2 Fastighets Kommanditbolag	916639-1608	Nacka	1,000	100
Nyfosa Kobbegården 6:136 Fastighets AB	559059-2613	Nacka	50,000	100
Nyfosa Koch 7 Fastighets AB	556519-3108	Nacka	21,000	100
Nyfosa Kraften 4 Fastighets AB	559110-6215	Nacka	500	100
Nyfosa Kraften 4 HoldCo AB	559138-8532	Nacka	500	100
Nyfosa Kronfastigheter AB	556950-1744	Nacka	50,000	100
Nyfosa Kronfastigheter Holding AB	556950-1736	Nacka	50,000	100
Nyfosa Kulingen 4 Fastighets AB	559224-3850	Nacka	50,000	100
Nyfosa Kumla 8:13 Fastighets AB	559078-0721	Nacka	500	100
Nyfosa Kungsängen 12 Fastighets AB	556676-6464	Nacka	1,000	100
Nyfosa Kämparp 1:8 Fastighets AB	559077-6166	Nacka	1,000	100
Nyfosa Köping Botulf 4 Fastighets AB	559260-1859	Nacka	25,000	100
Nyfosa Köpings-Ullvi 6:11 Fastighets AB	556825-2539	Nacka	500	100
Nyfosa Köpmannen 1 Fastighets AB	559075-0419	Nacka	500	100
Nyfosa Köpstaden 26 Fastighets AB	559209-4410	Nacka	50,000	100
Nyfosa Körunda 1:3 Fastighets AB	556988-9180	Nacka	500	100
Nyfosa Lagunen Fastighets AB	556176-1874	Nacka	50,000	100
Nyfosa Lantmannen 2 Kommanditbolag	969651-1998	Nacka	100	100
Nyfosa Lejonet 11 Fastighets AB	556942-6413	Nacka	500	100
Nyfosa Lillgrund 5 Fastighets AB	559018-0823	Nacka	50,000	100
Nyfosa Linden 1 Fastighets AB	556827-3493	Nacka	500	100
Nyfosa Lingonet 2 Fastighets AB	559013-7617	Nacka	500	100
Nyfosa Lingonet 3 Fastighets AB	556927-3856	Nacka	500	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Linköping Glasburken 1 Fastighets AB	556990-8600	Nacka	50,000	100
Nyfosa Ljungby Vagnen 6 Fastighets AB	556790-5962	Nacka	1,000	100
Nyfosa LTIP AB	559168-5820	Nacka	50,000	100
Nyfosa Luleå Fastighets AB	556672-2632	Nacka	1,000	100
Nyfosa Luleå Invest Fastighets AB	556964-7307	Nacka	60,000	100
Nyfosa Luleå Porsön 1:403 Fastighets AB	556541-4546	Nacka	40,000	100
Nyfosa Lännersta 15:33 Fastighets AB	556848-2839	Nacka	50,000	100
Nyfosa Lärkan 10 Fastighets HB	969687-0287	Nacka	100	100
Nyfosa Lärkan 21 Fastighets AB	559006-8853	Nacka	500	100
Nyfosa Malax 3 Fastighets AB	559083-5996	Nacka	500	100
Nyfosa Malmö Kamaxeln 7 Fastighets AB	556458-1485	Nacka	1,000	100
Nyfosa Marianne AB	559207-1376	Nacka	50,000	100
Nyfosa Marianne HoldCo 1 AB	559207-1392	Nacka	50,000	100
Nyfosa Marianne HoldCo 2 AB	559207-1400	Nacka	50,000	100
Nyfosa Marianne HoldCo AB	559207-1384	Nacka	50,000	100
Nyfosa Matläggaren 1 Fastighets AB	556743-8022	Nacka	1,000	100
Nyfosa Mejeriet Fastighets AB	559101-4518	Nacka	500	100
Nyfosa Mercurius 21 Fastighets AB	559022-7327	Nacka	50,000	100
Nyfosa Mercurius 3 Fastighets AB	559224-3868	Nacka	50,000	100
Nyfosa Milröken 1 Fastighets Kommanditbolag	969694-0635	Nacka	1,000	100
Nyfosa Mon 13 Fastighets AB	559132-9791	Nacka	50,000	100
Nyfosa Monitorn 9 Fastighets AB	559224-3876	Nacka	50,000	100
Nyfosa Murängen 2 Fastighets AB	559101-4484	Nacka	500	100
Nyfosa Måseskär 6 Fastighets AB	559168-5770	Nacka	50,000	100
Nyfosa Märsta 21:66 Fastighets AB	556839-0826	Nacka	500	100
Nyfosa Märsta 23:4 Fastighets AB	556839-0651	Nacka	500	100
Nyfosa Möllan 1 Fastighets Kommanditbolag	916613-1905	Nacka	100	100
Nyfosa Möllebacken 15 AB	559138-8466	Nacka	500	100
Nyfosa Nattskärran 1 Fastighets AB	556769-7742	Nacka	100,000	100
Nyfosa Nedre Gruvriset 33:278 Fastighets AB	556983-3642	Nacka	500	100
Nyfosa Nolby 3:40 Fastighets AB	559062-8474	Nacka	500	100
Nyfosa Nord AB	559196-1163	Nacka	500	100
Nyfosa Nord HoldCo 1 AB	559168-5796	Nacka	50,000	100
Nyfosa Nord HoldCo 2 AB	559209-4386	Nacka	50,000	100
Nyfosa Nord HoldCo 3 AB	559221-7706	Nacka	50,000	100
Nyfosa Nord HoldCo AB	556929-8440	Nacka	500	100
Nyfosa Nord HoldCo RCF 1 AB	559226-9855	Nacka	50,000	100
Nyfosa Nord HoldCo RCF 2 AB	556471-9291	Nacka	4,000	100
Nyfosa Nord KomD AB	559209-4485	Nacka	50,000	100
Nyfosa Nord TL AB	559221-7698	Nacka	50,000	100
Nyfosa Nord TopCo AB	559221-7714	Nacka	50,000	100
Nyfosa Norden AB	556710-6892	Nacka	5,000,000	100
Nyfosa Norr 25:5 Fastighets AB	559080-3234	Nacka	50,000	100
Nyfosa Norrmalm 4:6 Fastighets AB	556653-2247	Nacka	1,000	100
Nyfosa Noshjulet 2 Fastighets AB	559087-9499	Nacka	50	100
Nyfosa NYAB 116 AB	559276-2602	Nacka	25,000	100
Nyfosa NYAB 117 AB	559276-2610	Nacka	25,000	100
Nyfosa NYAB 118 AB	559276-2628	Nacka	25,000	100
Nyfosa NYAB 119 AB	559276-2636	Nacka	25,000	100
Nyfosa NYAB 120 AB	559276-2396	Nacka	25,000	100
Nyfosa NYAB 121 AB	559276-2404	Nacka	25,000	100
Nyfosa NYAB 122 AB	559276-2412	Nacka	25,000	100
Nyfosa NYAB 123 AB	559276-2420	Nacka	25,000	100
Nyfosa NYAB 124 AB	559276-2438	Nacka	25,000	100
Nyfosa NYAB 125 AB	559276-2446	Nacka	25,000	100
Nyfosa NYAB 126 AB	559276-2453	Nacka	25,000	100
Nyfosa NYAB 127 AB	559276-2461	Nacka	25,000	100
Nyfosa NYAB 128 AB	559276-2479	Nacka	25,000	100
Nyfosa NYAB 129 AB	559276-2487	Nacka	25,000	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa NYAB 130 AB	559276-2495	Nacka	25,000	100
Nyfosa NYAB 131 AB	559276-2503	Nacka	25,000	100
Nyfosa NYAB 132 AB	559276-2511	Nacka	25,000	100
Nyfosa NYAB 133 AB	559276-2529	Nacka	25,000	100
Nyfosa NYAB 134 AB	559276-2537	Nacka	25,000	100
Nyfosa NYAB 135 AB	559276-2545	Nacka	25,000	100
Nyfosa NYAB 145 AB	559276-2685	Nacka	25,000	100
Nyfosa NYAB 155 AB	559279-3797	Nacka	25,000	100
Nyfosa NYAB 157 AB	559279-3813	Nacka	25,000	100
Nyfosa NYAB 158 AB	559279-3821	Nacka	25,000	100
Nyfosa NYAB 159 AB	559279-3839	Nacka	25,000	100
Nyfosa NYAB 160 AB	559279-3847	Nacka	25,000	100
Nyfosa NYAB 80 AB	559248-4314	Nacka	25,000	100
Nyfosa Nyckelharpan 6 Fastighets AB	559199-3166	Nacka	500	100
Nyfosa Olsgård 5 Fastighets AB	556857-6556	Nacka	50,000	100
Nyfosa Orren 2 Fastighets AB	556533-3746	Nacka	5,000	100
Nyfosa Orren 2 HoldCo AB	556851-2106	Nacka	100	100
Nyfosa Passadvinden 3 Fastighets AB	559224-3884	Nacka	50,000	100
Nyfosa Pedalen 2 Fastighets KB	969690-3971	Nacka	100	100
Nyfosa Pigan 1 KB	969651-3747	Nacka	100	100
Nyfosa Pinassen 2 Fastighets AB	559068-5326	Nacka	50,000	100
Nyfosa Plinten 4 Fastighets AB	559036-2314	Nacka	500	100
Nyfosa Plogen 4 Fastighets AB	559168-5879	Nacka	50,000	100
Nyfosa Plåtstagaren 1 Fastighets AB	556720-6510	Nacka	1,000	100
Nyfosa Plåtstagaren 6 Fastighets AB	559168-5812	Nacka	50,000	100
Nyfosa Polly AB	559272-9353	Nacka	25,000	100
Nyfosa Polly HoldCo 1 AB	559278-2121	Nacka	25,000	100
Nyfosa Polly HoldCo 2 AB	559278-2139	Nacka	25,000	100
Nyfosa Polly HoldCo 3 AB	559248-4249	Nacka	25,000	100
Nyfosa Polly HoldCo 4 AB	559248-4306	Nacka	25,000	100
Nyfosa Polly HoldCo 5 AB	559279-3722	Nacka	25,000	100
Nyfosa Polly TopCo AB	559279-3706	Nacka	25,000	100
Nyfosa Prästgårdsängen 2 Fastighets AB	559079-8459	Nacka	50,000	100
Nyfosa Raseborg 1 Fastighets AB	559110-7403	Nacka	50,000	100
Nyfosa Regnvinden 1 Fastighets AB	559224-3892	Nacka	50,000	100
Nyfosa Respiten 1 Fastighets AB	559118-5441	Nacka	500	100
Nyfosa Riksdalern 3 Fastighets AB	556858-5458	Nacka	50,000	100
Nyfosa Ringerike 1 AB	556837-8045	Nacka	50,000	100
Nyfosa Rosenbuketten AB	556742-7652	Nacka	100,000	100
Nyfosa Rudan 6 Fastighets AB	556954-1542	Nacka	1,000	100
Nyfosa Runstenen 16 Fastighets AB	556690-0873	Nacka	1,000	100
Nyfosa Runö 7:12 Fastighets AB	559126-1796	Nacka	50,000	100
Nyfosa Runö 7:120 Fastighets AB	556342-2079	Nacka	1,000	100
Nyfosa Runö 7:140 Fastighets AB	559126-1804	Nacka	50,000	100
Nyfosa Runö 7:147 Fastighets AB	559126-1812	Nacka	50,000	100
Nyfosa Runö 7:165 Fastighets AB	559126-1820	Nacka	50,000	100
Nyfosa Rutan 1 Fastighets AB	559076-5912	Nacka	500	100
Nyfosa Rydterminalen AB	556679-8723	Nacka	1,000	100
Nyfosa Rydterminalen III AB	556696-6841	Nacka	1,000	100
Nyfosa Samuel 1 Fastighets AB	556676-6449	Nacka	1,000	100
Nyfosa Saturnus 29 Fastighets AB	556961-5429	Nacka	1,000,000	100
Nyfosa Saturnus 7 Handelsbolag	969687-0279	Nacka	1,000	100
Nyfosa Sigvald 6 Fastighets AB	556909-4757	Nacka	500	100
Nyfosa Sjöbocka AB	556652-3501	Nacka	1,000	100
Nyfosa Skarpnäs 6:12 Fastighets AB	559170-5800	Nacka	50,000	100
Nyfosa Skepparen 15 Fastighets AB	559224-3900	Nacka	50,000	100
Nyfosa Skjutsstallslyckan 3 Fastighets AB	559018-0914	Nacka	50,000	100
Nyfosa Skogskarlen 3 Fastighets AB	559126-5771	Nacka	25,000	100
Nyfosa Skruven 3 Fastighets AB	556866-8312	Nacka	500	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Skåne 7 AB	559194-9713	Nacka	500	100
Nyfosa Slånbäret 1 Fastighets AB	556858-1614	Nacka	1,000	100
Nyfosa Slånbäret 2 Fastighets AB	559052-4426	Nacka	500	100
Nyfosa Släggan 13 Fastighets AB	559224-3918	Nacka	50,000	100
Nyfosa Småland Fastighets AB	556818-4666	Nacka	500	100
Nyfosa Smörbollshuset AB	556742-3461	Nacka	100,000	100
Nyfosa Snickaren 12 Fastighets AB	556974-7875	Nacka	500	100
Nyfosa Snickeriet Fastighets AB	559018-0435	Nacka	500	100
Nyfosa Sofiedal 10:2 Fastighets Kommanditbolag	969694-3126	Nacka	1,000	100
Nyfosa Solbacken 10 Fastighets AB	556866-8320	Nacka	500	100
Nyfosa Speditionshuset 1 AB	556742-4568	Nacka	100,000	100
Nyfosa Spillepengsmarken 5 Fastighets Kommanditbolag	969693-9421	Nacka	1,000	100
Nyfosa Spindeln 2 Fastighets AB	556930-8173	Nacka	500	100
Nyfosa Spolaren 4 Fastighets AB	556837-2246	Nacka	500	100
Nyfosa Spårren 7 Fastighets AB	559224-3926	Nacka	50,000	100
Nyfosa Stamgårde 4:209 Fastighets AB	556514-2899	Nacka	1,000	100
Nyfosa Stenkrossen 1 Fastighets AB	559003-5357	Nacka	1,000	100
Nyfosa Stensholm 1:754 Fastighets AB	556971-2929	Nacka	500	100
Nyfosa Stensholm 1:755 Fastighets AB	556971-2895	Nacka	500	100
Nyfosa Stolpen 1 Fastighets AB	559224-3934	Nacka	50,000	100
Nyfosa Stolpen 6 Fastighets AB	559224-3942	Nacka	50,000	100
Nyfosa Stora Mans 1 Fastighets AB	556849-7704	Nacka	50,000	100
Nyfosa Storheden Fastighets AB	559042-3678	Nacka	500	100
Nyfosa Stranden AB	556942-4640	Nacka	100	100
Nyfosa Styrmannen 5 Fastighets AB	559224-3959	Nacka	50,000	100
Nyfosa Sun HoldCo AB	559212-9091	Nacka	50,000	100
Nyfosa Sunaman 5 Fastighets AB	559124-9056	Nacka	50,000	100
Nyfosa Sundsvall Fastighets AB	556676-6415	Nacka	1,000	100
Nyfosa Sunnanå 12:33 Fastighets AB	556536-4717	Nacka	1,000	100
Nyfosa Sunnanå 6:40 Fastighets AB	556936-1867	Nacka	50,000	100
Nyfosa Svartmunken 2 Handelsbolag	916552-7582	Nacka	1,000	100
Nyfosa Svelthuset AB	556742-3487	Nacka	100,000	100
Nyfosa Svea Real Holding AB	559168-5911	Nacka	50,000	100
Nyfosa SveaReal AB	556736-5415	Nacka	1,100,000	100
Nyfosa Svedjan 2 Fastighets AB	559028-6935	Nacka	500	100
Nyfosa Sågen 1 Fastighets AB	559224-3967	Nacka	50,000	100
Nyfosa Sågen 2 AB	559138-8425	Nacka	500	100
Nyfosa Sågen 2 Fastighets AB	559224-3975	Nacka	50,000	100
Nyfosa Sågen 6 AB	559138-8433	Nacka	500	100
Nyfosa Sågen 9 Fastighets AB	559224-3983	Nacka	50,000	100
Nyfosa Sågklingan 10 Fastighets AB	556906-5757	Nacka	500	100
Nyfosa Sämjehuset AB	556742-7678	Nacka	100,000	100
Nyfosa Söder 18:19 Fastighets AB	556545-7024	Nacka	1,000	100
Nyfosa Tackan 9 Fastighets AB	556797-3051	Nacka	1,000	100
Nyfosa Takläggaren 2 Fastighets AB	559277-1538	Nacka	250	100
Nyfosa Takläggaren 4 Fastighets AB	556378-6267	Nacka	2,000	100
Nyfosa Takläggaren 8 Fastighets AB	556625-5658	Nacka	1,000	100
Nyfosa Tankstället 4 Fastighets AB	556857-6861	Nacka	50,000	100
Nyfosa Tellus 4 HoldCo AB	556925-8808	Nacka	500	100
Nyfosa Terminalen 1 Fastighets AB	556782-8420	Nacka	100,000	100
Nyfosa Tetis AB	556847-5825	Nacka	11,700,000	100
Nyfosa Tetis HoldCo 1 AB	559138-8516	Nacka	500	100
Nyfosa Tetis HoldCo 2 AB	559138-8540	Nacka	500	100
Nyfosa Tetis HoldCo 3 AB	559221-7664	Nacka	50,000	100
Nyfosa Torbornahögen 3 Fastighets AB	556796-5909	Nacka	1,000	100
Nyfosa Torlunda 1:278 HoldCo AB	556983-3634	Nacka	1,000	100
Nyfosa Tornadon 2 Fastighets Kommanditbolag	916572-9667	Nacka	100	100
Nyfosa Tornadon Holding AB	559224-3652	Nacka	50,000	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Totte HoldCo 1 AB	559231-4735	Nacka	500	100
Nyfosa Totte HoldCo 2 AB	559231-4743	Nacka	500	100
Nyfosa Totte HoldCo 3 AB	559231-4750	Nacka	500	100
Nyfosa Totte HoldCo 4 AB	559231-4768	Nacka	500	100
Nyfosa Totte HoldCo 5 AB	559231-4719	Nacka	500	100
Nyfosa Totte HoldCo 6 AB	559231-4727	Nacka	500	100
Nyfosa Totte HoldCo AB	559231-4701	Nacka	500	100
Nyfosa Traktorn 11 Fastighets AB	556366-7665	Nacka	2,000	100
Nyfosa Tranbäret 3 Fastighets AB	559015-2343	Nacka	500	100
Nyfosa Tranbäret 4 Fastighets AB	556840-3926	Nacka	1,000	100
Nyfosa Transistorn 1 Fastighets AB	559209-4428	Nacka	50,000	100
Nyfosa Trasten 12 Fastighets AB	556866-3909	Nacka	500	100
Nyfosa Tuve 85:9 Fastighets Kommanditbolag	916834-9596	Nacka	100	100
Nyfosa Tuvången 5 Fastighets AB	556924-7496	Nacka	500	100
Nyfosa Tyra Fastighets AB	559070-4549	Nacka	50,000	100
Nyfosa Tyska Bryggaregården AB	559138-8458	Nacka	500	100
Nyfosa Tången 15 Fastighets AB	559224-3991	Nacka	50,000	100
Nyfosa Uddevalla I AB	556694-7841	Nacka	1,000	100
Nyfosa Ugnen 1 Fastighets AB	559224-4007	Nacka	50,000	100
Nyfosa Ugnen 5 Fastighets AB	556923-1425	Nacka	500	100
Nyfosa Umeå Fastighets AB	556676-6423	Nacka	1,000	100
Nyfosa Unaman 8 Fastighets AB	556911-2906	Nacka	500	100
Nyfosa Uroxen 15 Fastighets AB	559260-1867	Nacka	25,000	100
Nyfosa Vagnmakaren 8 Fastighets AB	556970-6129	Nacka	500	100
Nyfosa Valhall 2 Fastighets AB	559171-0925	Nacka	50,000	100
Nyfosa Valhalla 1:6 Fastighets AB	556983-3626	Nacka	500	100
Nyfosa Valsta 3:29 AB	556800-2884	Nacka	1,000	100
Nyfosa Vega AB	559262-7474	Nacka	25,000	100
Nyfosa Vega HoldCo 1 AB	559034-1540	Nacka	1,000	100
Nyfosa Vega HoldCo 2 AB	559239-2962	Nacka	500	100
Nyfosa Vega HoldCo 3 AB	559034-1557	Nacka	1,000	100
Nyfosa Vega HoldCo AB	559011-4418	Nacka	20,000	100
Nyfosa Vega TopCo AB	559262-7482	Nacka	25,000	100
Nyfosa Verkstaden 8 AB	559138-8441	Nacka	500	100
Nyfosa Verkstadshuset 6 AB	556742-7710	Nacka	100,000	100
Nyfosa Viljan 2 Fastighets AB	556866-3818	Nacka	500	100
Nyfosa Vilunda 6:59 Fastighets AB	556814-7952	Nacka	500	100
Nyfosa Vindhjulet 3 Fastighets Kommanditbolag	969633-4367	Nacka	100	100
Nyfosa Vindrutan 1 Fastighets AB	556822-2284	Nacka	500	100
Nyfosa Vindtunneln 1 Fastighets AB	556712-3558	Nacka	1,000	100
Nyfosa Vinga 5 Fastighets AB	556894-7369	Nacka	50,000	100
Nyfosa Vinkelhaken 5 Fastighets AB	556970-6111	Nacka	500	100
Nyfosa VXJ HoldCo AB	556942-6504	Nacka	500	100
Nyfosa Vågenhuset AB	556742-7264	Nacka	100,000	100
Nyfosa Wera AB	556987-3945	Nacka	500	100
Nyfosa Wera HoldCo 1 AB	559132-9734	Nacka	500	100
Nyfosa Wera HoldCo 2 AB	559132-9742	Nacka	500	100
Nyfosa Wera HoldCo 3 AB	559138-8524	Nacka	50,000	100
Nyfosa Wera HoldCo 4 AB	559279-3714	Nacka	25,000	100
Nyfosa Wera HoldCo 5 AB	559138-8581	Nacka	50,000	100
Nyfosa Wera HoldCo 6 AB	559226-9848	Nacka	50,000	100
Nyfosa Wera HoldCo 7 AB	559196-1106	Nacka	500	100
Nyfosa Wera HoldCo 8 AB	559209-4394	Nacka	50,000	100
Nyfosa Åby 20:3 Fastighets AB	559063-6758	Nacka	50,000	100
Nyfosa Ånsta 20:262 Fastighets AB	556704-3368	Nacka	1,000	100
Nyfosa Årsta 68:4 Fastighets AB	556803-3525	Nacka	500	100
Nyfosa Åttersta 6:28 Fastighets AB	559101-4492	Nacka	500	100
Nyfosa Öjebyn 119:1 Fastighets AB	556846-4928	Nacka	50,000	100
Nyfosa Örebro Kitteln 11 Fastighets AB	556799-6870	Nacka	100,000	100

NOTE 24 cont.

Company name	Corp. Reg. No.	Registered office	Number of shares/ participations	Share, %
Nyfosa Finland AB	559313-6327	Stockholm	1,743,000	98.26
Nyfosa Finland NYAB 161 AB	559315-8677	Stockholm	3,000	98.26
Nyfosa Finland NYAB 162 AB	559315-6960	Stockholm	3,000	98.26
Nyfosa Finland NYAB 163 AB	559317-7792	Stockholm	3,000	98.26
Nyfosa Finland NYAB 164 AB	559317-7784	Stockholm	3,000	98.26
Nyfosa Finland NYAB 165 AB	559317-7776	Stockholm	3,000	98.26
Nyfosa Finland NYAB 167 AB	559333-2173	Stockholm	3,000	98.26
Nyfosa Finland NYAB 168 AB	559335-1405	Stockholm	3,000	98.26
Nyfosa Finland NYAB 169 AB	559332-8353	Stockholm	3,000	98.26
Nyfosa Finland NYAB 170 AB	559333-7933	Stockholm	3,000	98.26
Nyfosa Finland NYAB 171 AB	559333-7941	Stockholm	3,000	98.26
Nyfosa Finland NYAB 172 AB	559335-3781	Stockholm	3,000	98.26
Nyfosa J1 AB	559317-7750	Stockholm	3,000	98.26
Nyfosa J2 AB	559130-4679	Stockholm	6,500	98.26
Nyfosa J3 AB	559129-4250	Stockholm	6,500	98.26
Kampus Skinnarila Oy	2792456-1	Helsinki	187,439	98.26
Kielo AR Service Oy	2865529-5	Helsinki	100	98.26
Kielo Office Solutions 2 Oy	2955559-5	Helsinki	100	98.26
Kielo Office Solutions Oy	2865525-2	Helsinki	100	98.26
Kiinteistö Oy Ideakulma	2347493-8	Oulu	2995	98.26
Kiinteistö Oy Innova 1	2865527-9	Helsinki	100	98.26
Kiinteistö Oy Innova 2	2959945-9	Helsinki	100	98.26
Kiinteistö Oy Innova 4	2488224-7	Helsinki	810	98.26
Kiinteistö Oy Jyväskylän Kävelykatu 18	2375896-5	Jyväskylä	1000	98.26
Kiinteistö Oy Jyväskylän Kävelykatu 37	2121169-1	Jyväskylä	2,805,000	98.26
Kiinteistö Oy Jyväskylän Mattilanniemi 6	1503558-0	Helsinki	6250	98.26
Kiinteistö Oy Jyväskylän Mattilanniemi 8	2119236-3	Helsinki	100	98.26
Kiinteistö Oy Jyväskylän Vapaudenkatu 48-50	2290712-1	Jyväskylä	6412	98.26
Kiinteistö Oy Kauppakatu 18	2375897-3	Helsinki	1000	98.26
Kiinteistö Oy Nuottasaarentie 5	3249495-7	Helsinki	100	98.26
Kiinteistö Oy Ohjelmakaari 2&10	2865528-7	Helsinki	200	98.26
Kiinteistö Oy Suomen Autohuolto	2398832-2	Helsinki	41538	98.26
Kiinteistö Oy Survontie 9	2959950-4	Helsinki	100	98.26
Kiinteistö Oy Tampereen Hautalankatu 32	3249512-4	Helsinki	100	98.26
Kiinteistö Oy Voudintie 2	1795710-8	Oulu	100,000	98.26
Kiinteistö Oy Voudintie 4	3215318-3	Helsinki	100	98.26
Kiinteistö Oy Ylistönmäentie 24	2959947-5	Helsinki	100	98.26
Kiinteistö Oy Ylistönmäentie 26	2959948-3	Helsinki	100	98.26
Kiinteistö Oy Ylistönmäentie 31	2959949-1	Helsinki	100	98.26
Kiinteistö Oy Yrittäjänkulma 5	3215310-8	Helsinki	100	98.26
Kiinteistö Oy ZatellittiPark	2068845-5	Kempele	21483	98.26
Kiinteistöyhtiö Suomen Autokauppa Hyvinkää Oy	2992493-6	Helsinki	41538	98.26
Kiinteistöyhtiö Suomen Autokauppa Oulu Oy	2994267-5	Helsinki	1000	98.26
KOy IVH Kampus Skinnarila	2516146-8	Helsinki	273440	98.26
KOy Varikkokatu 2	3215316-7	Helsinki	100	98.26
Nyfosa Finland NewCo 1 Oy	3215315-9	Helsinki	100	98.26
Nyfosa Finland NewCo 10 Oy	3250382-5	Helsinki	100	98.26
Nyfosa Finland NewCo 11 Oy	3250381-7	Helsinki	100	98.26
Nyfosa Finland NewCo 12 Oy	3250379-6	Helsinki	100	98.26
Nyfosa Finland NewCo 2 Kiinteistö Oy	3249533-5	Helsinki	100	98.26
Nyfosa Finland NewCo 3 Oy	3215311-6	Helsinki	100	98.26
Nyfosa Finland NewCo 5 Oy	3215313-2	Helsinki	100	98.26
Nyfosa Finland NewCo 6 Oy	3215312-4	Helsinki	100	98.26
Nyfosa Finland NewCo 7 Oy	3215317-5	Helsinki	100	98.26
Nyfosa Finland NewCo 8 Oy	3250386-8	Helsinki	100	98.26
Nyfosa Finland NewCo 9 Oy	3250380-9	Helsinki	100	98.26
Nyfosa Jyväskylä HoldCo Oy	2865523-6	Helsinki	100	98.26
Nyfosa Jyväskylä Oy	2874585-6	Helsinki	100	98.26

NOTE 25

PLEGDED ASSETS AND CONTINGENT LIABILITIES

Nyfosa regularly pledges assets for its external liabilities include pledges of properties, pledges of shares as well as pledges in internal promissory notes.

Group

MSEK	2021	2020
Pledged assets		
Property mortgages	22,776	17,920
Participations in Group companies	4,832	3,371
Contingent liabilities		
Sureties for liabilities in joint ventures	–	–

Parent Company

Contingent liabilities		
Sureties for Group companies	21,079	17,813

NOTE 26

EQUITY

Share capital trend	Date	Change number of shares	Quotient value, SEK	Change in share capital, MSEK
New formation	October 17, 2017	500	100.00	0
Division of shares	May 21, 2018	99,500	–	0
New share issue	May 21, 2018	157,628,249	0.5	79
New share issue	August 21, 2018	10,000,000	0.5	5
New share issue	February 17, 2020	6,462,824	0.5	3
New share issue	March 9, 2020	10,310,000	0.5	5
New share issue	June 9, 2021	6,521,740	0.5	3
Total		191,022,813	0.5	96

Each share entitles the holder to one vote.

Dividends

For the 2021 financial year, the Board proposes that the AGM resolves on the distribution of an ordinary dividend of SEK 3.80 per share with quarterly payment of SEK 0.95 per share.

The Board's proposed appropriation of profit

Unrestricted equity, MSEK	Dec 31, 2021
Retained earnings	7,077
Share premium reserve	2,069
Profit for the year	2,223
Total unrestricted equity	11,369

The following funds are available for distribution by the AGM

Dividends to shareholders	726
To be carried forward	10,643
Total	11,369

NOTE 27

SIGNIFICANT EVENTS AFTER THE BALANCE-SHEET DATE

In February, an agreement was signed to acquire a total of 43 properties located in several municipalities in Finland, with a focus on the Helsinki region, Turku and Jyväskylä. The acquisition price amounts to MEUR 200.0, corresponding to MSEK 2,109, including acquisition costs. The properties have a total area of approximately 222 thousand square meters with an annual rental value of MEUR 29.3, corresponding to MSEK 311. Closing is planned for April 1, 2022.

In January, Nyfosa's joint venture Samfosa took possession of properties in Norway for a value of MNOK 1,550, corresponding to approximately MSEK 1,560. The acquisition included the company Bratsberg AS, with properties mainly located in the Norwegian cities of Skien and Porsgrunn.

THE BOARD'S ASSURANCE

The Board of Directors and CEO give their assurance that the Annual Report has been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated financial statements have been prepared in accordance with the international accounting standards stipulated in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of July 19, 2002 on the application of international accounting standards.

The Annual Report and the consolidated financial statements provide a true and fair view of the Parent Company's and the Group's financial position and earnings. The Board of Directors' Report for the Parent Company and the Group provides a fair review of the performance of the Parent Company's and the Group's operations, financial position and earnings, and describes the material risks and uncertainties facing the Parent Company and the companies included in the Group.

Nacka March 20, 2022
Nyfosa AB
(Corp. Reg. No. 559131-0833)

Johan Ericsson
Chairman of the Board

Marie Bucht Toresäter
Board member

Lisa Dominguez Flodin
Board member

Jens Engwall
Board member

Mats Andersson
Board member

Per Lindblad
Board member

Jenny Wärmé
Board member

Stina Lindh Hök
Chief Executive Officer

Our audit report was submitted on March 21, 2022
KPMG AB

Mattias Johansson
Authorized Public Accountant

AUDITOR'S REPORT

AUDITOR'S REPORT

To the general meeting of the shareholders of Nyfosa AB (publ), corp. id 559131-0833

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Nyfosa AB (publ) for the year 2021, except for the corporate governance statement on pages 68–75. The annual accounts and consolidated accounts of the company are included on pages 68–75 and 81–119 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 68–75. 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 property

See Note 2 Significant accounting policies, Note 13 Investment property and Note 23 Important estimates and judgments on pages 93–97, 104–105 and 108–109 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Investment properties are held at fair value in the group's financial statements. The carrying value of these properties is MSEK 37,147 as per 31 December 2021.

The fair value of Investment properties as per 31 December 2021 has been determined based on valuations carried out by independent appraisers, except for those for which possession was taken during the fourth quarter 2021 or for those which a sales agreement is signed. In these cases, the agreed property value is used.

Given investment properties significant share of the group's total assets and the inherent elements of significant judgment and estimates required in the valuation process, valuation of Investment properties is a Key Audit Matter.

The risk is that the carrying value of Investment properties could be over- or underestimated and that deviations would directly influence profit for the year.

Response in the audit

We have evaluated if the valuation methodology used is reasonable by comparing it to our experience of methods applied by other real estate companies and independent third party appraisers and which assumptions that are normal when valuing comparable objects.

We have assessed the competence and independence of third party appraisers used and we have read the engagement letters of the independent third party appraisers with the aim to evaluate if there where contractual terms that could influence scope or focus of the independent third party appraisers' engagement.

We have tested the controls established by the group to ensure that input data provided to the independent third party appraisers are accurate and complete.

We have, on a sample basis, tested individual valuations. When doing so, we made use of available current market data from external sources, especially for yields, discount rates, rents and vacancies used. We have considered impact in the aftermath of Covid-19 on cash flows as well as on yields.

We have checked the accuracy of disclosures on Investment properties given by the group in notes 2, 13 and 23 in the annual accounts and consolidated accounts, especially concerning elements of judgement and applied key assumptions.

Acquisitions and disposals of property

See Note 2 Significant accounting policies, Note 13 Investment property and Note 23 Important estimates and judgments on pages 93–97, 104–105 and 108–109 in the annual account and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

The group's total investment in properties in 2021 amounted to MSEK 6,718 of which MSEK 6,243 were acquisitions. Disposals amounted to MSEK 663.

The risks in relation to acquisitions and disposals primarily relates to the period in which a transaction is recognized, and if specific conditions in the specific transactions have not properly accounted for, which could have significant impact on the group's reported profit and financial position.

Response in the audit

We have evaluated the processes for acquisitions and disposals of properties. For significant transactions, we have examined contracts, evaluating the period of recognition, agreed the purchase price and, where applicable, evaluated that any specific conditions have been accounted for properly.

We have evaluated the accuracy of the disclosures related to transactions given by the group in note 2, 13 and 23 in the annual accounts and consolidated accounts.

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 1–67, 76–80 and 124–149. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. 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

Auditor's audit of the administration and the proposed appropriations of profit or loss

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 Nyfosa 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 Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for Nyfosa AB (publ) for year 2021.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report #4Cok7QiDfBuct9Y= has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Nyfosa AB (publ) 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 evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

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 Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 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 aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The audit firm applies ISQC 1 Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and other Assurance and Related Services Engagements and accordingly maintains a comprehensive system of quality control, including documented policies and procedures regarding compliance with professional ethical requirements, professional standards and legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of the appropriateness and reasonableness of the assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a technical validation of the Esef report, i.e. if the file containing the Esef report meets the technical specification set out in the Commission's Delegated Regulation (EU) 2019/815 and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the Esef report has been marked with iXBRL which enables a fair and complete machine-readable version of the consolidated statement of financial performance, financial position, changes in equity and cash flow.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 68–75 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 gen-

erally 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.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of Nyfosa AB (publ) by the general meeting of the shareholders on the 23 April 2020. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2017.

Stockholm March 21 2022

KPMG AB

Mattias Johansson
Authorized Public Accountant

SUSTAINABILITY REPORT

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Own indicator	Measures taken to maintain a high level of safety and security in and around the properties	134	3.4, 3.6, 3.9, 8.8	416-1 has been replaced with the company's own indicator.

ECONOMIC RESPONSIBILITY



201-1 DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

The prerequisite for achieving Nyfosa's financial objective of generating 10-percent annual growth in distributable cash flow per share and being able to meet our stakeholders' economic expectations is that we assume economic responsibility and have sound finances.

Boundaries

Reporting covers the economic value generated within Nyfosa and its joint ventures, Söderport and Samfosa.

Governance and monitoring

The Board of Directors has overall responsibility for ensuring that the business is governed towards the financial objectives within the framework of what is permitted by the company's policies. The outcome is evaluated quarterly in connection with interim reports.

Outcome

The generated economic value amounted to MSEK 5,022 (3,533) in 2021 and comprised rental and interest income, profit from property management from participations in joint ventures and value changes in the Group and joint ventures.

DIRECT ECONOMIC VALUE GENERATED AND DISTRIBUTED

MSEK	2021	2020
Economic value generated		
Rental and other revenue	2,462	2,065
Profit from property management in joint ventures	888	404
Changes in value	1,671	1,064
Total	5,022	3,533
Economic value distributed		
Suppliers, etc. ¹⁾	-1,194	-884
Employees	-78	-66
Creditors incl. hybrid bond	-439	-357
Society ²⁾	-442	-412
Shareholders ³⁾	-753	-
Remaining in the company	2,093	1,794

1) Property expenses, excl. property tax and administration expenses excl. personnel-related costs and investments in existing properties.

2) Current and deferred tax, property tax, ground rent and social security costs.

3) Dividend resolved at AGM and dividend on new shares issued during the year.



205-3 CONFIRMED INCIDENTS OF CORRUPTION AND ACTIONS TAKEN

Nyfosa's organization must always act credibly, honestly and transparently. We expect that our employees, business partners and others with whom the Group has contact or does business with, and who have serious concerns about fraud, corruption or similar action within the Group's operations, come forward and voice their concerns.

Boundaries

Reporting only comprises the number of confirmed incidents of corruption and actions taken within Nyfosa AB and its subsidiaries.

Governance and monitoring

Nyfosa's sustainability policy and whistleblower function are examples of tools that the Board uses to promote good business ethics and to counter all forms of corrupt behavior.

Suspicious of irregularities can be reported anonymously through a whistleblower function, which is accessed via the company's website and intranet. Reported suspicions may either be investigated internally or handed over to the police.

You can read more about the anonymous whistleblower function on Nyfosa's website, www.nyfosa.se.

Outcome

No suspicions of fraud or corruption were reported in 2021.

ENVIRONMENTAL RESPONSIBILITY

Explanatory key

Control means that Nyfosa has the possibility to exercise an influence when, for example, choosing agreements or suppliers. Area refers to heated floor area in the buildings. Like-for-like portfolio refers to properties that were owned during two entire financial years as per December 31, 2021, 2020 and 2019, respectively, and over

which Nyfosa has control of at least one type of energy: electricity, district heating or district cooling. Accordingly, there are three partly different portfolios whose outcome is reported in the tables below. For information on the properties included in the portfolio as per December 31, 2021, refer to the list of properties on pages 136–146.

LIKE-FOR-LIKE PORTFOLIO

	Dec 31, 2021		Dec 31, 2020		Dec 31, 2019	
	No. of properties	Area, 000s sqm	No. of properties	Area, 000s sqm	No. of properties	Area, 000s sqm
Offices	79	693	63	603	56	567
Logistics/Warehouse	56	583	45	562	22	227
Retail	18	198	16	128	16	118
Other	22	210	10	88	11	96
Total	175	1,684	134	1,381	105	1,008



301-1 MATERIALS USED BY WEIGHT OR VOLUME

Nyfosa's target is to recycle and reuse as much material as possible in order to benefit from an environmental and economic perspective. Ahead of every remodeling and tenant conversion, we investigate the potential to minimize the undertaking and to reuse construction materials and products.

Boundaries

As a property owner, Nyfosa is responsible for the changes that take place within the properties. Extensive refurbishments and modification projects are always project managed or performed as commissioned by Nyfosa, while smaller alterations can be carried out by the tenants themselves. The aim is for the reporting to include the major projects that Nyfosa controls. A pilot study was carried out in 2021 to follow up the use of materials and waste related to refurbishment and tenant-specific modifications. The pilot study encompassed nine projects of varying size and nature, which represented a small selection of the total number of refurbishment and tenant-specific modifications that Nyfosa carried out last year.

Governance and monitoring

By implementing systems for documenting materials used in remodeling and tenant-specific modifications in our premises, we can focus on how we use materials and establish goals for reduced consumption. Prior to a refurbishment project or tenant-specific modification, a project manager goes through a checklist to ensure that the project is as resource efficient as possible. The use of materials and waste are reported when the project is completed.

Outcome

In 2021, the use of materials was followed up in nine projects encompassing a total of 3,575 sqm.

MATERIAL USED

Type of material	Tons	CO ₂ e
Concrete	16.52	2.74
Plastic	0.07	0.22
Wood	7.11	0.49
Plaster	13.05	2.04
Metal	1.45 (0.2 ¹⁾)	6.22
Electronics	0.35	0.39
Chemicals	0.00	–
Other materials	2.15	0.15

1) Refers to recycled materials



302-1 ENERGY CONSUMPTION WITHIN THE ORGANIZATION

CRE1 BUILDING ENERGY INTENSITY

As a property owner we endeavor to reduce energy consumption in our properties. This increases the value of our property portfolio and reduces negative climate impact.

Boundaries

Nyfosa can influence energy consumption in those buildings whose consumption goes via Nyfosa's main subscription. Reporting pertains to a like-for-like portfolio in which each specific building that has been owned by Nyfosa during the two most recent calendar years is measured over this period, as well as the main subscription that gives Nyfosa control over at least one of the following energy classes: electricity, district heating or district cooling. Control can vary between energy classes and properties. For the report on 2021, this corresponds to 49 percent (42) of the total portfolio and encompasses both property energy and energy used in the operations.

Governance and monitoring

The Board of Directors has set a goal that energy consumption will be reduced by 10 percent per sqm between 2020 and 2025. Mon-

itoring takes place annually in conjunction with the annual report and sustainability report. Nyfosa mainly purchases electricity from Vattenfall, which is 100 percent eco-labeled and renewable, and thus has low carbon emissions.

The tenants that sign green leases with us contribute, for example, in that we jointly map energy consumption in the building, and use eco-friendly materials in remodeling and cleaning.

Nyfosa continuously performs energy and environmental audits of its property portfolio in order to identify energy-saving potential. Energy, water and environmental data from our properties is monitored continuously via an energy monitoring system.

Outcome

Energy consumption per sqm in the like-for-like portfolio as per December 31, 2021 amounted to 112.6 kWh per sqm (110.0), corresponding to an increase of 2 percent.

Total energy consumption in the like-for-like portfolio as per December 31, 2021 amounted to 136.8 GWh (133.0).

ENERGY PERFORMANCE

kWh/sqm	Like-for-like portfolio Dec 31, 2021 ¹		Like-for-like portfolio Dec 31, 2020 ¹		Like-for-like portfolio Dec 31, 2019	
	2021	2020	2020	2019	2019	2018
Offices	121	123	114	128	138	151
Logistics/Warehouse	72	65	68	68	52	51
Retail	91	66	142	147	149	147
Other	165	146	78	85	87	91
Total	113	110	101	109	125	101

1) See definition of like-for-like portfolio under Explanatory key.

ENERGY CONSUMPTION, LIKE-FOR-LIKE PORTFOLIO

GWh, Dec 31, 2021	Offices		Logistics/Warehouse		Retail		Other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Electricity	25.4	25.4	12.4	12.4	5.2	4.9	10.1	5.5	52.2	48.1
District heating	42.2	42.2	16.4	17.4	7.1	6.0	15.7	16.1	81.3	81.7
District cooling	2.4	2.6	0.0	0.0	0.3	0.5	0.6	0.6	3.3	3.1
Total	70.0	70.2	28.8	29.8	12.6	11.4	26.4	22.1	136.8	133.0

GWh, Dec 31, 2020	Offices		Logistics/Warehouse		Retail		Other		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
Electricity	21.2	20.2	10.3	9.3	4.3	4.0	2.0	2.1	37.8	35.6
District heating	37.8	34.9	14.6	13.5	8.3	8.5	3.9	4.8	64.6	61.7
District cooling	1.0	1.2	0.0	0.0	0.5	0.6	0.0	0.0	1.6	1.7
Total	60.0	56.3	24.9	22.8	13.1	13.0	5.9	6.9	104.0	99.0

GWh, Dec 31, 2019	Offices		Logistics/Warehouse		Retail		Other		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Electricity	27.7	29.0	1.3	1.3	3.4	3.3	2.5	2.7	34.9	36.3
District heating	32.2	34.0	4.6	4.8	8.0	7.6	5.1	5.4	49.9	51.8
District cooling	1.2	1.7	0.0	0.0	0.6	0.6	0.0	0.0	1.7	2.3
Total	61.1	64.7	5.9	6.0	12.0	11.6	7.5	8.1	86.5	90.3



303-1 INTERACTIONS WITH WATER AS A SHARED RESOURCE

CRE2 BUILDING WATER INTENSITY

Nyfosa owns properties throughout Sweden. In several parts of the country, ground water levels have been low in recent years. Consequently, water consumption has been of major importance for contributing to a sustainable infrastructure.

Boundaries

Nyfosa is able to influence water consumption in its building through investments in technical systems and new water fittings. The report covers the total water consumption in all documented properties in the like-for-like portfolio for 2021, 2020 and 2019, which accounts for 49 percent of the total portfolio, and with an average per sqm. It does not cover water usage where the tenant is the subscriber.

Governance and monitoring

Nyfosa has set a goal that 100 percent of the property value will have sustainability certification by 2030. Low water consumption is a prerequisite for green certification of the buildings with a high score, which puts the focus on consumption. Nyfosa offers its tenants green leases, which provide a starting point for jointly reducing water consumption in both the buildings and in the tenants' operations. Monitoring takes place annually in conjunction with the annual report and sustainability report.

Nyfosa continuously monitors the energy, water and environmental data from its properties via an energy monitoring system.

Outcome

Total water consumption in the like-for-like portfolio as per December 31, 2021 amounted to 240 thousand cubic meters (225).

Water intensity amounted to 0.18 cubic meters per sqm (0.18).

INTERACTIONS WITH WATER AS A SHARED RESOURCE

m ³ /sqm	Like-for-like portfolio Dec 31, 2021		Like-for-like portfolio Dec 31, 2020		Like-for-like portfolio Dec 31, 2019	
	2021	2020	2020	2019	2019	2018
Offices	0.24	0.22	0.40	0.39	0.26	0.26
Logistics/Warehouse	0.09	0.09	0.10	0.08	0.05	0.08
Retail	0.14	0.15	0.22	0.22	0.22	0.22
Other	0.29	0.31	0.15	0.20	0.19	0.16
Total	0.18	0.18	0.25	0.25	0.22	0.21



305-1 DIRECT (SCOPE 1) GHG EMISSIONS

305-2 ENERGY INDIRECT (SCOPE 2) GHG EMISSIONS

305-3 OTHER INDIRECT (SCOPE 3) GHG EMISSIONS

CRE3 GREENHOUSE GAS EMISSIONS INTENSITY FROM BUILDINGS

A large part of Nyfosa's environmental impact stems from emissions of greenhouse gases from heating and cooling, as well as energy usage in our buildings.

Boundaries

The report focuses on direct emissions from passenger transport, coolants and fossil fuels (Scope 1). It is the first time we are reporting emissions related to coolants in report format. Indirect emissions occurring through heating, cooling and hot water in the properties, and energy use in Finland (Scope 2). Renewable electricity, business travel, commuter travel and waste from tenants (Scope 3). Reporting of carbon emissions connected to heating, cooling and electricity refers to all documented properties in the total portfolio where Nyfosa has control over the subscription, which corresponds to 81 percent (81) of the total portfolio. Reporting of passenger transport pertains to company cars and service vehicles. Reporting of coolants pertains to equipment subject to reporting requirements in 2020 according to Swedish law. Reporting of fossil fuels pertains to incineration at any of Nyfosa's properties. Reporting of business travel pertains to travel that Nyfosa's employees have carried out while on duty.

Governance and monitoring

The Board of Directors has set goals for reduced energy consumption and for sustainability certification of our buildings, and always endeavoring to reduce carbon emissions from the operations. Monitoring takes place in conjunction with the annual report and sustainability report.

Nyfosa continuously performs energy and environmental audits of its property portfolio in order to identify energy-saving potential. Energy, water and environmental data from our properties is monitored continuously via an energy monitoring system.

Coolants, fossil fuels and waste from tenants are reported annually by the respective suppliers. Business travel is monitored annually through reports from the company's supplier of company cars. Nyfosa climate compensates for business travel by air and by car.

Last year's target of increasing the number of green leases contributed to an increased focus on reducing carbon emissions by focusing on reduced electricity consumption, a high proportion of renewable electricity and ensuring that waste is managed efficiently and safely.

Outcome

The estimates are from the energy monitoring system Mestro and are based on standard estimates. CO₂ emissions from electricity production in Scope 3 is based on Nyfosa's electricity supply contract with Vattenfall, based on the lifecycle for electricity production, 8.45 g per kWh (8.45). Scope 2 emissions from electricity production refer to the Finnish portfolio acquired in 2021. Electricity production for these properties was not derived from renewable sources. Electricity trading in Finland will be replaced by more environmentally friendly alternatives in 2022.

CO₂ emissions from district heating are based on the energy companies' own figures, which are compiled annually by the organization Swedenergy and have not been adjusted. When the report is published in the middle of the year, the environmental values for district heating lag behind by one year. For district cooling, the emission factor for Swedish average district cooling is used, which is 19.96 g per kWh (19.96). An emission factor from the company's supplier of business travel and company cars is used for travel.

Passenger transport and fossil fuels are reported in Scope 1, with 2020 representing the first measurement year. Reported quantity of fossil fuels pertains to energy requirements for back-up power.

Within Scope 2, the sum total of emissions has increased 75 percent, which is explained by a larger property portfolio. Emission intensity (kg/sqm) has increased from 2.9 to 3.5, corresponding to 21 percent.

Within Scope 3, emissions from electricity consumption increased by 32 percent, which is explained by a larger property portfolio. Emission intensity (kg/sqm) has increased from 0.27 to 0.31, corresponding to 15 percent. For business travel, 2020 is the first measurement year.

SCOPE 1

Tons CO ₂	2021	2020	2019	2018
Passenger transport	29	112	–	–
Fossil fuels	0	5	–	–
Coolants	118	–	–	–
Total	118	117	–	–

SCOPE 2

Tons CO ₂	2021	2020	2019	2018
Heating	6,573	4,700	3,614	2,347
Cooling	161	50	21	27
Electricity	1,596	–	–	–
Total	8,330	4,750	3,635	2,374

SCOPE 3

Tons CO ₂	2021	2020	2019	2018
Electricity	712	538	382	302
Business travel	3	3	–	–
Total	715	541	382	302

Source energy consumption: Mestro



306-2 WASTE BY TYPE AND DISPOSAL METHOD

To reduce tenant waste, it is important to ensure that there is sufficient space and enough containers to sort waste in a central location in the property. Nyfosa also works to reduce waste in refurbishment and tenant-specific modifications. The national target for waste entails that actions be taken so that 70 percent of the weight of all non-hazardous building and demolition waste will be recycled or reused.

Boundaries

The report refers to waste from tenants, broken down into hazardous waste, recycled waste and waste for incineration in the properties in which Nyfosa has control over waste management. At present, not all waste management suppliers are able to report quantities and type of waste. In a number of cases, Nyfosa is not able to switch supplier. The report is limited to available data, which corresponds to 549 thousand sqm or 20 percent of the total portfolio for sorted waste, 517 thousand sqm or 19 percent of the total portfolio for residual waste and 113 thousand sqm or 4 percent of the total portfolio for hazardous waste. A pilot study was carried out in 2021 to follow up the use of materials and waste related to refurbishment and tenant-specific modifications. The pilot study encompassed nine projects of varying size and nature, totaling 3,575 sqm, which represented a small selection of the total number of refurbishment and tenant-specific modifications that Nyfosa carried out last year.

Governance and monitoring

Nyfosa works continuously to improve opportunities for recycling and reusing waste. The tenants who have currently signed green leases with us contribute to a greater focus on waste management. In the event that Nyfosa is responsible for agreements with the supplier, it is Nyfosa's responsibility to make sure that there are possibilities for recycling and efficient waste management. It is also Nyfosa's responsibility to ensure that the spaces for waste management maintain a good standard. The work on reporting on waste related to refurbishment and tenant-specific modifications will continue in 2022. Monitoring of work pertaining to this indicator takes place annually in conjunction with the annual report and sustainability report.

Outcome

The outcome is based on reports from Nyfosa's suppliers. Reported waste during 2021 consisted of 542 tons of sorted waste, 1,414 tons of residual waste and 4 tons of hazardous waste. Sorted waste corresponded to 1.0 kg per sqm, residual waste to 2.7 kg per sqm and hazardous waste to 0.04 kg per sqm. A total of 65 tons of waste was reported in the pilot study for waste reporting related to refurbishment and tenant-specific modifications.

WASTE WEIGHT BY TYPE

Tons	2021	2020
Sorted waste	542	611
Residual waste	1,414	194
Hazardous waste	4	2
Total	1,960	807

WASTE FROM REFURBISHMENT AND TENANT-SPECIFIC MODIFICATIONS

Type of material	Tons	Of which, waste for recycling
Concrete	8.3	8.2
Plastic	<0.1	<0.1
Wood	11	10.4
Plaster	11.9	11.6
Metal	3.8	3.8
Electronics	0.4	0.2
Hazardous waste	0.1	0
Waste asbestos	0.2	-
Other materials	29.4	19.6
Total	65.2	53.9



CRE8 PROPERTIES WITH SUSTAINABILITY CERTIFICATION

By using different sustainability certifications in our buildings, we can ensure that sustainability issues are given a distinct focus in the organization. Certification facilitates green financing and provides a detailed documentation of the environmental performance of the building, during the time we own it and as part of a sales process.

Governance and monitoring

The Board has set a goal for sustainability certification of our buildings. Monitoring takes place annually in conjunction with the annual report and sustainability report.

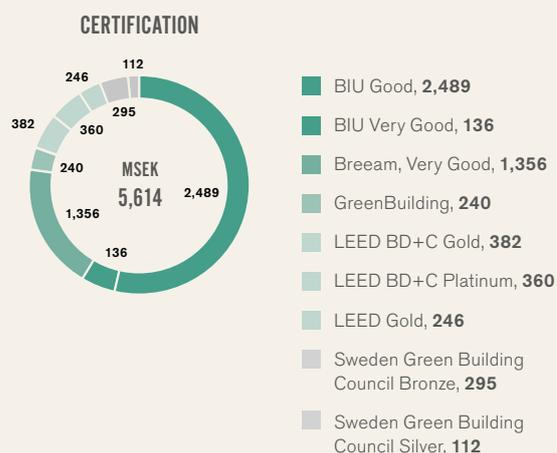
Goal

By 2025, 50 percent of the property value will have sustainability certification and 100 percent by 2030.

Nyfosa continuously examines the possibility to secure sustainability certification for its buildings, which sustainability certification systems are relevant and at which level certification can be achieved for each building.

Outcome

A major focus area in 2021 resulted in properties with sustainability certification representing 15 percent of the total property value on the balance-sheet date.



SOCIAL RESPONSIBILITY



OWN INDICATOR ACCIDENTS AND ABSENCE DUE TO ILLNESS

Nyfosa wants to promote good health and create a healthy and secure work environment for all its employees.

Boundaries

Reporting covers absence due to illness and accidents involving people employed by Nyfosa and the accidents reported at our workplaces. Because the number of employees within the organization is relatively few, an average of 70, only total absence due to illness is reported and is not presented according to gender or occupation category.

Governance and monitoring

The Employee Handbook and Occupational Health and Safety Manual, which is available on the company's intranet, summarizes the health-promoting benefits that are offered to personnel, including health checks, and what is offered in the form of rehabilitation in connection with illness. All Nyfosa employees are covered by health insurance.

Monitoring of absence due to illness takes place monthly and over a rolling 12-month period. The number of work accidents is followed up annually.

Outcome

Total absence due to illness in 2021 amounted to 2.32 percent. In 2021, three accidents were reported among Nyfosa's employees.

TOTAL ABSENCE DUE TO ILLNESS

%	2021	2020	2019
Total	2.32	0.92	0.94



401-1 NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

Nyfosa works actively to be an attractive workplace so that we can retain and develop our employees, and attract new skills regardless of age, gender or family situation.

Boundaries

Because the number of employees is relatively few, an average of 70, only the total number of new employee hires and the total employee turnover are reported.

Governance and monitoring

Nyfosa offers the same conditions, rights and development prospects to everyone at the company, which is clearly seen in our recruitment and introduction work. Nyfosa focuses on involvement and personal development through continuous dialog between manager and employee, which is followed up in systematic work environment activities. The culture at Nyfosa is characterized by an open and stimulating work environment and a flexible work approach with the opportunity for employees to influence their own situation.

Outcome

The total number of new employee hires in 2021 was 26 and employee turnover was 10 percent.

NEW EMPLOYEE HIRES AND EMPLOYEE TURNOVER

	2021 ¹⁾	2020	2019
Total new employee hires	26	24	19
Total employee turnover	10%	6%	7%

¹⁾ of whom 12 people in Finland.



405-1 DIVERSITY OF GOVERNANCE BODIES AND EMPLOYEES

Nyfosa's ambition is that gender equality efforts will be a natural part of our operations. The conditions, rights and development opportunities of men and women must be equal within the entire company and not related to gender or age. During 2021, the number of employees averaged 70 (63). All employees are permanent employees. 3 percent are employed part time, all of whom are women who have themselves requested part-time employment.

Nyfosa has chosen to outsource the majority of financial management to external service providers. Property upkeep is largely outsourced to a number of local service providers.

Boundaries

Reporting covers only people employed at Nyfosa.

Governance and monitoring

The Nomination Committee is responsible for ensuring that the Board of Directors has an even gender distribution in terms of members. The company's management is responsible for equality work within the company and annually monitors statistics concerning age and gender distribution. If cases of discrimination are uncovered, employees are urged to report this to their immediate superior, HR Manager or to Nyfosa's whistleblower function.

Outcome

The percentage of women was 43 percent (43) on the Board of Directors, 60 percent (75) in the Executive Management Team and 52 percent (48) among the employees.

AGE DISTRIBUTION

Number	2021	2020	2019
20–29	7	5	13
30–39	28	18	22
40–49	27	23	35
50–59	20	15	17
60–69	5	6	13

GENDER DISTRIBUTION

%	2021		2020	
	Men	Women	Men	Women
Board of Directors	57	43	57	43
Management team	40	60	25	75
Employees	48	52	52	48



406-1 INCIDENTS OF DISCRIMINATION AND CORRECTIVE ACTIONS TAKEN

At Nyfosa, all employees, partners and customers will be treated with respect and no one is to feel violated, discriminated or uncomfortable on the grounds of gender, ethnicity, religion, sexual orientation or age. Nyfosa has zero tolerance for harassment or bullying of any kind.

Boundaries

Nyfosa can influence the impact that occurs internally in the organization. The report pertains to incidents that take place within the organization.

Governance and monitoring

Nyfosa has zero tolerance for all forms of discrimination. Anti-discrimination efforts are governed through Nyfosa's whistleblower function and Code of Conduct. In 2021, the governance structure will be supplemented with a Code of Conduct for Suppliers and the largest suppliers have confirmed it. In the future, new suppliers will be encouraged to confirm the Code of Conduct as part of the procurement process.

Employees of the in-house organization are urged to report all forms of perceived discrimination to their immediate superior, HR Manager or via the whistleblower function.

Outcome

In 2021, no incidents of discrimination (–) were reported.



414-1 NEW SUPPLIERS THAT WERE SCREENED USING SOCIAL CRITERIA

Nyfosa purchases a large amount of materials and services from various suppliers, of which electricity, district heating, water and property upkeep and repairs account for a significant share. Financial property management is performed primarily by external service providers in Sweden and Finland and property upkeep is performed by a number of local service providers. Total purchases of materials and services, including those expensed and capitalized in the statement of financial position, amounted to MSEK 1,160. The assignments of the external service providers increase as the property portfolio grows. The suppliers are considered an extension of the company's own operations. The reason for adopting a Code of Conduct for Suppliers is to ensure that the working conditions at the companies that supply goods and services to the company fulfill Nyfosa's requirements in terms of work environment and ethical

standards and that the assignment is conducted in an environmentally conscious manner.

Governance and monitoring

The Board set a goal for 2021 that the Code of Conduct for Suppliers will be adopted and that the largest suppliers will confirm their compliance with it. Monitoring takes place annually in conjunction with the annual report and sustainability report.

Outcome

The Code of Conduct has been adopted and the largest suppliers, corresponding to 20 percent of purchases of goods and services, have confirmed it.



OWN INDICATOR MEASURES TAKEN TO MAINTAIN A HIGH LEVEL OF SAFETY AND SECURITY IN AND AROUND THE PROPERTIES

Nyfosa's tenants must always be able to rely on the fact that Nyfosa's properties offer a work environment that is safe, accessible and healthy. Feeling safe and secure is a prerequisite in and around all our properties. Examples of important safety features include handling icicles and snow falling from roofs, fire safety and electricity audits.

Governance and outcome

In 2021, a decision was made to procure a system to enable structured monitoring of whether inspections of various security systems in properties are conducted correctly and in the correct time.

AUDITOR'S LIMITED ASSURANCE REPORT ON NYFOSA AB'S SUSTAINABILITY REPORT AND STATEMENT REGARDING THE STATUTORY SUSTAINABILITY REPORT

To Nyfosa AB corporate ID 559131-0833

Introduction

We have been engaged by the Board of Directors of Nyfosa AB to undertake a limited assurance engagement of Nyfosa AB's Sustainability Report for the year 2021. The company has defined the scope of the Sustainability Report to pages 45–65 and 124–135 in this document, which also constitutes the Statutory Sustainability Report.

Responsibilities of the Board of Directors and the Group Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 56 in the Sustainability Report and are part of the Sustainability Reporting Guidelines published by GRI (The Global Reporting Initiative), that are applicable to the Sustainability Report, as well as the accounting and calculation principles that Nyfosa AB has developed. This responsibility also includes the internal control relevant to the preparation of Sustainability Report that is free from material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our assignment is limited to the historical information that is presented and does not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 Assurance engagements other than audits or reviews of historical financial information (adjusted). A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR12. The auditor's opinion regarding the Statutory Sustainability Report. A limited assurance engagement and an examination according to RevR 12 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.

The firm applies ISQC 1 (International Standard on Quality Control) and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of Nyfosa AB in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence obtained is sufficient and appropriate to provide a basis for our conclusions below.

Conclusions

Based on the limited assurance procedures performed, nothing has come to our attention that causes us to believe that the Sustainability Report is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and the Group Management.

A Statutory Sustainability Report has been prepared.

Stockholm, 21 March 2022

KPMG AB

Mattias Johansson
Authorized Public Accountant

Torbjörn Westman
Expert Member of FAR

PROPERTY LISTING

PROPERTY LISTING

OFFICES

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Borlänge Boktryckaren 17	Bygatan 35	LfL	1990		1,829	
Borlänge Torkel 3	Borganäsvägen 12	LfL	1986		2,883	
Borlänge Tyra 13-14	Hagavägen 2-6, Jussi Björlings Väg 19-23, Vasagatan 24		1983		6,469	
Enköping Centrum 20:1	Källgatan 6, Eriksgatan 23, Kryddgårdsgatan 22-24	LfL	1981	2008	3,947	
Eskilstuna Vagnmakaren 8	J A Selanders Gata 1		1967	2016	3,406	
Eskilstuna Viljan 2	Careliigatan 8		1976		9,162	
Eskilstuna Vinkelhaken 5	Fristadstorget 4		1954	2000	3,860	
Gnosjö Marås 1:12	Maråsliden 7		1960		1,140	
Gävle Norr 12:5	Nygatan 13	LfL	1978		15,848	
Gävle Norr 25:5	Hattmakargatan. 7-9, Drottninggatan 29-31, Norra Kopparslagargatan. 8-10, Nygatan 30-32	LfL	1929	1950, 2003	8,910	
Gävle Söder 18:19	Slottstorget 3, Västra Islands-gatan 2, Källgränd 2	LfL	1964	2001	4,869	
Halmstad Klingberget 6	Brogatan 1	LfL	1929	1960, 2003, 2011	10,996	
Halmstad Rudan 6	Bredgatan 1	LfL	1906	2014, 2016	838	
Halmstad Svartmunken 2	Karl XI:s väg 61	LfL	1986	2012, 2015	5,147	
Helsingborg Asien 20	Kvarnstensgatan 11, Verkstads-gatan 2	LfL	1972	1989	2,548	
Helsingborg Köpingetrakten 1	Trintegatan 9	LfL	1990	2005	905	
Huddinge Cirkeln 2	Ellipsvägen 12		1990		3,559	
Härnösand Lärkan 21	Artiellerigatan 2, Tullportsgatan 2	LfL	1969	1978	7,062	
Härnösand Rådmannen 6	Backgränd 9	LfL	1981		4,546	
Härnösand Torsvik 5	Järnvägsgatan 2, Nattviksgatan 6-8	LfL	1993		8,607	
Jyväskylä Innova 1	Piippukatu 11		2002		8,678	
Jyväskylä Innova 2	Lutakonaukio 7		2012		7,140	
Jyväskylä Innova 4	Lutakonaukio 1		2013		7,766	
Jyväskylä Kauppakatu 18	Kauppakatu 18		1915		3,827	
Jyväskylä Kävelykatu 18	Kävelykatu 18		1939		2,921	
Jyväskylä Mattilanniemi 6	Mattilanniemi 6		1999		5,435	
Jyväskylä Mattilanniemi 8	Mattilanniemi 8		2000		11,102	
Jyväskylä Ohjelmakaari 2&10	Ohjelmakaari 2& 10		2000 - 2009		9,654	
Jyväskylä Survontie 9	Survontie 9		1997		2,990	L
Jyväskylä Vapaudenkatu 48-50	Vapaudenkatu 48-50		1975		6,180	
Jyväskylä Ylistönmäentie 24	Ylistönmäentie 24		1991		1,894	
Jyväskylä Ylistönmäentie 26	Ylistönmäentie 26		1999		3,446	
Jyväskylä Ylistönmäentie 31	Ylistönmäentie 31		1989		2,026	
Järfälla Jakobsberg 2:2583	Järfällavägen 100-106	LfL	1982		22,195	
Jönköping Stensholm 1:754	Stensholmsvägen 20		2017		8,500	
Karlskrona Möllebacken 15	Högbergsgatan 3-5, etc.	LfL	1929	1969	7,202	
Karlskrona Sparre 3	Drottninggatan 18 A-F		1920		11,454	
Karlskrona Stumholmen 2:1,2:21	Bastionsgatan 18		1750		4,103	
Karlskrona Tyska Bryggaregården 6	Saltsjöbadsvägen 1A, etc.	LfL	1929	1993, 2001	6,847	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Karlstad Barkassen 7	Lagergrens gata 2-4		1990		12,338	
Karlstad Barkassen 9	Lagergrens gata 8a-b		1991		7,045	
Karlstad Björnen 13	Fredsgatan 10/Ålvgatan 5		1906	1953, 1962	7,453	
Karlstad Blåsten 4	Stormgatan 8		1975		2,416	
Karlstad Brisen 4	Stormgatan 18		1973		1,045	
Karlstad Bälgen 9, 10, 11	Sågverksgatan 35, 37		1968		2,843	
Karlstad Druvan 13	Tingvallagatan 17		1947		4,239	
Karlstad Ekorren 11	Malmtorgsgatan 4		1929	1959	6,651	
Karlstad Fjädern 16	Bromsgatan 4		1991		4,332	
Karlstad Freja 13	Drottninggatan 6		1965		6,830	
Karlstad Grästege 2	Strågatan 3		1990		2,523	
Karlstad Hybelejen 17	Verkstadsgratan 20		1929		2,921	
Karlstad Kanoten 10	Lagergrens gata 7		1989		10,073	
Karlstad Monitorn 9	Östra torggatan 2		1993		3,399	
Karlstad Pinassen 2	Gustav Lovens Gata 17		2017		14,514	
Karlstad Regnvinden 1	Bidevindsgatan 7		1990		9,983	
Karlstad Spärren 7	Rattgatan 6		1968		1,908	
Karlstad Stolpen 1	Ventilgatan 5a		1964		4,122	
Karlstad Stolpen 6	Ventilgatan 1a		1991		598	
Karlstad Styrmannen 5	Hamntorget 1-3		1991		7,388	
Karlstad Sågen 1	Industrigatan 1		1986		3,213	L
Karlstad Sågen 2	Faktorigatan 15		1988		1,611	
Karlstad Sågen 9	Lantvärnsgatan 8		1972		2,037	
Karlstad Tången 15	Gjuterigatan 28		1991		1,960	
Kiruna Grävmaskinen 1	Lastvägen 18	LfL	1991		3,419	
Kristianstad Hunden 12	Götgatan 6		1944		6,017	
Kristianstad Södra Kasern 2	S kaserngatan 7		1793/1981		26,206	
Kristinehamn Uroxen 15	Kungsgatan 30		1975		6,950	
Kungälv Skruven 3	Bultgatan 40	LfL	1990		8,041	
Köping Botulf 4	Hultgrensgatan 4		1960		3,065	
Lappeenranta Laserkatu 6	Laserkatu 6		1986-2007		21,254	L
Linköping Idéhuset 2	Diskettgatan 4				2,000	
Luleå Bergnäset 3:44	Maskinvägen 31		1979		652	
Luleå Bergnäset 3:49	Maskinvägen 20		1990	2009	988	L
Luleå Haren 15	Kungsgatan 31		1970		8,179	
Luleå Hermelinen 15	Kungsgatan 29		1952		7,562	
Luleå Mården 11	Skeppsbrogatan 21, Magasinsgatan 6	LfL	1950	1985, 1995	11,342	
Luleå Plogen 4	Depåvägen 6	LfL	1966	2008	5,295	
Luleå Porsön 1:403	Laboratoriegränd 11		1976/8/90/97/98		9,556	
Luleå Spiggen 4	Kungsgatan 5-7		1981		6,506	
Malmö Brudbuketten 10	Russgatan 6	LfL	1988		750	
Malmö Brudbuketten 11	Derbyvägen 24	LfL	1988		1,346	
Malmö Brudbuketten 13	Derbyvägen 20	LfL	1988		1,063	
Malmö Bryggeriet 2	Jespersgatan 23	LfL	1950	1978	25,750	
Malmö Byrådirektören 3	Von troils väg 1		1972-1974		13,910	L
Malmö Böttö 5	Kosterögatan 5, Öckerögatan 2	LfL	1964	1980	11,666	
Malmö Domkraften 5	Lockarpsvägen 6A, 6B	LfL	2019		4,751	
Malmö Flygkameran 2	Höjdrodergatan 7		1991		1,429	
Malmö Rosenbuketten 4	Höjagatan 1	LfL	1987	1990	4,322	
Malmö Spillepengsmarken 5	Strömgatan 15				4,595	
Malmö Spindeln 2	Singelgatan 2D	LfL	1961	2001	7,232	L
Malmö Sämjan 2	Sofielundsvägen 55, Rolfsgatan 5	LfL	1850-1950		9,437	
Malmö Vårsången 7	Gånglättsvägen 87-89	LfL	1963		1,544	L
Motala Kassetten 1	Medevivägen 63		1988		5,558	
Motala Läraren 6	Långbackagatan 1		1983		2,660	
Motala Telegrafan 2	Poppelgatan 3		1900		996	
Nacka Sicklaön 358:1	Hästholmsvägen 26-32	LfL	1987		16,681	
Norrköping Spolaren 4	Linnegatan 28		1961		7,392	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Norrtälje Förrådet 9	Diamantgatan 10 / Rubingatan 2		2010		3,182	
Norrtälje Orren 2 & 3	Roslagsgatan 6		1970		1,551	
Nynäshamn Alkotten 2	Lövlundsvägen 3		1984		4,126	
Oskarshamn Snickeriet 14	Förrådsgatan 6		1977	2002	2,198	
Oulu Voudintie 4	Voudintie 4		1962		1,242	L
Skellefteå Lärkan 10	Storgatan 50		1975/1984		5,407	
Sollentuna Tackan 9	Bygdevägen 16,18		1979		5,938	
Solna Skogskarlen 3	Pipers väg 2a-c		1971		9,950	
Stockholm Knarrarnäs 8	Knarrarnäsgatan 13	LfL	1984		3,087	L
Stockholm Malax 3	Raseborgsgatan 9		1988		6,658	L
Stockholm Prästgårdsängen 2	Solberga Ångsväg 1-3, Götalandsvägen 216-218	LfL	1986		6,595	L
Sundsvall Granlo 3:220	Kalmarvägen 48	LfL	1960	1995	539	
Sundsvall Högom 3:178	Mejselvägen 9-14	LfL	1970	2002	5,264	
Sundsvall Köpstaden 24	Bultgatan 14	LfL	1986	2011	1,420	
Sundsvall Köpstaden 25	Bultgatan 10	LfL	1975	2002	9,713	
Sundsvall Köpstaden 26	Bultgatan 8	LfL	1965	1998	1,855	
Sundsvall Ljusta 7:2	Antennvägen 2	LfL	1980	2013	9,045	
Sundsvall Norrmalm 4:6	Heffnersvägen 22	LfL	1970	1989	1,974	L
Sundsvall Saturnus 7	Bankgatan 13	LfL	1912	2014	9,202	
Sundsvall Öskaret 10	Skepparegatan 3	LfL	1989	2004	11,915	
Södertälje Halvmånen 3	Morabergsvägen 33 A	LfL	2018		10,095	
Uddevalla Hvitfeldt 22	Norrtullsgatan, Bagges gränd, Lilla norrgatan, Västerlånggatan 20-22,		1980		10,071	
Uddevalla Solbacken 10	Silentzvägen 6		1980		1,790	
Umeå Formen 1	Formvägen 5	LfL	1986	2004	7,513	
Umeå Tyr 8	Östra Esplanaden 3, Storgatan 69	LfL	1997	2014, 2019	8,627	
Upplands Väsby Vilunda 6:59	Dragonvägen 86		1972		5,658	
Uppsala Boländerna 21:4	Verkstadsgratan 10-14				10,068	
Uppsala Boländerna 5:2	Bolandsgatan 16		1973		8,475	
Värnamo Bodarna 2	Myntgatan 8- 10	LfL	1934	1991	1,773	
Värnamo Bokbindaren 20	Västbovägen 56	LfL	1975	1991	2,561	
Värnamo Gamla Gåsen 4	Boagatan 1, Myntgatan		1907		200	
Värnamo Gillet 1	Flanaden 3-5	LfL	1974	2003	5,228	
Värnamo Lejonet 11	Lasarettsgatan 1-5, Storgatsbacken 23	LfL	1961	1987, 2005	5,014	
Värnamo Mon 13	Karlsdalsgatan 2		1982		1,976	
Värnamo Plattläggaren 1	Silkesvägen 18	LfL	1989	2014	1,798	
Värnamo Rågen 1	Expovägen 6	LfL	1965	1990, 2011	4,828	
Värnamo Vindruvan 15	Storgatsbacken 12	LfL	1989		1,990	
Värnamo Värnamo 14:11	Jönköpingsvägen 41-43	LfL	1917	1940, 1966, 1982, 2012	4,030	
Västerås Kungsängen 12	Pilgatan 8		1990		12,272	
Västerås Lea 15	Stora gatan 58		1971		23,427	
Västerås Samuel 1	Sigurdsgatan		1920		6,735	
Västerås Sigurd 5	Sigurdsgatan 21		1991		13,264	
Västerås Sigvald 6	Sigurdsgatan 7		1875/1936		3,643	
Västerås Sågen 2	Ångsgårdsgatan 4	LfL	1992		3,458	
Västerås Sågen 6	Ångsgårdsgatan 12a	LfL	1987		6,046	
Västerås Sågklingan 10	Ångsgårdsgatan 13	LfL	1990		1,709	
Västerås Verkstaden 6	Glödargränd 1-3, Metallverksgratan 2-10, Varmvalsvägen 1-3	LfL	1866	2006	16,492	
Västerås Verkstaden 8	Östra Ringvägen 2	LfL	1936	1951, 1977	20,008	
Växjö Bagaren 10	Ljungadalsgatan 2, Hejaregatan 10	LfL	1987	2015	30,028	
Växjö Båken 1	Systratorpsvägen 16	LfL	1983		1,496	
Växjö Garvaren 4	Hjalmar Petris väg 32	LfL	1981	2010	2,570	
Växjö Glasmästaren 1	Arabygatan 80	LfL	1966, 1988	2005	6,199	
Växjö Illern 5	Isbjörnsvägen 11-13	LfL	1987	2014	2,146	
Växjö Plåtslagaren 4	Verkstadsgratan 5	LfL	1967, 1988	2013	5,602	
Växjö Sotaren 4	Arabygatan 82	LfL	1992		2,979	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Växjö Svea 8	Lineborgsplan 3	LfL	1982	2014	2,160	
Växjö Unaman 8	Klostergatan 6, Kungsgatan 3, Sandgårdsgatan 6-8	LfL	1969	2009	5,609	
Växjö Ödman 15	Storgatan 29	LfL	1972	2015	4,321	
Örebro Barkenlund 11	Vasastrand 11	LfL	1934	1989	2,819	
Örebro Forskarbyn 2	Forskarvägen 1-3	LfL	1998		5,535	
Örebro Fåraherden 1	Riagatan 1-3	LfL	1992		2,948	
Örebro Karossen 5	Bettorpsgatan 12 B-C	LfL	2004	2009	5,127	
Örebro Oxbacken 7	Krontorpsgatan 1	LfL	1981	1988	2,942	
Örebro Pigan 1	Riagatan 53	LfL	1992		931	
Örebro Vindhjulet 3	Tunnlandsgatan 1-5		1970		19,415	
Örebro Vindtunneln 1	Skäpplandsgatan 1A-C	LfL	1989		3,369	
Örnsköldsvik Handformaren 2	Sjögatan 4	LfL	1969	1998	17,007	
Örnsköldsvik Kraften 4	Sjögatan 1	LfL	1958, 1969	2009, 2016	11,967	
Örnsköldsvik Köpmannen 1	Trädgårdsgatan 1		1968	1989, 2016, 2017	6,872	
Örnsköldsvik Strandkajen 7	Järnvägsgatan 3	LfL	1991	1993, 2003	28,782	

WAREHOUSE/LOGISTICS

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Borås Bockasjö 1	Bockasjögatan 12	LfL	1987		23,841	
Borås Rydahög 1	Almenäsvägen 7, 10	LfL	1962	2006	39,652	
Borås Rydasilätt 1	Almenäsvägen 16	LfL	1986		13,767	
Borås Träskruven 1	Sandlidsgatan 6	LfL	1973		15,539	
Botkyrka Genetikern 2	Alfred Nobels Alle 109		2001, 2011	2019	11,857	
Botkyrka Hantverkaren 1	Segersbyvägen 2-4	LfL	1974		9,776	L
Burlöv Sunnanå 12:33	Terminalgatan 5-7		2020		6,094	
Burlöv Sunnanå 6:40	Terminalgatan 5-7	LfL	2015		1,401	
Eskilstuna Grönsta 2:52	Svista Lagerväg 8		2006		13,780	
Eskilstuna Valhalla 1:6	Bredängsgatan 55-57	LfL	1976, 1984, 1991, 2009		9,016	
Falköping Alunskiffen 1	Agnestadsgatan 2		2012		12,015	
Falköping Eldaren 1	Energigatan 6	LfL	2018		5,148	
Falun Nedre Gruvriset 33:278	Tunavägen 90		2010	2012	44,312	
Göteborg Kobbegården 6:136	Datavägen 25		1980		13,605	
Haninge Jordbromalm 6:16	Lagervägen 28	LfL	1977	2003	7,121	
Haninge Jordbromalm 6:60	Rörvägen 4-8	LfL	1983		6,605	
Haninge Åby 1:152	Rörvägen 62	LfL	1989	1991, 2003	4,255	
Helsingborg Dolken 3	Mörsaregatan 12	LfL	1995		3,845	
Helsingborg Kniven 9	Mörsaregatan 21	LfL	1988	2004, 2015, 2016	7,583	
Helsingborg Revolvern 1	Mörsaregatan 25	LfL	1988	2008	3,360	
Helsingborg Torbornahögen 3	Stenbrovägen 15	LfL	1981	1987, 2000	12,839	
Huddinge Cirkelsågen 2	Slipstensvägen 16		2011		6,725	
Huddinge Gjutformen 1	Betongvägen 10		2015		4,528	
Härryda Håltås 1:18	Kurirvägen 1		2010		13,316	
Hässleholm Stoby 24:9	Krossgatan 1, 26, 28, 30A-F & 32		2018		5,466	
Jönköping Backen 9:29	Mekanikervägen 5				2,725	
Jönköping Hedenstorp 2:1	Mogölsvägen 14		2011		9,000	
Jönköping Stensholm 1:755	Stensholmsvägen 24		2015		3,100	
Karlstad Blåsten 3	Stormgatan 6		1975		2,088	
Karlstad Bromsen 6	Ramgatan 7		1967	1973	3,606	
Karlstad Gångjärnet 2	Blockgatan 29		1964		3,069	L
Karlstad Hammaren 21	Gjuterigatan 27-29		1990		1,946	
Karlstad Kulingen 4	Östanvindsgatan 17		1976		8,165	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Karlstad Passadvinden 3	Regnvindsgatan 17		1990		3,684	
Karlstad Regnvinden 14	Regnvindsgatan 8	LfL	1991		9,129	
Karlstad Släggan 13	Sågverksgatan 20		1981		1,757	
Karlstad Tornadon 2	Blekegatan 9		1975		13,226	
Karlstad Ugnen 1	Sågverksgatan 32		1989		1,687	
Kumla Oxen 11	Västra Drottninggatan 40		1972		2,451	
Kungälv Försäljaren 9	Filaregatan 17-19	LfL	1974		8,525	
Lidköping Axet 1	Skogsvaktarevägen 2		1962	2000	22,655	
Linköping Antennen 10	Alkagatan 2	LfL	1948		7,375	
Linköping Glasberget 5	Roxtorpsgatan 13		1974	1985	8,400	
Linköping Glasburken 1	Roxtorpsgatan 3				7,042	
Linköping Gumsen 45	Floragatan 13		1946	2005	3,410	
Linköping Navhålet 2	Låsblecksgatan 3	LfL	1992		7,513	
Ljungby Vagnen 6	Långgatan 20	LfL	1972		2,340	
Luleå Bergnäset 2:608	Industrivägen 2 K		2017		660	
Luleå Bergnäset 2:624	Industrivägen 2		1982		520	L
Luleå Bergnäset 3:17	Fabriksvägen 10		1975		1,417	
Luleå Bergnäset 3:18	Maskinvägen 17		1989		1,950	
Luleå Bergnäset 3:21	Fabriksvägen 12		1976	2005	2,514	
Luleå Bergnäset 3:26	Fabriksvägen 7-9		1985		366	
Luleå Bergnäset 3:33	Industrivägen 24		1977		1,042	L
Luleå Bergnäset 3:34	Maskinvägen 16		1975		861	
Luleå Bergnäset 3:40	Maskinvägen 9-11		1974		1,902	
Luleå Bergnäset 3:5	Fabriksvägen 2		1975		925	
Luleå Storheden 1:13	Handelsvägen 15-17		1973	1976	1,781	
Luleå Storheden 1:84	Murbruksvägen 20		1989		1,800	
Lund Saturnus 29	Tellusgatan 15		2000		3,487	
Malmö Eggegrund 6	Hemsögatan 10	LfL	1983		7,886	
Malmö Firman 2	Firmagatan 2, 4, 6	LfL	2016		2,263	
Malmö Firman 4	Firmagatan 8	LfL	2019		1,090	
Malmö Flygledaren 7	Höjdrodergatan 22		1991		1,971	
Malmö Getingen 5	Sallerupsvägen 90	LfL	1962		8,344	L
Malmö Grophuset 3	Långhusgatan 5B	LfL	2019		3,610	
Malmö Holmögadd 3	Bjurögatan 26	LfL	1970	2000, 2009	11,360	
Malmö Holmögadd 4	Bjurögatan 28, Flintränegatan 24	LfL	1970	1999	14,165	
Malmö Kamaxeln 7	Vevaxelgatan 17	LfL	2006		1,920	
Malmö Lillgrund 5	Borrgatan 31		1952	2005	4,430	
Malmö Måseskär 6	Kosterögatan 6A-C, Väderögatan 5A-C	LfL	1964		13,333	
Malmö Noshjulet 2	Pilotgatan 3		1983		1,397	L
Malmö Olsgård 5	Olsgårdsgatan 13A-13E		2019		5,136	
Malmö Sadelknappen 1	Galoppsgatan 5		1979		2,000	
Malmö Sadelknappen 4	Galoppsgatan 8		1988		1,505	
Malmö Speditionen 1	Lodgatan 19-23	LfL	1993		5,189	L
Malmö Storbådan 2	Hemsögatan 22, Ulvögatan 10	LfL	1972	1992	3,248	
Malmö Storbådan 4	Hemsögatan 18	LfL	1974	1990, 2011	2,590	
Malmö Storbådan 5	Hemsögatan 14-16	LfL	1978	1992	12,606	
Malmö Stångbettet 1	Skrittgatan 11		1989		1,643	
Malmö Svinbådan 4	Brännögatan 9A-9B, Tärnögatan 1	LfL	1961	1992, 2012	1,597	
Malmö Svinbådan 5	Tärnögatan 3, Flintränegatan 10	LfL	1963	2010	2,656	
Motala Vägen 8	Vintergatan 1, 7	LfL	1960		12,195	
Nacka Lännersta 15:33	Telegramvägen 101				832	
Nacka Skarpnäs 6:12	Timmermansvägen 2				1,965	
Norrköping Industrien 17	Exportgatan 28 - 30	LfL	1965		5,863	
Norrköping Plinten 4	Malmgatan 35				5,450	
Norrköping Tråden 11	Malmgatan 5	LfL	1967		19,772	
Norrtilje Knutby 2	Viktor Karlssons väg 2				2,762	
Nässjö Svedjan 2	Svedjegatan 2, Vallgatan 2	LfL	1975	1987	6,878	
Oskarshamn Blåbäret 4	Sörviksvägen 11		1964		15,549	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Skurup Företagaren 9	Norra Industrigatan 5				8,496	
Stockholm Furudal 7	Fagerstagatan 16		1986		3,300	L
Stockholm Raseborg 1	Malaxgatan 1		1991		6,976	
Sundsvall Högom 3:106	Mejselvägen 6				2,623	
Söderhamn Björnänge 8:1	Skaffgatan 3				801	L
Södertälje Hantverkaren 1	Hantverkarsvägen 1	LfL	1977		10,630	
Södertälje Traktorn 11	Åkerivägen 20				3,259	
Södertälje Tuvängen 5	Tävängen 2				3,102	
Uppsala Danmarks-Säby 10:2	Åkaregatan 8-10	LfL	2010	2012	10,355	
Vimmerby Plåtslagaren 1	Äläragatan 4-6		2008		10,259	
Värnamo Armaturen 1	Armaturgatan 2	LfL	1987		18,370	
Värnamo Rödspåttan 1	Runemovägen 10	LfL	1973		4,705	
Värnamo Rödspåttan 4	Runemovägen 4	LfL	1980	2000	2,960	
Värnamo Sandskäddan 4	Margretelundsvägen 7-9	LfL	1982		2,780	
Värnamo Sjötungan 3	Margretelundsvägen 6	LfL	1989		2,570	
Värnamo Takläggaren 2	Rörläggarevägen 7				2,990	
Värnamo Takläggaren 4	Rörläggarevägen 8, Silkesvägen 39	LfL	1991	2000	9,067	
Värnamo Yxan 4	Fabriksgatan 10-12	LfL	1975	2006, 2008	5,595	
Värnamo Yxan 6	Fabriksgatan 4	LfL	1978	1990, 2009	1,477	
Västerås Energin 7	Omformargatan 18A	LfL	1990	2013	3,444	
Växjö Plåtslagaren 6	Mörners väg 116		2004		5,592	
Växjö Snickaren 12	Smedjegatan 10-20	LfL	1976, 1989	2001	24,010	
Växjö Terminalen 1	Öjaby Nylanda 1		2010		21,662	
Örebro Elektrikern 5	Bistagatan 8-10		1967	1970, 1976, 1982, 2019	47,898	
Örebro Importören 2	Skvadronvägen 5	LfL	1970		2,565	
Örebro Karossen 32	Bettorpsgatan 10	LfL	2018		2,530	
Örebro Ånsta 20:262	Lastgatan 2		2006		21,916	
Örnsköldsvik Bromsen 7	Bromsvägen 1	LfL	1971		4,160	
Örnsköldsvik Gjutaren 3	Sjögatan 5	LfL	1962		5,308	
Östersund Sprinten 1	Trådvägen 6	LfL	1974		2,928	
Österåker Bolby 16:1 & 10:6	Mjölmarströmsvägen 21				983	

INDUSTRY

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Falkenberg Mekanikern 2	Åkarevägen 12		1984	2003	764	
Göteborg Tuve 85:9	Hildedalsgatan 28C		1976	2017	1,276	
Habo Kämparp 1:8	Klingeåskärrsgatan 10				8,080	
Halmstad Kuggen 2	Kristnehedsvägen 22-24	LfL	1975	2002	1,675	
Helsingborg Bandsågen 1	Depågatan 85		1986	2012, 2015	1,083	
Hässleholm Ekstaven 3	Industrigatan 10		1959	1966	4,932	
Kuopio Varikkokatu 2	Varikkokatu 2		1924, 1927, 2016, 2019	1974	23,044	
Köping Köpings-Ullvi 6:11	Volvogatan 4B				5,439	
Landskrona Björnen 11	Lodjursgatan 3				8,797	L
Ludvika Aspen 10	Gonäsvägen 8		1987		142	
Luleå Bergnäset 3:25	Fabriksvägen 7-9		1978		3,100	
Luleå Bergnäset 3:41	Fabriksvägen 16		1985		1,312	L
Luleå Storheden 1:56	Betongvägen 16		1983		1,449	
Malmö Bronsyxan 9	Agnesfridsvägen 185		1974		688	L
Malmö Flintkärnan 2	Agnesfridsvägen 194		1972		4,871	
Malmö Runstenen 16	Käglingeälvägen 39		1979		3,068	
Malmö Skjutstallslyckan 3	Lundavägen 62		1958		3,096	
Malmö Skogholm 5	Kantyxegatan 17		1977		3,354	
Norrköping Katten 18	Vagngatan 15				7,300	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Norrköping Nyckelharpan 6	Moa Martinsson gata 34		1995	2000, 2005	3,544	
Oskarshamn Ratten 18	Primovägen 1, Väderumsvägen 12		1988		1,615	
Oskarshamn Snickeriet 4	Be-Ge:s Väg 20, Förrådsgatan 8		1976	1982, 2013	5,939	
Oulu Nuottasaarentie 5	Nuottasaarentie 5		1972	1998 & 2000	17,882	
Oulu Portinkaarre 4	Portinkaarre 4		2021		1,496	L
Oulu Visiolinja 4	Visiolinja 4		2008		1,803	L
Oulu Visiolinja 9	Visiolinja 9		2011		1,136	L
Piteå Öjebyn 119:1	Skylvägen 1	LfL	1956		19,816	
Sandviken Murängen 2	Hammarbyvägen 4	LfL	1971		9,553	
Sandviken Åttersta 6:28	Bultvägen 1, Persbackavägen 29, Persbackavägen 33		1953	1970	11,695	
Skellefteå Transistorn 1	Svedjevägen 12	LfL	1968	1985	9,320	
Sollentuna Rutan 1 & 5	Kappetorpavägen 3		Land		0	
Söderköping Gjutaren 1	Ringvägen 40-42				9,097	
Södertälje Industrin 8	Fläktvägen 4				1,900	
Tampere Hautalankatu 32	Hautalankatu 32		2008 & 2013		8,607	L
Tampere Yrittäjänkulma 5	Yrittäjänkulma 5		1960-2005		14,549	
Trollhättan Drivhjulet 3	Kardanvägen 65	LfL	1989	1999	1,680	
Uppsala Danmarks Kumla 8:12	Grafikgatan 28, etc.		2019		2,582	
Uppsala Danmarks Kumla 8:13	Grafikgatan 28, etc.		2019		4,590	
Varberg Pedalen 2	Motorstigen 3		1976	2003	1,018	
Värnamo Flundran 4	Runemovägen 1	LfL	1963	1992, 2008	11,416	
Värnamo Mattläggaren 1	Silkesvägen 24	LfL	1997	2000	2,700	
Värnamo Posten 4	Postgatan 3-5	LfL	1929	1940, 1968, 1989, 2015	4,174	
Värnamo Takläggaren 8	Silkesvägen 43	LfL	1999	2008	6,995	
Växjö Fläkten 7	Lantmannavägen 3	LfL	1957, 1959	1963, 1993	7,773	
Växjö Isbjörnen 4	Isbjörnsvägen 6	LfL	1993	2014	10,933	
Växjö Sjömärket 3	Annavägen 3	LfL	1989	2000	9,495	
Örebro Karossen 15	Bettorpsgatan 16		1973	1999, 2005, 2012	1,672	
Örebro Karossen 16	Bettorpsgatan 24A		1987	1998, 2011, 2014	1,160	
Örebro Karossen 22	Bettorpsgatan 14B		1950	1965, 1977	894	
Österåker Runö 7:12	Rallarvägen 19		1947		137	
Österåker Runö 7:120	Rallarvägen 19		1988		708	
Österåker Runö 7:140	Rallarvägen 21		2003		425	
Österåker Runö 7:147	Rallarvägen 14		1991		1,178	
Österåker Runö 7:165	Rallarvägen 23		2005		3,012	

RETAIL

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Borås Filtret 6	Göteborgsvägen 181-187, 181A, 183A	LfL	2011	2013	16,605	
Filipstad Trasten 12	Stora Torget 4 B	LfL	1980		1,891	
Gislaved Filen 5	Mårtensgatan 23a	LfL	1973		1,643	
Huddinge Pentagonalen 1	Gamla Södertäljevägen 216, Smista Allé 3	LfL	2008		12,095	
Hudiksvall Sofiedal 10:2	Kungsgatan 59-61				4,012	
Hyvinkää Helletorpankatu 3	Helletorpankatu 31		2019		1,499	
Härjedalen Funäsdalen 26:57	Rörosvägen 80				3,556	
Härnösand Saltvik 8:25	Saltviksvägen 13				4,800	
Jyväskylä Kävelykatu 37	Kävelykatu 37		1965	2016	6,120	
Karlstad Björnen 7	Drottninggatan 24		1965		3,324	
Karlstad Bromsen 1	Blockgatan 6A		1967		1,220	

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Karlstad Fjädern 14	Bromsgatan 2		1966		3,901	
Karlstad Mercurius 21	Drottninggatan		1929		1,052	
Karlstad Mercurius 3	Västra torggatan 10-12		1929		2,605	
Karlstad Riksdalern 3	Ullebergsleden 8-10	LfL	2001		6,723	
Linköping Valbrevet 1	Norrmalmsvägen 11		1983	1997	1,650	
Ljungby Gänget 14	Fabrikgatan 7	LfL	1974		2,639	
Luleå Storheden 1:37	Storhedsvägen 1-3, Besiktningvägen 14	LfL	1975, 1993, 2000, 2017		26,573	
Luleå Storheden 1:40	Betongvägen 14		1978		1,048	
Malmö Fibulan 1	Hornyxegatan 4		1973		1,945	L
Malmö Hangaren 2	Flygplansgatan 1-3		1975		2,177	L
Malmö Ringerike 1	Drakagatan 10A-C, 12		2020		3,752	
Malmö Valhall 2	Hyllie Allé 3 C				6,858	
Motala Blåbäret 2	Moränvägen 3		2008		1,288	
Motala Lingonet 2	Mineralvägen 1, 3		2007		3,318	
Motala Lingonet 3	Mineralvägen 5		2007		1,500	
Motala Slånbäret 1	Moränvägen 1, Mineralvägen 13		2012		2,000	
Motala Slånbäret 2	Mineralvägen 9		2016		3,000	
Motala Tranbäret 3	Mineralvägen 16		2011		2,360	
Motala Tranbäret 4	Mineralvägen 12, 14		2012		3,536	
Norrköping Ugnet 5	Skarphagensgatan 29		1962		2,727	L
Norrköping Åby 20:3	Norrköpingsvägen 28-30		1994		1,522	
Norrköping Gördelmakaren 5	Baldersgatan 25, Estunavägen 20, 20B				5,208	
Norsjö Norrmalm 20	Storgatan 73				2,756	
Oulu Ideakulma	Idealinja 13		1975-1996		1,527	L
Oulu Portinkaarre 3	Portinkaarre 3		2020		3,519	L
Oulu Voudintie 2	Voudintie 2		2011-2012		1,033	L
Oulu Zatelliitintie 17	Zatelliitintie 17		2007-2013		1,953	
Sandviken Milröken 1	Västerled 2 & 5				4,183	
Sigtuna Märsta 21:66	Servogatan 22				2,178	
Sigtuna Märsta 23:4	Servogatan 20				3,190	
Sigtuna Valsta 3:29	Valstavägen 2		1972		6,136	
Skara Bocken 1	Munkartorpsgatan 1, Smedstorpsgatan 6A-D		1974, 2018	2019, 2020	13,927	
Sollefteå Hyveln 4	Övergårdsvägen 17				5,779	
Sollentuna Nattnskärran 1	Stationsallen 2, Vibyvägen				1,624	
Strömsund Tullingsås 7:8	Harbäcken 315				2,600	
Sundsvall Högom 3:123	Murarvägen 6-8				10,516	
Uddevalla Koch 7	Kochska Gränden 1-7, Kungsgatan 2-8	LfL	1977	1984, 2008	8,980	
Vilhelmina Granberg 1:73	Sälggatan 6A-B				3,650	
Värnamo Almen 9	Malmövägen 12-14	LfL	1957	1989, 2009	12,058	
Värnamo Filen 2	Fabrikgatan 3	LfL	1966	1997, 2003	4,915	
Värnamo Golvläggaren 2	Silkesvägen 30	LfL	1991	2008, 2010	11,164	
Värnamo Jungfrun 11	Köpmansgatan 3-7, Luddögatan 1	LfL	1982	2001	4,970	
Värnamo Karpen 3	Jönköpingsvägen 105-107	LfL	1956	1990	2,670	
Värnamo Linden 1	Malmövägen 3, Växjövägen 24-26	LfL	1961	1975, 1979, 1990, 2012	6,289	
Värnamo Ljuset 8	Nydalavägen 1-9	LfL	2003		2,600	
Värnamo Mattläggaren 2	Silkesvägen 24	LfL	1991	2008, 2012	3,133	
Värnamo Vindruvan 4	Storgatsbacken 14-16	LfL	1982	2001	4,001	
Västerås Bladbaggen 1	Glasvingegatan 3-7, Kranbyggargatan 8-12, Ringborregatan 11	LfL	2004		23,774	
Åre Stamgårde 4:209	Byvägen 141				5,452	
Östersund Långradaren 2	Hagvägen 12				8,170	

OTHER

Property	Address	Like-for-like portfolio	Year built	Conversion year	Leasable area, sqm	Leasehold
Arboga Bälgen 9	Skandiagatan 11		2006		18,983	
Borlänge Gyllehemmet 1	Gyllehemsvägen 10	LfL	1930		5,232	
Enköping Friberg 4:2, 4:16	Kulla Fribergs Herrgård 1-4		1700-1980	2009	4,500	
Filipstad Mejeriet 17	Tinghusgatan 10B		Land		0	
Filipstad Mejeriet 18	Tinghusgatan 10A		Land		0	
Hultsfred Hultåsa 1:18	Lindenvägen 1		Land		0	
Karlskrona Dahlberg 31-33,52,60-61	Högabergsgatan		Land		0	
Karlskrona Rügen 50	Västra Vittusgatan 4		1992		10,764	
Karlstad Björnen 12	Drottninggatan 26-28		1977	1999	3,753	
Karlstad Herrhagen 1:10	Hamnpirsgatan 2		1986		1,515	L
Karlstad Skepparen 15	Orrholmsgatan 4		1982		22,028	
Kristianstad Fängelset 5	Fästningsgatan 3		1952		5,777	
Kungsör Armaturen 10	Granlidsvägen 3, Kungsgatan 6		1967	2000	11,288	
Landskrona Fläkten 1	Mariebergsgatan 6				5,033	
Luleå Boden 1:167	Rotorvägen 13		1978		695	
Luleå Storheden 1:7	Handelsvägen 19		1972		17,304	
Malmö Bronsdolken 26	Stenyxegatan 25		1995		5,644	
Malmö Bronskragen 3	Bronsåldersgatan 18	LfL	2015		372	
Malmö Bronskragen 4	Bronsåldersgatan 10-16	LfL	2015, 2017, 2019		3,698	
Malmö Tankstället 4	Ollebovägen 2		2016		410	
Malmö Vinga 5	Brännögatan 2-6, Hanögatan 14, Ockerögatan 1-7	LfL	1950, 2017	1991	7,446	
Motala Eken 12	Långbackagatan 2		1925/1945/1969		3,553	
Norrköping Skarphagen 1:40	Skarphagensgatan 29		Land		0	
Norrköping Skarphagen 1:41	Skarphagensgatan 29		Land		0	
Norrköping Åby 20:2	Norrköpingsvägen 28-30		1970		2,344	
Nynäshamn Körunda 1:3	Körunda 31		1987		2,908	
Sollentuna Resipiten 1	Kappetorpsvägen 3		Land		0	
Stockholm Knarrarnäs 10	Isafjordsgatan 7		1987		4,795	L
Stockholm Möllan 1	Rinkebysvängen 70		1991		12,176	
Stockholm Stora Mans 1	Johan Skyttes väg 11, Stora Mans väg 11		1900		7,593	
Sundsvall Nolby 3:40	Rönnvägen 10-12		1950		1,449	
Upplands-Bro Aske 1:2	Aske Alle 2		1970		5,155	
Uppsala Danmarks Kumla 8:31	Grafikgatan 26		2021		21,447	
Uppsala Årsta 68:4	Fyrislundsgatan 81	LfL	1985		3,014	
Värnamo Bleckslagaren 1	Repslagarevägen 5		Land		0	
Värnamo Värnamo 14:86	Myntgatan 6		Land		0	
Västerås Gaslyset 2	Lysgränd 1		1990		2,573	
Västerås Sigvald 5	Sigurdsgatan 21		Land		0	
Västerås Västerås 1:199	Norra Källgatan		Land		0	L
Växjö Sunaman 5	Storgatan 10	LfL	1965		7,826	
Örebro Karossen 19	Bettorpsgatan 10	LfL	1975	2006	12,760	
Örebro Kitteln 11	Stortorget 7	LfL	1965		13,721	
Örebro Lantmannen 2	Radiatorvägen 7, Skvadronvägen 2	LfL	1972	1974	10,480	
Örebro Vindrutan 1	Västhagagatan 3	LfL	1975	1992	1,315	

JOINT VENTURES - JOINTLY OWNED WITH SAGAX

Property	Subcategory	Address	Municipality	Year built	Conversion year	Leasable area, sqm	Leasehold
Administratören 1	Warehouse	Partihandlarvägen 2	Stockholm	1993		2,961	L
Arbetsbasen 2	Warehouse	Elektravägen 64	Stockholm	1945	1965	1,797	L
Asea 3	Warehouse	Västberga allé 60	Stockholm	1929	1980, 1994	73,564	
Bagaren 9	Warehouse	Radiovägen 7-11	Tyresö	1984	1990	2,300	
Botvidsgymnasiet 3	Warehouse	Fågelviksvägen 9	Botkyrka	1991		56,680	
Bulten 1	Warehouse	Danderydsvägen 142	Danderyd	2015		7,200	
Bulten 10	Warehouse	Ryttarvägen 2	Danderyd	2004	2019	2,800	
Bulten 2	Other	Danderydsvägen 144	Danderyd	1750	2006	850	
Bulten 4	Warehouse	Ryttarvägen 5	Danderyd	1996	2018	1,237	
Bulten 5	Warehouse	Ryttarvägen 4	Danderyd	1973, 2015, 2020	2000	10,796	
Bulten 6	Warehouse	Rinkebyvägen 9	Danderyd	2000	2010	1,789	
Dikesrenen 11	Warehouse	Vretensborgsvägen 15	Stockholm	1947	1970	1,997	L
Elementet 8	Warehouse	Ulvsundavägen 108	Stockholm	1938	2002	6,970	
Filmkameran 3	Industry	Selaövägen 13	Stockholm	1970		3,261	L
Fotografen 1	Warehouse	Mediavägen 1-5	Tyresö	1976		3,948	
Frukthallen 1	Warehouse	Brunnbyvägen 10	Stockholm	1967		7,085	L
Förrådet 5	Industry	Skattegårdsvägen 122	Stockholm	1970		2,175	L
Glödlampan 3	Warehouse	Ranhammarsvägen 3	Stockholm	2002		2,489	
Grävmaskinen 11	Industry	Morabergsvägen 3	Södertälje	1970		1,711	L
Görla 8:60	Industry	Görlavägen 1	Norrtälje	2012		2,900	
Görla 9:40	Industry	Abborrvägen 4	Norrtälje	2009	2014	870	
Görväl 2	Warehouse	Bränningevägen 10	Stockholm	1963		7,291	L
Haken 15	Industry	Vinkelgatan 1	Malmö	1968		7,187	
Holje 116:116	Industry	Västra Storgatan 2B	Olofström	1949	1970	51,631	
Hällsätra 4	Warehouse	Stensättravägen 9	Stockholm	1975	1985	13,895	L
Importhallen 1	Warehouse	Importörvägen 23 & 26	Stockholm	1962		4,387	L
Jordbromalm 1:11	Industry	Jordbrotorpsvägen 2	Haninge	1964	1975	900	
Jordbromalm 6:23	Industry	Dåntorpsvägen 11	Haninge	1980	2008	1,776	
Kamaxeln 6	Industry	Truckgatan 20	Kungälv	1976		1,942	
Kansliet 1	Offices	Signalistgatan 9	Solna	1940	2015	2,200	
Kobbegården 6:249	Industry	Datavägen 27	Gothenburg	1976, 1977, 1985, 2000, 2003		8,283	
Kopparen 12	Offices	Vintervägen 6	Tyresö	1982		1,900	
Kopparen 14	Warehouse	Vintervägen 8-72, 8K	Tyresö	1963	1979, 1980, 1988, 1999	10,827	
Kopparen 15	Warehouse	Vintervägen 2 B	Tyresö	1999	2002	1,349	
Kopparen 4	Warehouse	Industrivägen 6	Tyresö	2006		1,265	
Kopparen 8	Warehouse	Vintervägen 4	Tyresö	1970	2001	3,870	
Kopparen 9	Warehouse	Vintervägen 2A, Björkbacksvägen 6	Tyresö	1978		2,425	
Köpingehill 1	Industry	Trintegatan 2	Helsingborg	1991		7,125	
Lagerhuset 3	Warehouse	Upplagsvägen 21	Stockholm	1929	1954, 1985	10,662	L
Lagret 1	Warehouse	Upplagsvägen 13	Stockholm	1969		9,271	L
Lexby 2:25	Warehouse	Brodalsvägen 13 A	Partille	2005		6,646	
Linjen 1	Offices	Pyramidbacken 3	Huddinge	1989		2,150	
Maden 6	Industry	Madenvägen 11	Sundbyberg	2002		1,590	L
Mälaren 1	Warehouse	Studiovägen 6	Tyresö	1990	1995	2,410	
Märsta 14:1	Warehouse	Industrigatan 2	Sigtuna	1967	1980	3,262	
Märsta 15:6	Industry	Industrigatan 10	Sigtuna	1972		1,056	
Mörtö 9	Warehouse	Frykdalsbacken 38	Stockholm	1978	1983	3,700	L
Nattskiftet 6	Warehouse	Elektravägen 5	Stockholm	1951		5,714	L
Olhamra 1:82	Industry	Okvistavägen 30	Vallentuna	2005		1,258	

Property	Subcategory	Address	Municipality	Year built	Conversion year	Leasable area, sqm	Leasehold
Ostmästaren 1	Warehouse	Ostmästargränd 2	Stockholm	1980		15,287	L
Ostmästaren 3	Warehouse	Ostmästargränd 6	Stockholm	1983		19,725	L
Ostmästaren 4	Warehouse	Byängsgränd 4	Stockholm	1983	1985	37,962	L
Ostmästaren 5	Offices	Ostmästargränd 5	Stockholm	1990		10,218	L
Ostmästaren 6	Offices	Byängsgränd 22	Stockholm	1991		8,552	L
Particentralen 1	Warehouse	Brunnbyvägen 15	Stockholm	1962		2,545	L
Particentralen 2	Warehouse	Brunnbyvägen 11	Stockholm	1962		2,863	L
Particentralen 5	Warehouse	Partihandlarvägen 1	Stockholm	1983		1,228	L
Particentralen 6	Warehouse	Brunnbyvägen 7	Stockholm	1962		2,448	L
Partihallen 1	Warehouse	Brunnbyvägen 12	Stockholm	1968		20,711	L
Runö 7:109	Warehouse	Rallarvägen 7	Österåker	1986		1,512	
Runö 7:111	Warehouse	Rallarvägen 10	Österåker	1986		1,435	
Runö 7:124	Warehouse	Rallarvägen 9	Österåker	1990		1,992	
Runö 7:129	Warehouse	Rallarvägen 39	Österåker	2004		410	
Runö 7:133	Warehouse	Rallarvägen 45	Österåker	1989		1,875	
Runö 7:164	Warehouse	Näsvägen 19	Österåker	2008		1,450	
Sicklaön 145:16	Offices	Järlasjöbrinken 3-5	Nacka	1896	2007, 2020	1,384	
Solkraften 17 & 18	Offices	Vattenkraftsvägen 8	Stockholm	1989, 1991		2,014	L
Stensätra 2	Warehouse	Strömsätravägen 14	Stockholm	1970		5,325	L
Sörred 7:32	Industry	Gustaf Larsons väg 12-26	Gothenburg	1966		12,934	
Sörred 7:33	Industry	Assar Gabrielssons väg 6	Gothenburg	1971		2,706	
Sörred 8:10	Industry	Pressvägen	Gothenburg	1964		23,243	
Sörred 8:4	Offices	Gustaf Larsons väg 15	Gothenburg	1967-2017		48,908	
Sörred 8:6	Offices	Assar Gabrielssons väg, etc.	Gothenburg	1967-2017		87,651	
Tjockö 1	Warehouse	Fryksdalsbacken 40-42	Stockholm	1980		11,675	L
Traktorn 1	Industry	Morabergsvägen 21	Södertälje	1971		4,154	
Varubalen 3	Warehouse	Upplagsvägen 2-10	Stockholm	1964		10,356	L
Varuhissen 1	Warehouse	Upplagsvägen 1	Stockholm	1987	1990	14,992	L
Vindbryggan 3	Industry	Borgens gata 20	Alingsås	1990		1,439	
Vreten 23	Warehouse	Vretensborgsvägen 8	Stockholm	1984		1,590	L
Vreten 24	Warehouse	Vretensborgsvägen 6	Stockholm	1945	1974	1,870	L
Västberga Gård 2	Warehouse	Västberga Gårdsväg 36	Stockholm	1970		4,178	
Östergårde 31:1	Industry	Örnekulans väg 2	Gothenburg	1986		7,175	

743,159

GLOSSARY

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Return on equity

Profit for the most recent 12-month period in relation to average equity, attributable to the Parent Company's shareholders, during the same period.

Purpose: The performance measure shows the return generated on the capital attributable to shareholders.

Loan-to-value ratio, properties¹

Interest-bearing liabilities at the end of the period in relation to the value of the properties (in the statement of financial position).

Purpose: The loan-to-value ratio is a measure of risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities. The performance measure provides comparability with other property companies.

Yield¹

Net operating income according to earnings capacity in relation to the fair value of the properties on the balance-sheet date.

Purpose: The performance measure indicates the yield from operational activities in relation to the properties' value.

Net operating income¹

Net operating income comprises the income and expense directly connected to the property, meaning rental income and the expenses required to keep the property in operation, such as operating expenses, maintenance costs and personnel costs for those who take care of the property and tenant contacts.

Purpose: The measure is used to provide comparability with other property companies, but also to illustrate operational performance.

Economic leasing rate

Rental income before rent discounts as a percentage of the rental value at the end of the period.

Purpose: The performance measure facilitates the assessment of rental income in relation to the total value of the leased and unleased floor space.

Property

Properties held under title or site leasehold.

Fair value of properties

The recognized property value according to the statement of financial position at the end of the period.

Purpose: The performance measure facilitates better understanding of the value development in the property portfolio and the company's statement of financial position.

Profit from property management¹

Profit from property management comprises net operating income plus property management and administration expenses as well as financial income and expenses. This earnings measure does not include effects of changes in the value of wholly owned investment properties and derivatives. These are reported separately in the statement of profit/loss. However, changes in value and tax are included in the share in profit of joint ventures in profit from property management.

Profit from property management per share

Profit from property management less interest on hybrid bonds in relation to average number of shares outstanding.

Rental income

Rents charged including supplements for heating and property tax.

Rental value

Rental income before rent discounts for leased areas and assessed market rent for the vacant floor space.

Purpose: The performance measure facilitates assessment of the total potential rental income since the assessed market rent for vacant floor space is added to the rental income charged.

Net loan-to-value ratio, properties¹

The net of interest-bearing liabilities and cash and cash equivalents at the end of the period as a percentage of the fair value of the properties in the statement of financial position.

Purpose: The net loan-to-value ratio is a measure of financial risk that indicates the degree to which the operation is encumbered with interest-bearing liabilities, but taking into account bank balances. The performance measure provides comparability with other property companies.

Net leasing

Signed new leases for the period less terminations.

Earnings per share

Profit after tax less interest on hybrid bonds in relation to average number of shares outstanding.

Interest-rate cap

An interest hedging instrument whereby the lender pays a variable interest up to a predetermined interest-rate level. The aim of interest-rate caps is to reduce interest-rate risk.

¹) Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

Interest-coverage ratio¹

Profit from property management before financial income and expenses, depreciation/amortization and shares in profit in joint ventures as a percentage of financial income and expenses.

Purpose: The interest-coverage ratio is a measure of financial risk that shows how many times the company can pay its interest charges with its profit from operational activities.

Debt/equity ratio, multiple¹

Interest-bearing liabilities as a percentage of equity.

Purpose: The debt/equity ratio is a measure of financial risk that shows the company's capital structure and sensitivity to movements in interest rates.

Equity/assets ratio¹

Equity, attributable to the Parent Company's shareholders, as a percentage of total assets.

Purpose: To show how large a share of the company's assets is financed by equity and has been included to enable investors to be able to assess the company's capital structure.

EPRA NRV¹

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and plus derivatives and deferred tax liabilities according to the statement of financial position.

Purpose: To show the fair value of net assets from a long-term perspective. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives and deferred taxes, are excluded. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.

EPRA NTA¹

Equity, attributable to the Parent Company's shareholders, less hybrid bonds and plus derivatives and adjusted for actual deferred tax liabilities instead of nominal deferred tax.

Purpose: To show the fair value of net assets from a long-term perspective but under the assumption that assets are traded. Accordingly, assets and liabilities in the statement of financial position that are not adjudged to be realized, such as the fair value of derivatives, are excluded but the market value of deferred tax is included. The corresponding items in the company's participations in joint ventures are also excluded from the performance measure.

EPRA NDV¹

Equity, attributable to the Parent Company's shareholders less hybrid bonds, according to the statement of financial position.

Purpose: The performance measure shows how large a share of the company's recognized equity each share represents.

Revolving credit facility

An agreement between a lender and a borrower that gives the borrower the right to use funds for a certain period of time and up to a certain amount, and repay at its own discretion before a certain date.

Distributable cash flow¹

Profit from property management excluding non-cash items in the earnings measure, such as share in profit of joint ventures and depreciation of equipment, including dividends received from holdings in joint ventures and tax paid.

Purpose: The performance measure shows the amount of cash flow generated by the existing property portfolio under the company's management and the company's dividend capacity.

Leasable area

The total premises area that can potentially be leased.

Purpose: Shows the total area that the company can potentially lease.

Vacancy rent

Assessed market rent for vacant floor space.

Purpose: The performance measure states the potential rental income when all floor space is fully leased.

Surplus ratio¹

Net operating income for the period as a percentage of total income.

Purpose: The surplus ratio shows the percentage of each Swedish krona earned that the company can keep. The performance measure is an indication of efficiency that is comparable over time and among property companies.

1) Refers to alternative performance measures according to the European Securities and Markets Authority (ESMA).

INFORMATION TO SHAREHOLDERS

INFORMATION TO SHAREHOLDERS REGARDING THE ANNUAL GENERAL MEETING

Annual General Meeting

The Annual General Meeting of Nyfosa AB will be held on Tuesday, April 19, 2022 at 3.00 p.m. at Vasateatern, Vasagatan 19, in Stockholm. Registration begins at 2.30 pm.

Right to attend

Anyone wishing to attend the AGM must be entered as a shareholder in the share register kept by Euroclear Sweden AB as of Tuesday, April 7, 2022, and register their attendance at the Meeting no later than Monday, April 11, 2022.

Notification of attendance may be given in writing to the company at the address Nyfosa AB, Annual General Meeting, c/o Euroclear Sweden AB, PO Box 191, 101 23 Stockholm, Sweden, by telephone on +46 (0)8 401 43 01 weekdays between 10.00 a.m. and 4.00 p.m. or on the company's website: www.nyfosa.se. When giving notification please state your name or company name, personal ID or company registration number, address and daytime telephone number. The registration procedure described above also applies to registration for any advisors.

Nominee-registered shares

To be entitled to attend the AGM, shareholders whose shares are nominee-registered must, in addition to giving notice of attendance to the company, register such shares in their own names so that the shareholder is recorded in the share register as of April 7, 2022. Such registration may be temporary (so-called voting right registration) and requests for such registration shall be made to the nominee in accordance with the nominee's routines in such time in advance as decided by the nominee. Voting right registrations effected no later than the second banking day after April 7, 2022 will be considered in the preparation of the share register.

Proxy, etc..

Shareholders wishing to attend the AGM in person or via a proxy have the right to be accompanied by one or two

assistants. Shareholders wishing to be accompanied by assistants must state this when registering their attendance. Shareholders represented by proxy are to issue a printed and dated power of attorney for the proxy. If the proxy is issued by a legal entity, a copy of its registration certificate or, if no such document exists, equivalent authorization document must be attached. To facilitate registration at the AGM, powers of attorney, registration certificates and other authorization documents must be received by the company at the address stated above no later than April 18, 2022. The power of attorney is available at www.nyfosa.se.

Postal voting

A designated form is to be used for postal voting. The form is available on Nyfosa's website, www.nyfosa.se. The postal voting form applies as the notification of participation at the AGM. The completed voting form must be received by Euroclear Sweden AB no later than Monday, April 11, 2022. The completed form shall be sent to Nyfosa AB, "Annual General Meeting", c/o Euroclear Sweden AB, P.O. Box 191, SE-101 23 Stockholm, Sweden. The completed form may alternatively be submitted electronically either through BankID signing as per instructions available on <https://anmalan.vpc.se/euroclearproxy> or by sending the completed voting form by e-mail to GeneralMeetingService@euroclear.com (with reference "Nyfosa Annual General Meeting 2022"). If a shareholder votes in advance by proxy, a power of attorney shall be enclosed with the form. The proxy form is available at www.nyfosa.se. If the shareholder is a legal entity, a certificate of incorporation or a corresponding document shall be enclosed with the form. The shareholder may not provide special instructions or conditions in the voting form. If so, the vote (i.e. the postal vote in its entirety) is invalid. Further instructions and conditions are included in the form for postal voting.

FINANCIAL CALENDAR

2022 Annual General Meeting	April 19, 2022
Interim Report for January 1 – March 31, 2022	April 19, 2022
Interim Report for January 1 – June 30, 2022	July 12, 2022
Interim Report for January 1 – September 30, 2022	October 20, 2022

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Production: Nyfosa in partnership with Vero Kommunikation and Öhrberg Design
Photographers: Daniel Dahlgren, Jenny Lagerqvist, Pixprovider and SQRE Media

