



# QUAR TIERS

P R O P E R T I E S

**INTERIM REPORT  
JANUARY TO SEPTEMBER  
2021**

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**Quartiers Properties AB (publ)**  
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## JULY - SEPTEMBER 2021: RECORD OPERATING CASH FLOW IN THE QUARTER

- Net sales for the third quarter amounted to a record SEK 70,574 (17,533) thousand. In comparison, sales for the full year 2020 amounted to SEK 55,800 thousand. Sales are also significantly higher than in the second quarter of 2021, when the total was SEK 25,505 thousand.
- The company's cash flow from operating activities, including residential sales, amounted to SEK 32,680 (-10,654) thousand, which is by far the highest figure for a quarter in the company's history and shows that demand for the company's products has returned. It also signals an important turning point, with the company taking a big step forward and becoming cash flow positive, despite the Covid-19 pandemic.
- Revenue from the operator business, including Boho Club and the apartment rentals in Benahavis, amounted to SEK 28,479 (14,513) thousand, representing an increase of SEK 13,966 thousand, or 96%, compared to the third quarter of 2020. The operating profit from operations before depreciation and amortisation totalled SEK 5,720 thousand, representing an operating margin of 20%.
- Revenue from the divestment of properties during the period amounted to SEK 42,095 (3,020) thousand. Sales consisted mainly of apartments in the company's apartment complex in Benahavis, but also included one of the plots in the Los Flamings project.
- Operating profit before depreciation, amortisation and value adjustments (EBITDA) totalled SEK 1,837 (-3,844) thousand. Due to previous value adjustments on the company's completed apartments for sale, part of the profit on the apartments sold has already been recognised. This explains the difference of SEK 30,843 thousand between EBITDA and the strong operating cash flow generated by the company during the quarter. The cash flow accrues to the business even if it is not reflected in the earnings.
- Profit after tax was SEK -12,837 (-16,648) thousand. The result has been negatively impacted by a provision for an additional purchase consideration of SEK 8,147 thousand related to the acquisition of Centro Forestal Sueco. See also events after the balance sheet date.
- Cash flow from financing activities amounted to SEK -1,275 (47,501) thousand, of which cash flow from a new share issue amounted to SEK 11,121 (0) thousand. Total cash flow for the period was SEK 28,025 thousand (34,015).
- Earnings per share before dilution for the period totalled SEK -0.25 (-0.32).

## JANUARY - SEPTEMBER 2021

- Net sales amounted to SEK 106,692 (45,669) thousand.
- Revenue from the operator business, including Boho Club and the company's apartment rental business, amounted to SEK 48,630 (25,990) thousand.
- Revenue from the divestment of properties during the period amounted to SEK 58,062 (19,679) thousand.
- Operating profit before depreciation and amortisation (EBITDA) totalled SEK -5,938 (-21,983) thousand.
- Profit after tax was SEK -44,631 (-43,781) thousand.
- Earnings per share for the period totalled SEK -0.86 (0.85).
- During the period, a total of 15 apartments in the company's apartment complex in Benahavis were sold, including ten in the third quarter. The recognised profit after tax is SEK -2,578 thousand. SEK 18,738 thousand of this profit after tax was recognised in previous periods as an unrealised change in value after tax. The average pre-tax profit margin is 76%. The reported profit/loss includes sales commission and administrative selling expenses of SEK -2,939 thousand, as well as recovered VAT (expense) of SEK -1,381 thousand. Increased demand allowed for sales at the end of the period to be made at a higher value than at the beginning of the year. During the period, one of two plots of land in Los Flamings was also sold, resulting in an accounting gain of SEK 341 thousand.
- Reported equity at 30 September 2021 amounted to SEK 250,489 (323,181) thousand.
- The company's net asset value on 30 September 2021 was SEK 292,002 (350,279) thousand, which equates to SEK 5.33 (6.77) per share. The net asset value has been adjusted for the preference shareholders' share of equity (SEK 81,283 thousand) and accumulated unpaid dividends, as well as default interest on unpaid dividends (SEK 10,528 thousand).

## SIGNIFICANT EVENTS IN THE THIRD QUARTER

- In August, a new share issue was effected through the exercising of outstanding series TO3 warrants. The take-up rate was 92%, and the company received approximately SEK 11.1 million.
- In September, Alvaro Fernandez Martin took over as the new general manager of the Boho Club.

## EVENTS AFTER THE END OF THE PERIOD

- On 22 October, the Arbitration Institute of the Stockholm Chamber of Commerce issued a judgment in the dispute between the company and the foundation Central Fund for Employees in Forestry and the Forest Industry regarding payment of the outstanding purchase consideration for the Centro Forestal Sueco property (of which the Boho Club is part). According to the judgment, Quartiers must pay the outstanding purchase consideration for Centro Forestal Sueco, EUR 1,350 thousand. The payment was conditional on the adoption of a new zoning plan, which the company considers not to have been met. Including interest and the costs of the arbitration proceedings, the total cost is equivalent to approximately SEK 15,155 thousand, of which a provision of SEK 6,858 thousand was previously made. As of 30 September, provision for the full amount has been made, affecting the profit/loss for the period by SEK -8,297. Quartiers has analysed the judgment and considers that serious errors have been made in the interpretation of the contract, based on the way the judgment and the contract are drafted. Quartiers will therefore use the legal means available for this type of situation and will seek to modify or annul the judgment.
- Villa Amapura has been sold and is now occupied by the new buyers.

# QUARTIERS IN BRIEF

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**Quartiers Properties is a Swedish-owned real estate development company listed on Nasdaq First North in Stockholm. The company's business is geographically focused on Spain. Quartiers mainly invests in properties aimed at an affluent international target group.**

Quartiers is the only publicly listed property company in Sweden whose entire business is geographically focused on Spain. The company is active in two main segments: property enhancement and property development.

The company benefits from its Nordic background, with expertise in design and customer service that generates value in its property portfolio. Its products are created with a focus on a discerning Scandinavian target group. This helps to ensure the high quality of the company's projects, as well as an attractiveness that also appeals to numerous nationalities, including the local Spanish population.

In the area of property enhancement, the company invests in underperforming properties in order to increase the property's operating income and stabilise the property's cash flow – thus increasing its value. The company also runs an operator business comprising hotel and restaurant

management, primarily aimed at supporting the creation of value in the two main segments: property development and property enhancement.

In the third quarter, signs of a clear recovery were evident. Both the company's operating and letting activities and its residential sales generated record sales. A major step that has made the company cash flow positive has now been taken.

The strong sales at Boho Club, which continued into October with particularly high occupancy at the Boho Club hotel, and a continued successful pricing strategy with higher average prices than previously forecast, have paved the way for further development of Boho Club as a hotel and restaurant concept with possible expansion into other destinations.



# SUMMARY OF GROUP KEY PERFORMANCE INDICATORS

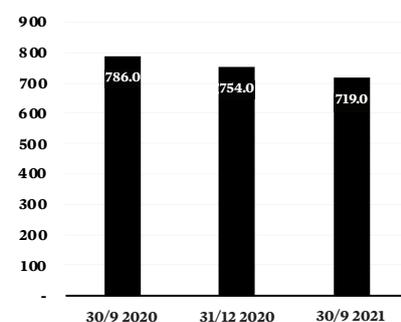
## SUMMARY OF KEY PERFORMANCE INDICATORS

Record sales were recorded in the third quarter, despite continued impacts from the Covid-19 pandemic. The cash flow from the company's operations and residential sales was positive and has contributed to the now positive cash flow of the business, having previously being in an investment and build-up phase with no relevant revenue, followed by a crisis management phase during the Covid-19 pandemic. The difference between EBITDA and operating cash flow is mainly explained by the fact that increases in the value of the company's residential stock were previously measured at market value in the balance sheet and income statement, and that sales now made around market value cannot have a positive impact on profit a second time for accounting purposes. The market value fell by 15% during the quarter to SEK 4.15 per share, a 22% discount to net asset value. It is worth noting that the potential value of Boho Club as a separate management company has not been included in the net asset value of SEK 5.33 per share.

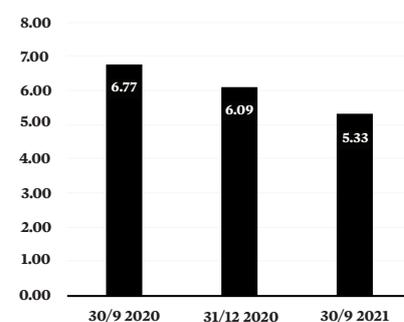


The Boho Club invited six of Andalusia's Michelin chefs to a joint event, where together they held a gala dinner led by Boho Club's Head Chef, Diego Del Río, centre.

### PROPERTY VALUE (SEK MILLION)



### NET ASSET VALUE PER ORDINARY SHARE (SEK)



Key performance indicators (SEK thousand)	30/09/2021 (Q3 2021)	30/09/2020 (Q3 2020)	30/09/2021 (9 months)	30/09/2020 (9 months)	31/12/2020 (Full year)
Sales revenue	70,574	17,533	106,692	45,669	55,800
Operating profit/loss, EBITDA	1,837	-3,844	-5,938	-21,983	-31,189
Cash flow from operating and property sales*	32,680	-10,654	47,288	-24,002	-41,053
Property values**	718,962	785,670	718,962	785,670	754,008
Interest-bearing liabilities	308,137	327,294	308,137	327,294	314,736
Loan-to-value (LTV)	37.39%	37.10%	37.39%	37.10%	39.64%
Equity/assets ratio – carrying amount	40%	46%	40%	46%	43%
Equity/assets ratio – property market value	69%	67%	69%	67%	67%
Number of employees (Group)	94	88	94	88	68
Net asset value per ordinary share***	5.33	6.77	5.33	6.77	6.09
Equity per share	4.57	6.24	4.57	6.24	5.44
Share price per ordinary share	4.15	4.26	4.15	4.26	9.50
Market capitalisation – ordinary shares	227,357	220,474	227,357	220,474	491,668

\* Cash flow from operating activities plus cash flow from divestment of commercial properties.

\*\* Most recent external valuation conducted in June 2021 by Savills Aguirre Newman in accordance with RICS (Royal Institution of Chartered Surveyors).

\*\*\* Equity adjusted for market valuation of the property portfolio after tax, taking into account preference shareholders' share of equity and unpaid dividends, as well as default interest on unpaid dividends.

# MESSAGE FROM THE CEO

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*This has been an important quarter for us, in that we took a major step in emerging from the stifling effect of Covid-19 on our business, following the order to shut down completely and quarantine in March 2020. Cash flow improved strongly during the quarter, and is expected to continue to improve if we are spared another strong wave of the pandemic. Demand has thus re-emerged, and the positive effects of the wave of digitalisation that followed from the pandemic are now beginning to have a serious impact in the region. Many of us have been surprised by the number of people who are now in the Marbella region, and interest in vacationing and settling here has probably never been greater.*

The summer, and the autumn so far, have demonstrated the strength of the Boho Club brand and concept, which was created as part of the enhancement of the Centro Forestal Sueco property on the Golden Mile in Marbella, which we acquired in 2017. Both average prices and occupancy rates at the hotel have exceeded our wildest imagination and illustrate that we are well on our way to building a first-class hotel concept. We hired a new general manager for Boho Club during the quarter and will use Alvaro's experience and expertise to fine-tune the details to raise the concept to world-class status and prepare it for a possible scale-up in other destinations. The value to a real estate company of having in-house operational knowledge in the hotel and tourism sector should not be underestimated. The knowledge we possess from this will be valuable in future business, whether we act solely as a property owner or both operate and own the property. The enhancement we have provided has not only created value in the specific property where the Boho Club is today, but also in the brand and the remaining approximately 17,500 square meters of land that we own right next to the Boho Club and that is included in our development plans for future projects.

When the time comes to expand, we will have in-house operational expertise and a brand in place. This will allow us to reverse the analysis process when looking for properties for expansion. Instead of finding a property and creating a project for enhancement, we can instead focus on finding properties where we can quickly and efficiently establish the Boho Club and thereby also enhance the property. This creates opportunities that we didn't have before.

With a stronger market for hotels and residential sales, the domestic Spanish capital market is also waking up, which is important to us when we need to borrow money. We are now working with both banks and low-interest funds to restructure the balance sheet in the first half of 2022, in order to achieve lower borrowing costs.

I would like to conclude by mentioning the fantastic work that our sales team – consisting of salespeople, receptionists, project managers and property managers – have done in selling our residential projects. We have a small, close-knit team that manages our sales, residential buyer support and follow-up, to ensure a positive experience for anyone who buys a home from Quartiers. We have been very successful during the quarter, with ten apartment sales and one land sale, which together brought in net cash of SEK 38.7 million after amortisation. Continued sales in the Hacienda Collection and commercialisation of the Ocean View project will generate further liquidity, which we intend to allocate to restructuring our debt and expanding the business.

Let's now keep our fingers crossed that we don't experience another serious wave of Covid-19 and that we can return to our normal lives, but with an even higher quality of life for many, when commuting time to work can instead become time spent with friends and family. The trend of digitalisation that I have mentioned so many times is expected to contribute exponentially to accelerating this trend and all indications are that Marbella and its surroundings are one of the best-positioned markets in Europe to capitalise on the structural change in society that this actually represents.



**Marcus Johansson Prakt, CEO Quartiers Properties**

# OUR PROJECTS

## SUMMARY OF PROJECTS

Quartiers' business operations consist of the development and management of properties. The holdings consist of seven different projects in various phases. The portfolio consists of both earning properties with further upside value potential, as well as plots and apartments for sale.

The second quarter was marked by a clear recovery from the Covid-19 crisis, with higher sales and record operating cash flow stabilising the company's financial situation and making the business cash-flow positive.

The Marbella region continues to grow in popularity. Trends so far in the fourth quarter suggest greater activity than ever before in the region. This is reflected in the demand for housing, as well as in the occupancy and sales of the region's hotels and restaurants.



## VILLA SOLD IN NUEVA ANDALUCIA

This luxury villa located in exclusive Nueva Andalucia was reserved with a 10% deposit during the quarter. The villa was marketed by Quartiers' own sales team, and the price level was set as expected. Occupancy was taken up in the fourth quarter of 2021.



## BOHO CLUB

Award-winning and exclusive hotel and restaurant project on Marbella's Golden Mile. The restaurant has been recommended in the Michelin Guide, and the hotel has received several awards for its distinctive design. The hotel has 30 rooms, with 2-4 beds in each room. The business generated turnover of SEK 21.4 million in the third quarter. EBITDA for the project was SEK 1.8 million in the third quarter.

Work is underway on a new local development plan, which is expected to significantly increase the number of construction rights on the property and enable further development. The first initial approval of the new master plan is expected in the first half of 2022.



## OCEAN VIEW BY QUARTIERS

Apartment complex project in Benahavis with approximately 10,000 square meters of building rights to develop 60 new apartments. The area where the project is located continues to be consolidated with two new luxury residential projects nearby, as well as a new golf course a stone's throw from the project. This, together with a stronger market after the Covid-19 pandemic, means that the project will be resumed soon.



### **HACIENDA COLLECTION BY QUARTIERS**

Apartments for sale in the Hacienda Collection, a gated residential area situated at the foot of the Sierra de Las Nieves mountain range. Ten apartments were sold in the third quarter. The number of viewings in the third quarter has been in line with expectations, with fewer viewings in August due to the heat, and a gradual increase in September that continued into October.

Please contact the Quartiers sales team for more information and to book a viewing.

Email: [sales@quartiersproperties.com](mailto:sales@quartiersproperties.com)

Tel.: +34 633 094 628

Website: [www.haciendacollection.es](http://www.haciendacollection.es)



### **CENTRO FORESTAL SUECO**

This 13,730 square-metre property is located next to Boho Club and is less than two minutes' walk from the beach in Marbella. Quartiers is planning to develop this plot into an exclusive gated community with villas and/or apartments.

Work is underway on a new local development plan, which is expected to significantly increase the number of construction rights on the property and enable further development.

Quartiers is currently working with one of the region's leading architects to conceptualise and design the project. In addition, the possibility of positioning the project in the sharing economy and selling it as parts of apartments with the full range of services of the Boho Club is being explored.



### **RESIDENTIAL PLOTS IN LOS FLAMINGOS**

Possession of one of the plots was taken up during the quarter. The size of the remaining villa is 1,360 sqm. The plot is located in a quiet, safe, consolidated area, and has sea and golf views. Preparatory building permit work has been carried out and construction of the villa can begin immediately.

Please contact the Quartiers sales team for more information.

Email: [sales@quartiersproperties.com](mailto:sales@quartiersproperties.com)

Tel.: +34 633 094 628



### **QUARTIERS MARBELLA APARTMENTS**

Generously dimensioned and tastefully furnished apartments for short-term and long-term rentals.

The business generated sales of SEK 7.1 million and EBITDA of SEK 3.0 million in the third quarter of 2021.

Website: [www.quartiersmarbella.com](http://www.quartiersmarbella.com)

# COMMENTS ON THE PERIOD

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This report has been prepared in accordance with IAS 34 – Interim Financial Reporting. See the 2020 Annual Report for complete details of the accounting policies.

## RESULTS JULY - SEPTEMBER

Net sales increased from SEK 17,533 thousand in the corresponding period of 2020 to SEK 70,574 thousand in the third quarter of 2021, of which divestments of properties amounted to SEK 42,095 (3,020) thousand.

Revenue from operator activities increased from SEK 14,513 thousand to SEK 28,479 thousand. Boho Club increased its revenue from SEK 10,548 thousand to SEK 21,395 thousand.

During the quarter, ten apartment sales were closed at the company's Benahavis facility.

During the third quarter, the company reported a positive operating profit of SEK 1,837 (-3,844) thousand before depreciation. The operating profit from operations before depreciation and amortisation (EBITDA) amounted to SEK 5,720 thousand, representing an operating margin of 20%.

## CASH FLOW AND FINANCIAL POSITION

The equity/assets ratio at the end of the period was 40% (46%). The Group's interest-bearing liabilities amounted to SEK 308,137 (327,294) thousand. Interest-bearing liabilities are recognised net of capitalised financing costs in the amount SEK 6,083 (0) thousand. The loan-to-value ratio is 37% (37%). The Group's cash and cash equivalents at 30 September amounted to SEK 45,401 (35,840) thousand.

Cash flow from operating activities amounted to SEK 7,349 (-13,203) thousand during the third quarter. Cash flow from investment activities amounted to SEK 21,951 (-283) thousand. Cash flow from financing activities was SEK -1,275 (47,501) thousand. No dividend has been paid on the preference shares.

## PROPERTIES

Operating properties consisted of a hotel property and apartments in an apartment complex that are rented out as holiday apartments under the company's own management. Investments in operating properties during the third quarter amounted to SEK 3,062 (2,544) thousand. The investment mainly relates to the Boho Club project.

Project properties include ongoing property development projects and 14 apartments with sale pending.

During the period, investments in project properties amounted to SEK 2,624 thousand.

## SHARES

Quartiers Properties has two classes of shares outstanding, in the form of ordinary shares and a series of preference shares. The ordinary and preference shares in Quartiers Properties have been traded on Nasdaq First North Stockholm since 21 June 2017. The market value of the company's ordinary shares on 30 September 2021 totalled SEK 227 million, based on a closing price of SEK 4.15 for the share.

Preference shares take precedence over ordinary shares for an annual dividend corresponding to SEK 0.96 per share, with payment being made quarterly. The most recent dividend was paid in connection with the first quarter of 2020. The company has since been prevented from paying dividends in accordance with terms with an external lender. Unpaid dividends are accumulated and included in the preferential amount that the preference shares have over the ordinary shares.

Withheld accumulated unpaid dividends at 30 September 2021 amounted to SEK 10,528 thousand, including accrual of interest at a rate of 12% per annum on the unpaid amount.

## WARRANTS

During the period, Series 3 warrants expired. Of a total of 3,291,624 Series 3 warrants, 3,030,183 were exercised to subscribe for new shares, increasing the number of ordinary shares outstanding from 51,754,520 to 54,784,703 and providing the company with cash and cash equivalents of approximately SEK 11.1 million. The subscription price for the redemption of series 3 warrants was SEK 3.67.

As of 30 September, 3,291,624 series 4 warrants 2020/2022 have been issued. Each warrant entitles the holder to subscribe for one newly issued ordinary share in the company. The warrants may be exercised for subscribing to ordinary shares during the period from 17 March 2022 to 31 March 2022. The warrants entitle holders to subscribe for new ordinary shares at either (i) 75% of the volume-weighted average price according to Nasdaq First North's official list of prices for the shares for a period of 10 trading days immediately prior to (and excluding) 15 March 2022, or (ii) SEK 3.50, whichever is higher.

## PARENT COMPANY

The Parent Company's net sales for the period July – September totalled SEK 379 (928) thousand. The profit/loss after financial items was SEK -7,238 (-8,674) thousand. The parent company's net financial debt was SEK 184,705 (179,666) thousand. Equity totalled SEK 282,530 (273,152) thousand.

# COMMENTS ON THE PERIOD

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## SIGNIFICANT EVENTS DURING THE PERIOD

- In August, a new share issue was effected through the exercising of outstanding series TO3 warrants. The take-up rate was 92%, and the company received approximately SEK 11.1 million.
- In September, Alvaro Fernandez Martin took over as the new general manager of the Boho Club.

## OTHER EVENTS AFTER THE END OF THE PERIOD

On 22 October, the Arbitration Institute of the Stockholm Chamber of Commerce issued a judgment in the dispute between the company and the foundation Central Fund for Employees in Forestry and the Forest Industry regarding payment of the outstanding purchase consideration for the Centro Forestal Sueco property (of which the Boho Club is part). According to the judgment, Quartiers must pay the outstanding purchase consideration for Centro Forestal Sueco, EUR 1,350 thousand. The payment was conditional on the adoption of a new zoning plan, which the company considers not to have been met. Including interest and the costs of the arbitration proceedings, the total cost is equivalent to approximately SEK 15,155 thousand, of which a provision of SEK 6,858 thousand was previously made.

As of 30 September, provision for the full amount has been made, affecting the profit/loss for the period by SEK -8,297. Quartiers has analysed the judgment and considers that serious errors have been made in the interpretation of the contract, based on the way the judgment and the contract are drafted. Quartiers will therefore use the legal means available for this type of situation and will seek to modify or annul the judgment.

## RELATED-PARTY TRANSACTIONS

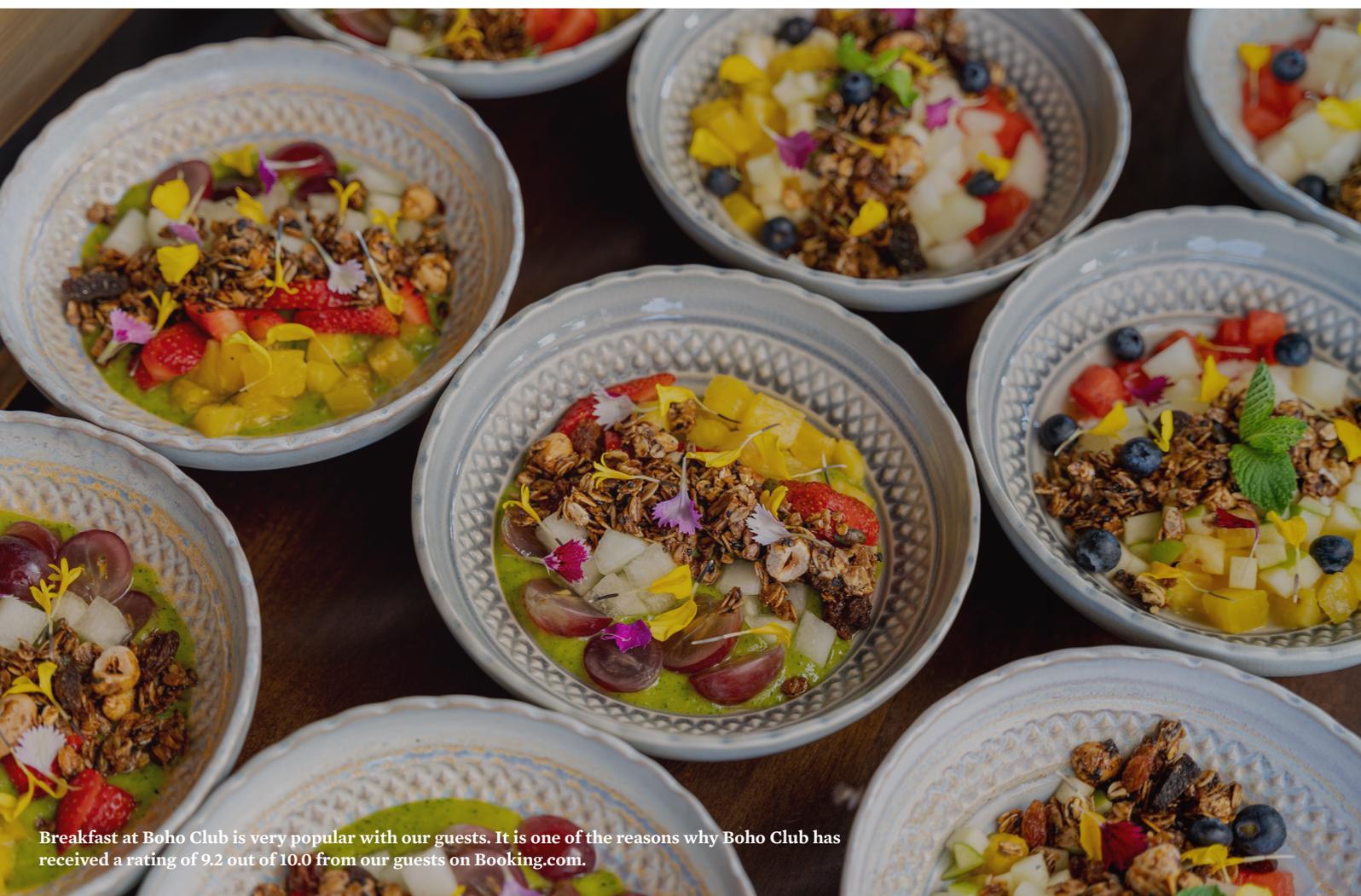
No related-party transactions took place during the period.

## RISKS AND UNCERTAINTIES

Quartiers Properties is exposed to risks and uncertainties through its business operations. For information about the Group's risks and uncertainties, please see the 2020 Annual Report. The description contained in that report remains relevant.

## AUDITOR

PwC is the company's auditor. Henrik Boman is the authorised public accountant. This report has not been subject to examination by the company's auditor.



## NEXT REPORTING DATE AND FINANCIAL CALENDAR

- Year-end report 2021: 25 February 2022
- Annual Report: 9 April 2022
- Annual General Meeting: 29 April 2022

## CERTIFICATION BY THE BOARD OF DIRECTORS AND CEO

The Board of Directors and Chief Executive Officer certify that this quarterly report provides a true and fair overview of the parent company and Group's operations, position and earnings and describes significant risks and uncertainties faced by the parent company and Group companies.

### Stockholm, 4 November 2021

Jörgen Cederholm, Chairman of the Board  
Jimmie Hall, Board member  
Sten Andersen, Board member  
Andreas Bonnier, Board member  
Marcus Johansson Prakt, Chief Executive Officer



Andrea and Diego, two key members of the Boho Club kitchen, in consultation during the gala dinner that brought together Andalusia's best chefs under one roof at the Boho Club in September 2021.

## TEN LARGEST SHAREHOLDERS - 30 SEPTEMBER 2021

#	Shareholder	Ordinary shares	Preference shares	Capital	Votes
1	Egonomics AB	10,162,522	-	16.51%	18.32%
2	Fastighets Aktiebolag Bränneröd	7,086,758	-	11.51%	12.78%
3	House of K Holding Limited	6,401,252	-	10.40%	11.54%
4	LMK companies & Foundation	4,575,000	1,580,000	10.00%	8.54%
5	Rocet AB	4,365,066	-	7.09%	7.87%
6	SIX SIS AG	3,701,144	-	6.01%	6.67%
7	Bernt Lundberg Fastigheter Lund AB	2,423,728	-	3.94%	4.37%
8	Bosmac Invest AB	1,476,426	-	2.40%	2.66%
9	Leif Edlund	1,333,334	66,666	2.27%	2.42%
10	CS Client Omnibus ACC	1,343,778	10,000	2.20%	2.42%
	<b>Other</b>	<b>13,249,029</b>	<b>5,113,202</b>	<b>27.67%</b>	<b>22.41%</b>
	<b>Total</b>	<b>54,784,703</b>	<b>6,769,868</b>	<b>100.00%</b>	<b>100.00%</b>

Source: Euroclear



## SUMMARY CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand	01/07/2021 30/09/2021	01/07/2020 30/09/2020	01/01/2021 30/09/2021	01/01/2020 30/09/2020	01/01/2020 31/12/2020
Divestment of properties	42,095	3,020	58,062	19,679	23,157
Revenue, operator business	28,479	14,513	48,630	25,990	32,643
<b>Total net sales</b>	<b>70,574</b>	<b>17,533</b>	<b>106,692</b>	<b>45,669</b>	<b>55,800</b>
Cost of properties sold	-43,304	-3,415	-61,389	-20,335	-23,737
Operating costs	-25,679	-17,486	-53,204	-51,310	-69,729
<b>Central administration</b>	<b>-2,674</b>	<b>-4,502</b>	<b>-7,514</b>	<b>-7,649</b>	<b>-12,215</b>
Total operating expenses	-71,657	-25,403	-122,107	-79,294	-105,681
Operating profit/loss	-1,083	-7,870	-15,415	-33,625	-49,881
of which operating profit before depreciation/amortisation	1,837	-3,844	-5,938	-21,983	-31,189
Other operating income and expenses	-8,147	-378	-12,523	2,135	1,214
Profit/loss from financial items	-7,863	-8,871	-22,939	-14,904	-21,823
Profit/loss before tax	-17,093	-17,119	-50,877	-46,394	-70,490
Income tax	4,256	471	6,246	2,613	2,886
<b>PROFIT/LOSS FOR THE PERIOD</b>	<b>-12,837</b>	<b>-16,648</b>	<b>-44,631</b>	<b>-43,781</b>	<b>-67,604</b>
<b>Attributable to:</b>					
Parent company's shareholders	-12,837	-16,649	-44,632	-40,398	-64,220
Non-controlling interests	0	1	0	-3,383	-3,384
	-12,837	-16,648	-44,632	-43,781	-67,604
Basic earnings per ordinary share, SEK	-0.25	-0.32	-0.86	-0.85	-1.44

## CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	01/07/2021 30/09/2021	01/07/2020 30/09/2020	01/01/2021 30/09/2021	01/01/2020 30/09/2020	01/01/2020 31/12/2020
<b>Profit/loss for the period</b>	<b>-12,837</b>	<b>-16,648</b>	<b>-44,632</b>	<b>-43,781</b>	<b>-67,604</b>
Other comprehensive income	0	0	0	0	0
Items that have been or may be transferred to profit/loss for the year	0	0	0	0	0
Translation differences regarding foreign operations	4,127	1,761	2,239	3,386	-13,459
<b>Comprehensive income for the year</b>	<b>-8,710</b>	<b>-14,887</b>	<b>-42,393</b>	<b>-40,395</b>	<b>-81,063</b>
<b>Attributable to:</b>					
Parent company shareholders	-8,710	-14,887	-42,393	-37,011	-77,679
Non-controlling interests	0	0	0	-3,384	-3,384
	-8,710	-14,887	-42,393	-40,395	-81,063

# SUMMARY CONSOLIDATED BALANCE SHEET

Amounts in SEK thousand	30/09/2021	30/09/2020	31/12/2020
<b>ASSETS</b>			
Operating properties	403,373	518,401	446,724
Right-of-use assets, equipment, tools and installations	14,375	17,167	15,577
Project properties	138,114	115,239	147,187
Financial assets measured at fair value	37	13	37
Current assets	19,192	22,896	27,253
Cash and cash equivalents	45,401	35,840	16,959
<b>TOTAL ASSETS</b>	<b>620,492</b>	<b>709,556</b>	<b>653,737</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to parent company shareholders	250,489	323,181	281,761
Shareholders' equity attributable to non-controlling interests	0	0	0
Deferred tax liabilities	35,209	43,375	41,002
Interest-bearing liabilities	308,137	327,294	314,736
Other non-current liabilities	0	0	0
Trade payables	3,790	4,449	4,601
Other liabilities	22,009	10,998	10,658
Accrued expenses and deferred income	858	259	979
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>620,492</b>	<b>709,556</b>	<b>653,737</b>

# CONSOLIDATED CHANGES IN EQUITY

Amounts in SEK thousand	Equity attributable to		
	Parent company's owners	Non-controlling interests	Total shareholders' equity
<b>Opening balance on 01/01/2020</b>	<b>335,818</b>	<b>-1,106</b>	<b>334,712</b>
Profit/loss for the period	-64,220	-3,384	-67,604
Translation differences	-14,211	0	-14,211
New share issue	25,043	0	25,043
Transactions with minority shareholders	0	4,490	4,490
Dividend, preference shares	-669	0	-669
<b>Closing balance on 31/12/2020</b>	<b>281,761</b>	<b>0</b>	<b>281,761</b>
<b>Opening balance on 01/01/2021</b>	<b>281,761</b>	<b>0</b>	<b>281,761</b>
Profit/loss for the period	-44,632	0	-44,632
Translation differences	2,239	0	2,239
New share issue	11,121	0	11,121
<b>Closing balance on 30/09/2021</b>	<b>250,489</b>	<b>0</b>	<b>250,489</b>

# CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK thousand	01/07/2021 30/09/2021	01/07/2020 30/09/2020	01/01/2021 30/09/2021	01/01/2020 30/09/2020	01/01/2020 31/12/2020
<b><i>Cash flow from operating activities</i></b>					
Operating profit/loss	-1,084	-8,220	-15,416	-31,461	-48,667
Of which profit/loss from divestment of properties	1,209	395	3,327	656	580
Of which attributable to minority	0	-1	0	3,383	-3,384
Depreciation, amortisation and impairment	2,921	4,026	9,478	11,642	18,691
Share in earnings of associates	0	-68	0	744	284
Other non-cash items	-2,074	718	-2,074	-1,795	-1,498
Interest income and similar profit/loss items	1	32	145	365	159
Interest paid (attributable to financing activities)	-3,247	-14,572	-5,551	-20,939	-14,495
<b>Cash flow from operating activities before changes in working capital</b>	<b>-2,274</b>	<b>-17,690</b>	<b>-10,091</b>	<b>-37,405</b>	<b>-48,330</b>
<b><i>Changes in working capital</i></b>					
Change in project properties	15,942	-1,018	14,905	-2,605	-5,748
Change in other inventories	0	0	0	783	165
Change in operating receivables and liabilities	-6,319	5,505	2,618	-2,506	-8,132
<b>Total change in working capital</b>	<b>9,623</b>	<b>4,487</b>	<b>17,523</b>	<b>-4,328</b>	<b>-13,715</b>
<b>Cash flow from operating activities</b>	<b>7,349</b>	<b>-13,203</b>	<b>7,432</b>	<b>-41,733</b>	<b>-62,045</b>
<b><i>Cash flow from investing activities</i></b>					
Divestment of operating properties	25,331	2,739	39,856	17,731	20,992
Reduction in non-current financial assets	0	0	0	0	5
Acquisitions and investments in operating properties	-3,062	-2,544	-4,218	-7,730	-8,683
Investments in plant and equipment	-318	-478	-318	-3,036	-3,904
<b>Cash flow from investing activities</b>	<b>21,951</b>	<b>-283</b>	<b>35,320</b>	<b>6,965</b>	<b>8,410</b>
<b><i>Cash flow from financing activities</i></b>					
New share issue	11,121	0	11,121	25,043	25,043
Loans raised	0	174,879	0	186,957	185,620
Loan repayments	-12,396	-127,378	-25,553	-143,102	-134,448
<b>Other capitalised financing costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-8,111</b>
Dividend paid to preference shareholders	0	0	0	-4,830	-4,830
<b>Cash flow from financing activities</b>	<b>-1,275</b>	<b>47,501</b>	<b>-14,432</b>	<b>64,068</b>	<b>63,274</b>
Cash flow for the period	28,025	34,015	28,320	29,300	9,639
<b>Cash and cash equivalents at start of period</b>	<b>17,388</b>	<b>2,162</b>	<b>16,959</b>	<b>6,874</b>	<b>6,874</b>
Exchange rate differences in cash and cash equivalents	-12	475	122	478	446
<b>Cash and cash equivalents at end of period</b>	<b>45,401</b>	<b>36,652</b>	<b>45,401</b>	<b>36,652</b>	<b>16,959</b>

# SUMMARY OF PARENT COMPANY FIGURES

<b>Income statement (amounts in SEK thousand)</b>	<b>01/07/2021 30/09/2021</b>	<b>01/07/2020 30/09/2020</b>	<b>01/01/2021 30/09/2021</b>	<b>01/01/2020 30/09/2020</b>	<b>01/01/2020 31/12/2020</b>
Operating revenue	379	928	1,143	2,628	10,944
Operating expenses	-3,954	-2,106	-6,028	-5,208	-17,185
Operating profit/loss	-3,575	-1,178	-4,885	-2,580	-6,241
Profit/loss from financial items	-3,663	-7,495	-4,730	-6,008	844
<b>Profit/loss before tax</b>	<b>-7,238</b>	<b>-8,673</b>	<b>-9,615</b>	<b>-8,588</b>	<b>-5,397</b>
<b>Profit/loss for the period</b>	<b>-7,238</b>	<b>-8,673</b>	<b>-9,615</b>	<b>-8,588</b>	<b>-5,397</b>

## Comments on the income statement

The parent company's statement of comprehensive income is consistent with the profit/loss for the period. The parent company's operations mainly consist of managing the parent company's investments in subsidiaries, as well as financing activities. Operating revenue relates for the most part to the invoicing of services to subsidiaries, and, to a lesser extent, to the invoicing of services to external companies.

<b>Balance sheet (amounts in SEK thousand)</b>	<b>30/09/2021</b>	<b>30/09/2020</b>	<b>31/12/2020</b>
<b>ASSETS</b>			
Property, plant and equipment	0	325	49
Holdings in Group companies	299,245	289,994	281,600
Non-current receivables from Group companies	166,265	162,813	171,226
Other non-current receivables and investments	405	13	900
Current assets	2,460	5,998	4,269
Cash and cash equivalents	11,306	7,936	1,759
<b>Total assets</b>	<b>479,681</b>	<b>467,079</b>	<b>459,803</b>
<b>EQUITY AND LIABILITIES</b>			
Shareholders' equity	282,530	273,152	276,345
Non-current liabilities	196,011	187,602	181,996
Current liabilities	1,140	6,325	1,428
<b>Total shareholders' equity and liabilities</b>	<b>479,681</b>	<b>467,079</b>	<b>459,803</b>

# SUPPLEMENTARY DISCLOSURES

<b>INTEREST-BEARING LIABILITIES</b>	<b>30/09/2021</b>	<b>30/09/2020</b>	<b>31/12/2020</b>
<i>Non-current</i>			
Property loans	88,551	118,692	106,423
Lease liability	1,901	2,656	2,061
Purchase consideration liability	0	0	0
Investment loans	190,058	184,647	180,482
Capitalised financing costs	-3,378	0	-5,407
<b>Total non-current interest-bearing liabilities</b>	<b>277,132</b>	<b>305,995</b>	<b>283,559</b>
<i>Current</i>			
Property loans	10,766	13,875	10,959
Lease liability	748	1,994	2,315
Interest-bearing liability, purchase price	0	0	0
Investment loans	22,196	5,430	20,608
Capitalised financing costs	-2,705	0	-2,705
<b>Total current interest-bearing liabilities</b>	<b>31,005</b>	<b>21,299</b>	<b>31,177</b>
<b>Total interest-bearing liabilities</b>	<b>308,137</b>	<b>327,294</b>	<b>314,736</b>



# QUARTIERS TIERS

P R O P E R T I E S

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