

QUARTIERS TIERS

P R O P E R T I E S

**YEAR-END REPORT
JANUARY THROUGH DECEMBER 2021**

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THE PERIOD OCTOBER - DECEMBER 2021

- Net sales for the fourth quarter totalled SEK 49,784 (10,131) thousand.
- The company's cash flow from operating activities, including the sale of housing, amounted to SEK 24,549 (-17,051) thousand.
- Revenue from the operator business, including Boho Club and the apartment rentals in Benahavis, amounted to SEK 15,883 (6,653) thousand, representing an increase of SEK 9,230 thousand, or 139%, compared to the fourth quarter of 2020. The operating profit from operations before depreciation and amortisation totalled SEK 700 (-4,854) thousand.
- Revenue from the divestment of properties during the period amounted to SEK 33,901 (3,478) thousand. The sale concerns apartments in the company's apartment complex in Benahavis and the Amapura residential project.
- Operating profit before depreciation, amortisation and value adjustments (EBITDA) totalled SEK -2,726 (-9,206) 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. If the previous increase in value had not been posted previously, EBITDA for the period would have amounted to SEK 4,316 (-8,113) thousand.
- Total cash flow for the period was SEK 3,245 (-19,661) thousand.
- Basic earnings per share for the period totalled SEK -0.19 (-0.46).

THE PERIOD JANUARY - DECEMBER 2021

- Net sales amounted to SEK 156,476 (55,800) thousand, an increase of 180% compared to 2020.
- The company's cash flow from operating activities, including the sale of housing, amounted to SEK 71,837 (-41,053) thousand.
- Revenue from the operator business, including Boho Club and the company's apartment rental business, amounted to SEK 64,513 (32,643) thousand, corresponding to an increase of 98% compared to 2020.
- Revenue from the divestment of properties during the period amounted to SEK 91,963 (23,157) thousand, corresponding to an increase of 297% compared to 2020.
- Operating profit before depreciation and amortisation (EBITDA) totalled SEK -8,664 (-31,189) thousand. Had the increase in value of the company's sold apartments not been posted earlier, EBITDA for the period would have amounted to SEK 22,683 (-21,721) thousand.
- The profit/loss from financial items was SEK -30,644 (-21,823) thousand.
- Profit after tax was SEK -54,496 (-67,604) thousand.
- Basic earnings per share totalled SEK -1.03 (-1.44).
- In 2021, a total of 19 apartments in the company's apartment complex in Benahavis were sold, including four in the fourth quarter. The recognised profit after tax is SEK 5,390 thousand. SEK 31,347 thousand of this profit after tax was recognised in previous periods as an unrealised change in value after tax. The reported profit/loss includes sales commission and administrative selling expenses of SEK -3,036 thousand, as well as recovered VAT (expense) of SEK -1,871 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 year, the Amapura residential project and one of two plots in Los Flamings were also sold.
- Reported equity at 31 December 2021 amounted to SEK 242,983 (281,761) thousand.
- The company's net asset value on 31 December 2021 was SEK 320,588 (316,907) thousand, which equates to SEK 5.85 (6.09) per share. The net asset value has been adjusted for the preference shareholders' share of equity (SEK 81,238 thousand) and accumulated unpaid dividends, as well as default interest on unpaid dividends (SEK 12,480 thousand).

SIGNIFICANT EVENTS IN THE FOURTH QUARTER

- Boho Club is named Spain's best luxury boutique hotel by Spain Luxury Hotel Awards.
- 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. The cost was fully reserved as of 30 September, and the impact on 2021 profits amounts to SEK -8,927 thousand.

EVENTS AFTER THE END OF THE PERIOD

- Quartiers' operations have improved significantly as Covid restrictions have been eased on both the company's hotel operations and property sales. In January, the Boho Club recorded an occupancy rate of 50% at the hotel, with an average price excluding VAT of EUR 341 per night. In February, business has picked up further, and as of this writing, the occupancy rate for February at the Boho Club stands at 80%, with an average price excluding VAT of EUR 300.
- Apartment sales in the company's Hacienda Collection project have so far in the first quarter shown a very positive trend. Increased demand has enabled the company to raise the prices of several apartments. Based on ongoing negotiations and signed reservation agreements, the company estimates that a total of 10 apartments will be sold in the first quarter of 2022, corresponding to a value of SEK 38 million and a cash flow of SEK 24 million.
- Marbella has been ranked as Europe's second best travel destination in 2022, ahead of cities such as London, Istanbul, Prague, Rome and Athens. The annual list is compiled by the travel portal European Best Destinations, in collaboration with the EU's Eden Network for Sustainable Tourism Development. The ranking is expected to increase travel to the region.
- Work on refinancing the company's loan with DeShaw/Alantra is ongoing and success has been achieved in the first quarter of 2022. The company continues to expect that refinancing with a bank will take place in the first half of 2022.

QUARTIERS IN BRIEF

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.

The fourth quarter of 2021 was negatively impacted by new restrictions and concerns about the Omicron variant of Covid-19. As fears of this have subsided and Spain and other European countries have relaxed restrictions, demand for Quartier's homes and hotels has soared. The first quarter of 2022 looks set to be a turning point for the business.

Quartier's current debt financing consists mainly of a major bank loan with Banco Santander, as well as a more expensive loan with DeShaw/Alantra taken out in 2020 in connection with the Covid-19 outbreak. Quartiers had received conditional approval from a Spanish bank in January and February 2020 for a EUR 12 million secured bank loan in Boho Club, which was withdrawn due to Covid. The company is working on obtaining this financing now instead and continues to believe that it will be successful in the first half of 2022. The new bank loan, together with the company's cash and cash equivalents and a possible additional bridge loan, will then replace the DeShaw/Alantra loan.



SUMMARY OF GROUP KEY PERFORMANCE INDICATORS

SUMMARY OF KEY PERFORMANCE INDICATORS

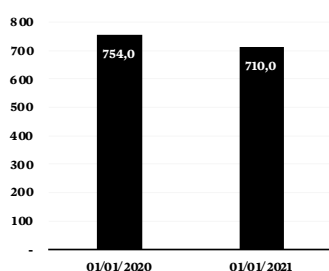
Sales revenues show a significant improvement compared to the same period in 2020, as does the cash flow generated from operations. The company's total property values have decreased as a result of the divestment of apartments.

However, the properties owned by the company in the long term have increased in value. It is noteworthy that the value of the property on which Boho Club operates has increased from the previous EUR 24.6 million to EUR 25.6 million as of the last previously completed appraisal in June 2021. The value of the Boho Club does not include any new building rights in a new zoning plan or the value of the operations themselves. These values are therefore also not included in the company's net asset value per ordinary share.

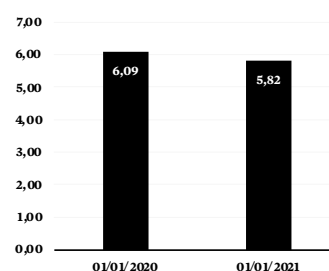


Conference room at Boho Club Marbella

PROPERTY VALUE (SEK MILLION)



NET ASSET VALUE PER ORDINARY SHARE (SEK)



Key performance indicators (SEK thousand)	31/12/2021 (Q4 2021)	31/12/2020 (Q4 2020)	31/12/2021 (Full year)	31/12/2020 (Full year)
Sales revenue	49,784	10,131	156,476	55,800
Operating profit/loss, EBITDA	-2,726	-9,206	-8,686	-31,189
Cash flow from operating and property sales*	24,549	-17,051	71,837	-41,053
Property values**	709,721	754,008	709,721	754,008
Interest-bearing liabilities	288,441	314,736	288,441	314,736
Loan-to-value (LTV)	33.77%	39.64%	33.77%	39.64%
Equity/assets ratio – carrying amount	41%	43%	41%	43%
Equity/assets ratio – property market value	74%	67%	74%	67%
Number of employees (Group)	75	68	75	68
Net asset value per ordinary share***	5.85	6.09	5.85	6.09
Equity per share	4.44	5.44	4.44	5.44
Share price per ordinary share	4.13	9.50	4.13	9.50
Market capitalisation – ordinary shares	226,261	491,668	226,261	491,668

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

** According to the valuation conducted in January 2022 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

For those who like numbers and are thinking of investing in our company, it has rarely been as relevant as now with the investment analysis to look ahead to what is to come and focus on the future. Not that what we have done so far is irrelevant or wrong. In 2021, we increased sales by approximately SEK 100 million compared to 2020. We also achieved a positive cash flow and improved cash flow from operating activities, including the sale of homes, by SEK 113 million. Excluding previous value adjustments in the balance sheet, we also recorded a positive operating result (EBITDA) of SEK 22 million for the full year. So we have made the increase in value a reality and converted money on the books to money in the bank. However, I still want to look ahead because this was done in the midst of a pandemic with a new variant, Omicron, which had a particularly negative impact on the fourth quarter. Now we will take the company to the next level with the interesting projects we have in our existing pipeline and new projects that we are currently studying and negotiating. Above all, we will grow with new hotels, with an expansion of the Boho Club in the pipeline. With the know-how and experience currently available in the company, we have every opportunity to make these plans a reality. To help with the investment analysis, I thought I'd take this opportunity to summarise some factors that I think are important to keep an eye on.

Our current project portfolio and organisation

Today, we have an organisation that manages to finance projects, sell homes at a profit, and start up and operate hotels and restaurants. Despite travel constraints, we have managed to sell apartments in our Hacienda Collection project at valuation levels, as well as operate our newly opened Boho Club hotel in such a way as to outperform world-renowned hotel operators in the battle for Spain's best luxury boutique hotel award and increase the value of the property from EUR 23.6 million after opening and before the pandemic to the current EUR 25.6 million. It shows that we will be able to use our existing project portfolio well and efficiently. In 2022, we will launch our Ocean View project with 60 new apartments and expand the Boho Club to include more rooms. We also intend to grow with more projects, especially in the hotel segment. In the longer term, we intend to fully develop the Boho Club and Centro Forestal Sueco with the possibility of expanding the project by 4–5 times as many building rights as we use today.

Operationally, we distinguish ourselves by being a real estate company with the expertise not only to develop attractive and well-planned projects, but also to operate a comprehensive hotel and restaurant business of the highest quality. We opened the hotel at the Boho Club in December 2019, and when Covid escalated in

March 2020, we had to shut down operations. It was the worst possible start for a new hotel project. The bank financing that was to replace our construction loans to open the hotel was withdrawn. The stock plummeted for us, as it did for most others, and we were forced to find an alternative solution. The finance team worked day and night to resolve the situation while avoiding a new issue of shares. We managed to secure a loan and avoid a new issue to secure the company's liquidity, which very many of our colleagues on the stock exchange were forced to do. Had we, at this point, not been disrupted by Covid-19, our financing costs in 2020 and 2021 would have been significantly lower, and the bottom line better.

Sales gain momentum

We've known about Marbella's potential for a long time, but now it's official. Marbella has been ranked one of Europe's most attractive travel destinations. That and a gradually declining pandemic has benefitted us and our projects. In the fourth quarter, we sold four apartments in the Hacienda Collection project, and in the first quarter of 2022, sales have picked up and we expect to land around 10 sales. The Boho Club has exceeded all our expectations for February, and the occupancy rate for this low season month seems to be 80% with an average price per night excluding VAT of EUR 300. This is higher than both we and the appraisal company that valued Boho Club had expected.

Refinancing

Our history, organisation, assets and good positioning vis-à-vis a target group with strong purchasing power, which has become even more so thanks to a long period of low interest rates, suggest that the Group's turnover and operating profit will improve in 2022. This, in turn, lays the groundwork for successful refinancing of our current "Covid loan" with DeShaw/Alantra, which we secured at the start of the pandemic. We have recently made significant progress in this process and are in final discussions with one bank, in particular, to refinance this loan and reduce our financing costs. Both we and the bank are working to close the transaction as soon as possible and with the ambition to do so at least in the first half of 2022. If successful, we will see a clear bottom line improvement in the second half of 2022 as a result of lower financing costs.

If we remain immune to another strong wave of the Coronavirus pandemic, 2022 will be our best year ever, and with a stable and cash-generating business, we can now look ahead and take the company to the next level with new and exciting investments.

**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 fourth quarter was characterised by further recovery despite the negative impact of Omicron-related unrest. In particular, December was negatively affected with several cancellations at the Boho Club and at the company's apartment complex in Benahavís. The first quarter has had a better start, after most European countries eased restrictions.

Marbella as a destination continues to grow in popularity and was recently ranked as Europe's second best travel destination by the travel portal European Best Destinations, which puts together an annual list, in collaboration with the EU body Eden Network. This award, together with continued easing of Covid restrictions, is expected to benefit the company's projects in 2022 and beyond.



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 12.2 million in the fourth quarter and SEK 48.9 million for the year. EBITDA for the project was SEK 0 million in the fourth quarter and SEK 3.0 million for the year.

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, according to the latest forecast of Marbella municipality.



VILLA SOLD IN NUEVA ANDALUCIA

This luxury villa located in exclusive Nueva Andalucia was sold, with occupancy in the fourth quarter of 2021. This project will no longer be reported on this page.



OCEAN VIEW BY QUARTIERS

Apartment complex project in Benahavís 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. In the fourth quarter, Quartiers resumed work on the project. The company is currently evaluating financing solutions for the project, which will form the basis for a decision when sales begin. The company's primary ambition is to find a financing solution that will enable the company to sell as many apartments as possible after full completion, thereby optimising the project's sales revenue and results.



HACIENDA COLLECTION BY QUARTIERS

Apartments for sale in the Hacienda Collection, a gated community situated at the foot of the Sierra de Las Nieves mountain range. Four apartments were sold in the fourth quarter. The company estimates, based on current reservation agreements and agreements with sellers, that a total of ten apartments will be sold and occupied during the first quarter of 2022, corresponding to a sales value of SEK 38 million.

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

Email: sales@quartiersproperties.com

Tel.: +34 633 094 628

Website: 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 on the conceptualisation and design of 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

Quartiers is selling plot 86 in Los Flamingos, a stone's throw from the five-star Villa Padierna hotel and its exclusive 36-hole golf course. The plot is 1,367 square metres and allows the construction of a villa of 541 square metres, including a basement. The company sold plot number 15 in the same area earlier this year.

Please contact the Quartiers sales team for more information.

Email: 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 2.9 million and EBITDA of SEK 0.7 million in the fourth quarter of 2021. For the full year, turnover amounted to SEK 15.2 million and profit to SEK 4.4 million.

Website: www.quartiersmarbella.com

COMMENTS ON THE PERIOD

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.

PROFIT/LOSS OCTOBER - DECEMBER

Net sales increased from SEK 10,131 thousand in the corresponding period of 2020 to SEK 49,784 thousand in the fourth quarter of 2021, of which divestments of properties amounted to SEK 33,901 (3,478) thousand.

Revenue from operator activities increased from SEK 6,653 thousand to SEK 15,883 thousand. Of the increase of 9,230, Boho Club accounted for SEK 5,807 thousand.

During the quarter, four apartment sales in the Hacienda Collection and the Amapura villa project were completed.

Operating profit before depreciation and amortisation (EBITDA) amounted to SEK -2,726 (-9,206) thousand, which was a full SEK 6,480 thousand better than in the fourth quarter of 2020.

CASH FLOW AND FINANCIAL POSITION

The equity/assets ratio at the end of the period was 41% (43%). The Group's interest-bearing liabilities amounted to SEK 288,441 (314,736) thousand. Interest-bearing liabilities are recognised net of capitalised financing costs in the amount SEK 5,407 (8,138) thousand. The loan-to-value ratio is 34% (40%). The Group's cash and cash equivalents at 31 December amounted to SEK 48,736 (16,959) thousand.

Cash flow from operating activities amounted to SEK 14,938 (-20,312) thousand during the fourth quarter. Cash flow from financing activities was SEK -20,567 (-794) 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 fourth quarter amounted to SEK 15 (953) thousand.

Project properties include ongoing property development projects and 22 apartments with sale pending.

During the period, investments in project properties amounted to SEK 0 (-3,143) 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 31 December 2021 totalled SEK 226 million, based on a closing price for the share of SEK 4.13.

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 31 December 2021 amounted to SEK 12,480 thousand, including accrual of interest at a rate of 12% per annum on the unpaid amount.

TEN LARGEST SHAREHOLDERS - 31 DECEMBER 2021

#	Shareholder	Ordinary shares	Preference shares	Capital	Votes
1	Egonomics AB	10,167,522	-	16.52%	18.33%
2	Fastighets Aktiebolag Bränneröd	7,086,758	100,000	11.68%	12.80%
3	House of K Holding Limited	6,401,253	-	10.40%	11.54%
4	Rocet AB	4,865,066	-	7.90%	8.77%
5	LMK companies & Foundation	4,575,000	1,580,000	10.00%	8.54%
6	SIX SIS AG	3,687,399	-	5.99%	6.65%
7	Bernt Lundberg Fastigheter Lund AB	2,423,728	-	3.94%	4.37%
8	Leif Edlund	1,333,334	66,666	2.27%	2.42%
9	CS Client Omnibus ACC	1,343,778	10,000	2.20%	2.42%
10	Bosmac Invest AB	1,305,154	-	2.12%	2.35%
	Other	16,929,045	5,013,202	26.98%	21.81%
	Total	54,784,703	6,769,868	100.00%	100.00%

Source: Euroclear

COMMENTS ON THE PERIOD

WARRANTS

As of 31 December, there were 3,291,624 Series 4 2020/2022 warrants issued under an exchange offer to the Company's 2020 preferred shareholders. 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 ten trading days immediately prior to (and excluding) 15 March 2022, or (ii) SEK 3.50, whichever is higher.

ANNUAL GENERAL MEETING

Quartiers Properties' annual general meeting will be held on 29 April 2022. The Annual Report will be made available on the company's website by no later than 8 April 2022.

DIVIDEND

For 2021, the Board proposes that no dividend be paid.

PARENT COMPANY

The Parent Company's net sales for the period October – December totalled SEK 381 (8,316) thousand. The profit/loss after financial items was SEK -769 (3,192) thousand. The parent company's net financial debt was SEK 181,082 (180,237) thousand. Equity totalled SEK 278,571 (276,345) thousand.

SIGNIFICANT EVENTS DURING THE PERIOD

- Boho Club is named Spain's best luxury boutique hotel by Spain Luxury Hotel Awards.
- 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. The cost was fully reserved as of 30 September, and the impact on 2021 profits amounts to SEK -8,927 thousand.



EVENTS AFTER THE END OF THE PERIOD

- Quartiers' operations have improved significantly as Covid restrictions have been eased on both the company's hotel operations and property sales. In January, the Boho Club recorded an occupancy rate of 50% at the hotel, with an average price excluding VAT of EUR 341 per night. In February, business has picked up further, and as of this writing, the occupancy rate for February at the Boho Club stands at 80%, with an average price excluding VAT of EUR 300 per night.
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- Marbella has been ranked as Europe's second best travel destination in 2022, ahead of cities such as London, Istanbul, Prague, Rome and Athens. The annual list is compiled by the travel portal European Best Destinations, in collaboration with the EU's Eden Network for Sustainable Tourism Development. The ranking is expected to increase travel to the region.
- Work on refinancing the company's loan with DeShaw/Alantra is ongoing and success has been achieved in the first quarter of 2022. The company continues to expect that refinancing with a bank will take place in the first half of 2022.

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.

FINANCIAL CALENDAR

- Annual Report: 8 April 2022.
- Annual General Meeting: 29 April 2022.
- Quarterly Report January through March 2022: 12 May 2022.
- Quarterly Report April through June 2022: 14 July 2022.
- Quarterly Report July through September 2022: 3 November 2022.
- Year-end report 2022: 23 February 2023.

CERTIFICATION BY THE BOARD OF DIRECTORS AND CEO

The Board of Directors and Chief Executive Officer certify that this period-end 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, 25 February 2022

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



SUMMARY CONSOLIDATED INCOME STATEMENT

Amounts in SEK thousand	01/10/2021 31/12/2021	01/10/2020 31/12/2020	01/01/2021 31/12/2021	01/01/2020 31/12/2020
Divestment of properties	33,901	3,478	91,963	23,157
Revenue, operator business	15,883	6,653	64,513	32,643
Total net sales	49,784	10,131	156,476	55,800
Cost of properties sold	-32,312	-3,402	-93,701	-23,737
Operating costs	-18,858	-18,419	-72,062	-69,729
Central administration	-4,087	-4,566	-11,601	-12,215
Total operating expenses	-55,257	-26,387	-177,364	-105,681
Operating profit/loss	-5,473	-16,256	-20,888	-49,881
of which operating profit before depreciation/amortisation	-2,726	-9,206	-8,664	-31,189
Other operating income and expenses	21	-921	-12,502	1,214
Profit/loss from financial items	-7,705	-6,919	-30,644	-21,823
Profit/loss before tax	-13,157	-24,096	-64,034	-70,490
Income tax	3,292	273	9,538	2,886
PROFIT/LOSS FOR THE PERIOD	-9,865	-23,823	-54,496	-67,604
Attributable to:				
Parent company's shareholders	-9,865	-23,823	-54,496	-64,220
Non-controlling interests	0	0	0	-3,384
	-9,865	-23,823	-54,496	-67,604
Basic earnings per ordinary share, SEK	-0.19	-0.46	-1.03	-1.44

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts in SEK thousand	01/10/2021 31/12/2021	01/10/2020 31/12/2020	01/01/2021 31/12/2021	01/01/2020 31/12/2020
Profit/loss for the period	-11,693	-23,823	-54,496	-67,604
Translation differences regarding foreign operations	2,362	-16,845	4,597	-13,459
Comprehensive income for the year	-9,331	-40,668	-49,899	-81,063
<i>Attributable to:</i>				
Parent company shareholders	-9,331	-40,668	-49,899	-77,679
Non-controlling interests	0	0	0	-3,384
	-9,331	-40,668	-49,899	-81,063

SUMMARY CONSOLIDATED BALANCE SHEET

Amounts in SEK thousand	31/12/2021	31/12/2020
ASSETS		
Operating properties	373,178	446,724
Right-of-use assets, equipment, tools and installations	14,687	15,577
Project properties	141,390	147,187
Financial assets measured at fair value	37	37
Current assets	14,317	27,253
Cash and cash equivalents	48,736	16,959
TOTAL ASSETS	592,345	653,737
EQUITY AND LIABILITIES		
Equity attributable to parent company shareholders	242,983	281,761
Shareholders' equity attributable to non-controlling interests	0	0
Deferred tax liabilities	31,912	41,002
Interest-bearing liabilities	288,441	314,736
Other non-current liabilities	0	0
Trade payables	4,178	4,601
Other liabilities	23,867	10,657
Accrued expenses and deferred income	964	980
TOTAL EQUITY AND LIABILITIES	592,345	653,737

CONSOLIDATED CHANGES IN EQUITY

Amounts in SEK thousand	Equity attributable to		
	Parent company's owners	Non-controlling interests	Total shareholders' equity
Opening balance on 01/01/2020	335,818	-1,106	334,712
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
Closing balance on 31/12/2020	281,761	0	281,761
Opening balance on 01/01/2021	281,761	0	281,761
Profit/loss for the period	-54,496	0	-54,496
Translation differences	4,597	0	4,597
New share issue	11,121	0	11,121
Closing balance on 31/12/2021	242,983	0	242,983

CONSOLIDATED STATEMENT OF CASH FLOWS

Amounts in SEK thousand	01/10/2021 31/12/2021	01/10/2020 31/12/2020	01/01/2021 31/12/2021	01/01/2020 31/12/2020
<i>Cash flow from operating activities</i>				
Operating profit/loss	-5,472	-17,206	-20,888	-48,667
Of which profit/loss from divestment of properties	1,589	-76	1,738	580
Of which attributable to minority	0	-6,767	0	-3,384
Depreciation, amortisation and impairment	2,745	7,049	12,223	18,691
Share in earnings of associates	0	-460	0	284
Other non-cash items	-3,030	297	-4,633	-1,498
Interest income and similar profit/loss items	0	-206	145	159
Interest paid (attributable to financing activities)	-3,487	6,444	-9,038	-14,495
Cash flow from operating activities before changes in working capital	-10,833	-10,925	-20,453	-48,330
<i>Changes in working capital</i>				
Investments in project properties	0	-3,143	-2,053	-5,748
Sale of project properties	17,677	0	34,164	0
Change in other inventories	-471	-618	-471	165
Change in operating receivables and liabilities	8,565	-5,626	11,183	-8,132
Total change in working capital	25,771	-9,387	42,823	-13,715
Cash flow from operating activities	14,938	-20,312	22,370	-62,045
<i>Cash flow from investing activities</i>				
Divestment of operating properties	9,611	3,261	49,467	20,992
Reduction in non-current financial assets	0	5	0	5
Acquisitions and investments in operating properties	-15	-953	-4,233	-8,683
Investments in plant and equipment	-722	-868	-1,040	-3,904
Cash flow from investing activities	8,874	1,445	44,194	8,410
<i>Cash flow from financing activities</i>				
New share issue	0	0	11,121	25,043
Loans raised	0	-1,337	0	185,620
Loan repayments	-20,567	8,654	-46,120	-134,448
Other capitalised financing costs	0	-8,111	0	-8,111
Dividend paid to preference shareholders	0	0	0	-4,830
Cash flow from financing activities	-20,567	-794	-34,999	63,274
Cash flow for the period	3,245	-19,661	31,565	9,639
Cash and cash equivalents at start of period	45,401	36,652	16,959	6,874
Exchange rate differences in cash and cash equivalents	90	-32	212	446
Cash and cash equivalents at end of period	48,736	16,959	48,736	16,959

SUMMARY OF PARENT COMPANY FIGURES

Income statement (amounts are stated in SEK thousand)	01/10/2021 31/12/2021	01/10/2020 31/12/2020	01/01/2021 31/12/2021	01/01/2020 31/12/2020
Operating revenue	381	8,316	1,524	10,944
Operating expenses	-1,777	-11,977	-4,959	-17,185
Operating profit/loss	-1,396	-3,661	-3,435	-6,241
Profit/loss from financial items	627	6,852	-4,171	-11,512
Impairments			-2,691	-3,000
Profit/loss before tax	-769	3,192	-10,297	-5,397
Profit/loss for the period	-3,460	3,192	-10,297	-5,397

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.

Balance sheet (Amounts are stated in SEK thousand)	31/12/2020	31/12/2020
ASSETS		
Property, plant and equipment	0	49
Holdings in Group companies	299,245	281,600
Non-current receivables from Group companies	160,118	171,226
Other non-current receivables and investments	405	900
Current assets	1,268	4,269
Cash and cash equivalents	16,712	1,759
Total assets	477,748	459,803
EQUITY AND LIABILITIES		
Shareholders' equity	278,571	276,345
Non-current liabilities	197,794	181,996
Current liabilities	1,383	1,462
Total shareholders' equity and liabilities	477,748	459,803

SUPPLEMENTARY DISCLOSURES


SEGMENT REPORTING

Since 1 January 2021, the company's results have been separately measured for operator activities, currently consisting of Boho Club and Quartiers Marbella Apartments, and property divestment. Central administration and business development costs related to new projects are reported together under Other.

	Operator activities	Property divestment	Other	Total	Operator activities	Property sales	Other	Total
	01/01/2021 to 31/12/2021				01/01/2020 to 31/12/2020			
Revenue	64,513	91,963		156,476	32,643	23,157		55,800
Operating expenses	-57,172	-93,701	-14,268	-165,141	-42,244	-23,737	-11,001	-76,982
EBITDA	7,341	-1,738	-14,268	-8,665	-9,601	-580	-11,001	-21,182
Depreciation, amortisation and impairment	-12,223	0		-12,223	-15,692	-3,000		-18,692
Operating profit/loss	-4,882	-1,738	-14,268	-20,888	-25,293	-3,580	-11,001	-39,874

INTEREST-BEARING LIABILITIES

	31/12/2021	31/12/2020
Non-current		
Property loans	83,139	106,423
Lease liability	1,587	2,061
Purchase consideration liability	0	0
Investment loans	191,458	180,482
Capitalised financing costs	-2,702	-5,407
Total non-current interest-bearing liabilities	273,482	283,559
Current		
Property loans	10,666	10,959
Lease liability	662	2,315
Interest-bearing liability, purchase price	0	0
Investment loans	6,337	20,608
Capitalised financing costs	-2,705	-2,705
Total current interest-bearing liabilities	14,960	31,177
Total interest-bearing liabilities	288,441	314,736



QUARTIERS TIERS

P R O P E R T I E S

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