

## Note 13 Financial assets

In the third quarter, as part of the offer for the listed property company Kungsliden, Castellum acquired 21,300,000 shares corresponding to 9.9% of the number of shares and votes outstanding in the company. In conjunction with the offer being completed in the fourth quarter, the holdings were reclassified as participations in subsidiaries and consolidated into the consolidated accounts.

## Note 14 Interest-bearing liabilities, cash and cash equivalents

Castellum must maintain a low level of financial risk, meaning a sustainable LTV ratio of less than 50% and an interest coverage ratio of at least 200%.

### Interest-bearing liabilities

At the end of the period, Castellum had credit agreements totalling MSEK 97,223 (63,500), of which MSEK 77,945 (46,894) was long-term and MSEK 19,278 (16,606) was short-term. Of the utilised borrowing facilities at the end of the period, MSEK 51,997 (29,693) was long-term and MSEK 18,832 (15,866) short-term.

During the period, new bank credit facilities of approximately MSEK 7,000 were entered into, approximately MSEK 840 were extended or renegotiated, and MSEK 2,430 were terminated. During the period, Castellum conducted two NOK bond issues and one EUR bond issue with maturities of 5–8 years at a nominal value of approximately MSEK 8,200 as part of its EMTN programme, while bonds at a nominal amount of MSEK 2,550 were issued as part of Castellum's Swedish MTN programme and bonds at a nominal amount of MSEK 4,950 were repaid.

The proportion of secured financing used, with the addition of commercial paper outstanding backed by secured bank credit commitments, was 18% (16) of the properties' value.

### KEY METRICS - INTEREST-BEARING FINANCING

	31 Dec 2021	31 Dec 2020
Interest-bearing liabilities, MSEK	70,829	45,720
Bonds outstanding, MSEK	43,088	29,127
Commercial paper outstanding, MSEK	10,350	8,844
Banking credit etc., MSEK	17,391	7,749
Cash and cash equivalents	1,197	161
Unutilised credit facilities, MSEK	26,394	17,780
Share of unsecured assets	55%	61%
Share of secured borrowing/property value	18%	16%
The share of secured borrowing/total assets	9%	7%
Share of secured credits utilised	24%	17%
Loan-to-value ratio <sup>1</sup>	39%	41%
Interest coverage ratio	517%	530%
Net liability/EBITDA, multiple	16.7	10.9
Average debt maturity, years	3.8	3.8
Average credit price tenor, years	3.1	3.0
Average fixed interest rate term	3.3	2.6
Credit rating	Baa2, Stable Outlook	Baa2, Stable Outlook
Average effective rate excl. pledges	1.7%	1.7%
Average effective rate incl. pledges	1.8%	1.8%
Market value interest rate derivatives	-98	-740
Market value currency derivatives	-465	-392

1. The definition of loan-to-value ratio has been amended to adapt the key metric to investment in financial assets (Entra holding). The new definition is net interest-bearing liabilities in relation to total assets. The comparative figures have been restated. Loan-to-value ratio, Property, consists of the old definition, but remains as part of reporting as it constitutes a covenant.

### Currency exposure

Castellum owns properties in Denmark and Finland with a value of MSEK 13,122 (9,091) and the ownership in norwegian Entra, which means that the Group is exposed to currency risk. The currency risk is primarily attributable to the translation of income statements and balance sheets in foreign currency into Swedish kronor.

**CREDIT MATURITY STRUCTURE, 31 DECEMBER 2021**

Credit agree-ments	MSEK	Utilised in				Share, %
		Bank	MTN/ Comm. paper	Total		
0-1 year	19,278	1,422	17,410	18,832	27%	
1-2 years	21,266	2,207	10,759	12,966	18%	
2-3 years	11,261	3,563	3,750	7,313	10%	
3-4 years	21,422	2,528	5,194	7,722	11%	
4-5 years	7,186	630	6,556	7,186	10%	
>5 years	16,810	7,041	9,768	16,809	24%	
<b>Total</b>	<b>97,223</b>	<b>17,391</b>	<b>53,438</b>	<b>70,829</b>	<b>100%</b>	

**INTEREST RATE MATURITY STRUCTURE, 31 DECEMBER 2021**

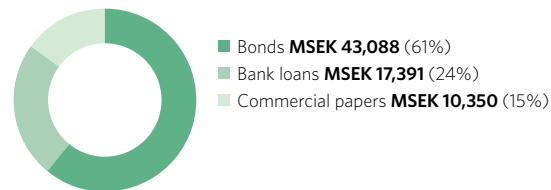
Maturity date	MSEK <sup>1)</sup>	Share, %	Average interest rate, % <sup>2)</sup>	Average fixed interest rate term, years
0-1 year	32,448	46%	2.0%	0.2
1-2 years	5,791	8%	2.3%	1.8
2-3 years	1,401	2%	1.6%	2.8
3-4 years	2,797	4%	0.7%	3.7
4-5 years	6,662	9%	1.2%	4.6
5-10 years	21,730	31%	1.3%	7.7
<b>Total</b>	<b>70,829</b>	<b>100%</b>	<b>1.7%</b>	<b>3.3</b>

1. Including fees for utilised credit agreements and exchange rate differences for MTNs. In the interest rate maturity structure, interest rate swaps are accounted for in the earliest time segment in which they can mature. Credit margins and fees are distributed in the table by reported underlying loans.
2. Calculated on the net volume of interest-bearing liabilities and derivatives, excluding costs of credit agreements.

**CASTELLUM'S FINANCIAL POLICY AND COMMITMENTS IN CREDIT AGREEMENTS**

	Policy	Commitment	Outcome
<b>Loan-to-value ratio, Property</b>	Not exceeding 50%	Not exceeding 65%	45%
<b>Interest coverage ratio</b>	At least 200%	At least 150%	517%
<b>The share of secured borrowing/total assets</b>		Not exceeding 45%	9%
<b>Funding risk</b>			
• average debt maturity	At least 2 years		3.8 years
• proportion maturing within 1 year	No more than 30% of loans outstanding and unutilised credit agreements		10%
• average credit price tenor	At least 1.5 years		3.1 yrs
• liquidity reserve	Secured credit agreements corresponding to MSEK 750 and 4.5 months upcoming loan maturities		Achieved
<b>Interest rate risk</b>			
• average interest duration	1.5-4.5 years		3.3 years
• maturing within 6 months	No more than 50%		43%
<b>Credit and counterparty risk</b>			
• rating restriction	Credit institutions with high ratings, at least S&P BBB+		Achieved
<b>Currency risk</b>			
• translation exposure	Net investments are hedged		Achieved
• transaction exposure	Handled if exceeding MSEK 25		Achieved

**DISTRIBUTION OF INTEREST-BEARING FINANCING, 31 DEC 2021**



**SECURED CREDIT FACILITIES, 31 DEC 2021**

