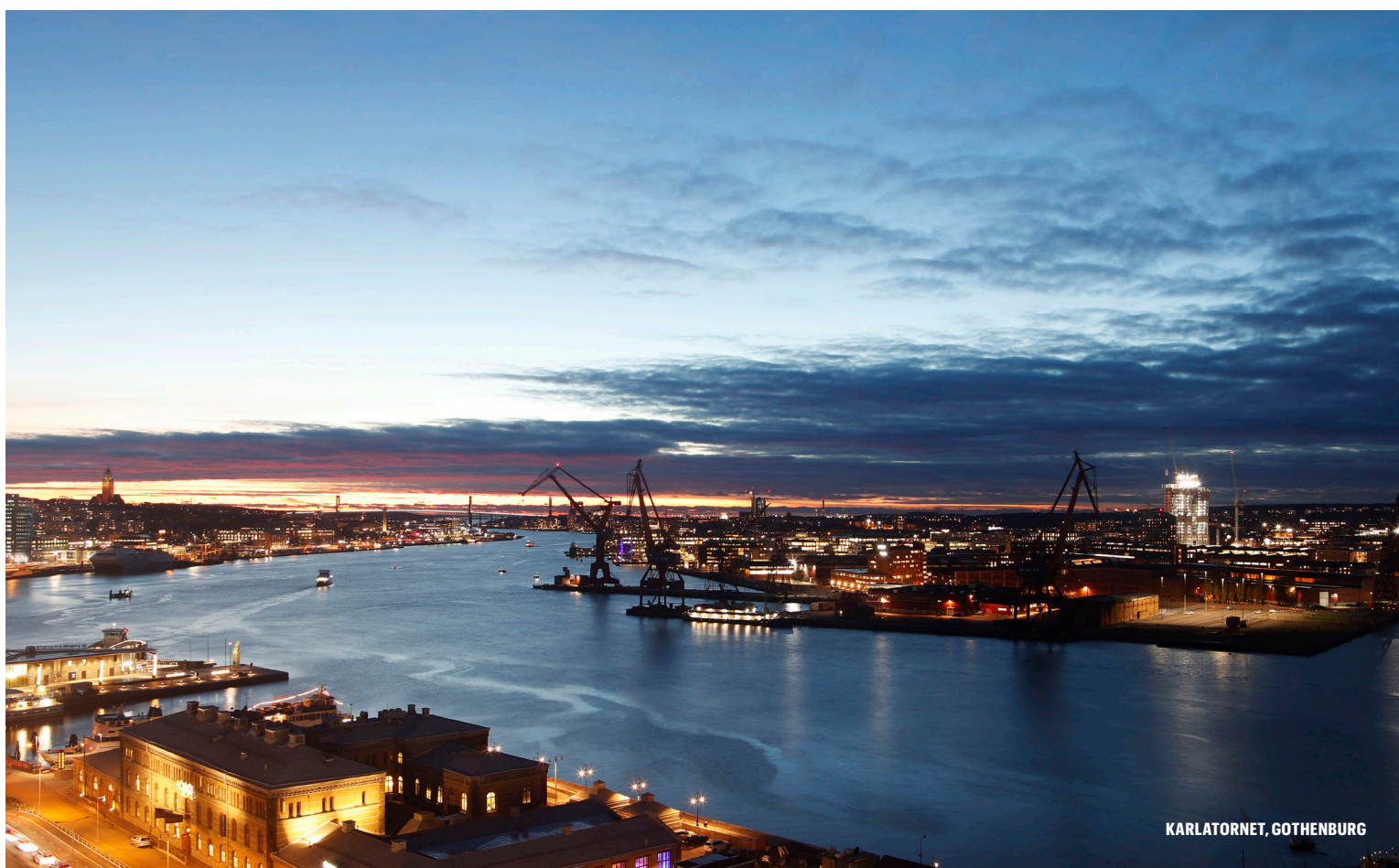


FASTIGHETS AB BALDER

YEAR-END REPORT

JANUARY-DECEMBER 2021



KARLATORNET, GOTHENBURG

FASTIGHETS AB BALDER is a listed property company which shall meet the needs of different customer groups for premises and housing based on local support. Balder's real estate portfolio had a value of SEK 191.8 billion (152.0) as of 31 December 2021. The Balder share is listed on Nasdaq Stockholm, Large Cap.

- Profit from property management attributable to parent company shareholders amounted to SEK 5,543m (4,244), corresponding to an increase per share by 26% to SEK 29.72 (23.51)
- Long term net asset value amounted to SEK 503.76 per share (387.38)
- Rental income amounted to SEK 8,956m (8,134)
- Profit after tax attributable to parent company shareholders amounted to SEK 18,508m (6,641) corresponding to SEK 99.24 per share (36.79)

THE PERIOD IN BRIEF

Comparisons stated in parenthesis refer to the corresponding period of the previous year.

OCTOBER-DECEMBER 2021

- Rental income amounted to SEK 2,421m (2,055) of which effect of changes in exchange rates amounted to SEK -34m (-13).
- Net operating income amounted to SEK 1,798m (1,537) of which effect of changes in exchange rates amounted to SEK -23m (-10).
- Profit from property management attributable to parent company shareholders increased by 47% to SEK 1,619m (1,098), which corresponds to an increase of 44% per share to SEK 8.68 (6.03).
- Unrealised changes in value in respect of investment properties amounted to SEK 5,555m (2,628). The average yield requirement amounted to 4.4% (4.5) which is unchanged compared to the third quarter.
- Changes in value of interest rate derivatives amounted to SEK 96m (90).
- Net profit after tax for the period amounted to SEK 7,681m (3,754).
- Net profit after tax for the period attributable to parent company shareholders amounted to SEK 7,388m (3,578) which corresponds to SEK 39.61 per share (19.65).
- One development property (2) was divested and recognised as income during the quarter. Sales profit amounted to SEK 9m (109) including the portfolio's ongoing selling and marketing expenses.
- Acquisition of an additional 43% of the shares in Serena Properties AB. After the acquisition Balder's ownership share amounts to 99%. The Serena group owns and manages retail properties in Finland and Sweden, with a property value of approx. SEK 4.5 billion.
- The board proposes that the Annual General Meeting decides on a split of shares to be made, so that each existing share is split into six shares of the same share class, a so called share split 6:1.

JANUARY-DECEMBER 2021

- Rental income amounted to SEK 8,956m (8,134) of which effect of changes in exchange rates amounted to SEK -136m (-50).
- Net operating income amounted to SEK 6,744m (6,216) of which effect of changes in exchange rates amounted to SEK -97m (-37).
- Profit from property management attributable to parent company shareholders increased by 31% to SEK 5,543m (4,244), which corresponds to an increase of 26% per share to SEK 29.72 (23.51).
- Unrealised changes in value in respect of investment properties amounted to SEK 12,990m (3,429). The average yield requirement amounted to 4.4% (4.5) which is 0.1 percentage points lower than at year-end the previous year.
- Changes in value of interest rate derivatives amounted to SEK 511m (-141).
- Net profit after tax for the year amounted to SEK 19,584m (7,275).
- Net profit after tax for the year attributable to parent company shareholders amounted to SEK 18,508m (6,641) which corresponds to SEK 99.24 per share (36.79).
- 209 investment properties (19) and land have been acquired at a property value of SEK 20,637m (3,491).
- Three investment properties (-) and condominiums and land were divested at a property value of SEK 1,551m (366). Sales profit amounted to SEK 175m (24) of which realised changes in value of investment properties amounted to SEK 121m (24) and deferred tax income amounted to SEK 54m (-).
- Seven development properties (6) were divested and recognised as income during the year. Sales profit amounted to SEK 225m (174) including the portfolio's ongoing selling and marketing expenses.

	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec	2018 Jan-Dec	2017 Jan-Dec	2016 Jan-Dec	2015 Jan-Dec
Rental income, SEKm	2,421	2,055	8,956	8,134	7,609	6,714	5,915	5,373	2,711
Profit from property management, SEKm ¹⁾	1,619	1,098	5,543	4,244	4,023	3,304	2,804	2,265	1,780
Changes in value of investment properties, SEKm	5,566	2,636	13,111	3,453	9,577	8,007	5,336	4,932	3,388
Changes in value of derivatives, SEKm	96	90	511	-141	-180	-34	144	-114	227
Profit after tax, SEKm ¹⁾	7,388	3,578	18,508	6,641	8,958	9,308	7,118	5,474	4,916
Investment properties, SEKm	189,138	149,179	189,138	149,179	141,392	116,542	98,360	86,177	68,456
Development properties, SEKm	2,697	2,803	2,697	2,803	2,344	1,598	-	-	-
Data per share									
Average number of shares, thousands	186,500	182,071	186,500	180,515	180,000	180,000	180,000	173,598	162,753
Profit after tax, SEK	39.61	19.65	99.24	36.79	49.77	51.71	38.71	30.38	28.98
Profit from property management, SEK	8.68	6.03	29.72	23.51	22.35	18.35	14.74	11.89	9.71
Outstanding number of shares, thousands	186,500	186,500	186,500	186,500	180,000	180,000	180,000	180,000	172,397
Shareholders' equity, SEK	416.12	312.12	416.12	312.12	272.28	223.03	173.86	139.23	103.24
Long-term net asset value (NAV), SEK	503.76	387.38	503.76	387.38	341.70	277.60	218.10	180.09	134.35
Share price on the closing date, SEK	651.80	428.90	651.80	428.90	433.20	252.00	219.40	184.10	208.70

1) Attributable to parent company shareholders.

COMMENTS BY THE CEO

Dear shareholders,

The past year has been interesting in many ways, with large fluctuations in expectations and prices in all possible areas. Balder's operations have overall performed well and both the property management and our projects have performed above expectations during the year.

For Balder, the most important financial goal is to increase our profit from property management and our earning capacity on a long-term basis. This requires that our existing portfolio develops well and that we can find new business with a reasonable return.

In 2021, our profit from property management increased by 31%, corresponding to 26% per share. Compared to a normal year, we had more financial income than normal, while hotels and housing in Helsinki had less income than normal. Current earning capacity is 24% higher compared to year-end 2020. A good development in our portfolio in combination with slightly lower yield requirements for our properties meant that the net asset value increased by 30%.

Financing

Despite a somewhat turbulent world, we had very good access to financing during the year, both in the bond market and in all banks. Our strong earnings and diversified property portfolio provide low operational risk, which is positive in the financing context.

Investments and acquisitions

In 2021, we have had the opportunity to invest at a good pace both in our project portfolio and through acquisitions. Also in our associated companies activity has been high and the development was positive during the year.

"BOTH THE PROPERTY MANAGEMENT AND OUR PROJECTS HAVE PERFORMED ABOVE EXPECTATIONS DURING THE YEAR."

Sustainability

A lot is happening in the area of sustainability and new guidelines and metrics are underway. Balder's ESG risk rating from Sustainalytics has been updated to 13.8, which puts us well within the low risk section. Balder performs well in relation to comparable companies when it comes to minimizing significant ESG risks.

Future outlook

The future is bright and it is my belief and hope that we can continue to find good investments and in this way reinvest our results, develop Balder's all parts and generate increased earning capacity.

On behalf of me and the shareholders, I would also like to take this opportunity to thank our more than 1000 co-managers for fantastic efforts during the year.

Erik Selin

Chief Executive Officer



CURRENT EARNING CAPACITY

Balder presents its earning capacity on a twelve-month basis in the table below. It is important to note that the current earning capacity should not be placed on a par with a forecast for the coming 12 months. For instance, the earning capacity contains no estimate of rental, vacancy, currency or interest rate changes.

Balder's income statement is also impacted by the development in the value of the real estate portfolio as well as future property acquisitions and/or property divestments. Additional items affecting the operating result are changes in value of derivatives. None of the above has been considered in the current earning capacity.

The earning capacity is based on the real estate portfolio's contracted rental income, estimated property costs during a normal year as well as administrative costs.

The costs of the interest-bearing liabilities are based on the group's average interest rate level including the effect of derivative instruments. The tax is calculated using the effective tax rate during each period.

CURRENT EARNING CAPACITY ON A TWELVE-MONTHS BASIS

SEKm	2021 31 Dec	2021 30 Sep	2021 30 June	2021 31 March	2020 31 Dec	2020 30 Sep	2020 30 June	2020 31 March	2019 31 Dec	2019 30 Sep	2019 30 June
Rental income	9,710	9,150	9,100	8,505	8,545	8,335	8,240	8,100	8,000	7,830	7,435
Property costs	-2,370	-2,230	-2,220	-2,210	-2,225	-2,130	-2,120	-2,090	-2,080	-2,060	-1,940
Net operating income	7,340	6,920	6,880	6,295	6,320	6,205	6,120	6,010	5,920	5,770	5,495
Surplus ratio, %	76%	76%	76%	74%	74%	74%	74%	74%	74%	74%	74%
Management and administrative costs	-830	-780	-770	-720	-675	-690	-690	-680	-670	-640	-640
Profit from property management from associated companies	1,650	1,500	1,370	1,340	1,110	735	735	760	785	775	750
Operating profit	8,160	7,640	7,480	6,915	6,755	6,250	6,165	6,090	6,035	5,905	5,605
Net financial items, including ground rent	-1,750	-1,600	-1,600	-1,580	-1,450	-1,380	-1,420	-1,420	-1,330	-1,330	-1,270
Of which non-controlling interests	-630	-610	-605	-625	-630	-670	-670	-670	-675	-655	-620
Profit from property management¹⁾	5,780	5,430	5,275	4,710	4,675	4,200	4,075	4,000	4,030	3,920	3,715
Tax ²⁾	-1,230	-1,130	-1,085	-975	-970	-870	-825	-870	-875	-855	-775
Profit after tax	4,550	4,300	4,190	3,735	3,705	3,330	3,250	3,130	3,155	3,065	2,940
Profit from property management per share, SEK	30.99	29.11	28.28	25.26	25.06	23.33	22.64	22.22	22.39	21.78	20.64

1) Attributable to parent company shareholders.

2) Mainly refers to deferred tax, which does not affect the cash flow.

In the current earning capacity as of 31 December 2021 the following exchange rates have been used for translation of the foreign subsidiaries' income statement items.

EUR: 10.14

DKK: 1.36

NOK: 1.00

GBP: 11.80

INCOME, COSTS AND RESULTS

Profit from property management

Profit from property management for the year amounted to SEK 6,129m (4,900), of which effect of changes in exchange rates amounted to SEK -61m (-26).

Profit from property management attributable to parent company shareholders increased by 31% and amounted to SEK 5,543m (4,244), which corresponds to an increase per share of 26% to SEK 29.72 (23.51). Profit from property management includes SEK 1,327m (663) in respect of associated companies.

Net profit after tax

Net profit after tax for the year amounted to SEK 19,584m (7,275). Net profit after tax attributable to parent company shareholders amounted to SEK 18,508m (6,641), corresponding to SEK 99.24 per share (36.79). Profit before tax was affected by unrealised changes in value in respect of investment properties of SEK 12,990m (3,429), realised changes in value in respect of investment properties of SEK 121m (24), profit from sales of development properties of SEK 225m (174), changes in value of interest rate derivatives of SEK 511m (-141) and profit from participations in associated companies of SEK 3,521m (897).

Rental income

Rental income increased by 10% to SEK 8,956m (8,134), of which the effect of changes in exchange rates was SEK -136m (-50). The increase was primarily due to acquisitions and completed projects for own management. The leasing portfolio was estimated to have a rental value on 31 December of SEK 10,141m (8,590). The average rental level for the entire real estate portfolio amounted to SEK 1,836/sq.m. (1,893) excluding project properties.

The like for like rental income has increased with 1.0% (1.0) after adjustments for currency changes.

Rental income shows a considerable diversification of risks as regards tenants, sectors and locations. The economic occupancy rate amounted to 96% (96) on 31 December. The total rental value of unlet areas at the end of the year amounted to SEK 431m (376).

Property costs

Property costs amounted to SEK -2,212m (-1,919) during the year, of which the effect of changes in exchange rates was SEK 39m (12).

Net operating income increased by 8% to SEK 6,744m (6,216), which implies a surplus ratio of 75% (76).

Operating costs normally vary with the seasons. The first and fourth

quarters have higher costs than the other quarters, while the third quarter usually has the lowest cost level.

Management and administrative costs

Management and administrative costs amounted to SEK -817m (-676) during the year, of which the effect of changes in exchange rates was SEK 16m (4).

Participations in the profits of associated companies/joint ventures

Balder owns property managing and project developing associated companies, see note 14 in Balder's Annual Report for 2020, and 44.1% in Collector AB (publ) which is a listed niche bank. Brinova Fastigheter AB (publ) is also listed and Balder's share amounts to 18.9%.

During the fourth quarter, reclassification has been made of Balder's ownership in Stenhus Fastigheter Norden AB (publ) from a financial investment to an associated company. Balder's share amounts to 20.2%.

During the fourth quarter, an additional acquisition has been made in the former associated company Serena Properties AB. An additional 43% of the shares were acquired during the quarter. A reclassification has therefore been made from associated company to a subsidiary of the group. After the acquisition Balder's ownership share amounts to 99%.

During the year, Balder has invested in ESS Hotel Group Fastigheter AB. Balder's share amounts to 50%. The company manages hotel properties in for example Malmö, Falkenberg and Ystad.

Balder has also invested in Next Step Group AB, Balder's share amounts to 33.3%. The company is an urban developer and today operates three larger urban development projects in Gothenburg: Nya Hovås, Wendelstrand and GoCo Health Innovation City, for more information see nextstep.se.

During the year, Balder also acquired 33.7% of the shares in Emra gruppen AB. Emrahem is a company in Emra gruppen focused on developing housing for people with special needs (LSS housing), for more information see emrahus.se.

Balder also continued to acquire shares in the Norwegian listed real estate company Entra ASA during the year. Balder's share as of 31 December 2021 amounts to 36.6%, for further information see entra.no.

Profit from participations in associated companies/joint ventures amounted during the year to SEK 3,521m (897) and Balder's participation in the associated companies profit from property management amounted to SEK 1,327m (663).

Profit before tax was impacted by SEK 3,110m (489) as a result of unrealised changes in value in respect of properties and interest rate derivatives. The tax expense for the year amounted to SEK -916m (-254).



Other income/expenses

Other income/expenses amounted to SEK 553m (371) during the year, of which unrealised changes in value of long-term financial asset amounted to SEK 611m (462) and refers to the unrealised revaluation that was made during the fourth quarter of the shares in the listed property company Stenhus Fastigheter i Norden AB.

Net financial items and changes in value of derivatives

Net financial items amounted to SEK -1,067m (-1,212), of which the effect of changes in exchange rates was SEK 20m (7). Net financial items include return on financial investments of SEK 582m. Changes in value of interest rate derivatives amounted to SEK 511m (-141). The positive change in value of derivatives during the year is due to the fact that the long interest rates have increased during the year. Unrealised changes in value do not affect the cash flow. The average interest rate for net financial items was 1.4% (1.5) on the closing date.

Changes in value of investment properties

Balder carried out an individual internal valuation on 31 December of the entire real estate portfolio, see page 10. Unrealised changes in value during the year amounted to SEK 12,990m (3,429). Realised changes in value amounted to SEK 121m (24) and referred to sale of three investment properties and condominiums and land. The average yield requirement as of 31 December amounted to 4.4% (4.5), which is 0.1 percentage points lower than at year-end the previous year. The change in value during the year is attributable to improved net operating income, completed projects and a slightly lower yield requirement.

Profit from sales of development properties

Profit from sales of development properties is recognised when the property is taken into possession by the buyer. Apart from the cost, selling and marketing expenses are included, which are expensed on an ongoing basis, these amounted to SEK -20m (-20) during the year.

Seven projects have been recognised as income during the year. The sales result for the year totaled SEK 225m (174) after deduction of selling and marketing expenses and includes sales of the development projects Brf Bergsjö Hage, Brf Bovieran Salem, Brf Lilla Berget Norrmalm, Brf Bränneriet i Majorna, Brf Bovieran Staffanstorp, Bovieran Ishøj Aps and Bovieran Frederiksværk Aps.

Taxes

The group's total tax amounted to SEK -3,196m (-1,807), of which effect of changes in exchange rates amounted to SEK 37m (8). Current tax expense for the year amounted to SEK -339m (-388).

Deferred tax expense for the year amounted to SEK -2,857m (-1,419). Deferred tax for the year has been positively affected, partly because the assessment of deficits that with high probability can be used against future profits has increased in the calculation of deferred tax assets and partly from property sales made in the form of companies. Previously indebted deferred tax has been reversed.

Tax was calculated based on the applicable tax rate in each country. The group's deferred tax liability has been calculated as the value of the net of fiscal deficits and the temporary differences between the carrying amounts and values for tax purposes of properties and interest rate derivatives. Deferred tax liabilities amounted to SEK 15,642m (12,497).

Cash flow

Cash flow from operating activities before changes in working capital amounted to SEK 3,899m (3,986). Investing activities have burdened the cash flow by net SEK -29,879m (-16,993). Cash flow from financing activities amounted to net SEK 25,117m (13,563).

Total cash flow for the year amounted to SEK -3,235m (3,089). Exchange rate difference in cash and cash equivalents amounted to SEK 67m (-).

In addition to unutilised credit facilities of SEK 8,079m (13,032), the group's cash and cash equivalents, financial investments and unutilised overdraft facilities amounted to SEK 4,543m (7,477) on 31 December.

Fourth quarter 2021

Profit from property management for the fourth quarter of 2021 increased by 44% and amounted to SEK 1,753m (1,219). Profit from property management attributable to parent company shareholders for the fourth quarter of 2021 increased by 47% and amounted to SEK 1,619m (1,098) which corresponds to SEK 8.68 per share (6.03). Profit from property management included SEK 394m (188) in respect of associated companies. Rental income amounted to SEK 2,421m (2,055) and property costs amounted to SEK -623m (-518), which meant that net operating income increased by 17% to SEK 1,798m (1,537), of which the effect of changes in exchange rates was SEK -23m (-10). The surplus ratio amounted to 74% (75).

Net profit after tax for the period amounted to SEK 7,681m (3,754). Profit after tax attributable to parent company shareholders amounted to SEK 7,388m (3,578) corresponding to SEK 39.61 per share (19.65). The result was affected by unrealised changes in value in respect of investment properties of SEK 5,555m (2,628), realised changes in value of investment properties of SEK 11m (8), profit from divestments of development properties of SEK 9m (109), changes in value of interest rate derivatives of SEK 96m (90) and profit from participations in associated companies of SEK 1,424m (422). Net financial items amounted to SEK -208m (-298). During the quarter, net financial items were positively affected by return on financial investments of SEK 238m. The group's total tax amounted to SEK -1,385m (-997). Current tax expense for the period amounted to SEK -106m (-126). Deferred tax expense for the period amounted to SEK -1,279m (-871). The deferred tax expense has been affected by negative exchange rate differences that have arisen from the translation of the parent company's Euro bonds during the quarter. In the group these are used for hedging of foreign net investments and are transferred to "Other comprehensive income".

Employees and organisation

The number of co-responsible on 31 December amounted to 1,040 persons (824), of whom 439 were women (351). Balder is organised into seven regions. The head office with group-wide functions is located in Gothenburg.

Parent Company

The parent company's operations mainly consist of performing group-wide services but an important part relates to sales of services, principally to associated companies. Sales in the parent company amounted to SEK 414m (349) during the year. Net profit after tax amounted to SEK 1,651m (1,615). Dividends from subsidiaries amounting to SEK 3m (975) were included, other net financial items amounted to SEK 968m (1,599) of which exchange rates differences amounted to SEK -739m (785) and unrealised change in value of long-term financial asset amounted to SEK 611m (462), change in value of interest rate derivatives amounted to SEK 446m (-141) and group contributions received/paid amounted to SEK 300m (-821).

Reported exchange differences mainly refer to the translation of the company's Euro bonds, which from a group perspective are used for hedging of foreign net investments.

Proposed dividend

The board intends to propose to the Annual General Meeting that no share dividend shall be declared (-).

Annual Report and Annual General Meeting

The annual report for 2021 will be available on Balder's website, balder.se, from week 14, 2022.

Fastighets AB Balder's Annual General Meeting will be held on 12 May. Due to the prevailing pandemic the board has decided to carry out the AGM with postal votes, with support of temporary legal rules, provided that the Riksdag decides in accordance with the Government's government bill 2021/22:112. The meeting will therefore be held without the possibility for shareholders to attend in person or by proxy.

SUSTAINABILITY

In order to increase the pace of the sustainability work further Balder has set climate goals in line with the Paris Agreement and the 1.5-degree goal.

The climate goal means that Balder shall halve emissions in its own operations by 2030 with 2020 as the base year, and measure and reduce emissions in the value chain (scope 3).

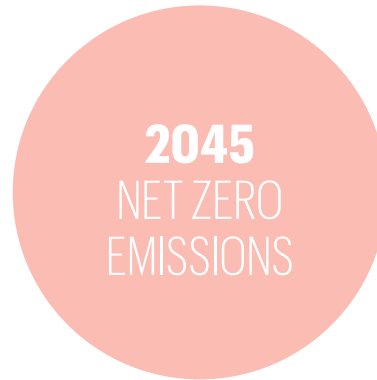
Balder has also set a goal of achieving net zero emissions throughout the value chain (scope 1, 2 and 3) by 2045.

To achieve the goals the company will, among other things, increase the pace of energy efficiency projects, continuously reduce the amount of energy purchased and take several measures to increase the sustainability of property development projects. Other activities include

purchasing eco-labeled district heating and continuously replacing the vehicle fleet with fossil-free vehicles.

Balder has also signed Science Based Targets Initiative with the aim of getting science-based goals approved. Science Based Targets Initiative is a framework for companies to set science-based climate goals that are in line with what is required to meet the goals in the Paris Agreement. By joining the initiative, Balder has begun work on getting the company's climate goals verified and approved.

Balder also formally expresses support for the Task Force on Climate-related Financial Disclosures (TCFD) and will continue the work of mapping and managing financial risks and opportunities linked to climate change.



POSITIVE DEVELOPMENT OF BALDER'S ESG RISK RATING

Balder's ESG risk rating from Sustainalytics has been updated to 13.8, which places the company well within the low risk section.

Sustainalytics' ESG Risk Ratings measure a company's exposure to industry-specific material ESG risks and how well a company is managing those risks. The analysis shows that Balder performs well in relation to peers for example when it comes ESG governance and reporting.



Copyright ©2022 Sustainalytics. All rights reserved.
This section contains information developed by Sustainalytics (www.sustainalytics.com). Such information and data are proprietary of Sustainalytics and/or its third party suppliers (Third Party Data) and are provided for informational purposes only.

They do not constitute an endorsement of any product or project, nor an investment advice and are not warranted to be complete, timely, accurate or suitable for a particular purpose. Their use is subject to conditions available at <https://www.sustainalytics.com/legal-disclaimers>.

Balder's sustainability work

As a long-term real estate owner Balder strives to take responsibility both socially, environmentally and financially.

Balder strives to contribute to achieving the UN's Global Sustainable Development Goals and has selected six of the 17 goals that are considered most relevant and where the company has the greatest opportunity to have an influence.

To link these more closely to the business operations, the associated targets have also been analysed. Balder has interpreted goals and targets in order to identify the areas where the company has the greatest opportunity to contribute to the goals being achieved.



Framework for sustainability

Balder's framework for sustainability comprises five general elements that bring together the company's material topics in respect of social, environmental and economic sustainability.

Minimising the use of energy in buildings is an important issue for Balder. All electricity that is purchased for the properties is renewable and Balder also owns several wind farms in Sweden. In connection to many properties solar power and charging stations for electrical vehicles are installed, and the company works continuously with operational optimization and increased efficiency in order to decrease energy use.

Balder also works a lot with social activities, especially with a focus on security and well-being in the company's areas. Many activities are aimed at children and young people, and Balder's employees who are on site in the company's areas work closely with various organizations, municipalities and other property owners to achieve better results together.

A number of young people who live in the company's areas are employed as summer workers every year. Balder also offers opportunities for work experience and internships to students in real estate-related educations and within the framework of various local initiatives.

BALDER'S SUSTAINABILITY FRAMEWORK	MATERIAL TOPICS	GOALS
 PROPERTIES	<ul style="list-style-type: none"> • Minimise use of energy, water and chemicals • Select renewable energy sources and less harmful materials • Minimise waste and increase degree of sorting 	<ul style="list-style-type: none"> • Energy efficiency improvement 2% per sq.m. per annum • Reduced water use 2% per sq.m. per annum • All newly produced properties must fulfill the Miljöbyggnad Silver rating or equivalent
 AREAS	<ul style="list-style-type: none"> • Security and well-being in the company's property portfolio • Responsible, efficient transport operations 	<ul style="list-style-type: none"> • Create jobs in the property management organization for young people • Implement initiatives for sustainable travel to and from the properties
 PARTNERSHIPS	<ul style="list-style-type: none"> • Good, ethical external relationships • Responsible suppliers 	<ul style="list-style-type: none"> • No incidents of corruption • No incidents of discrimination
 COWORKERS	<ul style="list-style-type: none"> • Satisfied employees and a good work environment • Responsible, efficient travel 	<ul style="list-style-type: none"> • All employees must be trained in the Code of Conduct • Encourage environment-friendly travel
 FINANCES	<ul style="list-style-type: none"> • Continued customer satisfaction • Long-term financial stability and profitability 	<ul style="list-style-type: none"> • Financial goals • Improved CSI result

REAL ESTATE PORTFOLIO

On 31 December Balder owned 1,678 investment properties (1,362) with a lettable area of 5,509 thousand sq.m. (4,502) and a value of SEK 189,138m (149,179). Balder's total rental value excluding projects amounted to SEK 10,116m (8,520).

In addition to investment properties Balder owns development properties with an acquisition cost of SEK 2,697m (2,803). The value of the total property portfolio amounted to SEK 191,835m (151,982).

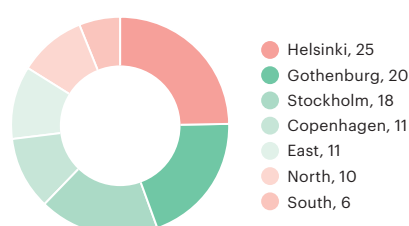
Balder's commercial properties are mainly located in the central parts of the major cities. Balder's residential properties are located in metropolitan areas and places that are growing and developing positively in each country. Balder's ambition is to continue growing in selected markets.

BALDER'S REAL ESTATE PORTFOLIO ON 31/12/2021¹⁾

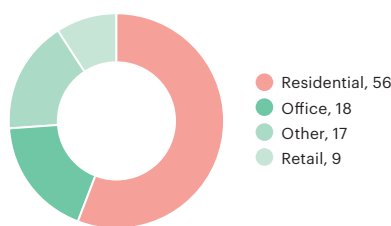
	Number of investment properties	Lettable area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate, %	Carrying amount, SEKm	Carrying amount, %
Distributed by region								
Helsinki	665	1,228,752	2,847	2,317	2,698	95	45,752	24
Stockholm	92	769,176	1,518	1,973	1,458	96	32,768	17
Gothenburg	191	1,108,230	1,760	1,588	1,669	95	35,071	18
Copenhagen	21	297,969	789	2,649	785	99	18,034	9
South	81	431,366	693	1,607	647	93	11,900	6
East	380	910,089	1,407	1,546	1,359	97	19,955	10
North	248	763,287	1,103	1,445	1,070	97	18,200	9
Total excluding projects	1,678	5,508,868	10,116	1,836	9,686	96	181,679	95
Projects for own management			24		24		7,459	4
Total investment properties	1,678	5,508,868	10,141	1,836	9,710	96	189,138	99
Development properties							2,697	1
Total real estate portfolio	1,678	5,508,868	10,141	1,836	9,710	96	191,835	100
Distributed by property category								
Residential	1,215	2,882,684	5,602	1,943	5,370	96	99,451	52
Office	123	743,214	1,745	2,348	1,603	92	33,823	18
Retail	150	944,418	1,249	1,322	1,220	98	17,762	9
Other	190	938,551	1,521	1,620	1,492	98	30,644	16
Total excluding projects	1,678	5,508,868	10,116	1,836	9,686	96	181,679	95
Projects for own management			24		24		7,459	4
Total investment properties	1,678	5,508,868	10,141	1,836	9,710	96	189,138	99
Development properties							2,697	1
Total real estate portfolio	1,678	5,508,868	10,141	1,836	9,710	96	191,835	100

1) The above table refers to the properties owned by Balder at the end of the year. Sold properties have been excluded and acquired properties have been estimated using full-year values. Other properties include hotel, educational, care, industrial and mixed-use properties.

CARRYING AMOUNT DISTRIBUTED BY REGION, TOTAL REAL ESTATE PORTFOLIO, %



CARRYING AMOUNT DISTRIBUTED BY PROPERTY CATEGORY, TOTAL REAL ESTATE PORTFOLIO, %



CHANGES IN REAL ESTATE PORTFOLIO

Investment properties

Balder's investment properties are reported on the basis of internal valuations. The properties in Sweden, Denmark, Finland, Norway, Germany and United Kingdom are valued using the cash flow based method.

In Finland, in addition to the cash flow based method, valuation at acquisition cost is used. The properties in Russia are valued using the sales comparison method.

Properties under construction and project properties for own management are valued at market value reduced by estimated building expenditure and project risk, which usually results in valuation at cost.

On 31 December, Balder's average yield requirement amounted to 4.4% (4.5) excluding project properties for own management, which is 0.1 percentage points lower than at year-end the previous year. The average yield requirement for residential properties amounted to 4.0% and for commercial properties 4.8%.

In order to quality-assure its internal valuations, Balder regularly allows parts of its portfolio to be externally valued and obtain second opinions¹⁾ on internal valuations. Historically, deviations between external and internal valuations have been insignificant.

Unrealised changes in value investment properties

The overall carrying amount of Balder's investment properties amounted to SEK 189,138m (149,179) on 31 December. The unrealised change in value during the year amounted to SEK 12,990m (3,429) of which 60% is attributable to residential properties. Of the total unrealised change in value, 10% is related to completed projects. The change in value during the year is attributable to improved net operating income, completed projects and a slightly lower yield requirement.

Investments, acquisitions and divestments

During the year, a total of SEK 26,742m (7,545) was invested relating to investment properties, of which SEK 20,637m (3,491) related to acquisitions and SEK 6,105m (4,054) related to investments in existing properties and projects for own management. During the year three investment properties and condominiums and land have been divested at a sales value of SEK 1,551m (366). Profit from the sales amounted to SEK 175m (24) of which realised changes in value of investment properties amounted to SEK 121m (24) and deferred tax income amounted to SEK 54m (-) resulting from the fact that the sales were made as company transactions.

CHANGE IN CARRYING AMOUNT OF PROPERTIES

	2021		2020	
	SEKm	Number ²⁾	SEKm	Number ²⁾
Investment properties, 1 January	149,179	1,362	141,392	1,298
Investments in existing properties and projects	6,105		4,054	
Acquisitions	20,637	209	3,491	19
Sales	-1,430	-3	-342	
Change in value of investment properties, unrealised	12,990		3,429	
Currency changes	1,657		-2,845	
Reclassification	-	110	-	45
Investment properties, 31 December	189,138	1,678	149,179	1,362
Development properties, 1 January	2,803		2,344	
Investments in projects	1,315		1,518	
Sales	-1,422		-1,059	
Development properties, 31 December	2,697		2,803	
Total real estate portfolio, 31 December	191,835		151,982	

1) Review performed by external valuation company of used valuation method.

2) Number of investment properties.

PROPERTY TRANSACTIONS

PROPERTY TRANSACTIONS 2021

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
Acquisitions					
One	1	Prästtåkten 20	Falun	Office	4,246
One	1	Hattmakaren 10	Falun	Residential	1,483
One	1	Bokbindaren 2	Falun	Residential	3,289
One	1	Sparbanken 6	Falun	Residential	2,361
One	1	Smeden 9	Falun	Residential	6,547
One	1	Kronomagasinet 8-9	Falun	Residential	2,528
One	1	Kronobränneriet 4	Falun	Residential	2,997
One	1	Bergsrådmannen 9	Falun	Residential	3,463
One	1	Bokbindaren 4	Falun	Residential	935
One	1	Kronomagasinet 3	Falun	Residential	527
One	1	Hästbryggan 1	Falun	Residential	1,375
One	1	Bergsrådmannen 3	Falun	Residential	616
One	1	Arkivet 1	Falun	Office	2,061
One	1	Köpmannen 12 & 13	Falun	Retail	2,125
One	1	Vedkompaniet 1	Falun	Residential	3,780
One	1	Repslagaren 4	Falun	Residential	5,790
One	1	Kardmakaren 21	Falun	Residential	6,268
One	1	Kronomagasinet 5	Falun	Residential	771
One	1	Hattmakaren 9	Falun	Office	1,240
One	1	Balder 8	Borlänge	Office	11,634
One	1	Balder 4	Borlänge	Residential	1,714
One	1	Frithiof 6	Borlänge	Residential	2,268
One	1	Domnarvet 50:31	Borlänge	Residential	12,172
One	1	Sigge 1	Borlänge	Residential	1,651
One	1	Balder 9-10	Borlänge	Residential	1,530
One	1	Balder 6	Borlänge	Residential	2,081
One	1	Lugnet 2:6	Falun	Hotel	7,907
One	1	Lugnet 2:5	Falun	Education/Care	3,376
One	1	Norslundsskogen 1-4	Falun	Residential	28,413
One	1	Posten 6	Falun	Office	8,193
One	1	Ingarvsmon 3	Falun	Other	5,084
One	1	Frithiof 9	Borlänge	Office	3,613
One	1	Frigga 6	Borlänge	Residential	793
One	1	Främby 1:39	Falun	Other	4,427
One	1	Helge 7	Västerås	Other	4,179
One	1	Jarl 1	Västerås	Office	7,200
One	1	Borrkronan 1	Västerås	Residential	8,666
One	1	Dragarbrunn 11:1	Uppsala	Office	15,280
One	1	Dragarbrunn 14:3	Uppsala	Residential	3,983
One	1	Svartbäcken 51:3	Uppsala	Office	3,500
One	1	Hattmakaren 15	Falun	Office	2,621
One	1	Sparbanken 7	Falun	Office	2,637
One	1	Munken 1	Falun	Other	3,496
One	1	Torkel 8	Borlänge	Office	3,101
One	1	Engelbrekt 1	Västerås	Residential	6,662
One	1	Bryggaren 16	Falun	Residential	1,250
One	1	Bryggaren 26	Falun	Residential	1,684
One	1	Hanrö 2	Falun	Residential	1,110
One	1	Lagmannen 7	Falun	Residential	1,441
One	1	Färgaren 4	Falun	Residential	3,564
One	1	Sandviken 17:1	Falun	Residential	2,272
One	1	Sandviken 28:1	Falun	Residential	347
One	1	Lallarvet 17	Falun	Residential	7,033
One	1	Dahlian 21	Falun	Residential	409

PROPERTY TRANSACTIONS

PROPERTY TRANSACTIONS 2021

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
Acquisitions					
One	1	Dragarbrunn 19:6	Uppsala	Office	3,321
One	1	Hasseludden 1:73	Nacka	Hotel	7,159
One	1	Kronomagasinet 1	Falun	Residential	542
One	1	Fjärdingen 27:8	Uppsala	Office	960
One	1	Dragarbrunn 22:1	Uppsala	Office	6,645
One	1	Prästtåkten 5	Falun	Residential	1,187
One	-	Vitsippan 5	Falun	Project	-
One	1	Bolsheden 1:54	Kungsbacka	Office	989
One	1	Bolsheden 1:64	Kungsbacka	Industrial/Warehouse	5,146
Two	1	Gnr. 136, bnr. 38	Vestby, Norway	Retail	1,052
Two	1	Gnr. 136, bnr. 64	Vestby, Norway	Retail	1,259
Three	1	Bolsheden 1:69	Kungsbacka	Industrial/Warehouse	3,300
Three	1	Gastuben 2	Mölnådal	Industrial/Warehouse	10,339
Three	106	Asset Buyout Partners (ABP)	Norway	Office/Other	387,757
Four	35	Serena Properties	Finland/Sweden	Retail	284,097
Four	1	Väinämöisentie 6	Lahti, Finland	Industrial/Warehouse	6,149
Four	1	Råket 2	Kristiansund, Norway	Office	5,496
Total	209				953,091

Quarter	Number	Name of property	Municipality	Property category	Lettable area, sq.m.
Divestments					
One	1	Elverum 13/1059/0/1	Hamar, Norway	Other	16,400
One	1	Trondheim 5001/416/105	Trondheim, Norway	Residential	3,577
Three	1	Soldaten 1	Gotland	Residential	3,129
Total	3				23,106

PROPERTY DEVELOPMENT

Within the frame of property development, both new production and conversion projects of residential and commercial spaces are carried out. Investments are made primarily in areas where the company already operates with a focus on the metropolitan regions of Stockholm, Gothenburg, Helsinki and Copenhagen.

The building rights portfolio mainly includes building rights for the construction of both rental apartments and apartments for sale but also commercial properties.

Project properties for own management

Projects for own management under construction has an estimated total investment of SEK 10.8 billion (6.9), of which SEK 6.2 billion (3.8) is invested and SEK 4.6 billion (3.1) remains to be invested. Most of the ongoing projects relate to residential projects with owner apartments for rental use. The projects comprise about 4,150 apartments (2,300) and mainly refers to about 2,150 apartments in Helsinki, about 1,300 apartments in Copenhagen and about 700 apartments in Gothenburg.

Development properties for sale

A development property is a property that is held for refinement with the intention of being divested. These properties are continually recognised at cost and profit/loss is recognised when each property is completed, sold and handed over to the buyer.

Development projects under construction has an estimated total investment of SEK 3.8 billion (2.3), of which SEK 1.4 billion (1.2) is invested and SEK 2.4 billion (1.1) remains to be invested. All of the projects are residential projects that will be sold to end customer. The projects involve approx. 950 apartments (660) and mainly refers to approx. 580 tenant-owner's apartments in Gothenburg and approx. 230 tenant-owner's apartments in Stockholm.

Sales result from one (2) development project is reported in the fourth quarter, which means that during the year, a total of seven (6) projects has been divested. The sale during the quarter refers to the development project Bovieran Fredriksværk. The cost of the project amounted to SEK -204m (-468) and the profit from the sale amounted to SEK 9m (109), including the marketing and sales costs of the quarter of SEK -5m (-5) regarding all development properties.

The cost of all seven (6) divested projects during the year amounted to SEK -1,442m (-1,079) and the profit from the sales amounted to SEK 225m (174), including the marketing and sales costs of the year of SEK -20m (-20) regarding all development properties.



PROJECT PROPERTIES FOR OWN MANAGEMENT - UNDER CONSTRUCTION

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Estimated completion
Finland	East	Keravan Aurinkorinne	Residential	1,265	38	54	Q1 2022
Finland	East	Keravan Tähtirinne	Residential	1,265	38	54	Q1 2022
Sweden	East	Mörtlösa Mercedes	Retail	6,300	–	135	Q1 2022
Sweden	East	Mörtlösa Porsche	Retail	4,200	–	89	Q1 2022
Sweden	Gothenburg	Örja	Commercial	2,381	–	56	Q1 2022
Denmark	Copenhagen	Lynghaven	Residential	14,835	184	504	Q2 2022
Finland	Helsinki	Lupajantie 2	Residential	4,505	112	199	Q2 2022
Finland	Helsinki	Hämeenlinnan Asemanranta	Residential	2,802	100	109	Q2 2022
Finland	East	Oulun Sokurin Hyve	Residential	2,108	68	70	Q2 2022
Finland	East	Oulun Toppilansalmi	Residential	1,804	55	57	Q2 2022
Finland	East	Turun Henning	Residential	3,595	118	152	Q2 2022
Finland	Helsinki	Jokiniityntie 28	Residential	3,400	79	144	Q2 2022
Sweden	Gothenburg	Stenhuggaren	Residential	5,233	88	132	Q3 2022
Sweden	Gothenburg	Kärna skola	Commercial	2,295	–	68	Q3 2022
Denmark	Copenhagen	Ofeliahaven	Residential	9,096	109	321	Q3 2022
Denmark	Copenhagen	Fyrkanten HTC A10	Residential	8,863	107	332	Q3 2022
Finland	Helsinki	Järvenpään Herttua	Residential	1,572	43	67	Q3 2022
Finland	Helsinki	Kirkkonummen Brooklyn	Residential	1,770	74	81	Q3 2022
Finland	Helsinki	Kirkkonummen Soho	Residential	1,770	74	81	Q4 2022
Finland	Helsinki	Kirkkonummen Saaga	Residential	1,485	34	61	Q4 2022
Finland	East	Turun Kirstinpuiston Helmi	Residential	3,771	129	169	Q4 2022
Finland	East	Oulun Antiikva	Residential	2,279	75	96	Q4 2022
Finland	East	Turun Olva	Residential	2,573	82	118	Q4 2022
Finland	East	Oulun Hiillos	Residential	2,619	84	94	Q4 2022
Finland	East	Oulun Mallastohtori	Residential	2,144	60	74	Q4 2022
Sweden	Gothenburg	Hedin HK	Office	12,286	–	550	Q4 2022
Denmark	Copenhagen	Rubinhaven HTC A17	Residential	9,697	124	363	Q4 2022
Sweden	Gothenburg	Bergsjön	Residential	8,922	177	251	2022-2023
Denmark	Copenhagen	Triumphbyen Hovvej	Residential	16,185	202	605	Q1 2023
Finland	East	Heittoniitynkuja 5	Residential	5,759	132	191	Q1 2023
Sweden	Gothenburg	Hälsans Hus	Commercial	1,796	–	65	Q1 2023
Sweden	Gothenburg	Bergskristallen	Residential	5,098	89	145	Q2 2023
Denmark	Copenhagen	Green Hills	Residential	24,886	294	923	Q2 2023
Finland	Helsinki	Jokiniementie 46	Residential	4,548	104	237	Q2 2023
Finland	Helsinki	Jokiniementie 48	Residential	5,355	118	279	Q2 2023
Finland	Helsinki	Runoratsaunkatu 15	Residential	5,355	135	287	Q2 2023
Finland	Helsinki	Raudikkokuja 7	Residential	5,780	161	240	Q2 2023
Finland	Helsinki	Kotkatie 6	Residential	3,685	100	188	Q3 2023
Finland	Helsinki	Lincolninaukio 4	Residential	5,100	137	246	Q3 2023
Sweden	Gothenburg	Kv Dörren	Residential	5,212	104	161	Q3 2023
Sweden	Gothenburg	Velocity	Residential	4,305	41	69	Q3 2023
Sweden	Gothenburg	Hotell Draken	Hotel	28,166	–	1,273	Q3 2023
Sweden	Gothenburg	Västra Gatan Kungälv	Commercial	3,343	–	31	Q3 2023
Sweden	Stockholm	Basaren	Commercial	1,655	–	113	Q3 2023
Sweden	Gothenburg	Frölunda et 3	Residential	10,980	205	421	Q4 2023
Denmark	Copenhagen	Stranby Høje	Residential	19,808	284	877	Q3 2024
Total				281,851	4,158	10,832	

DEVELOPMENT PROPERTIES FOR SALE - UNDER CONSTRUCTION

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Estimated completion
Norway	North	Sandefjord	Residential	6,500	46	299	Q1 2022
Sweden	Gothenburg	Bergsfallet	Residential	5,440	87	237	Q3 2022
Sweden	Gothenburg	Bergsjö Glänta	Residential	3,619	31	119	Q4 2022
Finland	East	Hervantajärven Helmi	Residential	2,741	52	93	Q4 2022
Denmark	Copenhagen	Triumphbyen	Residential	4,540	39	168	Q1 2023
Sweden	Gothenburg	Fixfabriken Glasbruket	Residential	9,849	136	423	Q1 2023
Sweden	Gothenburg	Västra Gatan Kungälv	Residential	8,213	128	388	Q3 2023
Sweden	Gothenburg	Hovås Höjd	Residential	10,616	148	513	Q3 2023
Sweden	Gothenburg	Bovieran Svedala	Residential	4,273	54	164	Q3 2023
Sweden	Stockholm	Basaren	Residential	4,334	65	280	Q3 2023
Sweden	Stockholm	Caprea	Residential	3,742	28	502	Q4 2023
Sweden	Stockholm	Fabrique 46	Residential	7,658	138	648	Q1 2024
Total				71,525	952	3,835	
Total Under Construction				353,376	5,110	14,667	

PROJECT PROPERTIES FOR OWN MANAGEMENT ESTIMATED CONSTRUCTION START Q1 2022-Q1 2023

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Sweden	Gothenburg	Frölunda et 4	Residential	10,845	187	365	2022
Sweden	Gothenburg	Långström	Residential	20,808	399	923	2022
Sweden	Gothenburg	Gårdsten	Residential	6,414	150	216	2022
Sweden	Gothenburg	Kv Haren	Residential	3,091	60	92	2022
Sweden	Stockholm	Barkarby City E1	Residential	10,971	242	486	2022
Finland	Helsinki	Kultalyhty	Residential	3,808	80	219	2022
Finland	Helsinki	Kultakruunu	Residential	3,995	85	230	2022
Finland	Helsinki	Pataljoonantie	Residential	4,649	92	185	2022
Finland	Helsinki	Hämeenlinnan Keinusaari	Residential	3,360	116	134	2022
Finland	Helsinki	Kaskilaaksontie	Residential	2,637	63	116	2022
Finland	Helsinki	Peijinkuja 6	Residential	6,122	140	311	2022
Finland	Helsinki	Niittykummuntie 2C	Residential	2,579	67	154	2022
Finland	Helsinki	Peijinkula 10	Residential	4,443	121	236	2022
Finland	Helsinki	Saturnuksenrinne	Residential	2,463	54	103	2022
Finland	Helsinki	Maapadontie 3	Residential	3,831	92	185	2022
Finland	East	Nihtisillankuja	Residential	5,474	139	276	2022
Finland	East	Sorakatu	Residential	2,790	77	126	2022
Finland	East	Suorannankatu	Residential	1,922	44	73	2022
Finland	East	Toppilansalmen Legenda	Residential	1,807	55	58	2022
Finland	East	Jyväskylän Tulisydän	Residential	2,906	93	115	2022
Finland	East	Kangasalan Kuningatar	Residential	2,887	95	109	2022
Finland	East	Kangasalan Lamminrahka	Residential	4,646	140	176	2022
Finland	East	Nokian Tanhuankatu	Residential	4,693	168	178	2022
Finland	East	Porvoon Horisontti	Residential	1,464	54	64	2022
Finland	East	Nokian Ylpeys	Residential	2,177	88	85	2022
Denmark	Copenhagen	Strandby Huse D Hundige Øst	Residential	3,024	48	120	2022
Total				123,806	2,949	5,336	

DEVELOPMENT PROPERTIES FOR SALE ESTIMATED CONSTRUCTION START Q1 2022-Q1 2023

Country	Region	Project	Property category	Lettable area, sq.m.	Number of apartments	Estimated total investment, SEKm	Construction start
Finland	Helsinki	Käskynhaltija	Residential	3,180	60	158	2022
Sweden	Gothenburg	Västra Eklanda	Residential	11,000	133	531	2022
Sweden	Gothenburg	Bohusgatan	Residential	11,723	192	697	2022
Sweden	Stockholm	Bovieran Haninge	Residential	2,586	36	137	2022
Sweden	Stockholm	Bovieran Nykvarn	Residential	4,273	54	176	2022
Norway	North	Ski Linåskollen	Residential	16,600	169	882	2022
Norway	North	Drammen	Residential	8,400	102	442	2022
Total				57,762	746	3,023	

Total Estimated Construction Start Q1 2022-Q1 2023

181,568

3,695

8,359

FUTURE PROJECTS ESTIMATED CONSTRUCTION START 2023 AND ONWARDS

Country	Region	Gross area, sq.m	Number of apartments
Sweden	Gothenburg	737,838	6,839
Sweden	Stockholm	556,884	5,317
Finland	Helsinki	230,460	4,226
Finland	East	27,900	520
Denmark	Copenhagen	40,024	225
Norway	North	30,000	300
Total		1,623,106	17,427



CUSTOMERS

In order to limit the risk of lower rental income and consequently a weakened occupancy rate, Balder strives to develop long-term relationships with the company's existing customers.

Balder has a good diversification as regards the distribution between commercial properties and residential properties as well as the geographical distribution. The diversification strengthens the possibilities of maintaining a steady and satisfactory occupancy rate.

Balder's commercial leases have an average lease term of 6.4 years (6.7). Balder's 10 largest leases represent 3.9% (4.5) of total rental income and the average lease term amounts to 10.7 years (10.9).

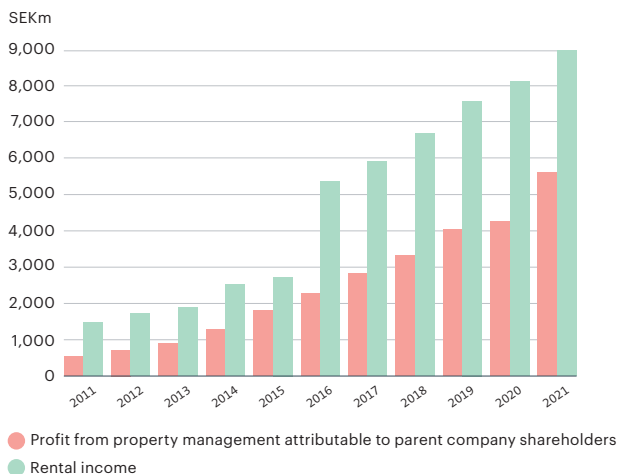
Balder's single largest customer accounts for 3.5% (4.0) of total rental income.

LEASE MATURITY STRUCTURE 31/12/2021

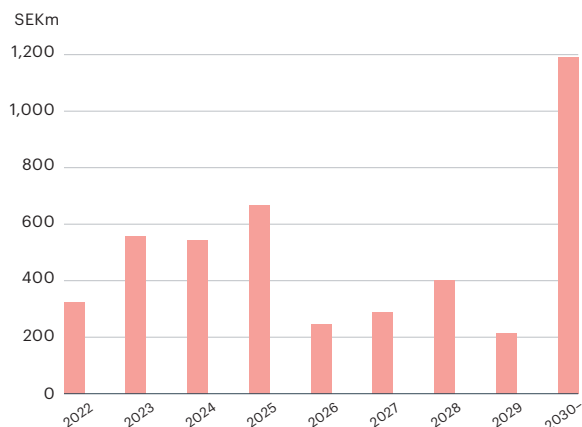
Maturity date	Number of leases	Share, %	Contracted rent, SEKm	Share, %
2022	1,553	34	320	3
2023	1,004	22	556	6
2024	753	17	541	6
2025	510	11	666	7
2026–	687	15	2,315	24
Total	4,507	100	4,398	45
Residential ¹⁾	44,347		5,198	54
Car park ¹⁾	7,768		31	0
Garage ¹⁾	6,232		83	1
Total	62,854		9,710	100

1) Normally runs subject to a period of notice of three months.

RENTAL INCOME AND PROFIT FROM PROPERTY MANAGEMENT



MATURITY STRUCTURE OF COMMERCIAL LEASE CONTRACTS



FINANCING

Balder has assets in Sweden, Denmark, Finland, Russia, Norway, Germany and United Kingdom which means that the Group is exposed to currency risks. Balder therefore has a diversified financing structure with bonds issued under a domestic MTN programme and a EMTN programme. In addition to bonds, bank financing in each country's currency and a commercial paper programme in Euro and Swedish kronor are used. The single largest source of funding is bonds issued on the European bond

market in Euro. In addition to these financing sources, Balder also has issued Hybrid capital which has an original maturity of 60 years and is considered as 50% equity by the credit rating agencies. As of 31 December approximately 70% of the loans were hedged with interest swaps and fixed-rate loans.

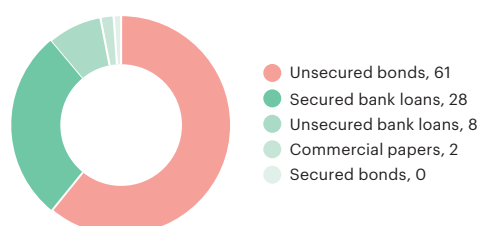
FINANCIAL KEY RATIOS	2021 31 Dec	2020 31 Dec
Interest-bearing liabilities excl. Hybrid capital, SEKm	108,734	85,476
Hybrid capital, SEKm	8,693	3,513
Available liquidity including confirmed loan commitments, SEKm	12,622	20,509
Average fixed credit term, years	5.7	5.9
Average interest rate refixing period, years	3.6	3.5
Net debt to total assets (financial covenant ¹⁾ < 65), %	47.4	46.1
Interest coverage ratio (financial covenant ¹⁾ > 1.8), times	4.9	5.3
Secured debt/Total assets (financial covenant ¹⁾ < 45), %	14.6	15.6
Net debt/EBITDA, times	12.9	12.7
Credit rating S&P	BBB Stable outlook	BBB Stable outlook
Calculation of net debt		
Interest-bearing liabilities excl. Hybrid capital, SEKm	108,734	85,476
Other liability ²⁾	-	3,009
Hybrid capital (50% is treated as equity by rating agencies), SEKm	4,346	1,757
Cash and cash equivalents and financial investments, SEKm	-4,130	-7,127
Net debt	108,950	83,115

1) Financial covenants refers to obligations that Balder has to its financiers in the form of financial key ratios.

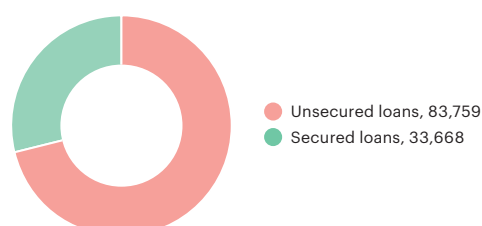
2) Other liability relates to obligation regarding purchase of shares in Entra ASA.

FINANCIAL TARGETS		Target	Outcome
Equity/assets ratio, %	min.	40.0	40.4
Net debt to total assets, %	max.	50.0	47.4
Interest coverage ratio, times	min.	2.0	4.9

FINANCING SOURCES, %



DISTRIBUTION OF SECURED AND UNSECURED LOANS, SEKm



DEBT MATURITY STRUCTURE 31/12/2021

Year	SEKm	Share, %
2022	12,931	11
2023	20,958	18
2024	12,378	11
2025	12,570	11
2026	13,313	11
2027	6,033	5
2028	8,667	7
2029	7,183	6
2030	8,005	7
2031	1,118	1
2032-	14,270	12
Total	117,426	100

INTEREST MATURITY STRUCTURE 31/12/2021

Year	SEKm	Interest, %	Share, %
2022	43,572	0.8	37
2023	9,999	2.4	9
2024	4,207	1.5	4
2025	8,915	2.1	8
2026	14,313	2.3	12
2027	6,547	1.2	6
2028	8,175	1.6	7
2029	9,433	1.3	8
2030	6,613	1.4	6
2031	2,511	1.8	2
2032-	3,141	1.9	3
Total	117,426	1.4	100

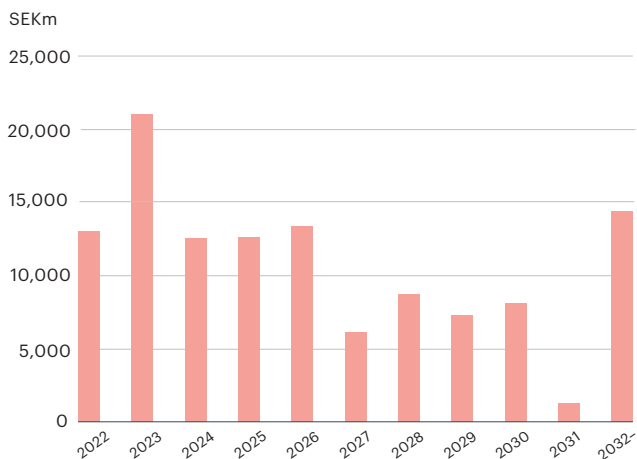
FIXED CREDIT TERM



FIXED INTEREST TERM



DEBT MATURITY STRUCTURE 31/12/2021



NET DEBT TO TOTAL ASSETS



ASSOCIATED COMPANIES

Balder is a partner in a large number of property managing and project developing companies as well as in the niche bank Collector, for further information on Balder's associated companies, see pages 34-36 and 69-70 in Balder's annual report 2020.

During the year, Balder invested SEK 8,859m in associated companies, which mainly relates to an additional 19% of the shares in Entra ASA. Other companies that have been added are Next Step Group AB 33.3%, Emra

gruppen AB 33.7%, ESS Hotel Group Fastigheter AB 50% and Stenhus Fastigheter i Norden AB 20.2%. The tables below shows Balder's share of property managing associated companies. Companies included in the tables are Tulia AB 50% (50), Fastighets AB Centur 50% (50), Trenum AB 50% (50), Anthon Eiendom AS 59.5% (50), Sinoma Fastighets AB 49% (49), Tornet Bostadsproduktion AB 33% (33), Entra ASA 36.6% (17.7), Brinova Fastigheter AB 18.9% (21.8) and Stenhus Fastigheter i Norden AB 20.2% (-).

BALDER'S PARTICIPATION IN THE PROPERTY MANAGING ASSOCIATED COMPANIES' REAL ESTATE PORTFOLIO ON 31/12/2021¹⁾

	Number of investment properties ²⁾	Lettable area, sq.m.	Rental value, SEKm	Rental value, SEK/sq.m.	Rental income, SEKm	Economic occupancy rate,%	Carrying amount, SEKm	Carrying amount, %
Distributed by region								
Stockholm	114	211,490	356	1,681	338	95	7,196	16
Gothenburg	84	182,588	223	1,223	213	95	3,274	7
Öresund	156	140,333	215	1,531	207	96	3,536	8
East	51	89,231	121	1,352	119	98	2,019	5
Oslo	46	270,484	719	2,659	669	93	16,441	37
Other Norway	43	205,635	383	1,864	369	96	7,376	17
Total excluding projects	494	1,099,762	2,017	1,834	1,914	95	39,842	90
Projects for own management			1		1		4,567	10
Total real estate portfolio	494	1,099,762	2,018	1,834	1,914	95	44,409	100

Distributed by property category

Residential	120	152,188	285	1,871	276	97	6,112	14
Office	118	565,575	1,245	2,202	1,169	94	26,268	59
Retail	80	156,516	199	1,271	189	95	2,787	6
Other	176	225,483	288	1,278	279	97	4,675	11
Total excluding projects	494	1,099,762	2,017	1,834	1,914	95	39,842	90
Projects for own management			1		1		4,567	10
Total real estate portfolio	494	1,099,762	2,018	1,834	1,914	95	44,409	100

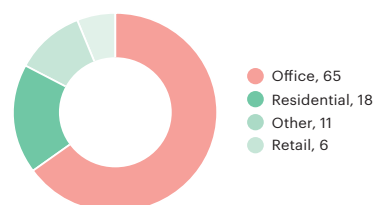
1) The above table refers to the properties owned by the associated companies at the end of the year. Sold properties have been excluded and acquired properties have been estimated using full-year values. Other properties include hotel, educational, care, industrial and mixed-use properties.

2) Refers to the entire associated companies' portfolio.

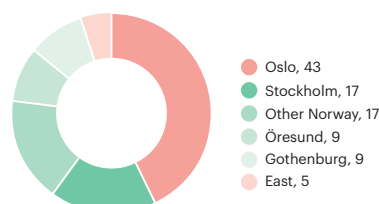
BALDER'S PARTICIPATION IN THE BALANCE SHEETS OF THE PROPERTY MANAGING ASSOCIATED COMPANIES

SEKm	2021 31 Dec	2020 31 Dec
Assets		
Properties	44,409	27,860
Other assets	1,526	759
Cash and cash equivalents	458	282
Total assets	46,393	28,901
Shareholders' equity and liabilities		
Equity/interest-bearing shareholder loan	21,506	12,952
Deferred tax liability	4,184	2,179
Interest-bearing liabilities	19,315	12,234
Other liabilities	1,388	1,537
Total equity and liabilities	46,393	28,901

CARRYING AMOUNT DISTRIBUTED BY PROPERTY CATEGORY, TOTAL REAL ESTATE PORTFOLIO, %



CARRYING AMOUNT DISTRIBUTED BY REGION, TOTAL REAL ESTATE PORTFOLIO, %



OTHER DISCLOSURES

Events after the end of the year

After the end of the year Balder has refinanced SEK 7 billion of the loans that mature in 2022. Otherwise no significant events affecting Fastighets AB Balder's position has occurred after the end of the reporting period.

Related party transactions

Balder receives fees from associated companies and Erik Selin Fastigheter AB for property and company management services. These fees amounted to SEK 81m (82) during the year and are reported in management and administrative costs. During the year, construction services were purchased from Tommy Byggare AB to the order of SEK 108m, which is a related company to Erik Selin Fastigheter AB. All transactions have been priced on market terms.

Risks and uncertainties

Balder's operations, financial position and results may be affected by a number of risks and uncertainty factors. These are described in the annual report for 2020, on pages 42-45. Otherwise, no significant changes has been noted.

Accounting policies

Balder applies IFRS (International Financial Reporting Standards) as adopted by the European Union in its consolidated accounts and the interpretations of these (IFRIC). This year-end report is prepared in accordance with IAS 34, Interim Financial Reporting. In addition, relevant provisions of the Swedish Annual Accounts Act and the Swedish Securities Markets Act have also been applied. The parent company has prepared its financial statements in accordance with the Annual Accounts Act, the Securities Markets Act and RFR 2, Accounting for Legal Entities. The accounting principles follow those reported in the Annual Report 2020.

New and changed standards and principles that came into force as of January 1, 2021 or later, is not considered to have any material impact on the group's financial reports.

The Board's proposal to the Annual General Meeting 2022

Ahead of the annual general meeting on 12 May 2022, the board intends to propose the meeting to decide:

- That no share dividend shall be declared.
- Authorise the board until the next annual general meeting, to repurchase and transfer B shares in Balder equivalent to not more than 10% of all shares in the company.
- Authorise the board until the next annual general meeting, on one or more occasions, to resolve on new issue of shares of Class B. The authorisation shall comprise a maximum of 10% of shares of Class B. It shall be possible to subscribe for the shares in cash, in kind or through right of set-off.
- A split of shares shall be made, so that each existing share is split into six shares of the same share class, a so called share split 6:1.

This year-end report has not been subject to review by the company's auditors.

Gothenburg 11 February 2022

Erik Selin
Chief Executive Officer

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

SEKm	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Rental income	2,421	2,055	8,956	8,134
Property costs	-623	-518	-2,212	-1,919
Net operating income	1,798	1,537	6,744	6,216
Management and administrative costs	-235	-176	-817	-676
Participations in the profits of associated companies/joint ventures	1,424	422	3,521	897
– of which profit from property management	394	188	1,327	663
– of which changes in value	1,419	357	3,110	489
– of which tax	-389	-122	-916	-254
Other income/costs	615	429	553	371
– of which unrealised change in value of long-term financial asset	611	462	611	462
Net financial items	-208	-298	-1,067	-1,212
– of which cost of leases/ground rent	-19	-15	-69	-64
Profit including changes in value and tax in associated companies	3,394	1,915	8,934	5,597
– of which Profit from property management	1,753	1,219	6,129	4,900
<i>Changes in value</i>				
Changes in value investment properties, realised	11	8	121	24
Changes in value investment properties, unrealised	5,555	2,628	12,990	3,429
Income sale development properties	214	577	1,667	1,253
Costs sale development properties	-204	-468	-1,442	-1,079
Changes in value derivatives	96	90	511	-141
Changes in value total	5,672	2,836	13,847	3,486
Profit before tax	9,066	4,751	22,781	9,083
Income tax	-1,385	-997	-3,196	-1,807
Net profit for the period/year	7,681	3,754	19,584	7,275
<i>Net profit for the period/year attributable to:</i>				
Parent company shareholders	7,388	3,578	18,508	6,641
Non-controlling interests	293	176	1,076	634
	7,681	3,754	19,584	7,275
Other comprehensive income – items that may be subsequently reclassified to profit or loss				
Translation difference relating to foreign operations (net after hedge accounting)	48	-735	377	-705
Cash flow hedges after tax	38	-0	183	-20
Participation in other comprehensive income of associated companies/joint ventures	324	-26	602	-37
Total comprehensive income for the period/year	8,091	2,993	20,746	6,513
<i>Total comprehensive income for the period/year attributable to:</i>				
Parent company shareholders	7,751	3,301	19,399	6,273
Non-controlling interests	339	-308	1,348	240
	8,091	2,993	20,746	6,513
Profit from property management	1,753	1,219	6,129	4,900
Of which non-controlling interests part of profit from property management	-134	-121	-586	-657
Profit from property management attributable to parent company shareholders	1,619	1,098	5,543	4,244
Profit from property management per share, SEK	8.68	6.03	29.72	23.51
Profit after tax per share, SEK	39.61	19.65	99.24	36.79

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEKm	2021 31 Dec	2020 31 Dec
Assets		
Investment properties	189,138	149,179
Development properties	2,697	2,803
Lease contract; Right-of-use assets	1,600	1,532
Other fixed assets	186	160
Participations in associated companies/joint ventures	28,824	15,593
Other receivables	3,359	4,007
Cash and cash equivalents and financial investments	4,130	7,127
Total assets	229,933	180,401
Shareholders' equity and liabilities		
Shareholders' equity ¹⁾	88,567	67,885
Deferred tax liability	15,642	12,497
Interest-bearing liabilities	117,426	88,989
–of which Hybrid capital ²⁾	8,693	3,513
Derivatives	703	1,540
Lease contract	1,606	1,536
Other liabilities	5,989	7,955
Total equity and liabilities	229,933	180,401
1) Of which non-controlling interests	10,961	9,676
2) 50% of Hybrid capital is treated as equity by the rating agencies and thus decreases interest-bearing liabilities when calculating the debt/equity ratio and net debt to total assets ratio and increases equity when calculating the equity/assets ratio.	4,346	1,757

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

SEKm	2021 31 Dec	2020 31 Dec
Opening equity	67,885	58,725
Total comprehensive income for the year	20,746	6,513
Transactions with non-controlling interests	-25	-301
Dividend to non-controlling interests	-129	-
Shareholder contributions from non-controlling interests	6	17
Non-controlling interests arising from the acquisition of subsidiaries	85	-
Share issue, after issue costs	-	2,930
Closing equity	88,567	67,885

CONSOLIDATED STATEMENT OF CASH FLOW

SEKm	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net operating income	1,798	1,537	6,744	6,216
Other income/costs	4	-33	-58	-91
Management and administrative costs	-235	-176	-817	-676
Selling and marketing expenses development properties	-5	-5	-20	-20
Reversal of depreciation	12	11	45	41
Net financial items paid	-387	-255	-1,652	-1,174
Taxes paid	-68	-28	-342	-310
Cash flow from operating activities before change in working capital	1,118	1,051	3,899	3,986
Change in operating receivables	416	-77	48	-901
Change in operating liabilities	-381	2,795	-2,422	3,435
Cash flow from operating activities	1,153	3,770	1,526	6,520
Acquisition of investment properties	-1,751	-582	-17,610	-3,491
Acquisition/Divestment of property, plant and equipment	-26	-16	-70	-36
Purchase of financial investments	-17	-843	-630	-1,665
Acquisition of shares in associated companies/Capital contribution to associated companies/Loans to associated companies/joint ventures	-1,016	-6,706	-8,883	-8,128
Investment in existing properties and projects	-2,433	-1,507	-7,420	-5,572
Transactions with non-controlling interests	-	-275	-25	-301
Sale of investment properties	125	27	1,551	366
Sale of development properties	214	577	1,667	1,253
Sale of financial investments	57	499	860	561
Sale of shares in associated companies/joint ventures	100	-	100	-
Dividend paid from associated companies/joint ventures	398	1	583	20
Cash flow from investing activities	-4,349	-8,826	-29,879	-16,993
Share issue, after issue costs	-	2,930	-	2,930
Amortisation of lease liability	9	-1	-1	-19
Shareholder contributions from non-controlling interests	-	2	6	18
Dividend paid to non-controlling interests	-	-	-129	-
Loans raised	2,754	4,172	33,085	20,472
Amortisation/redemption of loans sold properties/changes in overdraft facilities	-1,062	-2,925	-7,843	-9,838
Cash flow from financing activities	1,701	4,178	25,117	13,563
Cash flow for the period/year	-1,495	-879	-3,235	3,089
Cash and cash equivalents at the start of the period/year	2,783	5,347	4,468	1,379
Exchange rate difference in cash and cash equivalents	11	-	67	-
Cash and cash equivalents at the end of the period/year	1,299	4,468	1,299	4,468
Available liquidity, SEKm				
Cash and cash equivalents	1,299	4,468	1,299	4,468
Unutilised overdraft facilities	413	350	413	350
Unutilised credit facilities	8,079	13,032	8,079	13,032
Financial investments	2,831	2,659	2,831	2,659
Available liquidity including confirmed credit commitments	12,622	20,509	12,622	20,509

SEGMENT INFORMATION

SEKm	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Rental income				
Helsinki	608	603	2,387	2,495
Stockholm	374	348	1,451	1,338
Gothenburg	413	405	1,632	1,561
Copenhagen	220	177	769	657
South	160	149	600	584
East	380	300	1,352	1,218
North	265	74	765	282
Total	2,421	2,055	8,956	8,134
Net operating income				
Helsinki	398	412	1,655	1,820
Stockholm	294	287	1,165	1,095
Gothenburg	312	320	1,268	1,237
Copenhagen	174	129	587	499
South	118	117	462	460
East	289	210	1,022	888
North	212	63	586	218
Total	1,798	1,537	6,744	6,216

The group's internal reporting of operations is divided into the above segments. Total net operating income corresponds with reported net operating income in the income statement. The difference between net operating income of SEK 6,744m (6,216) and profit before tax of SEK 22,781m (9,083) consists of changes in value of investment properties of

SEK 13,111m (3,453), profit from sales of development properties SEK 225m (174), other income/costs SEK 553m (371), management and administrative costs of SEK -817m (-676), participations in profits of associated companies/joint ventures of SEK 3,521m (897), net financial items of SEK -1,067m (-1,212) and changes in value of derivatives of SEK 511m (-141).

SEKm	2021 31 Dec	2020 31 Dec
Real estate portfolio		
Helsinki	45,752	40,938
Stockholm	32,768	27,364
Gothenburg	35,071	30,863
Copenhagen	18,034	15,272
South	11,900	10,439
East	19,955	14,448
North	18,200	5,238
Total excluding projects	181,679	144,562
Projects for own management	7,459	4,617
Total investment properties	189,138	149,179
Development properties	2,697	2,803
Total real estate portfolio	191,835	151,982

The carrying amounts of properties have during the year changed by investments, acquisitions, divestments, unrealised changes in value and currency changes, with SEK 4,814m in the Helsinki region, SEK 5,403m in the Stockholm region, SEK 4,208m in the Gothenburg region, SEK 2,762m in the Copenhagen region, SEK 1,461m in the South region, SEK 5,507m in the East region and SEK 12,961m in the North region. The

group's projects for own management has increased by SEK 2,842m and the group's development properties has decreased by SEK -106m. SATO's property portfolio is divided between the regions Helsinki and East. The real estate holdings in Norway are classified in the North region, the real estate holdings in Denmark in the Copenhagen region and the properties in Germany and United Kingdom in the South region.

KEY RATIOS

	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Share-related				
Average number of shares, thousands	186,500	182,071	186,500	180,515
Profit after tax, SEK	39.61	19.65	99.24	36.79
Profit after tax excluding unrealised changes in value, SEK	7.88	4.65	29.06	18.69
Profit from property management, SEK	8.68	6.03	29.72	23.51
Net operating income, SEK	8.35	7.23	30.87	28.61
Outstanding number of shares, thousands	186,500	186,500	186,500	186,500
Shareholders' equity, SEK	416.12	312.12	416.12	312.12
Long-term net asset value (NAV), SEK	503.76	387.38	503.76	387.38
Share price on the closing date, SEK	651.80	428.90	651.80	428.90
Property-related				
Rental value full-year, SEK/sq.m.	1,836	1,893	1,836	1,893
Rental income full-year, SEK/sq.m.	1,758	1,809	1,758	1,809
Economic occupancy rate, %	96	96	96	96
Vacancy rate, %	4	4	4	4
Surplus ratio, %	74	75	75	76
Carrying amount, SEK/sq.m.	32,979	32,114	32,979	32,114
Number of investment properties	1,678	1,362	1,678	1,362
Lettable area, sq.m. thousands	5,509	4,502	5,509	4,502
Profit from property management, attributable to parent company shareholders, SEKm	1,619	1,098	5,543	4,244
Financial				
Return on equity, %	16.0	10.6	27.3	12.4
Return on total assets, %	6.3	5.2	11.6	6.1
Interest coverage ratio, times	5.1	5.3	4.9	5.3
Equity/assets ratio, %	40.4	38.6	40.4	38.6
Debt/equity ratio, times ¹⁾	1.3	1.3	1.3	1.3
Net debt to total assets, % ¹⁾	47.4	46.1	47.4	46.1
Net debt/EBITDA, times ¹⁾	13.5	13.3	12.9	12.7

1) The key figures for 31 December 2020 include SEK 3,009m which is included in Other liabilities and relates to obligation regarding purchase of shares in Entra ASA.

CONDENSED PARENT COMPANY INCOME STATEMENT

SEKm	2021 Oct-Dec	2020 Oct-Dec	2021 Jan-Dec	2020 Jan-Dec
Net sales	113	92	414	349
Administrative costs	-121	-93	-421	-353
Operating profit	-8	-2	-7	-4
Profit from financial items				
Dividends from subsidiaries	-	-	3	975
Other net financial items	1,130	1,499	968	1,599
– of which exchange rate differences	-89	921	-739	785
– of which unrealised change in value of long-term financial asset	611	462	611	462
Changes in value of derivatives	81	90	446	-141
Profit before appropriations and taxes	1,203	1,588	1,410	2,429
Appropriations				
Group contributions	300	-821	300	-821
Profit before tax	1,503	767	1,710	1,608
Income tax	-44	-19	-59	7
Net profit for the period/year ¹⁾	1,459	749	1,651	1,615

1) The parent company has no items reported in other comprehensive income and therefore total comprehensive income for the period/year is equal with net profit for the period/year.

CONDENSED PARENT COMPANY BALANCE SHEET

SEKm	2021 31 Dec	2020 31 Dec
Assets		
Property, plant and equipment	25	22
Financial non-current assets	33,985	20,710
Receivables from Group companies	83,490	57,787
Current receivables	288	184
Cash and cash equivalents and financial investments	1,780	3,437
Total assets	119,568	82,140
Shareholders' equity and liabilities		
Shareholders' equity	18,449	16,798
Interest-bearing liabilities	55,285	46,366
– of which Hybrid capital	8,693	3,513
Liabilities to Group companies	44,736	14,419
Derivatives	321	767
Other liabilities	777	3,790
Total equity and liabilities	119,568	82,140

THE SHARE AND OWNERS

Balder's share is listed on Nasdaq Stockholm, Large Cap segment. The company's market capitalisation as of 31 December amounted to SEK 121,561m (79,990).

The principal owner in Fastighets AB Balder is Erik Selin Fastigheter AB, which owns 35.1% (35.1) of the capital and 48.8% (48.8) of the votes. Foreign ownership amounts to approximately 30% (33) of outstanding shares.

The share

At the end of the year, approximately 22,000 shareholders (22,000) held shares. During the year, approximately 58 million shares were traded (135) which corresponds to an average of about 228,000 shares per trading day (537,000). The annual turnover rate amounted to 31% (73). The price of the share was SEK 651.80 (428.90) on 31 December, corresponding to an increase of 52% since year-end the previous year.

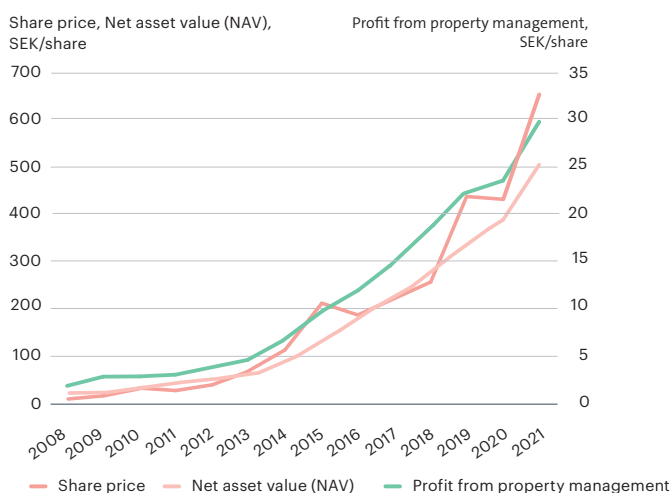
Share capital

On 31 December, the share capital in Balder amounted to SEK 186,500,000 distributed among 186,500,000 shares. Each share has a quota value of SEK 1, where of 11,229,432 shares are of Class A and 175,270,568 of Class B. The total number of outstanding shares as of 31 December amounts to 186,500,000. Each Class A share carries one vote and each Class B share carries one tenth of one vote.

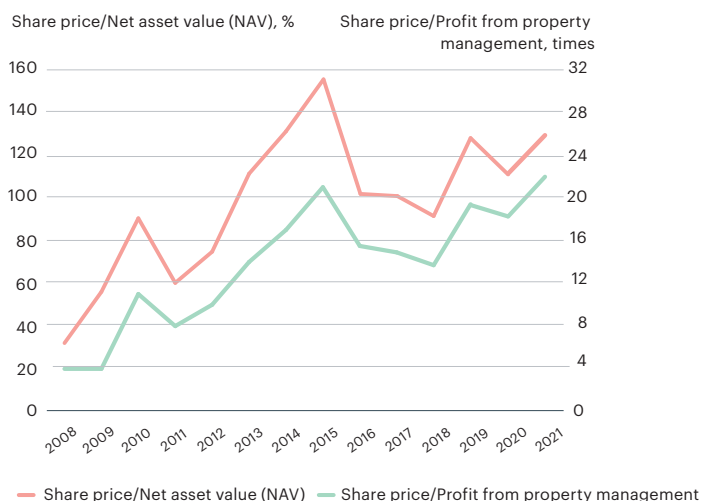
OWNERSHIP LIST AS OF 31/12/2021

Owner	A shares	B shares	Total number of shares	Capital, %	Votes, %
Erik Selin via company	8,309,328	57,210,900	65,520,228	35.1	48.8
Arvid Svensson Invest AB	2,915,892	13,542,540	16,458,432	8.8	14.8
Swedbank Robur fonder	-	7,591,877	7,591,877	4.1	2.6
SEB Investment Management	-	6,410,354	6,410,354	3.4	2.2
Handelsbanken fonder	-	6,083,181	6,083,181	3.3	2.1
Länsförsäkringar fondförvaltning AB	-	6,025,128	6,025,128	3.2	2.1
AMF Försäkring och Fonder	-	4,320,180	4,320,180	2.3	1.5
Folksam	-	2,272,042	2,272,042	1.2	0.8
CBNY - Norges Bank	-	2,104,768	2,104,768	1.1	0.7
Livförsäkringsbolaget Skandia	-	1,894,373	1,894,373	1.0	0.7
Other	4,212	67,815,225	67,819,437	36.4	23.6
Total	11,229,432	175,270,568	186,500,000	100	100

DEVELOPMENT SHARE PRICE, NET ASSET VALUE AND PROFIT FROM PROPERTY MANAGEMENT



SHARE PRICE/NET ASSET VALUE & SHARE PRICE/PROFIT FROM PROPERTY MANAGEMENT



DEFINITIONS

The company presents a number of financial metrics in the interim report that are not defined according to IFRS (so-called Alternative Performance Measures according to ESMA's guidelines). These performance measures provide valuable supplementary information to investors, the company's management and other stakeholders since they facilitate effective evaluation and analysis of the company's financial position and performance. These alternative performance measures are not always comparable with

FINANCIAL

Return on equity, %

Profit after tax in relation to average equity. The values were converted to a full-year basis in the interim accounts without taking account of seasonal variations that normally arise in the operations and with the exception of changes in value.

Return on total assets, %

Profit before tax with addition of net financial items in relation to average balance sheet total. The values were converted to a full-year basis in the interim accounts without taking account of seasonal variations that normally arise in the operations and with the exception of changes in value.

Net debt to total assets, %

Net debt in relation to total assets.

EBITDA

Profit from property management with addition of profit from sales of development properties with reversal of net financial items. In the interim financial statements, EBITDA was converted to a full-year basis, with the exception of profit from sale of development properties.

Profit from property management, SEKm

Profit including changes in value and tax in associated companies with reversal of changes in value and tax as regards participation in profits of associated companies. When calculating profit from property management before tax attributable to parent company shareholders, the profit from property management is also reduced with the non-controlling interests' share.

Average interest, %

Net financial items in the period recalculated to annual value in relation to the average interest-bearing liabilities.

Hybrid capital

A bond with a maturity of 60 years. The bond is reported as interest bearing liability but is treated as 50% equity by the rating agencies.

Net debt, SEKm

Interest-bearing liabilities decreased by cash and cash equivalents, financial investments and 50% of Hybrid capital which is treated as 50% equity by the rating agencies.

Interest coverage ratio, times

Profit including changes in value and tax in associated companies with reversal of net financial items excluding ground rents and changes in value of financial investments and changes in value and tax as regards participation in profits of associated companies, in relation to net financial items excluding ground rents and changes in value of financial investments.

Debt/equity ratio, times

Interest-bearing liabilities decreased by 50% of Hybrid capital in relation to shareholders' equity, including non-controlling interests.

Equity/assets ratio, %

Shareholders' equity including non-controlling interests and 50% of Hybrid capital in relation to the balance sheet total at the end of the period.

1) The key ratio is operational and is not considered to be a alternative key ratio according to ESMA's guidelines.

measures used by other companies and shall therefore be considered as a complement to measures defined according to IFRS. Fastighets AB Balder will apply these alternative performance measures consistently over time. The key ratios are alternative performance measures according to ESMA's guidelines unless otherwise stated. A description follows below of how Fastighets AB Balder's key ratios are defined and calculated.

SHARE RELATED

Equity per share, SEK

Shareholders' equity in relation to the number of outstanding shares at the end of the period.

Profit from property management per share, SEK

Profit from property management attributable to the parent company shareholders divided by the average number of outstanding shares.

Average number of shares

The number of outstanding shares at the start of the period, adjusted by the number of shares issued during the period weighted by the number of days that the shares have been outstanding in relation to the total number of days during the period.

Long term net asset value per share (NAV), SEK

Equity per share with reversal of interest rate derivatives and deferred tax according to balance sheet.

Profit after tax per share, SEK

Profit attributable to the parent company shareholders in relation to average number of shares.

PROPERTY RELATED

Yield, %

Estimated net operating income on an annual basis in relation to the fair value of the properties at the end of the period.

Net operating income, SEKm

Rental income less property costs.

Economic occupancy rate, %¹⁾

Contracted rent for leases which are running at the end of the period in relation to rental value.

Development properties

Refers to properties constructed with the intention of being divested after completion.

Real estate portfolio

Refers to both investment properties and development properties.

Property category

Classified according to the principal use of the property. The break-down is made into office, retail, residential and other properties. Other properties include hotel, educational, care, industrial/warehouse and mixed-use properties. The property category is determined by what the largest part of the property is used for.

Property costs, SEKm

This item includes direct property costs, such as operating expenses, utility expenses, maintenance and property tax.

Investment properties

Refers to properties that are held with the objective of generating rental income or an increase in value or a combination of these.

Rental value, SEKm¹⁾

Contracted rent and estimated market rent for vacant premises.

Surplus ratio, %

Net operating income in relation to rental income.



PROJECT CAPREA, STOCKHOLM

CONTACT

For additional information, please contact CEO Erik Selin, telephone +46 706 074 790 or Head of Finance Marcus Hansson, telephone +46 768 369 848.

FINANCIAL INFORMATION

Overall information about the company's operations, board of directors and management, financial reporting and press releases, may be found on Balder's website, balder.se.

CALENDAR

Annual General Meeting	12 May 2022
Interim report Jan-March 2022	12 May 2022
Interim report Jan-June 2022	15 July 2022
Interim report Jan-Sep 2022	28 October 2022
Year-end report 2022	10 February 2023

This report is a translation of the Swedish Year-end report 2021. In the event of any disparities between this report and the Swedish version, the latter will have priority.

FASTIGHETS AB BALDER (PUBL) BALDER.SE · INFO@BALDER.SE · ORG.NR: 556525-6905

HEAD OFFICE

Parkgatan 49 · Box 53 121 · 400 15 Gothenburg ·
Tel: +46 31-10 95 70 ·

LETTING

Tel: +46 20-151 151

CUSTOMER SERVICE

Tel: +46 774-49 49 49

REGION

GOTHENBURG

Parkgatan 49 · Box 53 121 · 400 15 Gothenburg · Tel: +46 31-10 95 70
Timmervägen 9 A · 541 64 Skövde · Tel: +46 500-47 88 50
Panuntie 4 · PO Box 401 · 00610 Helsinki · Tel: +358-201 34 4000
Forskarvägen 27 · 804 23 Gävle · Tel: +46 26-54 55 80
Sandbäcksgatan 5 · 653 40 Karlstad · Tel: +46 54-14 81 80
Affärsgatan 4 D · 862 31 Kvissleby · Tel: +46 60-52 45 50

STOCKHOLM

Tulegatan 2A · 113 58 Stockholm · Tel: +46 8-735 37 70

Vårby Allé 18 · 143 40 Vårby · Tel: +46 8-735 37 70

SOUTH

Kalendegatan 26 · 211 35 Malmö · Tel: +46 40-600 96 50

Esplanaden 15 · 265 34 Åstorp · Tel: +46 42-569 40

Bryggaregatan 7 · 252 27 Helsingborg · Tel: +46 42-17 21 30

COPENHAGEN

Vesterbrogade 1 E, 5. sal · 1620 København V · Tel: +45-88 13 61 51

EAST

Hospitalsgatan 11 · 602 27 Norrköping · Tel: +46 11-15 88 90

Rönnebergagatan 10 · 723 46 Västerås · Tel: +46 21-10 98 90