

2021

Annual report



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Roundings in the annual report can result in columns and rows not adding up.

Comparisons in brackets relate to the corresponding period of the previous year.

Calendar

Interim reports

January – March 2022: 4 May 2022

January – June 2022: 8 July 2022

January – September 2022: 21 October 2022

Year-end report 2022: 10 February 2023

Proposed record days for dividend on common shares

6 May 2022

31 October 2022

Proposed record days for dividend on preference shares

29 July 2022

31 October 2022

31 January 2023

28 April 2023

Annual general meeting: 4 May 2022

This Annual Report is an in-house translation of NP3's Swedish Annual Report. In the event of discrepancies, the Swedish original will supersede the translation.

Distribution policy

NP3's annual report is available as a document in PDF format at:
www.np3fastigheter.se.

The year in brief

Q1

- Issue of bonds of 200 MSEK under the existing green framework
- Forming of a joint venture with Jämtkraft AB, primarily for the construction of a head office and operating centre for Jämtkraft. The total investment amounts to approximately 300 MSEK

Q2

- During the quarter, acquisitions of 1,859 MSEK were signed, of which 1,293 MSEK related to a portfolio of 17 industrial properties acquired from the municipality-owned company Skellefteå Industrihus AB, which were taken possession of in November 2021
- As part of the streamlining of the company's property portfolio, an agreement was signed to divest five properties with a value of 120 MSEK
- A selective stock offering of preference shares of 222 MSEK
- Issue of bonds of 600 MSEK under a newly established green framework of 1,000 MSEK

Q3

- Acquisitions were signed for ten properties in three transactions with a value of 396 MSEK
- Issue of bonds of 400 MSEK under the company's green framework of 1,000 MSEK

Q4

- Launch of commercial paper programmes totalling 2,000 MSEK under which 900 MSEK have been issued as of 31 December
- Acquisitions of 29 properties signed for in 19 transactions of 601 MSEK. Acquisitions signed for but not taken possession of as of 31 December amounted to 197 MSEK with a rental value of 15 MSEK
- A new business area, Skellefteå, a location with expansive growth, was established at the end of the year with a property value of 1,865 MSEK as of 31 December

+18%

Profit from property management per common share
10.90 SEK

+19%

Proposed dividend per common share
4.30 SEK

3,131 MSEK

Acquisitions for the year taken possession of

+38%

The property value amounted to
17,3 BSEK

+13%

Revenue amounted to
1,238 MSEK

+12%

The operating surplus amounted to
912 MSEK

Significant events after year-end

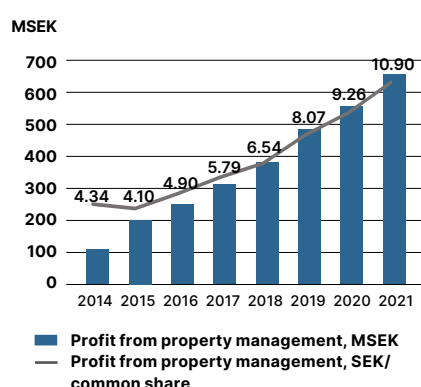
Property acquisitions with a value of approximately 750 MSEK have been signed. The property acquisitions will be taken possession of during the first half of 2022.

In March 2022, NP3 was informed by EPRA (The European Public Real Estate Association) that the

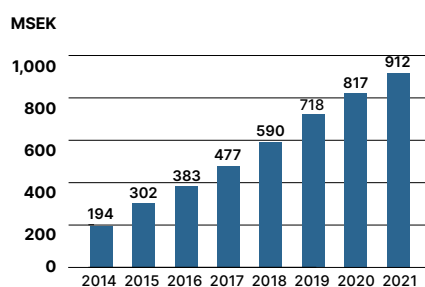
company's common share will be included in the FTSE EPRA Nareit Global Real Estate Index Series ("EPRA index"). The common share is included in the EPRA index as of 21 March 2022. EPRA index is a leading global index of listed real estate investments and consists of approximately 500 real estate companies.

NP3 is a cash flow-oriented real estate company with a focus on commercial investment properties with high yields, primarily in North Sweden. As of 31 December 2021, the property portfolio amounted to 1,784,000 square metres of lettable area, divided between 446 properties in the categories industrial, retail, office, logistics and others. The property portfolio is spread across eight business areas: Sundsvall, Gävle, Dalarna, Östersund, Umeå, Luleå and Middle Sweden. At year-end, the property value amounted to 17.3 BSEK. NP3-shares are listed at Nasdaq Stockholm, Large Cap. NP3 was founded in 2010 and has its domicile and head office in Sundsvall.

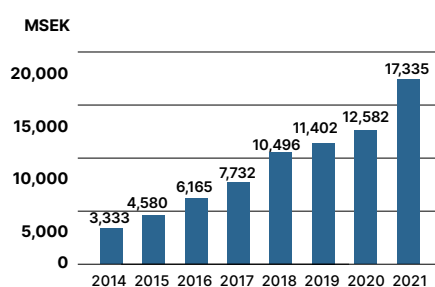
The profit from property management increased by 19% to 661 MSEK. The profit from property management per common share amounted to 10.90 SEK, an increase of 18%.



The operating surplus increased by 12% to 912 MSEK



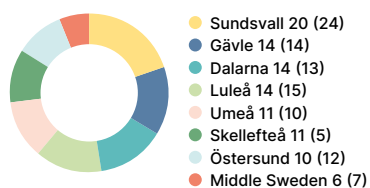
The property value increased by 38% to 17.3 BSEK



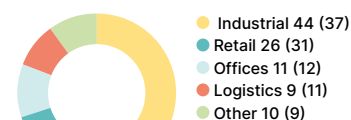
Key ratios	2021	2020
Outcome		
The properties' reported value, MSEK	17,335	12,582
Rental income, MSEK	1,238	1,091
Net operating income, MSEK	912	817
Profit from property management, MSEK	661	558
Share-based		
Profit after tax, SEK/common share	35.82	11.12
Profit from property management, SEK/common share	10.90	9.26
Equity, SEK/common share	100.67	68.67
Long-term net asset value, SEK/common share	118.64	80.47
Property-related		
Financial occupancy rate, %	93	93
Surplus ratio, %	74	75
Financial		
Loan-to-value ratio, %	55.9	57.3
Interest coverage ratio, x	3.3	3.4
Net debt to EBITDA ratio, x	10.3	9.6

For reconciliation of key ratios and definitions, see pages 110-111.

Property value by business area, %



Property value by property category, %



Comments by the CEO

The global pandemic has just begun to diminish. Now that after two years of restrictions, great uncertainty and fear, life is beginning to get back to normal, new uncertainty and fear is spreading once again. It felt like time stopped on 24 February 2022 when Russia began its invasion of Ukraine, and powerlessness, anxiety and frustration have been the dominant emotions since then.

In these times, writing about how secure NP3 is with its 2,200 rental agreements or 446 properties is difficult. We can all see and feel the anxiety every day – on the daily news seeing terrified families on the run and at our home ground. When it feels like the world is trembling under my feet, I wish there was someone who could give some comforting and reassuring words and make the incomprehensible understandable to me, my children and the world around me. Maybe it is my hundred-year-old grandmother's Småland roots that lead the thoughts to Astrid Lindgren? She could put difficult questions into simple terms like few others, and with her wisdom bring calm, such as with "Give love, more love and even more love, then common sense will come by itself".

NP3's employees have shown great commitment and solidarity with those affected by the war. At the same time we share the conviction, despite the unrest and the current global situation, that daily life must continue. Passivity and paralysis benefit no one.

How the global situation will develop is impossible to say at this time. What we do know is that Europe and the world will be affected forever. How NP3 is affected is largely dependent on how Sweden as a country is affected and that, too, is impossible to know at this time. Inflation that continues to be driven by the "wrong reason" means that consumption will slow down. Despite this, there will probably be inflationary pressures in the near future. What we do know, however, is that the green transition must take place even more urgently. This will have a positive effect on NP3's markets.

In daily life as we experience it now, NP3 notices no difference in the demand for premises. The first months of 2022 show continued good demand to add to last year's positive net letting of 43 MSEK. NP3 is financially prepared and secure in accordance with the company's financial policy. As an example, the policy states that capital tied up must amount to at least two years and at year-end 2021 it amounted to 2.9 years. The loan-to-value ratio amounts to 56 percent, with the policy's target being 55-65 percent. In turbulent times, I recognize having a simple business model with a long-term focus as a strength. It makes for fewer risks, which means that energy can be directed to where it provides the most benefit.

Time for reflection

NP3 Fastigheter was started in 2010 with the business idea of owning and managing high-yield commercial properties, primarily in North Sweden. The business idea has proven to be successful and we continue to stick to it. Our focus on conducting business in a stable and well-defined market segment also remains unchanged.

NP3's primary income measure will continue to be profit from property management, where the operating surplus and profit from property management from associated companies and joint ventures have been reduced by the costs of the company's funding activities and central administration. Our resources must be aimed at activities that provide as stable, predictable and growing a profit from property management as possible to our shareholders. Profit from property management for 2021 amounted to 661 MSEK, which is the company's highest result to date and corresponds to an increase of 19 percent compared with the previous year. The increasing result is primarily driven by a larger property portfolio, which as of the 2021 balance sheet date amounted to 17.3 billion SEK. The profit from property management in the earning capacity has, together with the growing property portfolio and investments in existing properties, increased to 13.13 SEK per common share after preference share dividend, to be compared with 10.32 SEK at the beginning of the year, an increase of 27 percent.

NP3's required return over a five-year period is to have profit before tax amounting to 15 percent on equity. In the last five-year period, we have had a return of 26 percent on average. Calculated on our profit from property management, i.e. that which we can influence and which does not take into account changes in property value, our average return on equity over the past five years amounts to 13 percent. Solely with NP3's profit from property management we achieve competitive return on equity. This is part of the foundation of NP3's business model and a prerequisite for being able to build a sustainable, long-term business. It also means that we are not dependent on having a large project portfolio and that we do not have to rely on continued reduced yield requirements.



“Our focus on conducting business in a stable and well-defined market segment remains unchanged.”

For example, expecting a return of 10 percent when acquisitions without direct potential take place at 5 percent is very difficult to succeed with. If, for the sake of simplicity, you expect to borrow money for free and borrow 50 percent, the return on equity will be just under 10 percent given that you have some central administration. Expecting to borrow money for free also does not feel relevant over time, which means that the return targets simply do not add up without changes in property value from an already very low rate of return. That model is risky and is not currently relevant for NP3.

It is therefore important that NP3 continues its strategy. This may mean that there will be fewer transactions one year and more another year. But above all that we must continue to find businesses where there is some added value in the form of a vacancy or rent level that does not reflect the market. Where NP3 can use its local presence with its twelve office locations and its proximity to our properties and our tenants to increase the return in light of our profitability targets.

Financing

The year's growth of 3.8 billion SEK has, in addition to bank loans, been financed by our cash flow, two issues of preference shares, a bond issue and a commercial paper program that we launched in 2021. Diversification of capital has always been central to NP3 and it should also provide conditions for continued growth despite a significantly

more volatile capital market. Because NP3 will continue to grow with a balanced risk.

Future

The effects of today's uncertainty in Ukraine make my thoughts go out to all those affected directly by the terrible and unnecessary war that is going on right now. My thoughts also go out to everyone who is worried about their own and their relatives' future. At the same time, I hope for and believe in common sense!

In conclusion, there are many to whom I would like to extend a big thank you. For NP3 being what we are today and for a good 2021 year. Our associated companies and joint venture with Emilshus at the head all deserve a big thank you for their achievements. Our banking relations and stakeholder groups and not least all our competent and committed employees who do the actual work.

I also owe a big thank you to our board and our shareholders, for your support and for making NP3 perform better.

You all make our work an interesting, educational and exciting shared journey!

Many thanks!

A handwritten signature in black ink, appearing to read 'Andreas Wahlén'.

Andreas Wahlén

Financial targets and dividend targets

Objective	Explanation and result	Outcome																		
Growth in profit from property management per common share The growth in profit from property management per common share shall amount to at least 12% annually.	The key ratio shows the company's overall growth target. Growth in profit from property management per common share for 2021 amounted to 18%.	<table><thead><tr><th>Year</th><th>Profit from property management per common share, SEK</th><th>Annual growth, %, right scale</th></tr></thead><tbody><tr><td>2017</td><td>6</td><td>18%</td></tr><tr><td>2018</td><td>7</td><td>13%</td></tr><tr><td>2019</td><td>8</td><td>23%</td></tr><tr><td>2020</td><td>9</td><td>15%</td></tr><tr><td>2021</td><td>11</td><td>18%</td></tr></tbody></table> ■ Profit from property management per common share, SEK — Annual growth, %, right scale	Year	Profit from property management per common share, SEK	Annual growth, %, right scale	2017	6	18%	2018	7	13%	2019	8	23%	2020	9	15%	2021	11	18%
Year	Profit from property management per common share, SEK	Annual growth, %, right scale																		
2017	6	18%																		
2018	7	13%																		
2019	8	23%																		
2020	9	15%																		
2021	11	18%																		
Return on equity before tax Return on equity before tax for a five-year period shall amount to at least 15%.	The target shows the long-term return on the company's equity over a five-year period. The target is a measure of the company's ability to create return on equity. The return on equity before tax for 2021 was 45%. Average return on equity before tax 2017-2021 amounted to 26%.	<table><thead><tr><th>Year</th><th>Return on equity before tax, %</th><th>Average return on equity before tax, 5 years, %</th></tr></thead><tbody><tr><td>2017</td><td>23%</td><td>26%</td></tr><tr><td>2018</td><td>19%</td><td>26%</td></tr><tr><td>2019</td><td>25%</td><td>26%</td></tr><tr><td>2020</td><td>19%</td><td>26%</td></tr><tr><td>2021</td><td>45%</td><td>26%</td></tr></tbody></table> ■ Return on equity before tax, % — Average return on equity before tax, 5 years, %	Year	Return on equity before tax, %	Average return on equity before tax, 5 years, %	2017	23%	26%	2018	19%	26%	2019	25%	26%	2020	19%	26%	2021	45%	26%
Year	Return on equity before tax, %	Average return on equity before tax, 5 years, %																		
2017	23%	26%																		
2018	19%	26%																		
2019	25%	26%																		
2020	19%	26%																		
2021	45%	26%																		
Interest coverage ratio The interest coverage ratio shall be no less than 2x	The interest coverage ratio shows the company's ability to cover its interest expenses. Interest coverage ratio is a measurement that indicates how many times the company manages to pay its interest with the profit from the operating activities. The interest coverage ratio as of 31 December was 3.3x.	<table><thead><tr><th>Year</th><th>Interest coverage ratio, x</th></tr></thead><tbody><tr><td>2017</td><td>3.6</td></tr><tr><td>2018</td><td>3.3</td></tr><tr><td>2019</td><td>3.5</td></tr><tr><td>2020</td><td>3.4</td></tr><tr><td>2021</td><td>3.3</td></tr></tbody></table> Target 2x	Year	Interest coverage ratio, x	2017	3.6	2018	3.3	2019	3.5	2020	3.4	2021	3.3						
Year	Interest coverage ratio, x																			
2017	3.6																			
2018	3.3																			
2019	3.5																			
2020	3.4																			
2021	3.3																			
Loan-to-value ratio The long-term loan-to-value ratio shall amount to 55-65%.	The loan-to-value ratio shows how great a proportion of the property portfolio is financed by liabilities. The target is to be at a level between 55 and 65% over time. As of 31 December, the loan-to-value ratio amounted to 56%.	<table><thead><tr><th>Year</th><th>Loan-to-value ratio, %</th></tr></thead><tbody><tr><td>2017</td><td>61%</td></tr><tr><td>2018</td><td>62%</td></tr><tr><td>2019</td><td>58%</td></tr><tr><td>2020</td><td>57%</td></tr><tr><td>2021</td><td>56%</td></tr></tbody></table> Target 55-65%	Year	Loan-to-value ratio, %	2017	61%	2018	62%	2019	58%	2020	57%	2021	56%						
Year	Loan-to-value ratio, %																			
2017	61%																			
2018	62%																			
2019	58%																			
2020	57%																			
2021	56%																			
Dividend The company aims to pay dividends of around 50% of the profit from property management after current tax to holders of ordinary and preference shares.	The dividend target is set based on the company's cash flows and levels of return. The board proposes a dividend for 2021 of 4.30 SEK/common share and a dividend of 2.00 SEK/preference share. The total proposed dividend is 310 MSEK, which is equivalent to an increase of 15%. The proposed dividend for 2021 amounts to 50% of the profit from property management after current tax to holders of ordinary and preference shares.	<table><thead><tr><th>Year</th><th>Dividend, %</th></tr></thead><tbody><tr><td>2017</td><td>58%</td></tr><tr><td>2018</td><td>59%</td></tr><tr><td>2019</td><td>54%</td></tr><tr><td>2020</td><td>53%</td></tr><tr><td>2021</td><td>50%</td></tr></tbody></table> Target approx. 50%	Year	Dividend, %	2017	58%	2018	59%	2019	54%	2020	53%	2021	50%						
Year	Dividend, %																			
2017	58%																			
2018	59%																			
2019	54%																			
2020	53%																			
2021	50%																			
Proportion of preference share dividend Preference share dividend is limited to max 20% of the profit from property management after current tax.	The key ratio that the preference share dividend is limited to max 20% of the profit from property management after tax aims to ensure a good balance between the interests of holders of ordinary and preference shares.	<table><thead><tr><th>Year</th><th>Proportion of preference share dividend, %</th></tr></thead><tbody><tr><td>2017</td><td>0%</td></tr><tr><td>2018</td><td>12%</td></tr><tr><td>2019</td><td>11%</td></tr><tr><td>2020</td><td>15%</td></tr><tr><td>2021</td><td>12%</td></tr></tbody></table> Max 20%	Year	Proportion of preference share dividend, %	2017	0%	2018	12%	2019	11%	2020	15%	2021	12%						
Year	Proportion of preference share dividend, %																			
2017	0%																			
2018	12%																			
2019	11%																			
2020	15%																			
2021	12%																			

1) Refers to additional dividend on shares that were issued after the annual general meeting in May 2021.

2) Dividend proposed by the board.

Earnings capacity

Earnings capacity is based on the coming 12-month period on the basis of the property portfolio the company owned as of 31 December 2021. The earnings capacity is based on rental agreements signed and shows what return the company can generate under the given conditions. Current earnings capacity is not a forecast but to be regarded only as a snapshot, the aim of which is to present revenue and costs on an annual basis, given the property portfolio,

borrowing costs, capital structure and organisation at any given time.

The earnings capacity does not include an assessment of the coming period with regard to the development of rents, vacancy rate, property expenses, interest, changes in property value or other factors affecting income.

Current earnings capacity on a 12-month basis

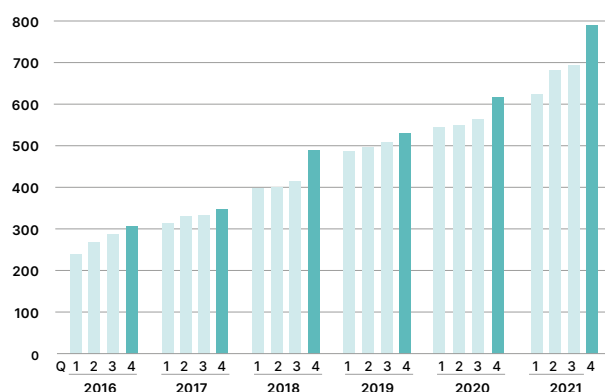
1 Jan, MSEK	2022	2021	2020	2019	2018
Adjusted rental value	1,525	1,236	1,123	1,055	783
Vacancy	-102	-92	-79	-78	-67
Rental income	1,423	1,144	1,045	977	716
Property costs	-346	-273	-252	-237	-177
Property tax	-43	-40	-36	-30	-22
Net operating income	1,034	831	757	710	517
Central administration	-55	-49	-46	-44	-39
Net financial income	-260	-211	-194	-177	-130
Profit from property management from associated companies and joint ventures	72	46	13	-	-
Profit from property management	791	616	530	489	347
Profit from property management after preference share dividend	715	561	480	446	347
Profit from property management, SEK/common share*	13.13	10.32	8.84	8.20	6.39

* Profit from property management/common share refers to the result less dividends to holders of preference shares.

The estimated earnings capacity is based on the following information.

- Contracted rental income on an annual basis (including additional charges and rent discounts taking into account) and other property-related income as of 1 January 2022 based on the rental agreements in effect.
- Property costs consist of an estimate of the operating expenses and maintenance measures during a normal year. The operating expenses include property-related property management.
- Property tax has been calculated based on the properties' current tax assessment value.
- Costs for central administration are calculated based on existing organisation and the size of the property portfolio.
- Financial earnings and costs are calculated based on the company's actual average interest rate level as of 1 January 2022, but have not been adjusted for effects regarding distribution of borrowing costs over a period of time.

Profit from property management from earnings capacity, MSEK



Average annual growth for the period 2016-2021 was 21 percent.

Comments earnings capacity

Compared to the current rental value of 1,538 MSEK, the future-oriented adjusted rental value amounted to 1,525 MSEK. The largest adjustment items were primarily discounts of -19 MSEK, which were somewhat offset by tenants moving in and out (forthcoming) of 5 MSEK.

Since the beginning of the year, the company's operating surplus in the earnings capacity has increased by 24 percent to 1,034 MSEK. The yield in the earnings capacity amounted to 6.0 percent (6.6) of the property value 17,335 MSEK. The profit from property management in the earnings capacity increased by 28 percent compared to the beginning of the year.

Acquisitions and divestments

Signed acquisitions not yet taken possession of as of 31 December relate to eight properties, of which three in Falun, two each in Skellefteå and Karlstad, and one property in Umeå. The rental value amounts to 15 MSEK and will increase the profit from property management in the earnings capacity by just over 7 MSEK. See also page 2 for acquisitions signed after the end of the period of 750 MSEK, which are not included above. As of 31 December, there were no divestments underwritten or withdrawn from.

Our resources



Properties

- 446 properties
- 1,784,000 square metres lettable area
- 300,000 square metres development rights



Staff and human resources

Our staff's individual skills, competencies and experience, which collectively create value by delivering our business objectives.



Financial

Equity and external funding in form of interest-bearing loans and credits.



Good relations

- Cooperation and dialogue with municipalities, businesses and local interest groups.
- Long-term collaborations with our suppliers.
- A great number of tenants who have aggregated represent more than 2,200 rental agreements.
- The relation with the capital market's players and our shareholders.

Value-adding business model

Putting the tenants at the centre with a focus on continuous improvement of the cash flow through transactions, development of the existing property portfolio and efficient management is NP3's strategy for creating value for the company's shareholders. NP3 keeps adding value to the property portfolio through acquisitions and divestments in order to create risk diversification by category in terms of both geographical location and good total return on the property portfolio.

What we do

By supplying accessible resources and assets to our operations, NP3 creates stable and long-term values for shareholders, staff, tenants, suppliers and our geographical regions.

Property management and letting	Transactions	Development of the property portfolio
We rent out commercial premises and create value for existing tenants	We acquire and divest properties	We implement new construction projects and add value to existing properties

Management and letting

Efficient management creates increasing operating surplus, which also has a positive effect on the property value. NP3 is a company with a clear customer focus which is achieved through local presence and long customer relations, which in turn creates stable rental income. NP3 is present in all business areas, which facilitates accessibility and involvement in tenants' activities. An important parameter in being able to satisfy customers' needs in every location is to create clusters of properties with different types of premises in every business area. This focus allows NP3 to offer tenants more options for premises and thus develop together with the changing needs of existing tenants. NP3's local presence gives us awareness of customers' requests and requirements, while also making management and service more efficient.

- **Net letting: Amounted to 43 MSEK during the year**
- **Vacancy rate: Amounted to 7 percent at year-end**
- **Surplus ratio: Amounted to 74 percent**

What we create



Owners

- Profit from property management per common share: 10.90 SEK
- Return on equity: 37 percent
- Profit after tax: 2,020 MSEK
- Proposed dividend to shareholders: 310 MSEK of which 234 MSEK to holders of common shares and 76 MSEK to holders of preference shares
- Total return on common shares: 202 percent



Customers

- Developing premises/properties according to customers' needs in order to create growth and value in the tenants' business activities.
- A repurchase rate of 80%, i.e. number of contracts that are renewed in relation to the proportion of cancellable contracts



Employees

- Job openings with a safe and stable employer
- Development and benefits
- Salaries to staff: 32 MSEK



Suppliers, business partners and lenders

- Contribute directly and indirectly to creating job openings
- Purchased goods and services from suppliers: 805 MSEK
- Interest to lenders: 264 MSEK



Society

- Value-creating development in the locations where we work together with municipalities and business
- Tax revenue and job openings
- Current tax and property tax: 83 MSEK



Environment

- Gradual reduction of energy use and carbon emissions associated with our properties

Transactions

NP3 works actively and continuously with acquisitions and divestments in order to develop the property portfolio with regard to its composition, based on geography and property category in order to optimise the risk-adjusted return. One important aspect in the portfolio strategy is focusing the holdings to specific areas in each location. The transaction activities are governed by the overall strategy, which specifies that the company shall be active in locations with a stable and growing population. NP3 distils the holdings by divesting those properties that are part of the transaction in larger acquisitions and which have a return that is below the company's long-term targets, or which due to their geographical location are not considered to fit in with the portfolio strategy.

Acquisitions: 3,131 MSEK
Divestments: -542 MSEK

Development of the property portfolio

NP3's development of the property portfolio is based on close cooperation and long-term relations with tenants. We satisfy tenants' requirements by providing suitable premises to benefit their activities. This results in happy tenants and growth in value as well as a higher net operating income for NP3. As part of NP3's project work, new construction projects can be accommodated on our development rights, as well as developing and adding value to existing properties. Adding value to the existing portfolio makes the premises attracts long-term tenants. New construction projects also often have the effect that they increase the value of neighbouring properties, and thus the area as a whole.

Occupancy rate new construction projects: 100 percent
Investment in existing properties and new construction projects: 522 MSEK

Property portfolio

NP3's property portfolio consists of commercial properties, primarily in North Sweden. Achieving risk diversification and effective management in the property portfolio is crucial in order to attain the best possible risk-adjusted revenue.

Rental value per municipality (15 largest)

As of 31 Dec. 2021

Municipality	Rental value, MSEK	Proportion, %
Sundsvall	213	14
Gävle	172	11
Skellefteå	157	10
Östersund	152	10
Umeå	141	9
Falun	100	7
Luleå	97	6
Borlänge	87	6
Piteå	54	3
Örnsköldsvik	42	3
Sollefteå	41	3
Timrå	37	2
Karlstad	37	2
Gällivare	29	2
Kiruna	27	2
Other municipalities	151	10
Total	1,538	100

The above objective means that the distribution of property categories differs between different business areas in order to take advantage of the conditions in the respective business area.

The property portfolio as of 31 December consisted of 446 (388) properties with a total lettable area of 1,784,000 square metres (1,436,000). The market value of the portfolio amounted to 17,335 MSEK (12,582).

NP3's property portfolio is divided into eight business areas: Sundsvall, Gävle, Dalarna, Östersund, Umeå, Skellefteå, Luleå and Middle Sweden. In connection with the company's property acquisition in Skellefteå in 2021, a new business area was created, Skellefteå. Previously, Skellefteå belonged to the business area Umeå.

Risk diversification of the rental value

The company works continuously on diversifying the risk of the rental value. This is done primarily via two dimensions, rental value per property category and exposure to industry affiliation. The holdings overall show a well-diversified portfolio with regard to both property categories and exposure to industry affiliation.

The rental value per property category shows the nature of the property, while industry exposure shows which industry the company's rental income is generated from. The difference is that tenants in a certain industry can rent premises in a number of different categories. This becomes most clear with regard to state and municipalities, which together stand for 10 percent (10) of the rental income, where letting relates to the categories offices, other and industrial. A big difference can also be seen in the consumer goods sector, which in the categorisation amounts to 1.5 percent (2) of the total rental value and to 6 percent (6) with regard to sector exposure of the total rental income. This difference is explained by consumer goods suppliers also renting in the categories logistics and industrial. The exposure of the rental income is distributed between many sectors, with industrial and construction suppliers being the biggest ones.

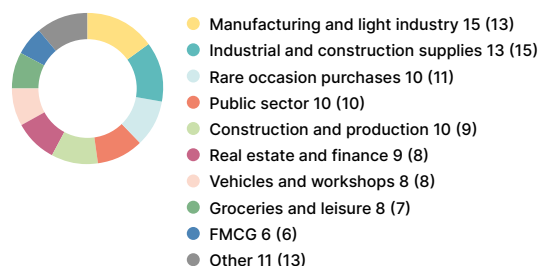
Property categories

The properties are divided into five property categories: industrial, retail, office, logistics and other. The industrial category has increased by 8 percentage points from the beginning of the year to 49 percent and is NP3's largest category. In the category the

Rental value per property category, %



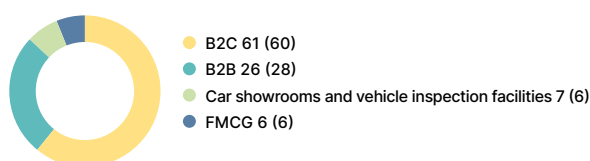
Industry exposure, %



company owns primarily so-called light industry, which are operations that require smaller machinery. The three largest tenants in the industrial category are Assemblin EI, LEAX Falun and Latitude 64, which together account for 5 percent of the category's total rental value. For the industrial category, the rental value amounted to 768 SEK per square metre (758) for contracted areas. The market value was 7,512 SEK per square metre (6,656).

In the retail category, B2C accounts for the largest share, 61 percent (60), see distribution in chart below. B2C is dominated by discount chains such as Dollarstore, ÖoB and Rusta. Ready-made clothing stores have a share of 3 percent. B2B includes large tenants such as Mekonomen, Ahlsell and Swedol. Retail properties have a somewhat higher vacancy rate than the average for the entire property portfolio. The remaining average term for the rental agreements in the retail category is 4.5 years, which is longer than the average for the entire portfolio. Contracted rental value amounts to SEK 1,014 per square meter for the category.

Distribution within the retail category, %



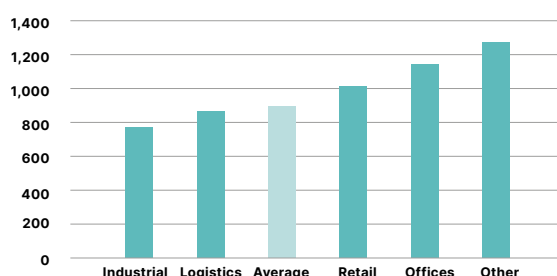
The office category accounts for 11 percent of both the property value and the rental value. The largest tenants in the category are the Swedish Public Employment Service, Skanska Sverige AB and Region Dalarna. Contracted rental value amounts to 1,141 SEK per square meter for offices, which is the second highest in the portfolio.

Logistics properties made up 6 percent of the total rental value. This low proportion is a result of the interest in logistics properties having pushed up the market price to levels where it is getting difficult for NP3 to make

acquisitions that allow for the desired levels of return. The largest tenants in the category are PostNord, Svensk Cater and Systembolaget. The average rental value for the entire logistics category per square meter was 863 SEK per square metre for contracted area and the market value was 15,407 SEK per square metre.

Also included in the category are playlands, sports facilities and properties for public use, such as schools. The largest tenants in the category are Leos Lekland, The Swedish Fortifications Agency and Ulno AB, which is part of the private school group Prolympia. These three tenants represent 21 percent of the category's total rental value. The category other had the highest rental value per square meter, 1,269 SEK per square meter for contracted area.

Average rent per category for contracted area, SEK/sqm



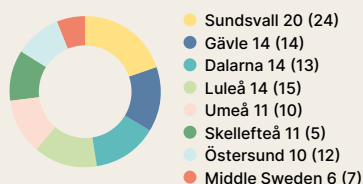
Property valuation

The company's properties are valued at an assessed market value every quarter. The valuation policy states that at least 90 percent of the total property portfolio be valued externally during the second and fourth quarters, other properties are valued internally. During the first and third quarters, the property values are adjusted mainly through internal valuations. During the fourth quarter 2021, 99 percent of the total property portfolio was valued externally.

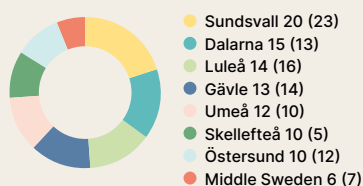
The table below shows basic data and assumptions for property valuation as of 31 December 2021 and 2020

Parameters	2021	2020
Realised change in value, MSEK	63	49
Unrealised change in value, MSEK, of which	1,579	214
Cash flow-generated	448	109
Yield generated	1,131	104
Yield level - valuation, %	6.35	6.94
Inflation assumption year 1 in forecast period, %	2.0	1.5
Inflation remaining forecast period, %	2.0	2.0

Property value per business area, %



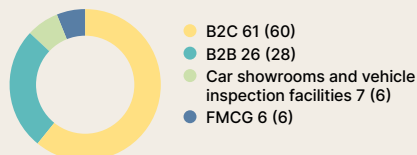
Rental value per business area, %



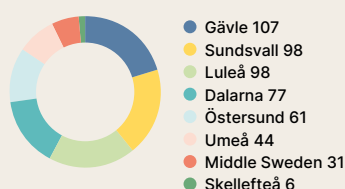
Property value per property category, %



Distribution within the retail category, %



Investments in the property portfolio per business area, MSEK



Method

Assessment of fair value is done using a combination of local price comparison method and yield-based method in form of discounting future estimated cash flows. Year one is based on actual rents and normalised operating and maintenance cost. From year two, rents that deviate from the assessed market rent are market-adjusted at the end of the respective contract term. For operating expenses, an assessment is made adjusted to market conditions. The net operating income is calculated at present value together with the residual value to calculate the property's market value. The market value, which shall reflect an estimated price when selling on the open property market, is compared with prices of known, comparable transactions. Cost of capital and required return, for calculating the present value of the cash flow and calculating the property's residual value, shall reflect the property's location and market development.

Outcome

The total value of the company's property portfolio amounted to 17,335 MSEK on the balance sheet date. The change in value during the whole year was 1,642 MSEK, of which 63 MSEK are realised changes in value from sales. Of the unrealised changes in value of 1,579 MSEK, 448 MSEK were for cash flow-related changes, while assumptions regarding lower levels of yield requirements positively affected the valuations by 1,131 MSEK. The yield requirements used when doing valuations during the period varied between 5.00 and 9.25 percent. The weighted yield requirement for the valuation of the property portfolio as of 31 December amounted to 6.35 percent (6.95).

Change in the property portfolio

During the year, the property value increased by 38 percent and the area by 24 percent. In the period January to December, NP3 increased the property portfolio by 58 properties. The value of the property acquisitions taken possession of during the period amounted to 3,131 MSEK (792). In addition to this come acquired properties not yet taken possession of at a value of 197 MSEK. Furthermore, SEK 190 million has been invested in new construction projects and SEK 332 million has been invested in existing properties in the form of modifications to tenants' requirements. For 2021, divestments of properties amounted to 542 MSEK.

Skellefteå was the business area with the highest growth in property and rental value during 2021. The property value increased by 1,304 MSEK and the rental value by 101 MSEK, which is largely explained by acquisitions during the year.

The investment properties' value per square metre increased during the year by 11 percent from 8,762 SEK at the beginning of the year to 9,717 SEK per square metre on the balance sheet date.

Investment properties, change in value, MSEK	2021	2020
Opening value	12,582	11,402
Acquisition of properties	3,131	792
Investments in existing properties	332	193
Investments in new construction projects	190	78
Divestments of properties	-542	-146
Realised changes in value	63	49
Unrealised changes in value	1,579	214
Closing value	17,335	12,582
Acquired properties not taken possession of	197	382

Property costs and property tax

NP3's property costs consist mainly of utility costs, property upkeep, repairs and scheduled maintenance. Utility costs such as costs for electricity, heating and water, as well as property tax, are normally included as extra charges in NP3's rental income and passed on in full or in part to tenants.

Property costs for the period amounted to -286 MSEK (-236). The costs were distributed between property upkeep and operating expenses -234 MSEK (-192), repairs and maintenance -48 MSEK (-33) as well as anticipated and confirmed customer losses of -4 MSEK (-10). Property tax amounted to -39 MSEK (-38).

Tenants and contract structure

NP3's exposure to individual tenants is limited. The number of rental agreements and their average remaining lease terms, together with the fact that no tenant, except for public and municipal operations, shall make up more than five percent of the rental value creates a diversified and stable tenant structure.

On the balance sheet date, NP3 had 2,200 rental agreements (1,800). The average remaining term for all rental agreements was 4.1 years (4.2). The 10 biggest tenants in relation to rental value were distributed across 78 agreements with a remaining term of 5.2 years (4.9) and they accounted for 11 percent (13) of total rental value. The number of agreements and their average remaining lease terms mean that NP3's exposure to individual tenants is limited.

Total rental value amounted to 1,538 MSEK (1,236) and the contracted annual rent was 1,436 MSEK (1,144) at the end of the period. This corresponded to a financial occupancy rate of 93 percent (93). The average rent varies between different regions, depending on the type of property, the property's location and the local rental market. The average contracted rental value amounted to 893 SEK per square metre, which is a decrease of 7 SEK, corresponding to just under 1 percent, compared to 900 SEK at the beginning of the year. The decrease in average rental value can be explained by the fact that most acquisitions during the year have been made at levels below the company's previous average level. Östersund has the highest contracted rental value per square metre with 1,181 SEK (1,174). Dalarna has the lowest average rental value with 721 SEK (758) per square meter.

Of the total contract value, excluding extra charges, 93 percent was indexed to the consumer price index (CPI). There are also agreements with indexation to a fixed percentage and a few rental agreements that are subject to indexation in relation to the tenant's turnover, i.e. rent based on turnover, where the base rent is CPI-adjusted.

Rental income increased during the year by 13 percent to 1,238 MSEK (1,091). Rental income has increased mainly as a result of property acquisitions and to some extent through lettings and investments which have led to higher rent levels. Rental income in comparable holdings has increased by 2 percent (1.8), see table below.

Rental income, MSEK	2021	2020
Comparable holdings	1,038	1,014
Acquired properties	179	41
Divested properties	21	37
Contracted rental income	1,238	1,091

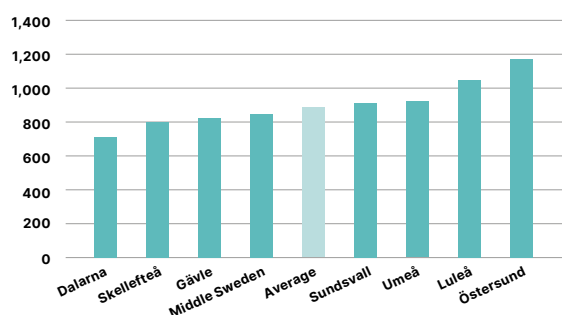
Comparable holdings include properties the company owned during all of 2020 and 2021. Rental income for properties acquired and divested is calculated to the part of the year in which the properties were owned by NP3.

Contract structure per year of maturity

Rental income as of 31 Dec 2021

Year	MSEK	%
2022	211	15
2023	236	16
2024	244	17
2025	232	16
2026	119	8
2027	97	7
2028	74	5
2029	52	4
2030-	171	12
Total	1,436	100

Average rent per business area for contracted area, SEK/sqm



Net letting and change in vacancies

Net letting amounted to 43 MSEK (18) for the year. The positive net letting indicates good continued demand for the company's premises.

Net letting

Contracts signed during the period amounted to 161 MSEK (178) and included all newly signed rental agreements. Newly signed rental agreements include all new rentals as well as existing agreements that have been renegotiated.

Terminated rental agreements including bankruptcies amounted to -118 MSEK (-160) for the period. This figure includes all agreements that were terminated for vacating premises during the period, those agreements that were terminated as a result of bankruptcies and those rental agreements that were renegotiated during the current period of contract where the new agreement is recorded under "signed agreements".

Net letting, MSEK	2021	2020
Signed rental agreements	161	178
Cancelled rental agreements incl. bankruptcies	-118	-160
Net	43	18

Vacancy

At the end of the fourth quarter, the value of vacancies increased compared to the beginning of the year as a result of acquired vacancy of 22 MSEK, while the difference in tenants moving in and out amounted to -10 MSEK for the year. The financial occupancy rate amounted to 93 percent (93).

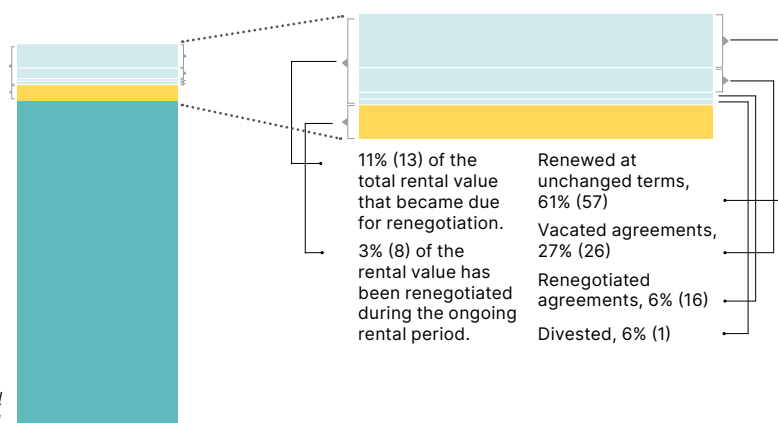
As of 31 December, there were signed agreements, not yet occupied, amounting to 62 MSEK. The rental value for terminated contracts not yet vacated amounted to 72 MSEK, of which 57 MSEK relate to 2022.

Change in the value of vacancies, MSEK	2021	2020
Opening value of vacancies 1 Jan.	92	79
Net change in moving in/out	-10	12
Value of vacancies, acquired properties	22	4
Value of vacancies, divested properties	-2	-3
Closing value of vacancies	102	92
Occupancy rate, %	93	93
Terminated agreements not vacated	72	38
-of which acquired	-	-
New rentals, not taken possession of	-62	-29

Vacating year terminated rental agreements	Number	Rental value, MSEK
2022	90	57
2023	18	7
2024	4	9
Total	112	72

At the beginning of the year, 11 percent of the total rental value became due for renegotiation during 2021. Another 3 percent of the rental value has been renegotiated during the ongoing rental period. Only rental agreements that existed at the start of 2021 are recorded, thus rental agreements for properties acquired during the year are excluded.

The column refers to rental value as of 1 January 2021



Segment reporting in summary

Jan-Dec 12 months, MSEK	Sundsvall		Gävle		Dalarna		Östersund		Umeå		Skellefteå		Luleå		Middle Sweden		Non-dis- tributed costs		Total group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Rental income and other revenue	290	283	182	162	183	158	149	145	159	128	72	53	208	185	84	59	-2	1	1,324	1,174
Vacancy	-24	-28	-11	-12	-13	-13	-9	-7	-9	-6	-2	-2	-11	-12	-7	-2	-	-	-86	-83
Repairs and maintenance	-13	-8	-7	-4	-6	-4	-6	-5	-6	-4	-3	-1	-5	-5	-2	0	-	-2	-48	-33
Property costs	-56	-51	-29	-25	-29	-23	-28	-25	-31	-20	-14	-9	-37	-36	-9	-4	-2	1	-234	-192
Property tax	-5	-7	-5	-5	-5	-5	-4	-5	-6	-6	-3	-2	-7	-7	-3	-3	-	-	-39	-38
Customer losses	-2	-2	0	0	0	-2	0	0	0	-2	0	-1	-1	0	-1	-2	-	-1	-4	-10
Net operating income	191	187	130	116	129	111	103	102	106	90	50	37	147	126	62	48	-4	0	912	817

1) Calculated on current rental value on the balance sheet date.

NP3's largest tenants

Based on area Tenant	Rented area, sqm	Proportion of tot. area (%)	Number of rental agreements	Based on rental value Tenant	Number of rental agreements
Dagab Inköp & Logistik AB	27,851	1.6	6	Dagab Inköp & Logistik AB (Axfood)	6
LEAX Falun AB	26,698	1.5	4	PostNord Sverige AB	10
Granngården AB	24,233	1.4	14	Plantagen Sverige AB	5
Assemblin EI AB	21,652	1.2	10	Assemblin EI AB	10
HL Display Aktiebolag	21,368	1.2	1	Granngården AB	14
Trelleborg Sealing Solutions Kalmar AB	20,000	1.1	1	Ahlberg-Dollarstore AB	5
BYGGmax AB	19,312	1.1	9	LEAX Falun AB	4
PostNord	18,292	1.0	10	The Swedish Fortifications Agency	11
Plantagen Sverige AB	17,926	1.0	5	Mekonomen AB	8
CW Lundberg Industri AB	17,500	1.0	2	Svensk Cater AB	5
Total	214,832		62	Total	78
Average remaining lease term for the 10 largest/area 5.6 years				Aggregate rental value 165 MSEK, which is equivalent to 11 percent of the total rental value Average remaining lease term for the 10 largest/rental value 5.2 years	

Brief description of some of the biggest tenants

- Dagab is part of the Axfood Group and manages product lines, purchasing and logistics for Willys, Hemköp and Axfood Snabbgross. NP3 also has Willys and Axfood Snabbgross as tenants, but Dagab is responsible for all rental agreements in the group.
- LEAX Group is a privately owned company group with approximately 1,200 employees. Customers are found mainly in the passenger car and other automotive industries, other engineering industry, mining and construction industry and agricultural industry. Today there are eleven factories, of which five in Sweden, in six different countries
- Granngården supplies products for agriculture and forestry, among others, and has more than 100 shops all around Sweden as well as e-commerce.
- Assemblin EL AB is an installation and service partner with operations in Sweden, Norway and Finland.
- PostNord Sweden is to 40 percent owned by the Danish state and to 60 percent by the Swedish state. PostNord is the leading provider of communications and logistics solutions to, from and within the Nordic countries.
- Plantagen has more than 140 stores in Norway, Sweden and Finland with just over 1,300 employees. Plantagen is owned by Ratos.
- Svensk Cater AB is a market-leading restaurant wholesaler. Svensk Cater is owned by Euro Cater A/S.
- Dollarstore is a discount chain with more than 120 stores from Gällivare in the north to Trelleborg in the south and about 1,200 employees.
- The Swedish Fortifications Agency is the government agency that owns and manages Sweden's defence properties and is one of Sweden's largest property owners.
- Mekonomen is Scandinavia's leading car servicing chain with its own wholesale operations.

Property management

Cost-efficient property management creates increasing operating surpluses, which in turn has a positive effect on the profit from property management. In order to achieve cost-efficient management, it is important to achieve a volume of properties in every location that justifies our local presence. The local presence allows us to better adapt our management based on tenants' and properties' specific needs.



Mattias Lyxell
Head of property management

NP3's customer focus is achieved through local presence and long customer and supplier relations, which creates cost-efficient property management and stable rental income that are sustainable. Being well familiar with our properties and having good relations with our tenants is of the utmost importance. By this we mean our ability to understand and create opportunities for how premises can be optimally used and how this allows us to efficiently adapt our property management to our tenants' needs and activities. The company achieves efficient management by working with existing tenants, letting vacant premises and through renegotiation of existing rental and operating agreements. Our approach is based on our three core values - commitment, trustworthiness, business integrity.

During the year that has passed, with growth in new locations and new staff, much management focus has been dedicated to introducing and consolidating NP3's management procedures. A return to more normal cost levels has taken place after the austerity measures introduced during the first year of the pandemic. To a certain degree, costs have also been affected by a cold and more snowy winter as well as higher insurance costs. Aside from the year 2020, which in many ways was an exceptional one, we still see a continued effect of the long-term streamlining that characterises the company's pursuit of cost-efficient management.

Proximity to our customers

NP3 is present in all geographic main locations and operates on a flat organisational model with short decision-making channels. Day-to-day work is done in close cooperation with tenants by means of frequent meetings with property managers and business managers. Regular meetings with tenants give the company the opportunity to accommodate opinions, thoughts and ideas. By having a well-diversified property portfolio in the main locations, the company over time has the opportunity to meet customers' changing demands on different types of premises.

NP3's availability is crucial to performing service by the agreed time and to quickly notify tenants of current decisions and measures. The company carries out property management with its own staff, while contractors are hired for day-to-day operations and upkeep of the company's properties, as in the current situation this is the most cost-efficient solution.

Sustainability and cost-reduction

NP3 works actively on adding value to the properties, with sustainability being a natural component. The company's aim is to, together with tenants, contribute to and make possible sustainable development of both properties and tenants' activities. The company employs operational optimisation and energy-efficient solutions, renegotiates

operating agreements and strives to achieve favourable purchasing terms with central agreements where possible. We also aim to meet customers' needs both in day-to-day maintenance as well as with regard to more long-term solutions, such as when modifying premises.

Long-term relations

The company takes a long-term approach both with regard to management and development of the property portfolio, as well as in relations with tenants. As NP3's operating and maintenance contractors have direct contact with tenants, their conduct affects the company's long-term relations with tenants. In order to ensure that contractors' way of working and conduct meets NP3's standards, we have high requirements when it comes to sustainability, business ethics and behaviour.

Development of the property portfolio

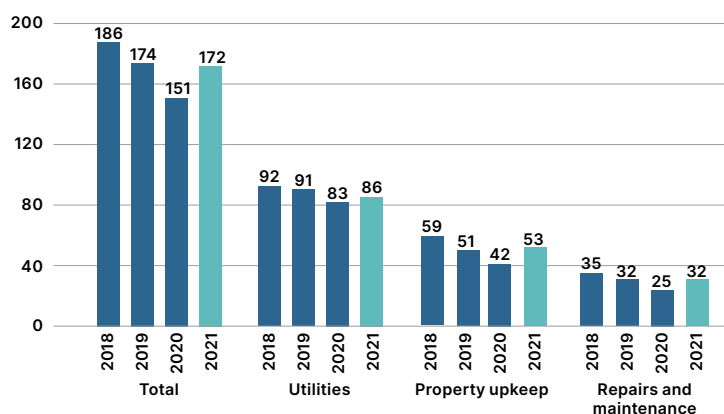
Close contact between NP3 and the local market is important in order to identify development opportunities in the property portfolio. NP3 with its local presence has a wide network of contacts in our locations. This, together with quick decision-making channels, gives the company good opportunities for new business. This also allows the company to identify new tenants and new ways of using vacant areas as well as new opportunities with regard to the development of construction rights. The starting point is having a creative approach, which in the long term can contribute both to adding value for the tenant and increasing the value of the property portfolio through sustainable investments.

Property costs

NP3's property costs consist mainly of utility costs, property upkeep, repairs and scheduled maintenance. With regard to, e.g., utility costs, these are normally covered by extra charges in NP3's rental income and passed on in full or in part to tenants. The focus is on efficient management and working together with tenants to optimise expenses. The company thus continuously implements energy-saving operating and maintenance measures in the property portfolio, both to reduce costs and limit the environmental impact of the properties. In order to preserve the properties' value over time, both scheduled and corrective maintenance is carried out.

The graph below shows the company's cost development during 2018 up to 2021 in SEK per square metre in budgeted properties, excluding costs for property tax, customer losses and allocated personnel costs. The amounts also include costs that are included in extra charges to the company's tenants as above.

Costs, SEK/sqm



“NP3 works actively on adding value to the properties, with sustainability being a natural component.”

Projects

The project activities in NP3 aim to contribute to annual growth with good profitability. The projects aim to create the best possible conditions for long-lasting tenant relations, while at the same time creating additional value in NP3's property portfolio.



Josef Andersson
Project Manager

NP3's project activities consist of three components: new construction projects, additions and renovations plus maintenance projects. During 2021, NP3 invested 522 MSEK in the company's properties, divided into 190 MSEK in new construction projects and 332 MSEK in additions and renovations projects plus energy projects.

2021 was a historically strong project-year for the company, despite the pandemic NP3 invested more than ever in projects than at any time before in the company's history. This is also in line with the company's strategic bid to increase the project volume in the long term with a focus on new construction in the company's categories and geographic areas. In order to deal with the increased project volume, a drive to increase the number of staff in project organisation was initiated during the year.

A number of dialogues with well-advanced processes have been started which provides cause for continued investments in the development of new construction projects during 2022.

During the year, efforts to improve sustainability, together with increased demand from the company's tenants, also contributed to NP3 starting 14 new energy products during 2021.

New construction projects

New construction projects give NP3 good initial return when the development rights are in the existing property portfolio. An evaluation of the company's holdings of development rights is the foundation for further marketing and land development work. Ongoing strategic worked includes marketing a selection of our development rights to potential tenants with the purpose of illustrating the opportunities that can be found in our business areas. During 2021, seven new construction projects were started on the company's development

rights, while bids are being prepared for several development rights in our various business areas.

A main principle for NP3's new construction projects is that construction does not start until rental agreements have been signed. For new production, there are strict requirements for long rental agreements and an attractive rent level. New construction projects require a low level of property management and often have the effect that they increase the value of neighbouring properties, and thus the area as a whole. As new construction often takes place in areas where NP3 already owns a property portfolio, the construction project also has positive effects on the company's neighbouring properties. New construction thus has a positive effect on NP3 in several respects, in addition to the construction project and its return.

During the year, NP3 invested eleven new construction projects. The average remaining lease term as of 31 December is just over 11 years and the rental value for the newly produced units amounts to 43 MSEK per year. The rental value on average is equivalent to 1,274 SEK per square metre, to be compared with 893 SEK per square metre in the existing property portfolio. At year-end, there were ongoing new construction projects for a budget 386 MSEK.

Additions and renovations

Additions and renovations are normally done in order to adapt existing premises to the tenant's activities. For investments in additions and renovations the rent is adjusted, which leads to better return and to premises and buildings of higher quality and standard, which also results in a reduced need for maintenance.

The average remaining lease term for the ten largest completed additions and renovations projects is on average

seven years as of 31 December and the rental value amounts to 15 MSEK per year. The rental value is equivalent to 1,268 SEK per square metre, to be compared with a 893 SEK per square metre in the existing property portfolio.

At the end of the period, 112 projects for additions and renovations were underway and total calculated investment was 250 MSEK.

Maintenance and energy projects

Maintenance projects are carried out in order to maintain good quality in the property portfolio and to safeguard the properties' value in the long term. These projects lead to benefits such as lower energy consumption, more attractive premises and lower repair costs. Energy projects are carried out when return and pay-off time match our internal investment requirements.

Environmental certification

The company's investment in energy-efficient properties aims to generate, in addition to the requirement for sustainability, a return that corresponds to the company's financial targets. The company aims to get environmental certification for every major new construction or redevelopment project.

NP3 today has eight environmentally certified buildings, of which seven are Green Building-certified and one is BREEAM-certified. A further three certifications were started during the year. The requirement for Green Building-certification is that the property uses 25 percent less energy than previously or compared to the requirements for new construction projects in the Swedish National Board of Housing's construction regulations.

Ongoing projects (>10 MSEK)

Property	Location	Category	Completion time	Project budget, MSEK	Lettable area, sqm
Sörby Urfjäll 36:5	Gävle	Other	Q1 -22	39	2,500
Öjebyn 3:496	Piteå	Other/Industrial	Q1 -22	37	3,200
Sörby Urfjäll 8:12	Gävle	Offices	Q1 -22	17	2,294
Stadsön 8:5	Piteå	Retail	Q1 -22	11	2,000
Näringen 8:5	Gävle	Industrial	Q1 -22	10	5,945
Näringen 5:15	Gävle	Other	Q2 -22	28	5,000
Stadsön 8:9	Piteå	Retail	Q2 -22	20	1,534
Ångvälten 5	Östersund	Retail	Q2 -22	15	6,600
Grepén 1	Borlänge	Logistics	Q3 -22	83	4,000
Buskåker 4:13	Borlänge	Industrial	Q3 -22	35	11,900
Sörby Urfjäll 27:2	Gävle	Industrial	Q3 -22	22	1,800
Gällivare 12:573	Gällivare	Retail/Other	Q1 -23	43	3,400
Hågesta 3:115	Sollefteå	Other	Q1 -23	25	2,200
Sköns Prästbord 1:65	Sundsvall	Industrial	Q2 -23	77	4,300
Total				462	56,673

Total rental value for the above projects amounts to 53 MSEK.

Completed projects (>10 MSEK)

Property	Location	Category	Completion time	Project budget, MSEK	Lettable area, sqm
Målås 4:3	Sundsvall	Industrial	Q2 -21	36	2,768
Vivstamon 1:63	Sundsvall	Offices	Q2 -21	11	1,165
Björnjägaren 3	Umeå	Retail	Q4 -21	26	3,050
Svarven 6	Östersund	Industrial	Q4 -21	11	1,980
Total				84	8,963

Transactions



David Nises
Transaction analyst



John Fransson
Transaction analyst

In 2021, NP3 took possession of 70 properties with a property value of 3,131 MSEK, which is the highest annual acquisition rate in the company's history. The properties taken possession of during the year have an annual rental value of 300 MSEK and a lettable area of 392,600 square metres. In addition, the company has divested and vacated properties with a value of 542 MSEK.

During the past year, NP3 has noted high and increased interest in the acquisition of properties in the company's geographies. The increased interest has resulted in lower yield requirements on real estate transactions carried out during the year. The market value of NP3's property portfolio on the balance sheet date amounted to 17,335 MSEK (12,582), which is an increase of 4,753 MSEK compared to the beginning of the year. The increase consists of acquisitions amounting to 3,131 MSEK and changes in value amounting to 1,642 MSEK, where the unrealized change amounts to 1,578 MSEK and is largely explained by lower yield requirements. In addition to the above, NP3 has invested in existing properties and new construction projects for 522 MSEK and divested properties with a value of 542 MSEK.

The year has been characterized by a high pace of acquisitions but with a limited number of properties taken possession of during the first three months of the year. During the first quarter, three properties were taken possession of in Luleå, Piteå and Gävle at a property value of 72 MSEK. In addition, two smaller properties were divested in Orsa and Ovanåker.

During the second quarter, 18 properties were taken possession of at a property value of 925 MSEK, with the largest acquisitions being located in Falun and Örnsköldsvik. As part of streamlining NP3's property portfolio, three properties were divested in Borlänge and two properties in Falun. In addition, a hotel property in Tällberg was divested with a property

value of 115 MSEK and as part of this transaction NP3 invested in a minority stake in the hotel property company Cibola Holding AB.

During the third quarter, the company took possession of four properties with a total property value of 78 MSEK. In addition, at a small property was divested in Hallstahammar.

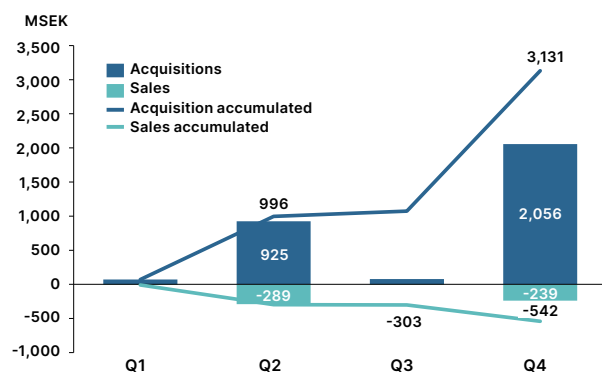
The last quarter of the year was the most transaction-intensive when NP3 took possession of 45 properties with a total property value of 2,056 MSEK.

The company's largest acquisition to date was taken possession of in November and comprised a property portfolio in Skellefteå consisting of 17 properties with a property value of 1,293 MSEK, with a lettable area of 135,000 square metres and an annual rental value of 101 MSEK.

In addition to the acquisition in Skellefteå, seven properties were taken possession of in Mora, three in Karlstad and another 18 properties in several Swedish cities. During the fourth quarter, the company also continued to streamline its property portfolio and as a result, six properties with a property value of 239 MSEK were divested and vacated.

During the fourth quarter, acquisitions with a value of 197 MSEK were signed, with all properties taken possession of during January to April 2022. The properties are located in Skellefteå, Falun, Karlstad and Umeå. In addition, during the beginning of 2022 NP3 has kept up a good pace of acquisitions where properties have been acquired in Västerås, Luleå, Boden and Örnsköldsvik, among others.

Acquisitions and sales 2021



3,131 MSEK

Value of acquisitions
for the year taken
possession of

70 pcs

Acquired properties 2021

Examples of property acquisitions 2021



Norrlungångar 2:144, Örnköldsvik
Possession: May 2021
The property's area: 51,218 square metres



Sömmerskan 3, Skellefteå
Possession: November 2021
The property's area: 11,040 square metres



Stadsön 6:23, Piteå
Possession: April 2021
The property's area: 5,130 square metres



Främby 1:56, Falun
Possession: April 2021
The property's area: 67,606 square metres

Transactions 2021

Property	Municipality	Category	Area, sqm	Rental value, MSEK	Occupancy rate* %
Acquired properties taken possession of Q1					
Storheden 2:10	Luleå	Industrial	4,890	3.3	100
Pitholm 47:59	Piteå	Industrial	4,500	2.1	100
Sörby Urfjäll 36:5	Gävle	Other	2,500	2.9	100
Total			11,890	8.2	

Acquired properties taken possession of Q2					
Främby 1:56	Falun	Industrial	67,606	48.8	89
Norrlungånger 2:144	Örnsköldsvik	Industrial	51,218	34.6	90
Hammaren 6	Borlänge	Industrial	5,791	4.7	94
Stadsön 6:23	Piteå	Retail	5,100	4.0	100
Hemlingby 56:10	Gävle	Other	4,635	5.2	100
Röbäck 30:94	Umeå	Industrial	4,483	3.9	100
Hemsta 12:16	Gävle	Offices	3,009	2.9	80
Rödbergsmyran 8	Umeå	Industrial	2,640	2.4	97
Kalkylatorn 7	Borlänge	Retail	2,190	1.8	100
Krogen 1	Västerås	Industrial	1,565	1.0	100
Röbäck 30:95	Umeå	Industrial	1,450	1.4	100
Grubbe 9:55	Umeå	Industrial	1,200	1.3	100
Vårdshuset 2	Västerås	Industrial	1,130	1.4	100
Munkeboängen 4	Västerås	Industrial	1,081	1.3	100
Röbäck 30:113	Umeå	Industrial	849	0.5	100
Krogen 2	Västerås	Industrial	360	0.6	100
Total			154,307	115.8	

Acquired properties taken possession of Q3					
Andersberg 14:42	Gävle	Industrial	4,707	3.8	100
Gräsmattan 8	Karlstad	Industrial	1,000	0.9	0
Ingarvsmon 4	Falun	Land	0	0	0
Tuna 3:1	Sandviken	Land	0	0	0
Total			5,707	4.7	

Acquired properties taken possession of Q4					
Profilen 1	Skellefteå	Industrial	20,927	8.5	93
Morö Backe 1:3	Skellefteå	Industrial	20,536	14.0	85
Sömmerskan 3	Skellefteå	Other	16,772	15.7	87
Industrien 9	Skellefteå	Other	15,019	10.9	88
Hallen 6	Skellefteå	Industrial	13,047	9.7	100
Sörböle 2:81	Skellefteå	Industrial	12,262	8.5	100
Utmeland 47:27, 47:28	Mora	Industrial	9,931	4.1	100
Ingarvsmyren 3 & 4	Falun	Industrial	8,540	9.6	100

Property	Municipality	Category	Area, sqm	Rental value, MSEK	Occupancy rate* %
Östnor 171:2, 167:3	Mora	Industrial	8,500	3.1	100
Lagret 8	Skellefteå	Offices	7,874	6.1	87
Förrådet 12	Skellefteå	Industrial	7,240	7.4	100
Kontoret 5	Skellefteå	Industrial	5,862	4.0	100
Länspumpen 1	Skellefteå	Other	5,584	8.3	97
Vinkelhaken 5	Jönköping	Industrial	5,231	3.3	100
Andersberg 14:43	Gävle	Industrial	5,103	6.5	100
Öna 394:12	Mora	Industrial	4,324	2.7	100
Kvissle 1:124 and Dingersjö 3:58	Sundsvall	Industrial	4,047	2.9	100
Klökan 1:17	Sundsvall	Industrial	3,974	3.0	100
Östnor 107:6	Mora	Industrial	3,613	3.2	91
Häradshövdingen 7	Östersund	Offices	3,149	4.1	68
Broåker 8	Bollnäs	Offices	2,999	2.5	72
Furulund 6:1	Hudiksvall	Retail	2,993	2.1	100
Transistorn 3	Skellefteå	Industrial	2,981	2.3	100
Charkuteriet 5	Skellefteå	Industrial	2,947	2.4	86
Motorsågen 3	Östersund	Industrial	2,856	1.8	100
Stranden 55:4	Mora	Industrial	2,656	2.9	69
Ratten 15	Karlstad	Other	2,429	3.6	100
Stadsön 8:20	Piteå	Industrial	2,266	1.4	100
Utmeland 89:256	Mora	Industrial	2,247	2.1	79
Stadsön 6:25	Piteå	Industrial	2,027	1.7	100
Vråken 8	Söderhamn	Offices	1,950	2.2	92
Ratten 10	Karlstad	Offices	1,795	2.5	100
Ratten 13	Karlstad	Offices	1,630	2.1	100
Lagret 6	Skellefteå	Industrial	1,487	0.9	100
Noret 159:7	Mora	Industrial	1,200	1.1	100
Ringan 4	Skellefteå	Other	1,112	0.8	100
Tröskan 1 & 3	Sollefteå	Industrial	748	0.9	100
Jordbrukaren 1	Skellefteå	Offices	712	0.9	92
Tullaren 8	Skellefteå	Other	537	0.6	100
Öjebyn 11:42	Piteå	Industrial	446	0.4	100
Sågverket 4	Skellefteå	Industrial	165	0.1	100
Högom 3:16	Sundsvall	Land	0	0.4	0
Transistorn 6	Skellefteå	Land	0	0	0
Grepen 1	Borlänge	Land	0	0	0
Total			219,718	171.2	
Total acquisitions 2021			391,622	299.9	

Transactions 2021

Property	Municipality	Category	Area, sqm	Rental value, MSEK	Occupancy rate* %
Acquired properties taken possession of Q1 and Q2 2022					
Hallen 7	Skellefteå	Industrial	5,630	3.3	100
Ingarvsbacken 6	Falun	Industrial	3,664	2.3	100
Ingarvsbacken 2	Falun	Industrial	3,202	1.8	100
Lagret 2	Skellefteå	Industrial	3,172	2.8	100
Hammaren 1	Karlstad	Industrial	1,644	1.1	100
Gräsmattan 7	Karlstad	Industrial	2,008	1.7	100
Mätaren 1	Umeå	Industrial	1,530	1.4	100
Hyttberget 2	Falun	Industrial	1,215	0.9	100
Total			22,065	15.2	
Properties divested and vacated Q1					
Kilen 18	Orsa	Industrial	1,667	1.2	100
Södra Edsbyn 46:2	Ovanåker	Industrial	410	0.5	100
Total			2,077	1.7	
Properties divested and vacated Q2					
Rektangeln 8	Borlänge	Offices	3,512	4.8	95
Sigge 7	Borlänge	Offices	1,711	2.1	100
Röken 1	Borlänge	Offices	3,219	4.2	75
Ingarvreten 1	Falun	Industrial	1,216	0.8	100
Ingarvreten 2	Falun	Industrial	3,567	2.4	100
Tällberg 4:13 & 4:16	Leksand	Other	6,920	10	100
Total			20,145	24.3	
Properties divested and vacated Q3					
Eriksberg 2:9 & 2:11	Hallstahammar		950	0.6	100
Total			950	0.6	
Properties divested and vacated Q4					
Part of Terminalen 10	Karlskoga	Industrial	9,184	5.1	85
Länspumpen 1	Skellefteå	Other	5,584	8.3	97
Vinkelhaken 5	Jönköping	Industrial	5,231	3.3	100
Häradshövdingen 7	Östersund	Offices	3,149	4.1	68
Jordbrukaren 1	Skellefteå	Offices	712	0.9	92
Tullaren 8	Skellefteå	Other	537	0.6	100
Total divested Q4			24,397	22.2	
Total divested 2021			47,569	48.8	

*on transaction day

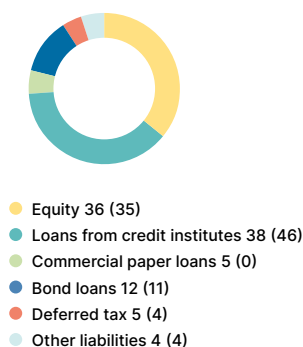
Funding

Access to capital is a requirement for NP3's continued growth and development of its property portfolio. The company continuously work to improve its credit worthiness vis-a-vis external lenders, where the selected capital structure and financial risk level are central areas. The guiding parameter in this process is that the company's growth and profitability targets are achieved with a balanced degree of financial risk.



Håkan Wallin
CFO

Financing structure, %



During 2021, the company continued its work with optimising its capital structure based on set targets in order to improve the loan maturity and fixed interest profile with maintained or improved financing terms. The above was achieved in connection with loan refinancing and raising of new financing where both the loan maturity and fixed interest profile were strengthened simultaneously as the company's average interest level was reduced. The main part of loan refinancing and raising of new financing related to bank loans during the year was made at maturities between four and five years. The company continued to be active in the capital market during 2021. A total of 1,200 MSEK in bond financing was issued under two green frameworks, of which 375 MSEK related to refinancing of an existing loan. Two directed issues of preference shares provided the company with 325 MSEK. An important event at the end of the year was the launching of a commercial paper programme with a total framework of 2 BSEK, of which 900 MSEK had been issued as of 31 December.

Overall financing structure

The company's assets amounted to 18,718 MSEK (13,352) as of 31 December, where the largest asset types consisted of investment properties of 17,335 MSEK and participations in associated companies and joint ventures of 724 MSEK. Operations are funded through a combination of equity, interest-bearing liabilities and other liabilities. Equity and interest-bearing liabilities represented 91 percent (92) of company funding at year-end. Financial expenses amounted to 264 MSEK (226) and accounted for the second largest operation

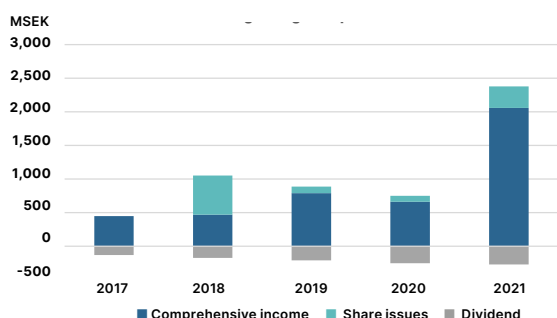
expense after property costs. For 2021, the interest coverage ratio was 3.3x (3.4) and the loan-to-value ratio was 55.9 percent (57.3). These key ratios demonstrate that the company, based on its strong cash flow and balanced financial risk, is well-positioned for continued growth and the creation of high return to its shareholders. During the year, the average loan maturity period improved from 1.9 to 2.9 years and the average fixed interest period from 1.7 to 2.0 years. The improved average loan maturity period resulted in a lower refinancing risk, while the slightly longer average fixed interest period reduced interest rate sensitivity to a certain degree. 1,196 MSEK is to be refinanced during 2022, of which 900 MSEK relates to secured commercial paper loans which for the most part are continuously renewed (rolled over) on terms of 3 to 6 months. In case the commercial paper loans cannot be rolled over, the company has so-called secured backup facilities on terms of one to two years with continuous extensions. The proportion of fundings to be refinanced excluding the commercial paper loans amounted to 3 percent (21) of the total interest-bearing liabilities as of 31 December. NP3 has a long-term credit rating of "BB" with stable outlook awarded by Nordic Credit Rating. The rating is an important part of NP3's ongoing work to strengthen its funding ability in the capital markets to more beneficial terms. The rating contributes also to increasing transparency and understanding of NP3's operations and creditworthiness, thus also reducing financing costs.

Equity

NP3's growth target is that the profit from property management per common share should increase by 12 percent annually whereas return on equity before tax during a five-year period shall amount to 15 percent, with the guiding principle being that this should be achieved at a balanced risk.

Equity amounted to 6,743 MSEK (4,637) MSEK as of 31 December with the equity/assets ratio amounting to 36.0 percent (34.7). Equity was distributed into two classes of shares; ordinary and preference shares. The shares are listed at Nasdaq Stockholm, Large Cap. The number of shares at year-end amounted to 54,445,419 common shares and 38,000,000 preference shares. The chart below shows changes in equity the last five years with related explanations. Of the equity, 30.00 SEK per preference share was distributed with addition for accumulated preference share dividend not paid out of 2.00 SEK per year. Subsequently, the remaining share of equity was distributed to the common shares, equivalent to 101.50 SEK per common share.

Changes in equity



Interest-bearing liabilities

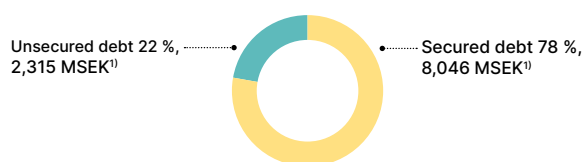
The table below shows a summary of key data relating to the company's loan portfolio as of 31 December 2021 and 2020.

Financing	2021	2020
Number of bank loans	50	50
Bank loans, MSEK	7,172	6,130
Commercial paper loans, MSEK	900	0
Bond loans, MSEK	2,300	1,475
Interest coverage ratio, x	3.3	3.4
Average interest rate, borrowings, (%)	2.53	2.73
Cash and bank, MSEK	269	104
Loan-to-value ratio, %	55.9	57.3
Equity/assets ratio, %	36.0	34.7
Average loan maturity period, years	2.9	1.9
Average fixed interest period, years	2.0	1.7
Proportion of interest-hedged loan portfolio, %	35.8	31.8
Net debt to EBITDA ratio, x	10.3	9.6

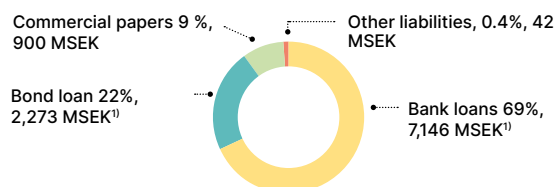
The interest-bearing liabilities on the reporting date amounted to 10,467 MSEK including interest-bearing liabilities relating to leasehold rights pursuant to IFRS 16, which amounted to 106 MSEK. The interest-bearing liabilities excluding above liabilities of 106 MSEK amounted to 10,361 MSEK (7,585), of which bank financing 7,172 MSEK (6,130), commercial paper loans 900 MSEK (0), bond loans 2,300 MSEK (1,475), other interest-bearing liabilities 42 MSEK (12) and accrued borrowing expenses, which reduced the interest-bearing liabilities by 53 MSEK (32). Secured loans in bank and promissory note loans against sureties made up 78 percent (78) and non-secured bond and promissory note loans 22 percent (22) of total interest-bearing liabilities. Loans due within 12 months amounted to 1,196 MSEK (1,629). The main portion of these loans consisted of commercial paper loans for 900 MSEK.

The company aims to have a loan-to-value ratio of between 55 and 65 percent with funding sources being a balance of bank, commercial paper and bond loans. The loan-to-value ratio calculated as a net liability (interest-bearing liabilities less liquid assets and current investments) of 10,089 MSEK, in relation to the property value of 17,335 MSEK and investments in associated companies of 724 MSEK, totalling 18,059 MSEK, amounted to 55.9 percent (57.3) as of 31 December. The net debt to EBITDA ratio, net debt in relation to forward-looking adjusted operating surplus less central administration expenses, amounted to 10.3x (9.6) at year-end.

Distribution, secured and unsecured debt



Distribution, financing sources



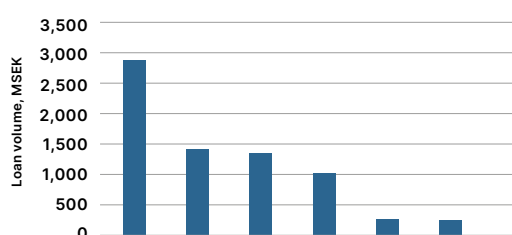
1) Net of accrued borrowing costs

Funding sources and commitments in loan agreements

Bank loans

Bank loans, which account for the company's main funding source, amounted to 7,146 MSEK net (6,119) at year-end after deducting accrued borrowing costs, equivalent to 41 percent (49) of the properties' market value. The increase in bank loans is primarily related to financing of the company's acquisitions during the year. The bank loans' maturity structure and interest terms are disclosed in note 22. The company's strategy is to balance exposure vis-a-vis various creditors, which for the most part are Nordic merchant banks. Below is the company's bank loans distributed by creditors depicted.

Bank loans, distribution by creditor



The majority of the group's bank loans are subject to various commitments vis-a-vis the lenders. If the commitments are not complied with, the bank may require the loans to be repaid early, in part or in whole. The commitments consist of key ratios in line with the industry standard, which must be met. Examples of commitments include interest coverage ratio and loan-to-value ratio, which must not exceed or fall below certain levels. Other examples of commitments are that the subsidiaries shall be wholly-owned and that intragroup agreements shall be in accordance with market conditions. In addition, NP3 has provided certain information commitments and pledged assets in shares and mortgage deeds in properties/site-leasehold rights to the banks. All commitments to the banks are fulfilled.

Bond loans

Non-secured bond loans amounted to 2,273 MSEK (1,454) net after deducting accrued borrowing costs as of 31 December and made up 13 percent (12) of the properties' market value. In 2020 the company launched its green framework, under which 1,700 MSEK (500) had been issued by year-end, of which 700 MSEK fall due in January 2024 and 1,000 MSEK fall due in October 2024. The remaining share of 600 MSEK relates to bond loans with maturity in March 2023. The bonds are listed at Nasdaq Stockholm. The bond loans' maturity structure and interest terms are disclosed in note 22.

The company has three outstanding frameworks for bond loans, these have three financial commitments as per the table below.

Commitments	2019/2020	2021/2024 Jan	2021/2024 Oct
Net loan-to-value ratio	< 70%	< 70%	< 70%
Interest coverage ratio	> 1.8x	> 1.8x	> 1.8x
Equity/assets ratio	> 25%	> 25%	> 25%

Furthermore, there are certain information obligations with regard to quarterly reporting and annual report, and that the bond loan shall be listed on Nasdaq Stockholm. All commitments are fulfilled.

Commercial papers

During the end of the year, a commercial paper programme was launched with a total framework of 2 BSEK, in which 900 MSEK had been issued as of 31 December, which was equivalent to 5 percent (0) of the properties' market value. The term for commercial papers outstanding at year-end was max. 4 months with a remaining average term of 1.4 months. The commercial papers were classified as current interest-bearing liabilities as of 31 December.

The commercial papers are secured via so-called back-up facilities in case the company does not manage to refinance them upon maturity. In the back-up facilities, properties are pledged as collateral via mortgage deeds and contain similar commitments as for the company's bank loans. The back-up facilities have a term of one to two years with continuous extensions.

Financial policy

NP3's financial policy aims to clarify governance, risk limitation, division of responsibilities and follow-up and oversight of financial management. With support of the financial policy, financial risks are governed and managed in order to ensure short- and long-term supply of capital. Within the framework for the financial policy the board has defined a number of targets for the financial management with regard to:

- loan maturity profile,
- fixed interest profile and
- key ratios such as loan-to-value and interest coverage ratio.

All targets within the framework for the financial policy were met at year-end.

Green financing

The company has had a green framework for bond financing since 2020. Under this framework, the company had issued 1.7 BSEK at year-end. The green framework has been developed in line with the Green Bond Principles established by the ICMA (International Capital Market Association) and has been assessed by an independent third party, CICERO Shades of Green. The framework, along with related regulatory documents and reporting standards, has received a "Medium Green" rating from CICERO Shades of Green.

The green framework can be used for financing and refinancing of qualified green assets based on a portfolio approach, i.e. financing is not directly linked to individual green assets. The green assets are determined based on environmental requirements on environmental certifications, energy efficiency (energy categories) and energy-saving investments. At the end of 2021, the value of the company's green assets amounted to 2,726 MSEK (2,082), which is equivalent to an increase of 31 percent. The company has set an annual growth target of 25 percent for the portfolio of green assets.

Loan maturity profile

Long-term interest-bearing liabilities, excluding interest-bearing liabilities for leasehold rights, amounted to

9,285 MSEK (7,404) at year-end, equivalent to 90 percent (98) of total interest-bearing liabilities. Current interest-bearing liabilities according to the balance sheet as of 31 December amounted to 1,076 MSEK (181) of which 900 MSEK (0) related to commercial papers. As the commercial papers are normally held for terms of three to six months, they are classified as short-term. In addition to the commercial papers, 169 MSEK in ongoing repayments of bank loans during the coming 12 months and 9 MSEK in repayment of promissory note liabilities were accounted as short-term at year-end. As mentioned above, the commercial papers are secured via back-up facilities which had an average remaining term of 1.8 years at year-end.

NP3 has an objective of minimising the share of current interest-bearing liabilities in order to reduce the refinancing risk. According to the table in note 22 showing the interest-bearing liabilities' maturity structure, liabilities due within 12 months, except commercial papers for 900 MSEK, amounted to 296 MSEK. NP3 aims to carry out refinancing in good time before maturity, which also contributes to reducing the refinancing risk.

During the year, the company has carried out refinancing of some 4.1 BSEK, of which bank loans amounted to 3.7 BSEK and bond loans to 0.4 BSEK, in order to improve the loan maturity profile. This led to the average loan maturity profile improving to 2.9 years (1.9) at year-end.

Fixed interest profile

NP3's loan portfolio consists mainly of variable interest rate loans based on changes in STIBOR 3 months. In order to limit the interest rate risk over time and increase predictability in the company's profit from property management, interest rate hedging instruments in form of interest rate swaps are used to fix the interest rate. The average fixed interest rate period was 2.0 years (1.7). At year-end, 36 percent (32) of the loan portfolio was interest rate hedged with a maturity structure of between 1 and 10 years as per note 23. The remaining portion remains at fixed interest against Stibor three months.

Average interest rate for the company's interest-bearing liabilities amounted to 2.53 percent (2.73) at year-end. For bank and commercial paper loans, the average interest rate was 1.85 percent (2,07) (including commitment fee for back-up facilities) and for bond loans 3.54 percent (4.14). The main explanation for the average interest rate being reduced from 2.73 percent at the start of the year to 2.53

percent at year-end, was that loan refinancing and new borrowings resulted in a decrease in the loans' interest margin of approximately 0.2 percent. For further details regarding the development in the company's average interest rate, please see the charts below.

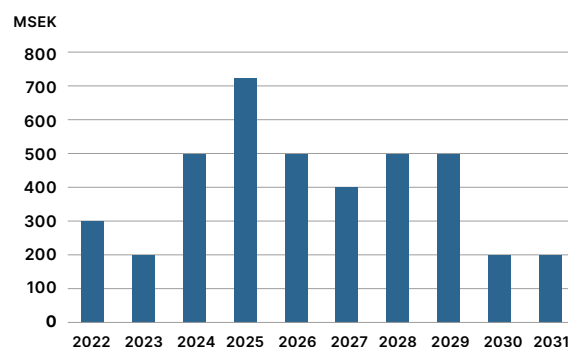
Below is a sensitivity analysis for the company's interest expenses depicted in the event the interest rate is changed by +0.5 and 1.0 percent, respectively.

Sensitivity analysis	Change	Annual effect on interest expense
Change Stibor 3 months	+ 0.5%	+ 24 MSEK
Change Stibor 3 months	+ 1.0%	+ 51 MSEK

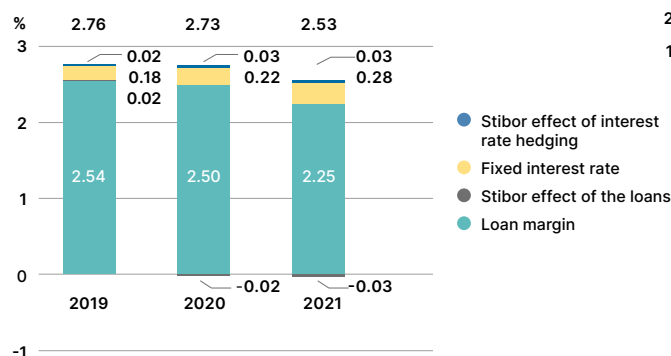
Derivatives

The average interest rate for the company's interest hedging portfolio was 0.79 percent (0.62). Interest hedging is used in order to limit the interest risk over time and increase predictability in the profit from property management. NP3 utilises loans at fixed interest rates or interest hedging instruments in form of interest rate swaps. The company's swap agreements (derivatives) are valued at fair value and classified in level 2 according to IFRS 13. Fair value is determined by using market interest rates for the respective term and are based on discounting of future cash flows. If the agreed interest rate differs from the market interest rate, this gives rise to an excess or deficit in value and the change in value is accounted over the income statement. Upon maturity, a derivative's market value has been dissolved and the changes in value over time do not affect equity. The total market value of the company's derivatives amounted to -9 MSEK (-73) at year-end, which led to a positive change in value during the year of 64 MSEK (-38) in the result. Net exposure of NP3's derivatives portfolio as of 31 December was 4,025 MSEK in total with last maturity by the end of 2031. The agreements have been signed with four different lenders.

Maturity date derivatives



Average interest rate level as of 31 Dec, %



Associated companies and joint ventures

The share profit from associated companies and joint ventures amounted to 158 MSEK (60) as of 31 December, of which 60 MSEK (19) is related to income from property management.

Fastighetsbolaget Emilshus AB

In June 2019, NP3 invested in Emilshus which acquires, develops and manages commercial properties in Småland. During the first quarter of 2021, NP3 took a new issue as an opportunity to acquire additional common shares in Emilshus for 17 MSEK. During the second quarter, NP3 acquired preference shares in the company for 50 MSEK. The preference shares were issued in the beginning of the third quarter. On 1 October 2021, Emilshus' preference shares were listed at Nasdaq First North Growth Market. NP3's participating interest in Emilshus as of 31 December amounted to 19.1 percent and the voting right amounted to 20.2 percent.

At year-end, Emilshus had 97 properties with a lettable area of 581,000 square metres. As of 31 December, Emilshus contributed 26 MSEK (17) to NP3's profit from property management and the total share in profits for the year amounted to 95 MSEK (36). For more information, see the company's homepage emilshus.com.

Fastighetsaktiebolaget Ess-Sierra

In December 2020, NP3 acquired 50 percent of the shares in Fastighetsbolaget Ess-Sierra, whose operations consist of owning and managing 33 properties that are let to Beijer Bygghem AB. The properties' lettable area amounts to 181,000 square metres, of which the majority consists of warehouses and building supply stores. The annual rental value amounted to 89 MSEK and the property value as of 31 December amounted to 1,429 MSEK. Just over 40 percent of the property value is found in locations where NP3 is already established and the aim of the joint venture structure includes being able to offer tenants local service.

As of 31 December, Ess-Sierra contributed 30 MSEK (2) to NP3's profit from property management and the total share in profits for the year amounted to 54 MSEK (24).

Fastighets AB Jämtjägaren

In February 2021, NP3 started a cooperation with Jämtkraft AB for the construction of a head office and operating centre for Jämtkraft. The project will be carried out in the jointly owned company Fastighets AB Jämtjägaren. The parties own the company to 50 percent each. As NP3 has the controlling influence in the company, Jämtjägaren is not recorded as a joint venture, but instead consolidated in

the NP3-group where the share in profits is recorded under comprehensive income relating to non-controlling interest.

Cibola Holding AB

In June 2021, NP3 divested a hotel property in Tällberg. As part of the deal, NP3 has invested in a minority share in hotel investor Cibola Holding AB. As a result of the acquisition, NP3's participating interest amounted to 31.6 percent and the capital share to 71 MSEK as of 31 December.

For 2021, Cibola contributed 2 MSEK to NP3's profit from property management and the total share in profits for the year amounted to 6 MSEK.

Malabo Holding AB

During the second quarter of 2021, NP3 entered into a joint venture in Västerås where NP3 owns 50 percent of Malabo Holding AB and two other partners own 25 percent each of the company. The joint venture aims to build up a property portfolio by acquiring, letting and developing properties in Västerås. Share of equity amounted to 13 MSEK as of 31 December.

For 2021, Malabo contributed 1 MSEK to NP3's profit from property management and the total share in profits for the year amounted to 2 MSEK.

Associated companies and joint ventures

	Total associated companies and joint ventures		Major holdings in associated companies and joint ventures			
			Fastighetsbolaget Emilshus AB		Fastighetsaktiebolaget Ess-Sierra	
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 ¹⁾ Jan-Dec
NP3's share of the profit from associated companies and joint ventures, MSEK						
NP3's share capital, %			19.1	20.2	50	50
NP3's number of votes per share, %			20.2	20.7	50	50
Share of equity	724	456	346	185	293	271
Profit from property management	60	19	26	17	30	2
Changes in value	138	59	93	28	38	31
Tax	-40	-17	-24	-9	-14	-8
Total share of profits	158	60	95	36	54	24
Associated companies and JV, MSEK			Fastighetsbolaget Emilshus AB		Fastighetsaktiebolaget Ess-Sierra	
	2021 Jan-Dec	2020 Jan-Dec	2021 Jan-Dec	2020 ²⁾ Jan-Dec	2021 Jan-Dec	2020 ²⁾ Jan-Dec
Rental income			280	183	89	85
Profit from property management			131	86	59	-
Net profit			469	176	109	-
Associated companies and JV	31/12/2021	31/12/2020	31/12/2021	31/12/2020		
Number of properties	97	69	33	37		
Lettable area, thousand sqm	581	360	181	203		
The properties' reported value, MSEK	4,827	2,715	1,429	1,440		

1) The share capital and share of profits in Fastighetsbolaget Ess-Sierra covers the period 11-31 December 2020.

2) Reported rental income refers to estimated rental value for the whole year. As the group was formed at the end of 2020, no profit from property management and net profit for 2020 are reported.

Our market

“Together, the planned investments in the region amount to several hundred billion SEK.”

Incremental expansion

NP3 was founded in Sundsvall in 2010. Early on, the company expanded to Gävle and Östersund, then to several other locations in Norrland and Dalarna. The strategy is to operate in places with stable and growing populations and to concentrate the holdings to specific areas in each location. In 2019, NP3 took a strategic decision to make major acquisitions outside northern Sweden for the first time. A portfolio was built up in Karlstad, Örebro and Västerås, which today constitute the business area Middle Sweden. NP3 wants to continue growing in the three middle Swedish cities, but northern Sweden is and remains our base.

Belief in the future in Norrland

Confidence in the business sector in Norrland is overall strong. The National Institute of Economic Research's economic barometer, which measures business confidence, showed higher values in 2021 than in more than a decade.

The business sector in Norrland has also been put in the national and international spotlight thanks to several spectacular industrial investments in recent times. This gives a strong belief in the future for Norrland's companies.

- Gruvbolaget LKAB, the steel manufacturer SSAB and the energy company Vattenfall want to build a large fossil-free iron ore plant in Gällivare, to start in 2026. The companies are the first in the world to produce steel produced with hydrogen instead of coal and coke.
- H2 Green Steel is also building large-scale fossil-free steel mill, based in Boden and Luleå. H2 Green Steel's plans include one of Europe's largest hydrogen plants and steel production is scheduled to start in 2024.
- In Skellefteå, a city where NP3's presence is strong, Northvolt is building Europe's largest factory for the manufacture of lithium-ion batteries for electric cars. The factory is intended to create 3,000 jobs when

the factory is fully operational by 2025. Northvolt's financiers include the Swedish AP Funds and the German Volkswagen Group.

The three projects all aim at green transition and together the planned investments in the region amount to several hundred billion SEK. Now that Norrland is at the centre of some of Sweden's largest industrial investments in many decades, large parts of the regional business sector, including the real estate market, benefit.

Opportunities and risks

NP3 is one of the established property owners in Norrland and in several of the locations where investments worth billions are now being made. In 2021 we noted increasing interest in Norrland among both Swedish and foreign real estate investors. This applies not only to the locations that are at the heart of the very largest industrial projects. Interest is increasing in both commercial properties as well as residential and properties for public use along the entire Norrland coast and also inland. Both property owners and construction companies are working very actively to woo the municipalities in Norrland in order to acquire construction rights for housing.

For example, the prices of tenant-owner apartments in Skellefteå increased by 24 percent in 2021, according to Svensk Mäklarstatistik (Swedish Real Estate Agent Statistics). Umeå and Sundsvall also reported double-digit percental price increases for tenant-owner apartments during the year, as well as rapidly increasing prices for detached houses.

For an established player in Norrland such as NP3, this development holds many opportunities. At the same time, we cannot turn a blind eye to the fact that the strong development also entails risks. There are already signs of overheating and the risk of a slowdown in the market is imminent should industrial projects suffer delays or other setbacks. Both electricity shortages and labour



Battery factory Northvolt in Skellefteå

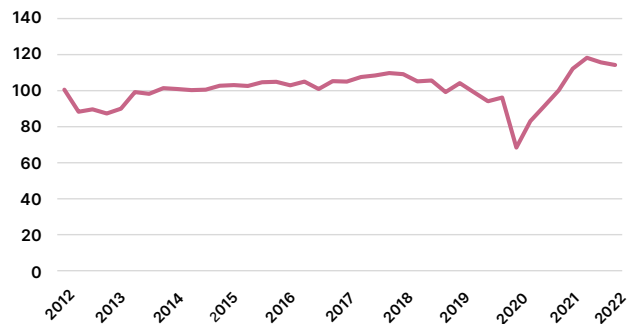
shortages pose potential threats. There is also a risk of regional imbalances when people and resources are moved to places with very strong growth. Nearby localities are at risk of being left behind and end up as losers.

Positive development across a broad front

A lot of positive things are happening in the business sector in our priority locations, even alongside the giant projects mentioned above. Östersund municipality reports the highest pressure for new establishments from the business sector in over 20 years. For example, listed Synsam eyewear manufacturing is moving from Asia to a new facility on Frösön outside Östersund. Moving production move will reduce both the carbon footprint and the risk of production disruptions.

In Västerås, a strong company cluster is being built in electrification. The city already has over 9,000 employees in energy technology at ABB, Northvolt, which operates a research centre in the city, and the train manufacturer Bombardier Transportation. Bombardier is building a global innovation centre in the city for research and development of energy-efficient transport for both rail and heavy vehicle industries.

National Institute of Economic Research's confidence indicator, Norrland



The confidence indicator is based on answers from companies in Norrland's counties about how they perceive the current situation and what their expectations are for the near future.

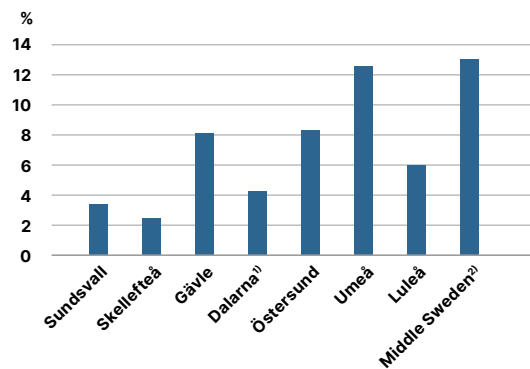
Source: National Institute of Economic Research

Population development

Sweden's population grew by 0.6 percent last year and by 0.4 percent in NP3's main locations. Population development was positive in all main locations except Sundsvall, where the population decreased by 0.1 percent. The population increased most in Skellefteå and Umeå. At the end of last year, approximately 1.25 million people lived in the locations and regions where NP3 operates. The NP3-locations have also had a positive net migration for a number of consecutive years, i.e. more people moving to than from.

Over a ten-year period, the population of NP3's main locations has increased by 8.3 percent. That's less than in the country as a whole (10.1 percent), but more than the country outside of the big cities. Population growth has been the fastest in Västerås, Karlstad and Örebro (NP3's Middle Sweden region), but Umeå, Östersund and Gävle have also had strong population development, which will benefit the real estate sector in the long term.

Population development NP3's main locations 2011-2021



	Population 2021 number of residents	Population development 2011-2021	Population development 2021
Sundsvall	99,351	3.4%	-0.1%
Skellefteå	73,320	2.4%	0.7%
Gävle	103,154	8.1 %	0.2 %
Dalarna ¹⁾	288,288	4.2%	0.2 %
Östersund	64,306	8.3%	0.5%
Umeå	131,095	12.6 %	0.7%
Luleå	78,871	6.0 %	0.4 %
Middle Sweden ²⁾	409,276	13.0 %	0.6%
All NP3's business areas	1,247,661	8.3%	0.4 %
Nationwide excl. metropolitan areas	6,220,956	7.4%	0.5%
Nationwide	10,443,100	10.1 %	0.6%

1) Dalarna refers to NP3's main locations of Falun and Borlänge in the table and diagram. The figures are unweighted by number of residents per municipality.

2) Middle Sweden here refers to NP3's main locations of Karlstad, Örebro and Västerås. The figures are unweighted by number of residents per municipality.

Source: SCB, processed by Newsec

Employment and income development

Unemployment in Sweden decreased by 1.2 percent in 2021, and in northern Sweden the trend was particularly positive. In Umeå, Skellefteå, Östersund, Luleå and Dalarna, unemployment is at a lower level than in the nation as a whole, while Gävle, Sundsvall and the three cities that make up the Middle Sweden region have higher figures. Over a five-year period between 2016 and 2021, unemployment in Sweden rose by 0.2 percent. In NP3's main locations in northern Sweden, on the other hand, unemployment has dropped by an average of 1.1 percent.

Over the past 20 years, disposable household income has developed strongly in Sweden. Not even in 2020 did the average income of all households in Sweden drop, despite higher unemployment as a result of the pandemic.

Disposable household income rose in most places where NP3 operates. In 2020 in NP3's locations (when this is printed there are no more recent statistics), disposable income increased on average by almost 1 percent, compared to 0.12 percent in the country as a whole. The development was particularly strong in Skellefteå and Gävle. Seen over the period 2015-2020, income development in NP3's locations is stronger than that of the country.

The disposable income in Sweden for an average household at the end of 2020 was 496,200 SEK per year. In NP3's locations, the corresponding figure is 451,200 SEK – lower than the Swedish average but higher than the average figure for the country, excluding the metropolitan regions.

	Unemployment 2021	Unemployment development 2021	Disposable income for households, 2020 ¹⁾	Development of disposable income, 2020
Sundsvall	7.5 %	-1.0 %	456.7	0.91 %
Skellefteå	4.5 %	-1.5 %	469.3	5.32 %
Gävle	9.7 %	-1.0 %	459.5	4.03 %
Dalarna ²⁾	6.7%	0.9%	440,2	0.41 %
Östersund	5.5 %	-1.4 %	426.0	-3.07 %
Umeå	4.9%	-1.5 %	450.8	1.10 %
Luleå	5.8 %	-1.4 %	450.6	1.05 %
Middle Sweden ³⁾	8.3%	-1.2 %	456.8	1.19 %
All NP3's business areas⁴⁾	6.6 %	1.2%	451.2	0.99 %
Nationwide excl. metropolitan areas	7.8%	-1.4 %	448.0	-0.01 %
Nationwide	7.2%	-1.2 %	496.2	0.12 %

1) Average figure, TSEK by region, household type and age.

2) Dalarna refers to NP3's main locations of Falun and Borlänge in the table and diagram. The figures are unweighted by number of residents per municipality.

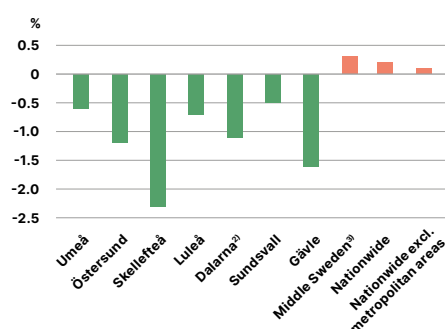
3) Middle Sweden here refers to NP3's main locations of Karlstad, Örebro and Västerås. The figures are unweighted by number of residents per municipality.

4) Unweighted by number of residents per municipality.

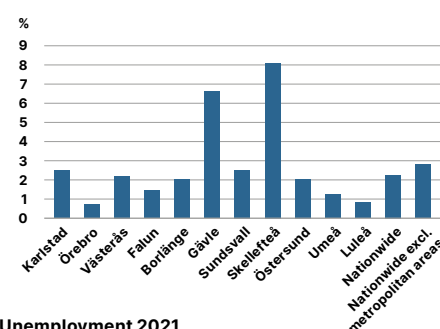
Source: Newsec

“Seen over a five-year period between 2016 and 2021, unemployment in Sweden rose by 0.2 percent. In NP3's main locations in northern Sweden, on the other hand, unemployment has dropped by an average of 1.1 percent.”

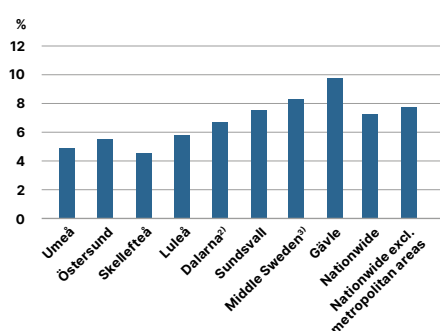
Unemployment trend in NP3 regions and locations, 2016-2021



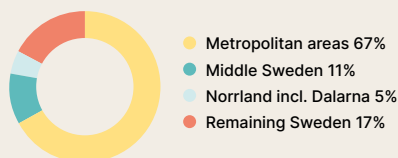
Development of disposable income, 2015-2020



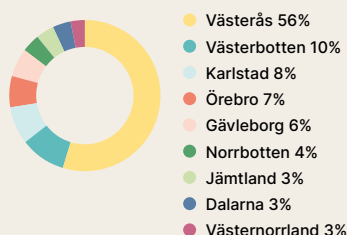
Unemployment 2021



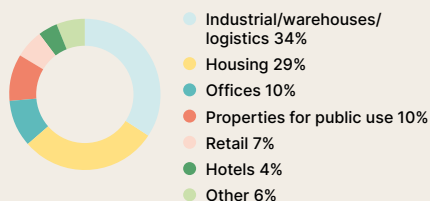
Transaction volume by region 2021



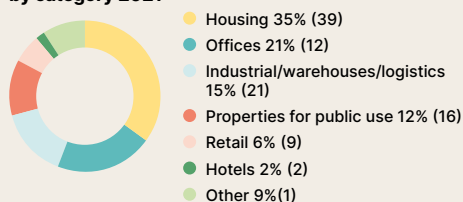
Transaction volume in NP3's markets (county/city) 2021



Transaction volume in Norrland including Dalarna by category 2021



Transaction volume in Sweden by category 2021



Source: Newsec

“While housing and offices accounted for over half the volume in 2021 in Sweden as a whole, industrial, warehouses and logistics properties are the largest segment in northern Sweden, followed by housing.”

The transaction market

After 2020 having been marked by the pandemic, the transaction volume in the Swedish real estate market more than doubled in 2021. In total, deals worth about 400 BSEK were made. About two-thirds of the volume comprises the big cities.

In Norrland and Dalarna, the volume of transactions also increased during the 2020 year of the pandemic and the trend continued in 2021 with an increase of 43 percent.

Deals totalling 18.7 BSEK were made in Norrland and Dalarna in 2021. Västerbotten County stood out, three properties with a value of 6.3 BSEK changed hands.

The type of real estate transactions also differed if you compare Norrland and Dalarna with the rest of Sweden. While housing and offices accounted for over half the volume in 2021 in Sweden as a whole, industrial, warehouses and logistics properties are the largest segment in northern Sweden, followed by housing.

Outside Norrland and Dalarna, Västerås stands out, where properties worth 34.5 BSEK changed hands. Of the locations and areas where NP3 operates, Västerås was by far the most transaction-intensive, followed by Västerbotten, Karlstad, Örebro and Gävle.

Property ownership in northern Sweden

Commercial properties in northern Sweden are owned to a greater extent than in southern and central Sweden by municipality-owned companies, local and private property owners and owner-occupiers.

Increasing interest in the Norrland market is evident from nationally active property owners, often with head office in Stockholm. Of the listed companies, Diös (with head office in Östersund) and SBB (with head office in Stockholm) have the largest property portfolios in Norrland, alongside NP3.

NP3's local roots and long experience give us an advantage over other players in the Norrland market. With its long-term local presence, NP3 has succeeded in gaining a unique position with good local knowledge and experience.

At the same time, transaction statistics show that more and more players are showing interest in the property market in North Sweden, which creates room for continued growth in value NP3's in property portfolio.

Biggest transactions in Norrland 2021

The largest real estate transaction during the year was NP3's purchase of 17 properties from municipality-owned Skellefteå Industrihus, which was a deal worth billions.

It is very rare for such a large industrial property portfolio to come on the market in northern Sweden. The lettable area amounts to 135,000 square metres and to this comes a large plot area. The annual rental value amounts to 101 MSEK.

Number two on the list of major Norrland transactions also took place in Skellefteå. The local real estate company Nordvestor divested five properties to listed Diös for 810 MSEK. The properties contain offices, housing, service and a parking garage.

A third major deal was when listed SBB bought a portfolio of 40,000 square meters, as well as extensive development rights, in Umedalen outside Umeå. The seller was the local Baltic Group and a partly-owned company of the Baltic Group. The portfolio consists mainly of educational and care facilities, rental income comes mainly from the municipality and region.

Listed real estate companies with the largest ownership in Norrland*

		Property value, MSEK*
1.	Diös	22,450
2.	NP3	11,500
3.	Samhällsbyggnadsbolaget (excl. Amasten)	10,000
4.	Nyfosa	4,750
5.	Fastighets AB Balder	3,500
6.	Castellum (incl. Kungsleden)	3,400
7.	Amasten	2,550
8.	Fastpartner	2,400
9.	Intea**	1,900
10.	Klarabo	1,200

*Where the exact volume is not made public, it has been assessed based on available information. Refers to values 30 September 2021

**Listed on the stock exchange in 2022

Source: Newsec

10 largest real estate deals in Norrland 2021 (excl. structured deals)

		Seller	Buyer	Area, sqm	Rental value, MSEK	Property designation / object
1.	Jun	Skellefteå Industrihus	NP3 Fastigheter	135,000	1,293	17 properties in Skellefteå
2.	Nov	Nordvestor	Diös	40,000	810	5 properties in Skellefteå
3.	Oct	Balticgruppen & Gazette	Samhällsbyggnadsbolaget	40,000	600*	Property portfolio in Umeå
4.	May	Skistar	Skiab Invest	N/A	429	Lodges in Lindvallen and Hundfjället
5.	Oct	Bopaji Invest	Nyfosa	42,000	420	20 properties in Luleå and Boden
6.	Apr	Gefle Tullhus AB	Fastpartner	9,500	384	Alderholmen 13:2 i Gävle
7.	Feb	Private individual	Tenant-owner association	N/A	325	Isbrytaren 4 i Luleå
8.	Feb	Balticgruppen	Lansa Fastigheter	8,112	280	Etern 5 in Umeå
9.	Sep	Skanska	Luleåälven	5,280	260	Börsen 1 in Kiruna
10.	May	Sidsjö Fastigheter	K2A Fastigheter	11,680	254	Sidsjö 2:41 & Sidsjöhöjden 14 in Sundsvall

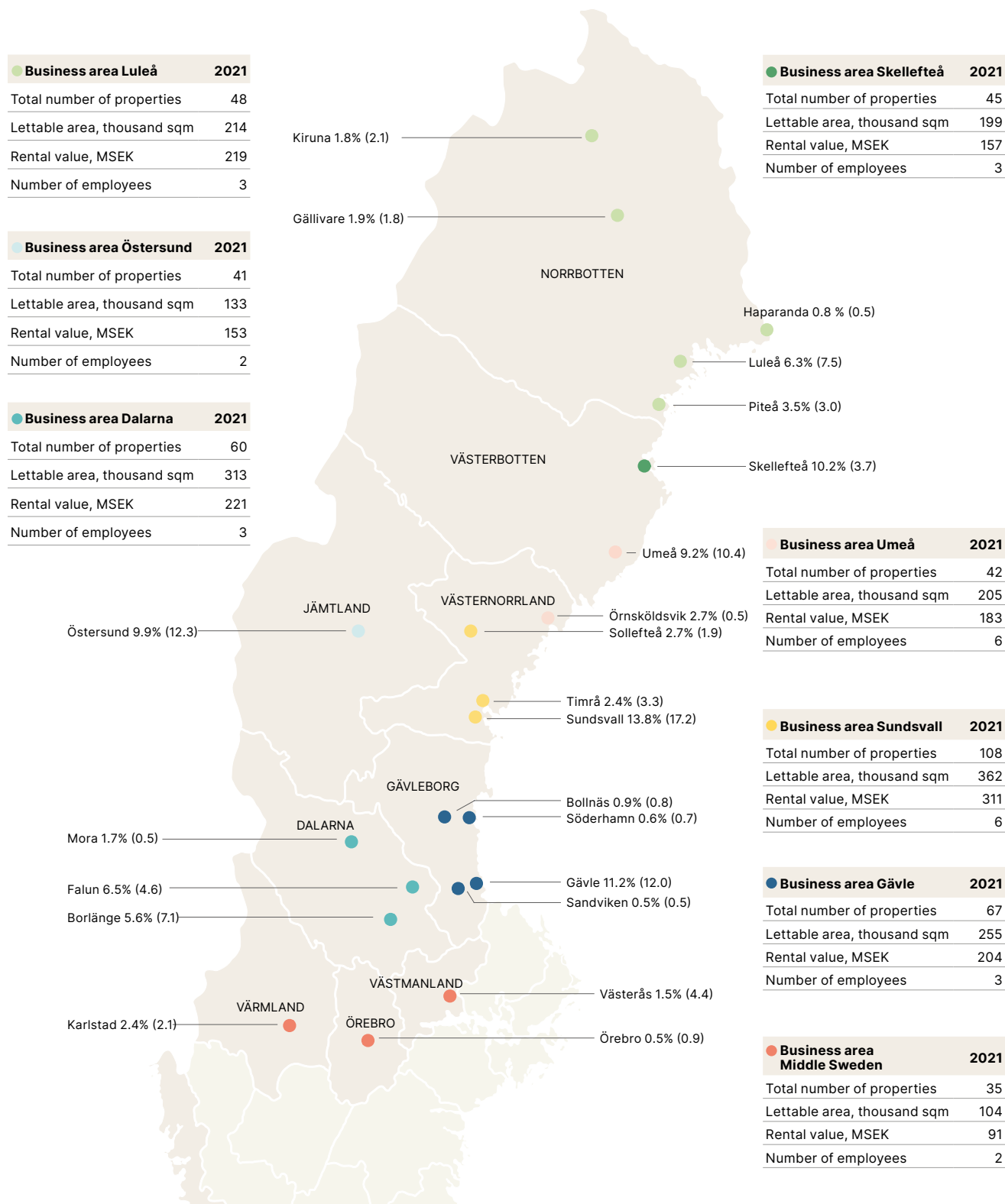
*Value assessed by Fastighetsvärlden.se

Source: Newsec



Our business areas

The colours show our eight business areas and which municipalities¹⁾ are included in the respective business area. The number after the municipality shows the municipalities proportion of the company's total property value.



1) Only municipalities with a share of more than 0.5% of the property value are shown on the map.

The number of employees in the tables is correct as of 31 December and does not include group-wide services.

Business area Sundsvall

Sundsvall is NP3's largest business area, both in terms of property value and rental value. The largest municipalities in the business area are Sundsvall, Sollefteå and Timrå where the properties in Sundsvall/Timrå account for 81 percent of the rental value. In addition, properties are owned in Härnösand and Kramfors, among others.

The retail and industrial sector is well established within Sundsvall municipality, not least with the continued development of the Birsta area. In Birsta, which is best known for its retail area, NP3 owns primarily logistics and retail properties. Birsta is strategically located between European routes E4 and E14 and being located near Timrå municipality makes the area attractive and popular. Major tenants in Sundsvall are Systembolaget and Dagab Inköp & Logistik.

In Sollefteå, the property portfolio consists mainly of the former regiment I21, which is located in the district of Hågesta, which is now being developed as a result of the Swedish Armed Forces' new establishment in the municipality. In Sollefteå, The Swedish Fortifications Agency and Sollefteå municipality are NP3's largest tenants.

Major projects underway in the business area include the new construction of a truck workshop of over 4,000 square meters in Birsta and new construction of a padel centre in Sollefteå. During the year, a major new construction project has also been completed in Birsta as well as several energy projects.

Rental value by property



Industrial	40% (40)
Retail	20% (20)
Offices	14% (14)
Logistics	9% (9)
Other	17% (17)

Area by property category (%)



Industrial	50% (48)
Retail	17% (17)
Offices	12% (13)
Logistics	8% (8)
Other	13% (14)

Number of properties per location



Sundsvall	80 (76)
Timrå	13 (13)
Härnösand	5 (13)
Sollefteå	5 (4)
Other	5 (2)

BA Sundsvall 31 Dec	2021	2020
Total number of properties	108	102
Lettable area, thousand sqm	362	348
Rental value, MSEK	311	286
Economic vacancy, %	9	9
Property value, MSEK	3,404	2,980

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-32
Signed rental agreements	41
Net letting	8

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	27
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	0
Net change in tenants moving in/out	2
Closing value of vacancies	29

Business area Gävle

Gävle is the second largest business area in terms of property value. Most of the property portfolio is located in Gävle and represents 85 percent of the business area's rental value. In addition, properties are owned in Bollnäs, Sandviken and Söderhamn. In Gävle, the demand for premises has benefited from major infrastructure investments, such as the extension of European route E4 and extension of the main line.

NP3 has chosen to focus the property portfolio mainly on two areas in Gävle, Närke and Sörby Urfjäll. Närke is a centrally located industrial area, where NP3 owns many business-to-business retail properties. Sörby Urfjäll is NP3's largest area in Gävle and an area where NP3 is the dominating property owner. The property portfolio includes logistics, business-to-business retail and light industry.

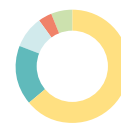
The three largest tenants in the business area consist of BGA Group, Nilar and Dagab Inköp & Logistik. In Gävle, several major redevelopment and new construction projects are underway, including the construction of a padel centre in the Närke area and the new construction of an industrial building in Sörby Urfjäll.

Rental value by property



Industrial	57% (56)
Retail	19% (21)
Offices	11% (10)
Logistics	5% (5)
Other	8% (8)

Area by property category (%)



Industrial	64% (64)
Retail	17% (18)
Offices	9% (7)
Logistics	4% (5)
Other	6% (6)

Number of properties per location



Gävle	52 (47)
Sandviken	7 (6)
Bollnäs	5 (4)
Söderhamn	3 (2)
Others	1

AO Gävle 31 Dec	2021	2020
Total number of properties	67	60
Lettable area, thousand sqm	255	227
Rental value, MSEK	204	171
Economic vacancy, %	5	7
Property value, MSEK	2,425	1,755

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-12
Signed rental agreements	25
Net letting	14

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	12
Value of vacancies, acquired properties	2
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-4
Closing value of vacancies	10

Business area Dalarna

The main locations in the business area consist of Falun and Borlänge, where the property portfolio in these two locations makes up 85 percent of the business area's rental value. In addition to Falun and Borlänge, properties are owned in Leksand and Mora, among others.

Dalarna with NP3's main locations Falun and Borlänge constitutes an integrated job market region with a high level of commuting between the towns. With population growth expected to continue, there is a demand for new construction in the market, where both industrial, warehousing and other commercial types of properties see increased demand, even if much is turned over between smaller premises. In particular housing and properties for public use as well as industrial properties saw good development and demand in Dalarna last year, but there is also demand for other types of premises.

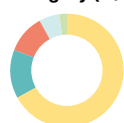
Larger tenants include LEAX Falun, Svenska Krämfabriken and Region Dalarna. An ongoing project in Borlänge consists of a new construction of a logistics property for PostNord. Construction is expected to be completed in the second half of 2022.

Rental value by property



Industrial	65% (44)
Retail	14% (17)
Logistics	9% (12)
Offices	8% (17)
Other	4% (10)

Area by property category (%)



Industrial	67% (47)
Retail	14% (19)
Logistics	11% (16)
Offices	6% (12)
Other	2% (6)

Number of properties per location



Falun	25 (24)
Borlänge	20 (20)
Mora	9 (2)
Leksand	3 (4)
Others	3 (4)

BA Dalarna 31 Dec	2021	2020
Total number of properties	60	54
Lettable area, thousand sqm	313	220
Rental value, MSEK	221	167
Economic vacancy, %	8	8
Property value, MSEK	2,394	1,695

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-15
Signed rental agreements	18
Net letting	3

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	13
Value of vacancies, acquired properties	8
Value of vacancies, divested properties	-1
Net change in tenants moving in/out	-3
Closing value of vacancies	17

Business area Östersund

Business area Östersund is largely concentrated in Östersund municipality, which accounts for almost 100 percent of the rental value. Östersund has positive population growth. The job market is stable, which in part is explained by a strong public sector where the municipality and county council are the biggest employers. The Swedish Public Employment Service is also a large employer within the municipality and NP3's largest tenant in Östersund. Other major tenants consist of Ulno and WIPRO Infrastructure Engineering.

In the retail category, NP3's property portfolio is primarily located in Lillänge retail area, which is one of northern Sweden's strongest non-urban retail areas. It houses tenants such as Elgiganten, Rusta and Coop and others. Beyond Lillänge, the property portfolio is focused on the districts of Norr and Odenskog. The properties in Norr district consist of the former Jämtland Ranger Corps' properties. The area consists mainly of offices and educational premises. Odenskog is an attractive area for light industry as well as business-to-business retail.

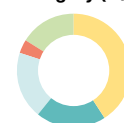
In Norr district, a large project is being carried out together with Jämtkraft, a collaboration for the construction of a head office and operations centre for Jämtkraft. In addition, a project is underway in Lillänge where a new Dollarstore outlet will open in the summer of 2022.

Rental value by property



Industrial	28% (26)
Retail	24% (25)
Offices	22% (23)
Logistics	3% (3)
Other	22% (23)

Area by property category (%)



Industrial	41% (39)
Retail	20% (20)
Offices	19% (20)
Logistics	4% (5)
Other	16% (16)

Number of properties per location



Östersund	37 (34)
Others	4 (4)

BA Östersund 31 Dec	2021	2020
Total number of properties	41	38
Lettable area, thousand sqm	133	130
Rental value, MSEK	153	145
Economic vacancy, %	5	6
Property value, MSEK	1,805	1,560

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-21
Signed rental agreements	22
Net letting	1

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	8
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	0
Net change in tenants moving in/out	0
Closing value of vacancies	8

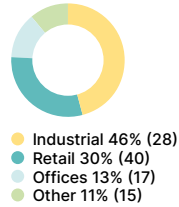
Business area Umeå

The property portfolio is concentrated in northern Sweden's largest municipality, Umeå, but Örnsköldsvik is also part of the business area. The properties in Umeå account for 77 percent of the rental value, the remaining part of the rental value comes from properties in Örnsköldsvik, where you also find the business area's largest tenant, BAE Systems Hägglunds.

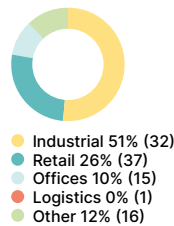
The property market in Umeå has developed strongly in recent years with falling yield requirements and a marked increase in rent levels in basically all segments and sub-markets in the region.

The properties in Umeå are mainly concentrated around Östteg, Ersboda and Västerslätt. Östteg is a sought after and expanding area, which is located right next to Söderslätt retail area, where IKEA has set up shop. In Östteg, NP3 owns both business-to-business commercial, industrial and office buildings as well as land. NP3 is a major property owner in Ersboda, which is Umeå's largest retail area. In Ersboda you will find, among other things, MIO furniture, which is one of NP3's largest tenants in Umeå. In addition, Skanska Sweden can be mentioned, which is also one of the largest tenants in the business area.

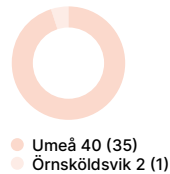
Rental value by property



Area by property category (%)



Number of properties per location



BA Umeå 31 Dec	2021	2020
Total number of properties	42	36
Lettable area, thousand sqm	205	146
Rental value, MSEK	183	132
Economic vacancy, %	4	7
Property value, MSEK	1,978	1,313

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-17
Signed rental agreements	18
Net letting	1

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	9
Value of vacancies, acquired properties	3
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-4
Closing value of vacancies	8

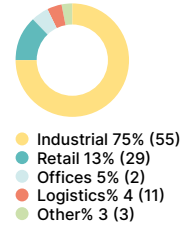
Business area Skellefteå

At the end of 2021, a new business area was established, Skellefteå, which was previously part of business area Umeå. The new business area was established as a result of the major portfolio acquisition in Skellefteå, which was taken possession of during the fourth quarter of 2021. The business area is fully concentrated to Skellefteå Municipality.

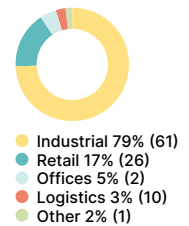
Skellefteå is characterized by belief in the future, largely as a result of Northvolt's establishment in the region. The real estate market has developed strongly over the past year with declining yield requirements and increasing rent levels.

NP3's dominant category in Skellefteå is industrial properties, which makes up 75 percent of the business area's rental value and no less than 79 percent of the area. At year-end, Skellefteå accounted for 11 percent of NP3's total property value. Major tenants consist of Latitude 64, Skellefteå Municipality and Optronic Partner pr.

Rental value by property



Area by property category (%)



Number of properties per location



BA Skellefteå 31 Dec	2021	2020
Total number of properties	45	30
Lettable area, thousand sqm	199	67
Rental value, MSEK	157	56
Economic vacancy, %	6	5
Property value, MSEK	1,865	561

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-3
Signed rental agreements	16
Net letting	13

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	3
Value of vacancies, acquired properties	8
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-1
Closing value of vacancies	10

Business area Luleå

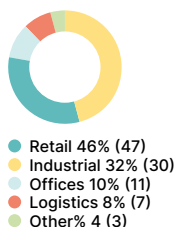
Business area Luleå also includes Piteå, Gällivare, Kiruna, Boden and Haparanda. Most of the property portfolio is located in Luleå and accounts for 44 percent of the business area's rental value. The largest tenants in the business area are PostNord, Rusta and Scania.

Luleå has shown steady growth in population in recent years. The rate of project activities is high with projects underway in several submarkets, both tenant-ownership as well as tenancy rights and some commercial properties. In Luleå, NP3 is primarily active in Storheden and Notviksstan, which are located just outside of Luleå centre. NP3 also owns properties at Bergnäset, which is located near the airport, and Porsödalen near the university.

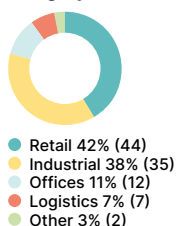
In Piteå, NP3 owns almost exclusively non-urban retail properties in the BackCity area, which is Piteå's only non-urban retail area. Major tenants in BackCity are Willys, Rusta and Dollarstore.

Major projects underway in the business area include a new construction project in Öjebyn outside Piteå, primarily built as a padel centre and new construction of retail premises in Piteå where Jysk becomes a tenant. Both projects will be completed in the first half of 2022.

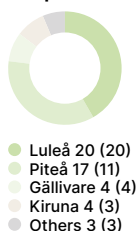
Rental value by property



Area by property category (%)



Number of properties per location



BA Luleå 31 Dec	2021	2020
Total number of properties	48	41
Lettable area, thousand sqm	214	193
Rental value, MSEK	219	195
Economic vacancy, %	4	5
Property value, MSEK	2,388	1,901

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-11
Signed rental agreements	14
Net letting	3

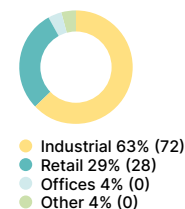
Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	10
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-1
Closing value of vacancies	9

Business area Middle Sweden

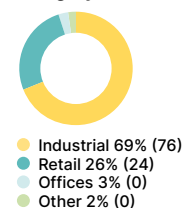
NP3's main locations in the business area, Karlstad, Örebro and Västerås, have seen strong development in the property market in recent years. With a strategic location and good communications, the region is a strong logistics centre. The commercial property market benefits from the region's positive population growth, which has been among the highest in the country. The main tenants in business area Middle Sweden consist of Assemblin EI, Plantagen and K-Rauta.

The business area was established at the end of 2020 as part of the company's continued expansion. At present, the business area is NP3's smallest, but we strive to continue to acquire properties and grow in Middle Sweden. Most of the property portfolio is located in Karlstad and accounts for 40 percent of the business area's rental value. The second largest property portfolio is in Västerås, which accounts for 24 percent of the rental value. In addition, NP3 owns properties in Örebro, Uddevalla and a number of smaller cities in Middle Sweden.

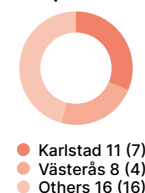
Rental value by property



Area by property category (%)



Number of properties per location



BA Middle Sweden 31 Dec	2021	2020
Total number of properties	35	27
Lettable area, thousand sqm	104	104
Rental value, MSEK	91	84
Economic vacancy, %	12	12
Property value, MSEK	1,076	817

Net letting, MSEK	2021
Cancelled rental agreements incl. bankruptcies	-6
Signed rental agreements	7
Net letting	0

Change in vacancies, MSEK	2021
Opening value of vacancies 1 Jan	10
Value of vacancies, acquired properties	1
Value of vacancies, divested properties	-1
Net change in tenants moving in/out	1
Closing value of vacancies	11

Staff and organisation

NP3 has a flat, agile organisation with short decision-making paths. Committed staff who are proud of working in an expanding business allow for a high pace of business. The decentralised organisation is characterised by a prestigeless attitude, sound knowledge of local conditions, good business acumen and close relations with customers and other stakeholders.

Having committed staff who understand and work towards the company's vision is a success factor for NP3. As the organisation grows, communication relating to vision, objectives and strategies is thus prioritised in order to motivate and involve staff.

The continued high rate of growth also brings with it a focus on business development to make the best possible use of economies of scale. During the year, NP3 has hired nine new staff and taken active measures to streamline a number of processes. Most processes are digitised and several repetitive processes are automated, which has resulted in higher efficiency. During the year, continuous measures have been taken to improve and safeguard the security of the company's IT-environment.

Employees

The company's core values are based on staff being committed, trustworthy and businesslike in both internal as well as external dealings. Similar to previous years, vision and mutual objectives have been broken down into personal action plans with each member of staff getting to take a high level of responsibility within their own area of expertise. As the company continues to develop, it is crucial to find best practice in form of common guidelines and ways of working. The common operational procedures are continuously developed and easily accessible on the company's intranet in order to coordinate and streamline the geographically scattered organisation.

NP3 has a profit-sharing foundation, which covers all staff except for the CEO. The base for the allocation to the foundation has amounted to 35,000 SEK per employee during the year, and is contingent on a combination of set targets for growth, result and business development. At the end of the year, the foundation owned a total of 46,099 common shares in NP3.

During 2021, all permanently employed staff in the company were offered to participate in a share warrant programme

for the fourth year in a row. The programme is used as a further incentive for staff to contribute actively to creating value in the operations. Personal ownership commitment is expected to increase motivation and stimulate more interest in the operations and profit development as a whole.

As of 31 December, the company had 55 staff (46) of which 17 women (16) and 38 men (30). Nine people took up employment during the year and none quit. One member of staff worked on a consultancy basis for the company during 2021. The company's business areas include business managers, property managers and property administrators. The group functions are based at the head office in Sundsvall. In addition to the head office in Sundsvall, NP3 has staff in Luleå, Piteå, Skellefteå, Umeå, Örnsköldsvik, Sollefteå, Östersund, Gävle, Borlänge, Västerås, Karlstad and Stockholm.

Work environment and health

The company cares about staff and encourages them to pursue a healthy lifestyle. In order to motivate staff to exercise and get fit, they are offered one hour per week to pursue fitness activities and also receive an allowance to spend on this. All employees are also covered by private health insurance. For 2021, total sick leave was a low 0.50 percent (0.76). The company has been following the Swedish Public Health Agency's guidelines during the pandemic, and a number of staff have been working from home to avoid spreading the further infection.

The company has developed procedures for systematic work environment management. Regular consultation meetings are being held with the company's safety officer. No serious workplace incidents occurred during the year.

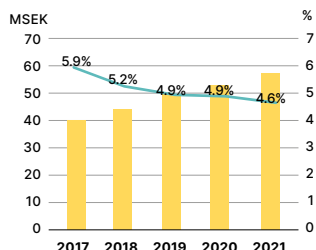
Management

At the end of the financial year, NP3's management consisted of CEO, CFO, Head of property management and COO. The individuals in the management team are in charge of their

Development central administration

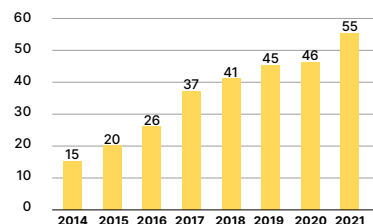
Costs for central administration during 2021 amounted to 57 MSEK (53). For 2021, costs for central administration in relation to rental income amounted to 4.6 percent (4.9).

■ Central administration
■ Central administration/
Rental income



Number of employees 31 Dec

Average age for all staff at the end of the year was 46 years. Of 55 staff, 17 were women and 38 men.



respective areas of responsibility in the company and prepare matters for the board to consider. The management team deals with issues of strategic character. During the year, the management team has focused on the company's growth, risks, supply of capital and sustainability work. In the last four years the company has also run an operations management team, which is a cross-functional group whose task is to optimise processes in the organisation.

Letting and market

The property portfolio has increased and the company formed a new business area at the end of the year. NP3 thus has eight geographic business areas with own staff in all of them. In every business area there are one or several business managers responsible for development, growth and marketing in the region. The business managers' most important tasks consist of renting out vacant premises and making sure that existing tenants are happy and want to stay. Another central task for the business managers is to find new and efficient solutions to meet tenants' requests.

In the annual customer survey, tenants gave the company the highest rating with regard to how comfortable they felt staying in the company's properties. More than 90 percent of tenants say that they feel comfortable or very comfortable in the rented premises and 88 percent say that they are happy or very happy with NP3 as a landlord.

Property management and operation

The company has its own property management organisation which

consists of property managers. During the year, the organisation also added an energy engineer. In the annual customer survey, tenants gave property managers an improved rating with regard to reporting deficiencies or requesting servicing, getting deficiencies rectified within a reasonable time and getting confirmation of the work having been carried out. According to the survey, 87 percent of tenants believe that reporting deficiencies and requesting servicing works well or very well.

Upkeep and day-to-day running of our properties are services that we outsource to external suppliers by means of well-developed cooperation agreements. The aim is to maintain a small and agile organisation, where the company has the essential functions internally and the more standardised services are handled by subcontractors. The company pays much attention to ensuring that the external suppliers for upkeep and day-to-day running of our properties provide service and repairs by the agreed time and with ensured quality.

Projects

The project activities in the company increased significantly during the year and are planned to increase further during the coming years. At the end of the year, another project manager was added to the organisation and a project coordinator was recruited to take up work at year-end 2021.

Group functions

The group functions include accounting and controlling, financing, transactions, investor relations, communications, HR, IT and business development.

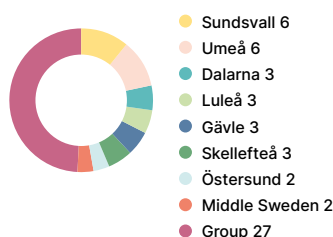


Marie Selin
COO

Number of staff by work area



Number of staff by business area



Shares and owners

NP3 Fastigheter is listed on Nasdaq Stockholm Large Cap and had at year-end 11,952 shareholders (7,843). The share price for common shares amounted to 362.50 SEK (121.20) at year-end, which is equivalent to a market value of 19,736 MSEK (6,586). In addition to this come the preference shares with a market value of 1,290 MSEK (917).

The year's highest price paid for the common share was 380 SEK and was recorded on 22 November. The lowest price for the year was recorded on 4 February and was 104.60 SEK. The volume-weighted average price for the common share during the year was 221.55 SEK (98.46).

During the last 12 months, the share climbed by 199 percent (7) to be compared with Nasdaq's real estate index (OMXS Real Estate PI) which climbed by 44 percent (-6) and Carnegie's Real Estate Index (CREX) which climbed by 47 percent (-6). The total return on the share, which is defined as share price development including reinvested dividend, has provided a return of 202 percent (10) during 12 months, to be compared with Nasdaq's total return index for real estate companies (OMXS Real Estate GI) which yielded a return of 46 percent (-4). Nasdaq's total return index (OMXS GI), which shows the average development on the entire Stockholm Stock Exchange including dividends, saw a return of 39 percent (15) during the same period.

Dividend

For the 2021 financial year, the board proposes a dividend of 4.30 SEK per common share (3.60), divided into two payments of 2.15 SEK per common share. Proposed dividend per common share is equivalent to an increase of 19 percent. The proposed dividend for common shares is equivalent to a yield of 1 percent (3) calculated on the share price at year-end.

The board also proposes a dividend of 2.00 SEK per preference share with a quarterly dividend of 0.50 SEK. The total proposed dividend amount is 310 MSEK (270), which is an increase of 15 percent. The proposed dividend is in accordance with the company's dividend target to provide a dividend of about 50 percent of the company's profit from property management after current tax.

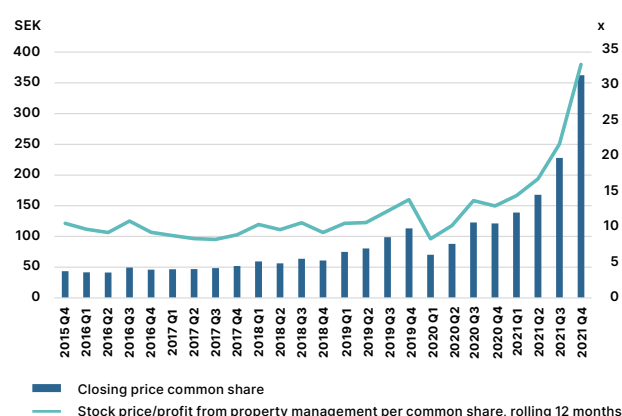
Equity per common share

Equity amounted to 6,743 MSEK (4,637), of which preference capital amounted to 1,216 MSEK (894) and holdings without

non-controlling interest to 46 MSEK (11). As a result of a decision at the company's annual general meeting on 2 May 2018 regarding the introduction of a three-year incentive program, warrants have been utilised. In June 2021, an additional 106,473 common shares were issued which resulted in a total number of 54,445,419 common shares at year-end. In May 2021, the company carried out a directed share issue of 7,050,000 preference shares in total. At the beginning of October, a further 3,000,000 preference shares were issued in a selective stock offering, and following this the total number of preference shares amounts to 38,000,000 shares. After deductions for preference capital and holdings without controlling influence, equity corresponded to 100.67 SEK per common share (68.67). The equity/assets ratio in the company was 36 percent (35).

Long-term net asset value indicates long-term net asset value reduced by preference capital and holdings without controlling interest and amounted to 6,459 MSEK (4,373), which is equivalent to 118.64 SEK per common share (80.47). The share price at the end of the period was 360 percent (176) of equity per common share and 306 percent (151) of the long-term net asset value per common share.

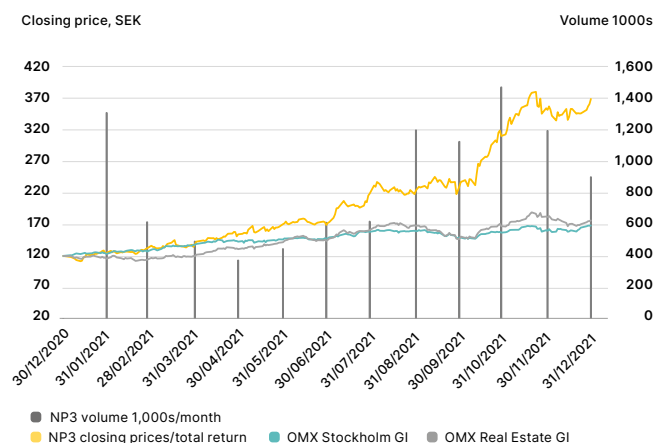
Stock price/profit from property management per common share



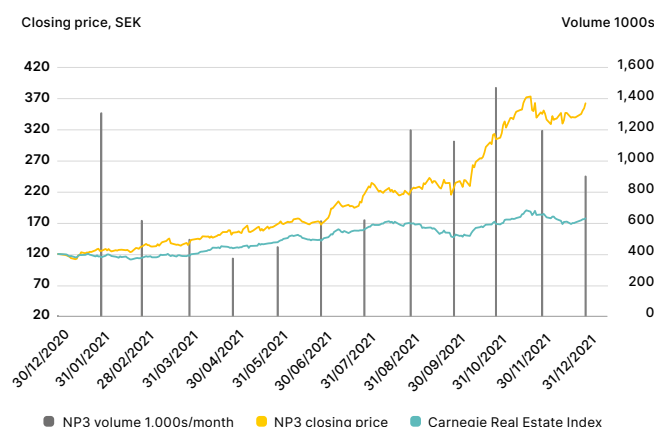
Trading of the share at Nasdaq Stockholm

	Closing price		Transactions per trading day		Turnover rate on an annual basis		Average trading volume per trading day	
	31 Dec 2021	30 Dec 2020	Whole year 2021	Whole year 2020	Whole year 2021	Whole year 2020	Whole year 2021	Whole year 2020
Common share	362.50 SEK	121.20 SEK	407	278	20%	21%	9.1 MSEK	4.5 MSEK
Preference share	33.95 SEK	32.80 SEK	107	94	31%	46%	1.4 MSEK	1.6 MSEK

NP3's total return compared to Nasdaq Stockholm's total return index



NP3's price development compared to Carnegie Real Estate Index



Distribution of profit from property management after current tax

MSEK	2021 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec	2018 Jan-Dec	2017 Jan-Dec
Profit from property management	661	558	487	382	315
Current tax	-44	-49	-38	-25	-16
Profit from property management after current tax	617	509	449	357	299
Dividend	310 ¹⁾	270 ²⁾	241	211	174

Distribution in percent of profit from property management after current tax

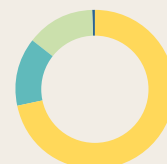
50% 53% 54% 59% 58%

The company aims to pay dividends of around 50 percent of the profit from property management after current tax to holders of ordinary and preference shares.

1) Constitutes the board's proposal, dividend of 4.30 SEK per common share (3.60), and dividend of 2.00 SEK per preference share (2.00).

2) Of the amount recorded, 19 MSEK relates to additional dividends on newly issued shares.

Owner categories, proportion of share capital, %



- Swedish legal entities 71.9 (74.0)
- Swedish natural persons 13.8 (14.1)
- Foreign legal entities 14.1 (11.7)
- Foreign natural persons 0.2 (0.2)

Share facts as of 31 Dec 2021

Marketplace:
Nasdaq Stockholm, Large Cap

Market value: 19,736 MSEK
Number of shareholders: 11,952

Common shares
Quantity: 54,445,419
Closing price: 362,50
ISIN: SE0006342333

Preference shares
Quantity: 38,000,000
Closing price: 33,95
ISIN: SE0010820514

Ownership structure

Shareholders as of 31 Dec 2021	Number of common shares	Number of preference shares	Participating interest	Votes per share
Lars Göran Bäckvall (Poularde AB)	14,140,579	2,974,207	18.5% (19.6)	24.8% (24.1)
AB Sagax (Satrap Kapitalförvaltning AB)	12,566,806	1,543,672	15.3% (14.4)	21.8% (20.0)
Fourth AP fund	3,325,840	3,584,712	7.5% (7.7)	6.3% (7.0)
Länsförsäkringar Fondförvaltning AB	3,196,997	-	3.5% (5.8)	5.5% (8.1)
Försäkringsaktiebolaget Avanza Pension	396,753	2,627,295	3.3% (3.9)	1.1% (1.8)
Bonnier Treasury S.A.R.L	-	3,000,000	3.2% (-)	0.5% (-)
RBC Investor Services Bank S.A.	1,229,101	1,468,000	2.9% (17)	2.4% (0.4)
SEB Investment Management	2,445,667	-	2.6% (2.4)	4.2% (3.3)
Erik Selin Fastigheter AB	1,550,000	640,000	2.4% (2.8)	2.8% (2.9)
Patrik Brummer (PPB Holding AB)	-	1,666,666	1.8% (2.1)	0.3% (0.3)
J.A. Göthes AB	1,041,600	416,640	1.6% (1.8)	1.9% (1.9)
Handelsbanken Liv	812,281	593,160	1.5% (2.1)	1.5% (2.0)
Lannebo Fonder	1,315,557	-	1.4% (-)	2.3% (-)
Verdipapirfond Odin Ejendom	1,208,527	-	1.3 % (1.5)	2.1 % (2.1)
Ulf Greger Jönsson	-	1,000,000	1.1% (1.3)	0.2% (0.2)
Peg Capital Partners AB	-	756,189	-0.8/+0.7	0.1% (0.1)
SEB AB, Luxembourg Branch	90,360	625,014	0.8% (-)	0.3% (-)
Odin Small Cap	667,161	-	0.7% (-)	1.1% (-)
Swedbank Försäkring	18,112	636,631	0.7 % (0.5)	0.1 % (0.2)
Nordea Livförsäkring Sverige AB	221,697	351,698	0.6 % (-)	0.4 % (-)
Total 20 largest shareholders	44,227,038	21,883,884	71.5% (70.9)	79.7% (78.4)
Other shareholders	10,218,381	16,116,116	28.5% (27.1)	20.3% (20.4)
Total number of shares	54,445,419	38,000,000	100%	100%

Figures in brackets relate to holdings and votes at the beginning of the year.

Holdings	Number of shareholders	Number of common shares	Number of preference shares	Participating interest	Votes per share
1 – 500	8,988	549,745	388,656	1.0%	1.0%
501 – 1,000	987	310,190	444,821	0.8%	0.6%
1,001 – 2,000	699	424,387	616,629	1.1%	0.8%
2,001 – 5,000	609	524,550	1,478,780	2.2%	1.2%
5,001 – 10,000	279	443,445	1,582,628	2.2%	1.0%
10,001 – 50,000	292	2,233,662	4,308,519	7.1%	4.6%
50,001 –	98	49,959,440	29,179,967	85.6%	90.8%
Total number of shareholders	11,952	54,445,419	38,000,000	100%	100%



Sustainability report

Comments by the CEO

Sustainability is a word that is not infrequently used and is interpreted to suit one's own purpose. In recent years, the word sustainability has also been interpreted in a way that has filled it with widely different things.

“In the real estate industry, sustainability has historically often been about demolishing fully functional buildings.”

At the outbreak of the pandemic, it was filled with various aspects of economic sustainability. Now that a war has broken out in Europe, sustainability is sometimes synonymous with security. In a way, it is natural that the interpretation lies in the external factors, but successful sustainability work also requires a long-term and clear direction.

In the real estate industry, sustainability has historically often been about demolishing fully functional buildings, in order to replace them with new, more energy-efficient buildings. This is not a given starting point for NP3 in our sustainability work. We own over 400 buildings and the vast majority were built 30 years ago, or more. It's not always the most sustainable to demolish to build new, but perhaps rather to elevate a building from energy class E to D or C, to convert it in order to rid it of oil dependency or to replace direct-acting electricity or district heating with geothermal heat. In other words, NP3's sustainability work aims to constantly make everything a little better, with the most effective solutions over time in each case. We will

continue to do so. This means that we will continuously invest in a more long-term sustainable economy, environment and tenant relationship. Thus, sustainability and long-term returns go hand in hand.

NP3 has started to communicate more about what we do regarding sustainability. I think that's good and I think it's important that most companies now have sustainability as a hygiene factor – this is going to make a difference.

The sustainability challenges are big and real, not least for the real estate industry. On part of NP3, these challenges will be met with a long-term and clear direction and with our employees' strong commitment, responsible attitude and ability to handle difficult challenges.

Andreas Wahlén

Our sustainability work

NP3's sustainability initiatives are based on the need to take long-term responsibility for economic, environmental and social development. Matters of long-term value creation and sustainability are an integral part of the overall governance of the company, for which the board and CEO have the ultimate responsibility. In addition to external frameworks, sustainability work is based on NP3's business concept and the company's sustainability policy and an annually updated materiality analysis.

Stakeholder dialogue and materiality analysis

The starting point for the sustainability report is the continuous stakeholder dialogue that NP3 holds and an essentiality analysis. The stakeholder dialogue gives NP3 extensive insights into our stakeholders' expectations, requirements and preferences and contributes to shining a light on both risks and opportunities for the company. The six stakeholder groups that have been identified as being the most important are those that have been most affected by the company's operations and/or whose actions have a significant impact on NP3:

- Shareholders
- Banks, creditors and investors
- Tenants
- Employees
- Suppliers and business partners
- Local communities and interest groups

In order to develop and improve the operations and the organisation's sustainability work, stakeholders' expectations on NP3's operations are continuously surveyed and analysed, by means of staff dialogue and talks with financiers, suppliers and tenants as well as during board meetings. The stakeholder dialogue shows which sustainability issues stakeholders consider to be the most important ones for NP3. The analysis also takes into account which areas are important for NP3's overall objectives and to what extent NP3 can influence sustainable development in the matter.

Against this background, NP3 has identified seven of the UN's global sustainability goals that the company's operations can primarily contribute to, see picture below. By integrating these seven objectives into the operations, NP3 achieves all three dimensions of sustainable development that have been set out in the global goals: economic, environmental and social sustainability.

The overall result of the stakeholder dialogue and the materiality analysis can thus be summarised as shown in the matrix on page 50.

UN's Global Sustainable Development Goals



NP3's sustainability work primarily aims to promote these sub-goals within the sustainability goals 3, 5, 7-8, 11-12 and 16.

	Focus area	How NP3 works on the issue	The UN's global goals
 Financial sustainability	Economic result	NP3 creates the conditions for a sustainable economy, partly by providing a return on the capital the owners have invested in the business, partly by the properties creating value for customers: their business, staff and owners with the sustainability issues in the various categories.	
	Market presence	With its local commitment and active market presence, NP3 contributes to employment and purchasing power as well as to an active local economy.	 
	Anti-corruption	NP3 has zero tolerance for all forms of corruption and financial irregularities, e.g. bribes, unauthorised commissions, fraud, embezzlement and money laundering.	
 Environmental sustainability	Cities and communities	NP3 works to improve our technical installations and to replace fossil fuel with environmentally friendly technology. We create long-term, sustainable solutions to address the properties' environmental risks and liabilities. Environmental certification is considered for new construction and major redevelopment or extension projects.	
	Energy	NP3 shall reduce annually the total energy consumption (kwh) in the existing property portfolio by working towards set targets.	
	Emissions and waste	NP3 shall work to continuously reduce the operations' carbon emissions and strive to minimise waste going to landfills and incineration.	
 Social sustainability	Health and safety at work	NP3 shall provide a good work environment. In this way, we promote physical and social well-being and prevent work-related injuries and illness. The work environment shall be safe for NP3's staff and tenants and meet the requirements stipulated by laws and agreements.	 
	Nondiscrimination	NP3 works to prevent discrimination, harassment, sexual harassment and degrading treatment from occurring in the company.	  
	Social evaluation of suppliers	NP3 sets sustainability requirements when procuring goods and services from suppliers and business partners.	 

Taxonomy

The EU has decided on a taxonomy to clarify and transparently report and compare how sustainable companies and their activities are from an economic perspective. NP3 is not covered by the reporting requirements in the taxonomy, but still chooses to report according to the taxonomy based on the requirements developed so far. NP3 also chooses to report how large a proportion of the company's properties, in terms of Turnover, Operating Costs (OpEx) and Investments (CapEx) are in line with the taxonomy according to the limits drawn by Fastighetsägarna.se regarding primary energy efficiency.

NP3's assessment is that the entire operations are covered by the EU Taxonomy Regulation based on the environmental objectives developed so far.

	Total, MSEK	Proportion covered by taxonomy	Proportion not covered by taxonomy
Turnover	1,238	100%	0%
Operating costs (OpEx)	-117	100%	0%
Investments (CapEx)	3,653	100%	0%

Accounting principles

The proportion of the operations that are environmentally sustainable under the EU Taxonomy Regulation shall be reported, among other things, through three financial key figures broken down on each of the EU's six environmental objectives.

Turnover

Turnover according to the taxonomy corresponds to the group's total revenue regarding acquisitions and ownership of buildings.

Investments

Investments relate to the acquisition of properties and investments in new and existing properties.

Operating costs

According to the company's initial assessment, the reporting of operating costs includes the total costs related to, for example, repairs and planned maintenance and ongoing operating costs, excluding energy costs.

Properties compatible with the Taxonomy

The thresholds that determine whether a property is compatible with the taxonomy (align) are that the building

should have energy class A or be within the top 15 percent in terms of primary energy use. During December 2021, Fastighetsägarna.se communicated thresholds for what is considered to be the top 15 percent most energy-efficient building stock within the framework of the taxonomy's first climate goals. The preliminary information in the table shows NP3's properties with an energy declaration grade A and those with a primary energy efficiency that is below the thresholds drawn up by Fastighetsägarna.se.

Of the company's total property portfolio, 25 per cent consists of industrial properties that, according to the Swedish National Board of Housing and Planning, are not to be energy declared. Thus, it is not possible for these properties to be compatible with the taxonomy according to Fastighetsägarna.se's thresholds. In the table below, the industrial properties have not been excluded from the company's total amount.

	Energy declaration with grade A	Other top 15%	Proportion in line with taxonomy	Total, MSEK
Turnover	53	182	19%	1,238
Operating costs (OpEx)	-5	-17	19%	-117
Investments (CapEx)	10	838	23%	3,653

Global Reporting Initiative (GRI)

Since 2020, NP3 has adapted its sustainability work to be able to report it in accordance with the Global Reporting Initiative (GRI) Standards at level Core. GRI's industry-specific addition for the construction and property sector has also been taken into account. The report for 2021 is the second time the company reports according to GRI. The report covers NP3 and its subsidiaries.

Governance of the company's sustainability work is based on the company's policies, guidelines and overall targets as well as laws, external guidelines and regulations. NP3's board of directors determines the company's sustainability policy and other policies. All policies are reviewed annually and then updated if needed. Externally relevant policies are available on NP3's website.

NP3's report according to GRI level Core follows the main division into financial sustainability, environmental sustainability and social sustainability.

FINANCIAL SUSTAINABILITY

Business model

NP3's business model is characterised by a consistent long-term view. The company's long-term creation of value takes priority over short-term profit. The sustainability work is thus integrated into the business model.

NP3 works with long rental agreements and continuous renegotiation of existing contracts, which provides a stable maturity structure in the contract portfolio. Demand for premises in the company's property categories and market locations is less cyclical than, for example, premises in downtown locations, which reduces the risk for the company and its stakeholders.

NP3 is a company with customer focus, which is achieved through local presence and long customer relations, which in turn create stable rental income. By supplying accessible resources and assets to our operations, NP3 creates long-term values for shareholders, staff, tenants, suppliers.

Business ethics

The company's sustainability policy emphasises the principles that govern NP3's relations with staff, business partners and other stakeholders. The policy is approved by NP3's board. NP3's sustainability policy provides clear guidelines on how to conduct responsible entrepreneurship by summarising the group's views on human rights, working conditions, business ethics and anticorruption, in addition to environmental responsibility. All staff are covered by and shall follow the sustainability policy. In addition to the sustainability policy, NP3 has drawn up a policy for business ethics, which is more detailed regarding matters of bribery and procurement. The policy for business ethics also includes a concrete guideline for entertainment and gifts.

Focus area	Governance and follow-up
Anti-corruption	Ethical matters are continuously discussed by the board and management and governed by the policy for business ethics and the sustainability policy. Opportunity to report suspicion of breach to a member of the audit committee or via a digital tool.

Outcome 2021

- No reported cases of corruption or abuse of position of power or trust for own benefit or that of others, or suspicion of such.
- No issues concerning deviations from the sustainability policy or the policy for business ethics were reported.

Economic value created and distributed

Economic sub-targets for NP3 are that the growth in the profit from property management per common share shall amount to 12 percent annually and that return on equity before tax, over a 5-year period, shall amount to 15 percent.

Detailed information about NP3's financial position can be found in the company's financial reports on pages 82-90. The economic value created amounted to 3,152 MSEK during 2021 and consists primarily of rental income, profit from property management from joint ventures and associated companies as well as changes in value of the properties. Distributed value to the owners refers to the dividend provided to the owners. The residual value amounted to 1,714 MSEK.

GRI-indicators regarding economic sustainability

GRI 201-1 Economic value created and distributed				
	2021		2020	
	MSEK	%	MSEK	%
Economic value created				
Rental income and other revenue	1,248	90	1,089	78
Profit from property management, joint ventures	60	4	19	1
Changes in value	1,844	132	284	21
Total	3,152	226	1,392	100

	2021		2020	
	MSEK	%	MSEK	%
Economic value distributed				
Operating expenses	-301	22	-239	17
Employees	-40	3	-38	3
Taxes	-537	39	-229	16
Lenders	-250	18	-225	16
Owners (proposed dividend)	-310	22	-270	19
Economic value retained	1,714	123	390	28

GRI 205-2 Communication and training in the organisation's policies and procedures with regard to fighting corruption

NP3's sustainability policy sets out the principles that govern the company's relations with staff, business partners and other stakeholders. In addition to the sustainability policy, NP3 has a policy for business ethics which is more detailed regarding issues such as bribery and procurement and which provides specific guidance for, e.g., entertainment and gifts. NP3's sustainability policy also provides clear guidelines regarding and anti-corruption. Issues concerning business ethics and anti-corruption are continuously discussed during staff meetings to highlight these issues and create awareness of them. All staff are covered by and shall follow specified policies, which are also made available to staff at all times.

GRI 205-3 Confirmed corruption incidents and measures taken

NP3 has not had any confirmed corruption incidents during the reporting period, nor any reports of such. Thus no measures have been taken.

ENVIRONMENTAL SUSTAINABILITY

NP3's environmental commitments

NP3 manages and develops properties. Our success in this work affects the well-being and work environments of a large number of people through our tenants. Environmental issues are integrated into day-to-day work and the operations shall be run resource-efficiently. This means, among other things, that NP3 always tries to choose products and services with minimal impact on the environment.

NP3 has worked long and continuously on reducing the company's environmental impact. In practice this is manifested by, among other things, NP3 committing to:

- Integrate environmental issues into the operations so that the company meets the requirements of authorities and customers.
- Work proactively to, together with tenants, safeguard the environment.
- Show respect for natural resources by using raw materials sparingly and achieving a high level of recycling in, for example, construction projects.
- Work to continuously reduce the operations' environmental impact, primarily by reducing energy consumption in our properties.
- Setting environmental requirements when procuring products and services.

The properties' energy consumption

The properties' energy consumption is, as for most real estate companies, the main factor affecting the climate and is thus NP3's most important environmental issue.

NP3 to a large degree makes use of individual reading and billing, which means that tenants pay for their own energy consumption. In cooperation with our tenants we keep trying to find new solutions to save energy. Even if tenants are responsible for their own energy consumption, NP3 considers it its obligation to support tenants in finding sustainable solutions with regard to energy savings and more environmentally friendly energy sources.

During 2021, NP3 worked with digitised follow-up of the energy consumption in those properties where the company holds the contracts and has right of over consumption with regard to electric and district heating. Since the company has statistics available as of the full year 2017, this constitutes the base year for the company's work to increase energy efficiency.

Weather-normalised average consumption within the existing property portfolio for 2017 amounted to 158 kWh/sqm LOA and for 2021 to 148 kWh/sqm LOA, which means a reduction of 6 percent compared to the base year 2017. Consumption also includes tenants' consumption where these are included in the company's readings.

Carbon dioxide emissions

NP3 measures and follows carbon dioxide emissions from the energy consumption the company has right of over regarding

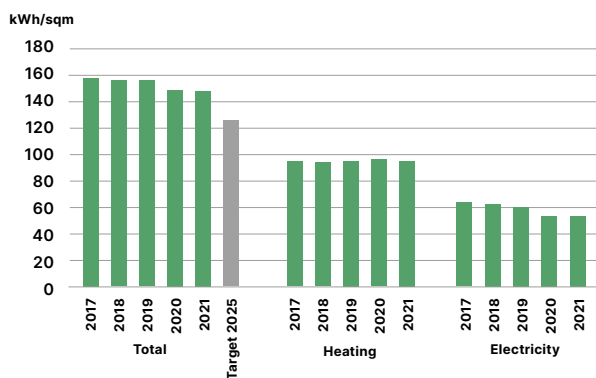
electricity and heating, which also includes parts of tenants' consumption. In order to reduce the company's total climate impact, work is ongoing to evaluate alternative energy sources and phase out fossil fuels. As of 2021, a gradual transition is underway to 100 percent hydropower for the properties' energy consumption. NP3 also works actively to reduce energy use by optimising operations and investing in energy efficiency projects.

For 2021, the emissions of carbon dioxide amounted to 9.4 kg CO₂/sqm LOA. The company calculates emissions for purchased electricity, for the part that does not consist of 100 percent hydropower, based on residual mix with information from the Swedish Energy Market Inspectorate. The emissions data is made available with a lag of one year, which means that the data for 2021 is not available until 2022. Statistics for heating are based on data from the respective district heating supplier, here also with a one-year lag.

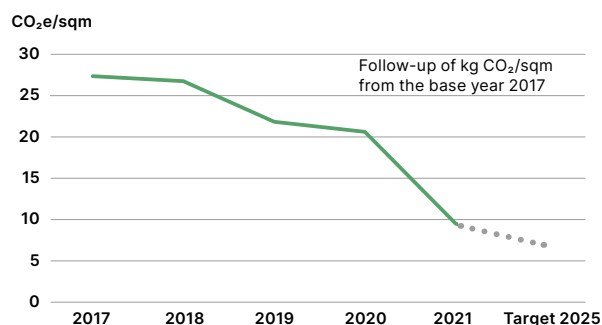
The long-term target is to reduce the company's carbon dioxide emissions by 75 percent compared to the base year 2017 before the end of 2025.

Targets for reduced energy consumption and reduced carbon dioxide emissions

In light of the above, we have put our targets for reduced energy consumption and reduced carbon dioxide emissions into concrete terms during 2020. We set far-reaching and binding targets: Compared to the base year 2017, which was the year when the company had annual statistics available for the first time, NP3 is committed to reducing its total energy consumption by 20 percent by 2025 at the latest, the target achieved for 2021 is 6.3 percent. NP3 also intends to decrease its total carbon dioxide emissions by at least 75 percent by 2025 at the latest, the achieved target for 2021 is a reduction of 55 percent.



Square metres relate to (LOA) lettable area.



NP3's focus areas for energy and emissions

Focus area	Governance and follow-up
Increased number of energy-saving and sustainable properties	Quarterly follow-up of energy certifications and energy targets in NP3's sustainability committee.
Energy and emissions	Governed by the sustainability policy. Base year 2017, annual follow-up of key figures.

Environmental certification

NP3 aims to get environmental certification for major redevelopment and new construction projects. Certified buildings relate to buildings with sustainability certification from an independent certification programme. NP3 has during 2021 certified a newly built property and a converted property and had eight environmentally certified properties on the balance sheet date. Three more certifications for redevelopment or new construction projects have begun during the year.

Environmentally certified properties

Property	Municipality	Category	Certification
Part of Ljusta 3:10	Sundsvall	Industrial	Green Building
Part of the Ödla 6	Luleå	Retail	Green Building
Cementgjuteriet 5	Umeå	Retail	Green Building
Cisternen 26	Umeå	Offices	BREEAM
Vivsta 13:84	Timrå	Other	Green Building
Part of Släpvnagen 6	Östersund	Retail	Green Building
Baggen 3	Sundsvall	Industrial	Green Building
Öjebyn 3:496 & 3:497	Piteå	Other	Green Building
Målås 4:3 ¹⁾	Sundsvall	Industrial	Green Building
Vivstamon 1:63 ¹⁾	Timrå	Retail	Green Building
Sköns Prästbord 2:6 ¹⁾	Sundsvall	Logistics	Green Building

1) Certification underway

Investment in energy-saving measures

NP3 continuously invests in more efficient systems for electricity, heating and ventilation in the properties, thus reducing consumption and environmental impact. Some examples of investments of this type that have been implemented during 2021 are shown here.

- Häggesta 7:122 Bollnäs, change to new energy efficient ventilation with associated control, total energy savings are estimated at 35 percent.
- Vandringsmannen 2 Sundsvall, project in collaboration with tenant to replace district heating with a new geothermal heating plant for heating and cooling, energy savings are estimated at 40 percent.

- Hemsta 12:16 Gävle, change to new energy efficient ventilation with associated control, total energy savings estimated at 20 percent.
- Vivstamon 1:62 Sundsvall, new energy efficient ventilation, total energy savings estimated at 25 percent.
- Continuous replacement of existing lighting to LED lighting in a number of properties in the portfolio with estimated energy savings of between 20 to 30 percent on electricity.

Reduced environmental footprint through digitisation

During the last two years, NP3 has digitised a number of administrative processes, resulting in a reduced environmental footprint.

The monthly salary processing, including expenses and driving logs, is now completely digitised and payslips are distributed to staff via Kivra. NP3 also works continuously on digitising both incoming and outgoing invoices. During 2021, more than 40,000 supplier invoices were received by NP3, 95 percent of these invoices were digital. Corresponding figures with regard to customer sub-ledgers are just over 19,000 outgoing invoices, of which 65 percent were digital.

During 2021, the company has also continued to work with a couple of automated financial processes.

GRI-indicators regarding environmental sustainability

302-1 Energy use in the organisation

NP3 reports the energy used for the properties where the company has right of over the supply of electricity and/or heating.

In other properties, tenants have their own contracts for energy supply and the company thus does not have access to the current information. Acquired and divested properties are included in relation to the holding period. See table below.

GRI 302-1 Energy use in the organisation

Actual energy consumption, MWh	2021	2020	Change
Heating	79,059	64,892	14,167
Electricity	50,924	43,043	7,881
Total MWh	129,983	107,935	22,048
Total lettable area, tsqm	1,784	1,436	348

GRI 302-4 Reduction of energy use

The weather-normalised average consumption within the existing property portfolio for 2020 amounted to 149 kWh/sqm LOA and for 2021 to 148 kWh/sqm LOA, which means a reduction of 1 percent, then also including part of our tenants' consumption.

For heating, the reduction was from 96 kWh/sqm LOA to 95 kWh/sqm LOA and for electricity from 53 to 52.7 kWh/sqm LOA.

CRE 1 Buildings' energy intensity

Weather-normalised average consumption for the properties where the company has right of over the supply of electricity and/or heating amounted to 94 kWh/sqm for heating and 59 kWh/sqm for electricity.

GRI 305-1,2,3,4 and CRE 3 carbon emissions

Tons CO ₂	2021	2020	Change
Scope 1			
Company vehicles, business trips	11.7	52.1	-40.4
Total	11.7	52.1	-40.4
Scope 2			
Heating	4,142	4,349	-207
Electricity	3,781	14,571	-10,790
Total	7,923	18,920	-10,997
Total lettable area, tsqm	1,784	1,436	348
Scope 3			
Private vehicles, business trips	4.3	3.8	0.5
Business trips by plane	6.9	7.2	-0.3
Total	11.2	11.0	0.2
Total	7,946	18,983	-11,037

Scope 1 - Emissions from company cars

The emissions have been calculated as a combined average of emissions per company car multiplied by the number of reported kilometres driven in service. For 2021, this average amounts to an emission factor of 85 g CO₂-e/km. A shift to completing more work digitally has meant that our travel during the year has decreased despite more employees. Emissions have also been reduced by NP3 gradually working to replace the company cars with cars with electric or hybrid drive when the lease contracts expire. NP3 will continue to review and develop our car and travel policy to further reduce the climate and environmental impact of our trips.

Scope 2 - Purchased energy

For scope 2, NP3 reports carbon dioxide emissions from energy use that includes the energy that NP3 buys for the holding's properties. NP3 is currently not able to report how much of the total energy is consumed by the tenants, which means that all energy included in the lease contract or passed on to tenants is included in the statistics. The energy for which the tenants have signed contracts themselves is not included in the statistics. The electricity that NP3 supplies to tenants is primarily electricity from hydropower with origin marking, the rest being residual mix, with emission figures obtained from the Swedish Energy Markets Inspectorate. Emissions for district heating are based on actual consumption, with the emission figures for calculating emissions obtained from the respective district heating supplier. Acquired and divested properties are included in relation to the holding period.

Scope 3 - Emissions from travel by train, plane and private cars in service

In scope 3, NP3 reports emissions from travel by train, plane and private cars in service. Carbon emissions from travel by train are too low to be reported, both in terms of the number of journeys and emissions. Emissions from our air travel are calculated using Carbon Footprint Ltd. Emissions from the use of private cars in service are based on employees' reporting of miles driven in 2021 and the distance is multiplied by the emission factor of 168 g CO₂-e/km, which corresponds to emissions from a diesel-powered medium-sized car according to Carbon Footprint Ltd. Other categories in scope 3 are not

reported as we currently do not have sufficient data, we are working on ways to allow us to also report emissions from the company's construction projects in the future.

GRI 305-4, CRE 3 Intensity concerning greenhouse gas emissions

	2021	2020
Emissions from heating and electricity CO ₂ e kg/sqm	9.39	20.49

GRI 302-4 Reduction of energy use

The weather-normalised average consumption within the existing property portfolio for 2020 amounted to 149 kWh/sqm LOA and for 2021 to 148 kWh/sqm LOA, which means a reduction of 1 percent, then also including part of our tenants' consumption.

For heating, the reduction was from 96 kWh/sqm LOA to 95 kWh/sqm LOA and for electricity from 53 to 52.7 kWh/sqm LOA.

GRI 307-1 Breaches of applicable laws and regulations

NP3's successes depend on tenants', employees', owners', competent authorities' and other stakeholders' confidence in that the company will act in a responsible and eco-friendly and sustainable way. As can be seen from NP3's sustainability or environmental policy, the company conducts environmental work that shall always follow or exceed current environmental legislation and other environmental requirements that concern the operations. In connection with annually recurring assessments of whether these policies shall be reviewed, a follow-up is done as to whether they have been followed.

The company has not had any breaches of law during the reporting period.

SUSTAINABILITY CERTIFICATIONS

CRE 8 Sustainability certifications and ranking of the property portfolio

Certified buildings relate to buildings with sustainability certification from an independent certification body.

Certification	Number of properties	Operations	Lettable area, sqm
BREEAM Good	1	Offices	4,599
Green Building	7	Retail/industrial/other	23,177
Certifications underway	3	Industrial/office/retail	5,979
Certified lettable area			33,755

SOCIAL SUSTAINABILITY

NP3 taking responsibility for social sustainability means that the company shall be a respected employer which offers its staff good employment conditions and a good work environment, that our tenants shall have good and safe premises, that we shall be seen as a reliable business partner for customers and suppliers, and that we are good neighbours in the places and locations where we are present and generally work in such a way that allows us to maintain a high degree of trustworthiness. On a global level, we respect and support human rights in any way we can.

Employees

NP3 depends on competent and professional staff. The company shall be an attractive employer that can attract competent staff.

Satisfaction and good health contribute to a good work environment and are of great significance to the long-term development of both individuals and the company. The work environment must comply with all requirements according to laws, regulations and agreements as well as be safe and sound, both from a physical and social perspective. The goal is that no one should become ill or injured at work.

NP3 stands for safe employment, has a pro-active approach to health and safety, and continually improves awareness, competence and knowledge in this area.

NP3 actively supports fitness and preventive healthcare. The company benefits from healthy staff who feel well. NP3 as a workplace shall have a good balance between work and leisure. The workplace shall be free from bullying, victimisation or other degrading treatment. All staff shall feel safe, and respect for those who think differently shall be ensured.

Nondiscrimination

NP3 has a clear antidiscrimination policy, according to which the company shall take active measures to achieve equal treatment, fight discrimination and victimisation and work to promote equal rights and opportunities. All employees shall be given equal opportunities. When recruiting or promoting staff, the company looks at the required qualifications regardless of gender, cross-gender identity or expression, ethnicity, religion or other beliefs, disabilities, sexual orientation or age.

Focus area	Governance and follow-up
Equal treatment and non-discrimination	Are governed by the equality policy and anti-discrimination and equal treatment policy. The work for equal treatment and nondiscrimination is followed up annually during the follow-up conversation with each member of staff.
Health and safety	NP3 has developed procedures for systematic work environment management. Consultation takes place regularly with the company's safety officer present. Documented risk mapping is completed and follow-up for 2021 has been done. Procedures for how to handle health-related issues can be found in the staff manual.

Social evaluation of suppliers	Is governed by the sustainability policy where NP3 sets sustainability requirements when procuring goods and services from suppliers and business partners.
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Outcome 2021

- Sick leave for the company was 0.50 percent (0.76).
- No cases regarding discrimination or harassment have been reported.
- During 2021, salary mapping took place which shows that in NP3 there is no salary inequality that can be attributed to gender.

Important internal documents for governance and follow-up

- Staff manual
- Work environment policy
- Equality policy
- Anti-discrimination and equal treatment policy
- Salary policy
- Sustainability policy

Tenants

NP3 is a company with customer focus. The development of our property portfolio is based on close cooperation and long-term relations with tenants. We satisfy tenants' requirements with suitable premises to benefit their activities. Our local presence contributes to awareness of customers' preferences and needs and at the same time to availability and involvement in tenants' activities. That our premises shall be safe is a matter of course. Security checks and inspections are carried out annually on all properties where NP3 is responsible for active management.

In 2021, a Customer Satisfaction Survey (CSI) was conducted for the third year in a row. The survey has been sent out to more than 600 tenants and one in three tenants has responded. For the third year in a row the result shows an increase, and overall just over 85 percent of tenants are generally satisfied or very satisfied with NP3 as a landlord. Just over 89 percent perceive contact with NP3 as good or very good and just over 90 percent are happy with their premises.

CSI result	2021	2020	2019
	85.1	82.8	78.1

Code of conduct and follow-up of requirements on suppliers

NP3 carries out continuous evaluation and follow-up of suppliers and other business partners. The companies that supply goods and services to NP3 shall meet our requirements regarding work environment and ethical standards and the orders shall be completed in an environmentally conscious manner.

NP3 has drawn up a code of conduct for suppliers in order to ensure that work conditions and business ethics at our suppliers meet NP3's requirements with regard to ethics, working conditions, work environment and sustainability. When assessing future and current suppliers, the principles in the code of conduct shall be applied.

Important internal documents for governance and follow-up

- Sustainability policy
- Policy for business ethics
- Anticorruption policy
- Supplier code
- Environmental policy

Human rights

In accordance with the UN's guiding principles for companies and human rights, NP3 supports and respects the safeguarding of human rights and ensures that participation in breaching human rights does not occur.

Memberships and collaborations during 2021

Organization	Role and purpose
Fastigo	The employers' organisation that helps NP3 create good relations between the company and employees.
Fastighetsägarna Mittnord	Member organisation that works with opinion forming, membership service, legal issues, environmental issues, rent negotiations, communication and education.
Chamber of commerce Jämtland, Västernorrland & Västerbotten	Member organisation that works actively to create attractive regions where people want to live, where companies dare to invest and politicians improve the conditions together with residents.
Hand in Hand	Non-profit organisation that works with entrepreneurship as an efficient, long-term and sustainable way to fight poverty.

In addition to this, NP3 supports several local sports associations in the locations where we are active. Many of these sports associations also have social projects, see for example GIF Sundsvall's project Back 2 Basics <http://gifsundsvall.se/samhallsansvar/>

GRI-indicators regarding social sustainability

GRI 401-1 Number and share of newly employed and staff turnover

	2021	2020
Number of employees at the beginning of the year	45	44
Number of newly employed	9	4
Number of terminated jobs	0	3
Number of employees at year-end	54	45
Staff turnover	0.0	6.7%

GRI 403-2 Work-related injuries and illness and others sick leave

Sick leave at NP3 is permanently low. During 2021, it was 0.50 percent (0.76). No cases of work-related injuries or illness were found during 2021.

GRI 404-3 Proportion of employees given regular assessment and follow-up of their performance

Every year, employee dialogues are held with all employees.

GRI 405-1 Composition of board, management and staff

NP3's board during 2021 consisted of 5 persons (5), of which 2 women (2) and 3 men (3).

The management group during 2021 consisted of 4 persons (4): CEO, CFO, COO and Head of property management, of which 1 woman (1) and 3 men (3).

As of 31 December, the company had 55 staff (46) of which 17 women (16) and 38 men (30). One member of staff worked on a consultancy basis for the company during 2021.

Age distribution	<30	30-39	40-49	50-59	60-66
Number	3	15	15	16	6

GRI 406-1 Incidents of discrimination and measures taken

No cases regarding discrimination were reported during 2021.

GRI 416-1 Proportion of properties covered by preventive work linked to health and safety

Security checks and inspections are carried out at all properties where our operating suppliers are active.

GRI 419-1 Breaches of applicable laws and regulations

The company has not had any breaches of law during the reporting period.

GRI-index

GRI information	General standard indicators	Page	Comment
102-1	Name of organisation		NP3 Fastigheter AB (publ)
102-2	The most important activities, products and/or services	8-9	
102-3	Location of the organisation's head office		Sundsvall
102-4	Countries the organisation is active in		Sweden
102-5	Ownership structure and company form	44-46, 69	
102-6	Markets where the organisation is active	10, 30-33, 37	
102-7	Size of organisation	42-43, 57	
102-8	Employee data	42-43, 57	
102-9	The organisation's supply chain	16-17, 57	
102-10	Significant changes during the reporting period		No significant changes occurred during the reporting period.
102-11	How the organisation follows the precautionary principle		The precautionary principle is an integral part of NP3's sustainability work and is written into NP3's sustainability policy and the code of conduct for suppliers. NP3's implementation of the precautionary principle is done by systematic handling of the properties' management and operation, which prevents any problems linked to indoor environment and health, as well as when using new materials and products.
102-12	External regulations, standards, principles which the organisation is covered by/supports	52, 54, 69	
102-13	Membership in trade associations and unions		Fastigo, Fastighetsägarna Mittnord, Chamber of Commerce Jämtland, Västernorrland and Västerbotten, Hand in Hand.
102-14	Comments by the CEO/Chairman of the board	4-5, 48, 77	
102-16	The organisation's values, principles, standards, code of conduct and ethics policies	42-43, 52-53, 56-57, 69-75	
102-18	The organisation's corporate governance	69-75	
102-40	The organisation's stakeholders	49	
102-41	Proportion of the workforce that has collective agreements		All except the CEO are covered by collective agreements
102-42	Principle for identifying and selecting stakeholders	49	
102-43	Forms of communication with stakeholders	49	
102-44	Significant areas emphasised via communication with stakeholders	49-50	
102-45	Organisational structure and account of units that are included or excluded	101	The report covers the parent company and the subsidiaries. Subsidiaries relate to companies over which the parent company has a controlling influence. The GRI-Report has its basis in matters concerning corporate governance and social aspects. The objective is to gradually include more data regarding environmental impact.
102-46	Process for materiality analysis	49	
102-47	Focus areas	50	
102-48	Effect of or reason for conversion/change of data/info		No conversion/change of data/info has been made
102-49	Significant changes compared to previous reports		No significant changes have occurred compared to previous reports.
102-50	Reporting period		01/01/2021–31/12/2021
102-51	Date of publication of latest report		09/04/2021
102-52	Reporting cycle		Calendar year
102-53	Contact person for the report		CEO
102-54	Reporting in accordance with GRI Standards Core/ Comprehensive	52	Statement on how the organisation has reported in accordance with GRI. The report follows GRI level "core".
102-55	GRI-content index	58-60	
102-56	Policy and procedures for external audit	117	

GRI information	General standard indicators	Page	Comment
SIGNIFICANT ASPECTS, SUSTAINABILITY GOVERNANCE AND RESULT INDICATORS			
ECONOMIC RESPONSIBILITY			
GRI 201	Economic result		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	52, 69-75	
103-3	Follow-up	52, 69-75	
201-1	Direct economic value created and delivered	52	
GRI 205	Anti-corruption		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	52, 57	
103-3	Follow-up	52	
205-2	Communication and training in the organisation's policies and procedures with regard to fighting corruption	52, 74-75	
205-3	Confirmed corruption incidents and measures taken	52	The company has not had any confirmed corruption incidents during the reporting period.
ENVIRONMENTAL RESPONSIBILITY			
GRI 302 CRE 1	Energy		
103-1	Explanation of materiality and delimitation	49-50, 53-54	
103-2	Sustainability governance	16, 19, 53-54	
103-3	Follow-up	53	
302-1	Energy use in the organisation	54	
302-4	Reduction of energy use	54	
CRE 1	Buildings' energy intensity	54	
GRI 305 CRE 3	Climate impact		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	53	
103-3	Follow-up	53-55	
305-2	Purchased energy - indirect emissions of greenhouse gases	55	
305-3	Other indirect emissions of greenhouse gases	55	
305-4	Intensity concerning greenhouse gas emissions	55	NP3 reports the climate impact per lettable area (square metres).
CRE 3	Emission intensity in buildings	55	Refers to climate emissions from electricity use and district heating in the management activities per lettable area. Calculation factors are from the Swedish Energy Markets Inspectorate and energy suppliers.
GRI 307	Compliance with laws and regulations		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	55	
103-3	Follow-up	55	
307-1	Breaches of applicable laws and regulations	55	The company has not had any breaches of law during the reporting period.

GRI-index

GRI information	General standard indicators	Page	Comment
SUSTAINABILITY CERTIFICATIONS			
CRE 8	Sustainability certifications and ranking of the property portfolio	55	
SOCIAL RESPONSIBILITY			
GRI 401	Employment conditions		
103-1	Explanation of materiality and delimitation	42-43, 49-50, 56	
103-2	Sustainability governance	42-43, 56	
103-3	Follow-up	56	
401-1	Number and share of newly employed and staff turnover	42-43, 57	
GRI 403	Staff health and safety		
103-1	Explanation of materiality and delimitation	49-50, 56	
103-2	Sustainability governance	42	
103-3	Follow-up	57	
403-2	Work-related injuries and illness and other sick leave	57	
GRI 404	Competence development		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	56	
103-3	Follow-up	56	
404-3	Proportion of employees given regular assessment and follow-up of their performance	57	All staff is assessed and followed up during annual staff appraisals.
GRI 405	Diversity, equality and non-discrimination		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	50, 56	
103-3	Follow-up	56	
405-1	Composition of board, management and staff	42, 57	
GRI 416	Tenants' health and safety		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	57	
103-3	Follow-up	57	
416-1	Proportion of properties covered by preventive work linked to health and safety	57	Security checks and inspections are carried out on all properties where NP3 is responsible for active management.
GRI 419	Socio-economic compliance with rules		
103-1	Explanation of materiality and delimitation	49-50	
103-2	Sustainability governance	52, 56-57	
103-3	Follow-up	52, 56-57	
419-1	Breaches of applicable laws and regulations	57	

Directors' report 2021

NP3 Fastigheter AB (publ) is a cash flow-oriented real estate company with a focus on high-yield commercial properties, primarily in northern Sweden. Since the start at the end of 2010, NP3 has had a growth strategy focused on properties with stable cash flows and high returns. The properties are in the property categories retail, warehouses/logistics, industrial, offices and other.

Parent company

The parent company NP3 Fastigheter AB (publ) has no direct ownership in properties, but these are owned via wholly- or partly-owned subsidiaries. The parent company provides administrative and technical property management services to the subsidiaries and group management. The company has its headquarters and main office in Sundsvall.

Organization

NP3's organisation consists of management and three main functions: letting and market, operation and property management as well as funding and economic administration. At the end of the year, the company had 55 staff.

Earnings

- The group's net sales amounted to 1,238 MSEK (1,091).
- The group reported a net operating income of 912 MSEK (817) and profit before tax of 2,465 MSEK (824).
- The parent company's net sales amounted to 52 MSEK (47).
- The parent company reported an operating loss of -30 MSEK (-27) and profit before tax of 14 MSEK (3).

Comments on profit/loss for the year can be found on pages 83 and 89.

Significant events of the year

- During the year, the group acquired 70 properties with a value of 3,131 MSEK. Properties with a value of 542 MSEK have been divested. Furthermore, 522 MSEK have been invested in existing properties and new construction projects.
- In November, the company's largest acquisition to date consisting of a portfolio of 17 properties in Skellefteå was taken possession of, with a property value of 1,293 MSEK and a rental value of 101 MSEK. As part of the company's continued expansion in Skellefteå a new business area was established, which at the end of the year had a property value of 1,865 MSEK.
- During the year, there was increased commitment for the company's project operations and, above all, new construction projects. Active projects at year-end had a total project budget of 636 MSEK compared to 247 MSEK the year before.
- The company has remained active in the capital market. A total of 1,200 MSEK in bond financing was issued under two green frameworks. Two directed issues of preference shares provided the company with 325 MSEK. A commercial paper program was launched during the fourth quarter with a total framework of 2,000 MSEK, under which the company has issued 900 MSEK at the end of the year.

- The impact on the company from the COVID-19 pandemic over the past two years has been very limited. During 2020 the company was affected by discounts and transactions that had a negative effect on rent payments by 11 MSEK, for which government grants of 2 MSEK have since been received. In 2021, the corresponding figures were 12 MSEK in rent discounts provided, where state aid of 5 MSEK was received.

Anticipated future development

The company's overall objective is to continue its growth by means of selective acquisitions in all eight business areas. In order to become an established player and achieve efficient management in the major locations in the business area Middle Sweden established in 2020, the company's ambition is to reach 100,000 sqm of lettable area per location. NP3's continued growth is largely focused on the objective of generating annual growth in the profit from property management per common share of 12 percent, which also ensures that NP3 achieves its target of paying a dividend of about 50 percent of the company's profit from property management after current tax to the company's holders of ordinary and preference shares.

Sustainability report

NP3 has chosen to publish the company's sustainability report as a separate section before the directors' report, see pages 47-60. The sustainability report has been prepared to meet the requirements on sustainability reports in accordance with the seventh chapter of the Annual Accounts Act.

Proposed appropriation of retained earnings

The following non-restricted equity in the parent company is at the disposal of the annual general meeting:

	Amount (SEK)
Profit brought forward	1,517,650,328
Net profit for the year	5,982,011
Total	1,523,632,339
The board proposes the amount to be allocated as follows:	
Dividend 4.30 SEK/common share	234,115,302
Dividend 2.00 SEK/preference share	76,000,000
To be carried forward	1,213,517,037
Total	1,523,632,339

As of the balance sheet date, the company has 54,445,419 registered common shares and 38,000,000 registered preference shares.

Multi-year summary

Key ratios	2021	2020	2019	2018	2017
Property-related					
Number of properties at year-end	446	388	358	344	234
Investment properties' lettable area at year-end, 1,000 sqm	1,784	1,436	1,350	1,308	934
The properties' reported value, MSEK	17,335	12,582	11,402	10,496	7,732
Property value, SEK/sqm	9,717	8,762	8,446	8,024	8,278
Financial occupancy rate, %	93	93	93	93	91
Surplus ratio, %	74	75	71	70	71
Yield, %	6.4	6.9	6.7	6.6	6.9
Financial					
Return on equity, common share, %	44.0	17.4	25.2	16.6	18.6
Return on equity, %	36.7	15.2	21.4	15.7	18.6
Return on equity, before tax, %	44.8	19.0	25.3	19.2	23.0
Return on profit from property management, %	12.0	12.9	13.2	12.8	13.1
Debt/equity ratio, x	1.5	1.6	1.6	1.9	1.8
Net debt to EBITDA ratio, x	10.3	9.6	9.4	9.7	9.8
Interest coverage ratio, x	3.3	3.4	3.5	3.3	3.6
Loan-to-value ratio, %	55.9	57.3	58.0	61.7	60.8
Equity/assets ratio, %	36.0	34.7	34.7	32.4	32.5
Average interest rate, %	2.53	2.73	2.76	2.60	2.67
Share-based, common share					
Number of common shares at year-end, thousands	54,445	54,339	54,339	54,339	54,339
Weighted average number of common shares, thousands	54,403	54,339	54,339	54,339	54,339
Equity, SEK/common share	100.67	68.67	61.42	50.93	47.51
Long-term net asset value, SEK/common share	118.64	80.47	70.36	57.81	52.61
Profit from property management, SEK/common share	10.90	9.26	8.07	6.54	5.79
Profit after tax, SEK/common share	35.82	11.12	13.60	8.04	8.22
Dividend, SEK/common share	4.30 ¹⁾	3.60	3.40	3.00	2.70
Share price at year-end SEK/common share	362.50	121.20	113.00	61.00	52.00
Share-based, preference share					
Number of shares at year-end, thousands	38,000	27,950	24,850	21,736	-
Equity, SEK/preference share	32.00	32.00	32.00	32.00	-
Result, SEK/preference share	2.00	2.00	2.00	2.00	-
Dividend, SEK/preference share	2.00 ¹⁾	2.00	2.00	2.00	2.00
Share price at year-end SEK/preference share	33.95	32.80	36.50	31.90	-

1) Dividend proposed by the board.

For reconciliation of key ratios and definitions, see pages 110-111.

Quarterly summary

Key ratios	2021	2021	2021	2021	2020	2020	2020	2020
	Quarter 4 Oct-Dec	Quarter 3 Jul-Sep	Quarter 2 Apr-Jun	Quarter 1 Jan-Mar	Quarter 4 Oct-Dec	Quarter 3 Jul-Sep	Quarter 2 Apr-Jun	Quarter 1 Jan-Mar
Property-related								
Number of properties at the end of the period	446	406	403	391	388	382	372	368
Properties' lettable area at the end of the period, 1,000 sqm	1,784	1,576	1,578	1,442	1,436	1,406	1,392	1,381
The properties' reported value, MSEK	17,335	14,413	14,065	13,021	12,582	12,079	11,845	11,730
Property value, SEK/sqm	9,717	9,145	8,913	9,030	8,762	8,591	8,509	8,494
Financial occupancy rate, %	93	93	93	93	93	93	92	93
Surplus ratio, %	74	80	76	65	76	81	75	68
Yield, %	6.4	6.6	6.7	6.7	6.9	6.9	6.8	6.8
Financial								
Return on equity, common share %	44.0	31.5	31.4	24.4	17.4	21.8	22.3	23.6
Return on equity, %	36.7	27.9	26.5	20.9	15.2	18.7	19.0	20.1
Return on equity, before tax %	44.8	34.4	32.7	26.3	19.0	22.5	22.7	23.8
Return on profit from property management %	12.0	12.5	12.6	12.7	12.9	12.9	12.4	13.1
Debt/equity ratio, x	1.5	1.4	1.5	1.5	1.6	1.6	1.6	1.6
Net debt to EBITDA ratio, x	10.3	9.5	9.7	9.5	9.6	9.3	9.4	9.5
Interest coverage ratio, x	3.3	3.4	3.3	3.0	3.5	3.5	3.3	3.2
Loan-to-value ratio, %	55.9	54.3	55.7	55.5	57.3	57.6	58.0	58.3
Equity/assets ratio, %	36.0	35.9	35.7	35.9	34.7	33.8	34.5	34.6
Average interest rate, %	2.53	2.72	2.69	2.74	2.73	2.74	2.92	2.88
Share-based, common share								
Number of common shares at the end of the period, thousands	54,445	54,445	54,445	54,339	54,339	54,339	54,339	54,339
Weighted average number of common shares, thousands	54,445	54,445	54,342	54,339	54,339	54,339	54,339	54,339
Equity, SEK/common share	100.67	83.87	78.82	75.26	68.67	64.80	62.43	62.36
Long-term net asset value, SEK/common share	118.64	98.26	92.60	88.10	80.47	75.39	72.59	71.96
Profit from property management, SEK/common share	2.99	3.07	2.62	2.22	2.49	2.57	2.25	1.94
Profit after tax, SEK/common share	16.77	5.02	7.44	6.59	5.58	2.39	1.75	1.41
Share price at the end of the period SEK/common share	362.50	228.00	168.00	139.00	121.20	122.80	88.00	70.10
Share-based, preference share								
Number of preference shares at the end of the period, thousands	38,000	35,000	35,000	27,950	27,950	27,950	27,950	24,850
Equity, SEK/preference share	32.00	31.50	31.00	32.50	32.00	31.50	31.00	32.50
Result, SEK/preference share	0.50	0.50	0.50	0.50	0.50	0.50	0.50	0.50
Share price at the end of the period SEK/preference share	33.95	33.30	33.10	32.20	32.80	33.60	30.40	26.50

For reconciliation of key ratios and definitions, see pages 110-111.

Structured risk management

The group's business activities are exposed to risks that can become significant to the company's future operations, earnings and financial position. The company has a high level of risk awareness in the whole organisation and with active and preventive work, the risks are limited and managed in the best way and to the greatest extent possible.

The significant risks the company is exposed to are affected to a great extent by the general economic trend, economic growth and population growth in the business areas, together with inflation risk and interest rate risk. Below are the risks associated with property acquisitions and management as well as operational risks linked to business sense and quality in internal procedures.

The risk factors below relate to general risks which over an economic cycle could have an effect on NP3's operations. The risk section thus does not make specific allowance for the immediate risks the Covid-19 pandemic has on society and the economy and, by extension, the company's operations. Risks and uncertainties for the parent company are indirectly the same as for the group.

Rental income and property management

The company's property portfolio is geographically located in areas of growth, mainly in the northern parts of Sweden. The properties house a large number of tenants with commercial activities, distributed across the categories, retail, industrial, warehouses/logistics and other. The spread in a geographical respect, number of contracts, sectors and categories provide stability. Risks linked to tenants are affected by the general business climate. Lower rental income or cancelled payments affect the result, cash flow and eventually also the market value of the company's properties.

Risk	Description of risk	Management	L	C
Decreased rental income	Lower rental income as a result of lower rent levels or reduced occupancy rate.	The company works with long rental agreements and continuous renegotiation of existing contracts, which provides a stable maturity structure in the contract portfolio. Demand for premises in the company's property categories and market locations is less cyclical than, for example, premises in downtown locations, which reduces risk.	●	●
Customer losses, credit risk	NP3's primary counterparty risk lies in tenants not being able to meet their payments as per the rental agreements.	The company's business managers have close relations with tenants and continuously follow up on the market situation. Credit checks are done for acquisitions and new lettings and, if required, the agreement is supplemented with collateral in form of guarantees. The risk policy states that no one individual tenant shall account for more than five percent of the rental value.	●	●
Significantly increased operating and maintenance costs	Increased costs for electricity, water, heating and snow removal, etc. Extreme weather conditions and unexpected events can have an effect on the cost for property care-taking and insurance.	The company continuously works to reduce risk exposure for cost increases in operations by means of ongoing contract negotiations and tendering with suppliers in order to reduce costs. As tenants often bear the costs for electricity, water, heating and snow removal themselves, the company's exposure to fluctuations is reduced.	●	●

L = Likelihood, with green being low, yellow medium and red high likelihood.

C = Consequence (effect on the company's return and position), with green being low, yellow middle and red great consequence.

Acquisitions and investments

The company is a growth company and carries out a large number of transactions annually, which are associated with a certain risk. The same applies to the investing activities with modifications to tenants' requirements and projects for new construction and redevelopment. Wrong acquisition or investment decisions constitute a risk of increased costs and lower return on capital. The company's organisation has great experience and expertise with regard to acquisitions and savings, and has a well-established process for reducing risk in transactions. The company does not make any major investments on speculation, but on previously given terms and conditions.

Risk	Description of risk	Management	L	C
Transaction-related risks	Transaction-related risks include future loss of rent, environmental conditions and technical deficiencies. There are also some risks of taxes and legal disputes.	Acquisitions of properties are done in accordance with the company's strategic plan and a decision-making process, which takes into account market conditions and risk. For every acquisition situation, a careful analysis is made and due diligence applied. Risks are managed via agreements in form of guarantees for the seller and the price based on external valuation.	●	●
Risks in project investments for new construction and additions and renovations	Risks in project investments include cost increases, environmental and work environment risks.	Investment decisions are taken in accordance with the company's strategic plan and with well-prepared decision guidance documents. New construction, additions and renovations are done based on signed contracts with tenants. Requirements are put on contractors regarding environmental considerations, and risk assessments of the work environment are carried out for each project.	●	●

Property values

The company's properties are valued at fair value every quarter and the change in value accounted over the result. The value is affected by several factors, some property-specific such as occupancy rate, rent level and operating expenses, some market-specific such as yield and cost of capital. The market's required return is a factor the company has no influence on, but thanks to the geographical spread of properties in growth locations the risk for major changes in value during a short period is assessed as low.

Risk	Description of risk	Management	L	C
Lower market value of properties	Declining market values for the company's properties.	The company works continuously on maintaining or increasing the market value of the properties by letting vacant premises and adding value to and further developing existing properties. The risk of a strong negative effect due to declining market conditions in a specific location is reduced thanks to the properties' geographical spread.	●	●

Tax

Changes in tax legislation as well as the level of company taxation, interest deduction limitations, property tax or other applicable taxes have an effect on the company's result. Risks of incorrect interpretation or application of laws and rules concerning taxes and VAT can have implications on the result and position. Tax also affects calculations and can have an impact on valuation estimates.

Risk	Description of risk	Management	L	C
Changes in tax legislation	Changes in tax legislation such as company taxation, property assessment, tax for property transactions and other applicable taxes.	The company has a clear and uncomplicated approach regarding tax. There is continuous training in this field and external expertise in tax matters is resorted to if required.	●	●

L = Likelihood, with green being low, yellow medium and red high likelihood.

C = Consequence (effect on the company's return and position), with green being low, yellow middle and red great consequence.

Funding

Property acquisition and management are capital-intensive activities, which expose the company to changes in the credit markets and interest rate levels. Access to funding via banks and the capital market are of great significance to the company and changes in interest rate levels affect the company's cash flow and result. Interest rate levels are mainly affected by the level of current market rates and creditors' margins. For more information, see note 24.

Risk	Description of risk	Management	L	C
More difficult funding and refinancing	Risk that funding cannot be obtained or only at considerably higher cost.	The company's planned expansion rate is dependent on new loans from lenders and issued capital from shareholders. To reduce the risk of not being able to obtain funding, the company uses a number of funding sources and places great importance on a balanced loan maturity structure. The company has well-functioning cooperation with the banks.		
Interest risk	Interest expenses are a significant cost item for the company and changes in interest rate levels have a significant effect on the result and cash flow.	In order to limit interest rate risk over time and increase predictability in the company's profit from property management, loans at fixed interest rates or interest rate hedging in form of interest rate swaps are used.		
Counterparty risk, bank	Counterparty risk in bank funds, borrowing and derivatives refers mainly to the company's borrowings from merchant banks, and means that these cannot meet their commitments regarding existing and new funding to the company.	The company's counterparty risks in banks are managed by borrowings being distributed across primarily five different banks. This reduces the total counterparty risk in bank funds, borrowings and derivatives.		

Effect on loan-to-value ratio in case of unchanged value of the property portfolio as of 31 Dec 2021

Change, %	-15	-10	-5	0	5	10	15
Change in value, MSEK	-2,600	-1,734	-867	0	867	1,734	2,600
Loan-to-value ratio, %	65.3	61.8	58.7	55.9	53.3	51.0	48.8

Effect on interest coverage ratio in case of changed occupancy rate as of 31 Dec 2021

Change, %	-10	-5	0	5	10
Occupancy rate, %	84	88	93	98	ET
Interest coverage ratio, %	2.9	3.1	3.3	3.5	ET

L = Likelihood, with green being low, yellow medium and red high likelihood.

C = Consequence (effect on the company's return and position), with green being low, yellow middle and red great consequence.

Environmental risk

The risk of climate change has been assessed as a risk of minor significance for NP3. The assessment is, however, that the risk may increase and in the long run constitute a significant risk. For NP3, environmental risks associated with pollution in the ground of existing and/or acquired properties is assessed as a significant risk that can have an impact on the company.

Risk	Description of risk	Management	L	C
Environmental risk linked to the climate	For NP3, climate change means a risk of damage to property caused by change in weather conditions, especially with regard to higher levels of precipitation, but also other changes in the climate that affect the properties or the running of the properties. NP3 assesses these risks as potentially increasing in the long run. Eco-political decisions may also have future effects on the company's costs.	All investments and acquisitions are examined from a climate perspective in order to assess the properties' or investment's sensitivity to climate change. Procedures for operation and management in extreme weather conditions have been further developed. Environmental aspects are prioritised in all parts of the operations and the company follows the development with regard to legal regulations.	●	●
Environmental risk linked to pollution	If polluted soil is discovered at any of the company's properties, the soil will likely have to be decontaminated. The company may then be ordered to pay for soil decontamination or remedy.	The company is well aware of at which properties activities that require a permit or notification are or have been conducted and always checks previous activities when acquiring properties.	●	●

Staff and organisation

The company's human capital and capital structure are its most important assets, and development is highly dependent on the ability to be able to keep and motivate staff. A healthy organisation and satisfied employees also increase the opportunity for good recruitments.

Risk	Description of risk	Management	L	C
Staff risk	NP3 has a relatively small workforce where certain key functions are person-dependent and the loss of one or several key persons can mean that the company does not achieve set targets.	The company works on the basis of policies and documented procedures, which makes the operations less vulnerable in case of staff changes. Staff play an active role in process improvements in their fields, which creates commitment and job satisfaction. The company's staff get together regularly to share knowledge and experience. During 2021, regular digital meetings were held with all staff using the Teams tool.	●	●
Risk of corruption and unethical conduct	Risk that employees behave in a way that is in breach of the company's values or improperly use their position within the company.	The company does not accept any forms of threat, bribery or unethical behaviour. Guidelines for this can be found in the company's sustainability policy and policy for business ethics. Ethical matters are also continuously discussed during staff meetings to highlight these issues and create awareness of them.	●	●

L = Likelihood, with green being low, yellow medium and red high likelihood.

C = Consequence (effect on the company's return and position), with green being low, yellow middle and red great consequence.

Reporting and internal control

The company's financial reporting shall give a true and fair view of the company's result and financial position and follow the laws and accounting rules that apply. A misleading report might lead to uncertainty with investors and to a negative effect on the price and increased risk premium. Risk that inadequate internal procedures and/or irregularities cause disruptions or damage to the operations.

Risk	Description of risk	Management	L	C
Misleading reporting	Intentional or unintentional errors in the company's external reporting.	The company has well-functioning internal control and a culture based on order and discipline. The reporting role is taken care of by competent and experienced staff who continuously follow the development of laws, practice and changed accounting rules.	●	●

IT

With today's use of new technology, issues concerning information security and IT security easily come into focus, as new risks and threats become visible and need to be managed. The work with IT security is central, which is amplified by current laws that have been reviewed, such as GDPR, regulatory industry requirements and requirements from the Swedish Financial Supervisory Authority. An important part of the work with IT security is about understanding various threats, manage the likelihood of being exposed to damage and balancing costs for stronger protection against the value you are protecting.

Risk	Description of risk	Management	L	C
IT and information security risks	The risk of the company being exposed to cyber attacks, i.e. electronic attacks against information systems, technical infrastructure, computer networks or personal computers. Increasing use of mobile devices, connected to the company's network, has increased the number of weak points for potential attackers to target.	The IT role is subcontracted to a professional supplier who is certified in information security. In the tendering, NP3 has carefully assessed the quality of the services supplied and puts high requirements on suppliers' expertise in IT security. NP3 uses only reliable and standardised systems and platforms for its IT environment. According to a report by PWC* it is "the unknowing employee" with a member of staff unwittingly damaging the company, who represents the greatest risk. In order to limit the human factor, NP3 puts high requirements on processes and internal governance and control regarding information security. *PWC - Nordic Cyber Crime Survey 2020	●	●

L = Likelihood, with green being low, yellow medium and red high likelihood.

C = Consequence (effect on the company's return and position), with green being low, yellow middle and red great consequence.

Corporate governance report

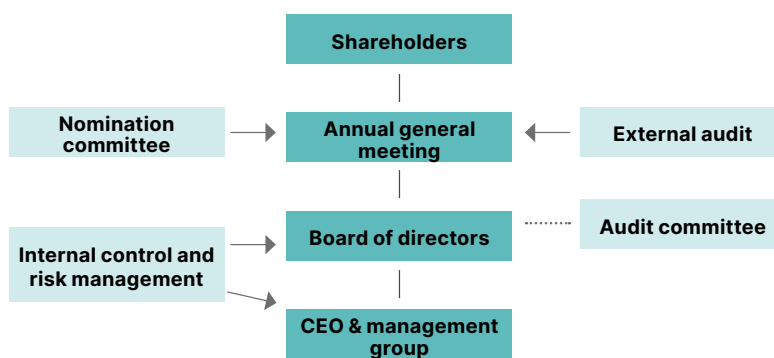
Corporate governance comprises various decision-making systems, through which the owners directly or indirectly govern the company. Governance, management and control of the company are shared between the board, CEO and other individuals in the company's management. Corporate governance is the framework that manages division of responsibility and reporting and sets out how risks in the operations are limited. Governance is based on external and internal regulations, which are subject to continuous development, change and improvement.

External regulations

- Swedish Companies Act
- Nasdaq Stockholm's Rules and Regulations for issuers
- Swedish Corporate Governance Code
- IFRS standard

Important internal regulations

- Articles of association
- Workplan for the board and CEO-instruction
- Authorised signatory and authorisation arrangement
- Policy for information and IR, insider policy, sustainability policy and policy for business ethics
- Financial policy, valuation policy
- Processes for internal control and risk management



Articles of association

The company's name is NP3 Fastigheter AB (publ). The company is to be based in Sundsvall. The object of the company's operations is to - directly or indirectly through wholly or partly owned companies or through procured services - own, develop and manage real estate and pursue other activities consistent with this. The company's properties are mainly located in North Sweden. Changes to the articles of association are made in accordance with the regulations in the Swedish Companies Act. The articles of association, which contain information such as share capital, number of board members and auditors as well as regulations on notice of and agenda for the annual general meeting, can be found in their entirety on the company's homepage, np3fastigheter.se.

Swedish Corporate Governance Code

Swedish Corporate Governance Code (code) is applicable to all companies whose shares are admitted for trading on Nasdaq Stockholm. The code is administered by the Swedish Corporate Governance Board and is available at www.bolagsstyrning.se. Companies are not required to follow all of the code's rules if there are grounds for not doing so and these can be explained. The board has decided not to set up a separate remuneration committee. Instead, the full board shall carry out the tasks such a

committee would have. The board believes that in all other respects, the company follows the code.

Shares and shareholders

NP3 has two classes of shares: common shares and preference shares. NP3's shares are registered for trading on Nasdaq Stockholm, Large Cap. At year-end, the total number of shares amounted to 92,445,419, of which 54,445,419 were common shares and 38,000,000 preference shares. Every common share has one (1) vote and every preference share has a tenth (1/10) of a vote, which means that the number of votes amounts to 58,245,419 votes in total. As of the balance sheet date, the company had about 12,000 shareholders. Of the total share capital, 14 percent was owned by foreign investors. Of the total number of shareholders, 95 percent were private individuals whose holdings amounted to 14 percent of the total share capital. The remaining 5 percent of owners were legal entities whose holdings amounted to 86 percent of all shares. NP3 has no directly registered shareholder with holdings exceeding ten percent. The share capital amounts to 323,558,966 SEK, the shares have a P/B ratio of 3.50 SEK each.

Every shareholder is entitled to vote for the full number of shares owned and represented by him/her at the company general meeting.

Preference shares entail preferential rights ahead of the common shares for 2.00 SEK annual dividend per preference share with quarterly payout of 0.50 SEK per preference share. If no dividend has been paid on preference shares in conjunction with a record day, or if dividend of less than 0.50 SEK has been paid, the preference shares, provided that the company general meeting decides on distribution of profit, bring the right to additionally to future preference dividends receive an amount corresponding to the difference between what should have been paid out and the amount paid out ("amount outstanding") before dividend on the common shares or other transfer of value according to chap. 17 § 1 Swedish Companies Act is paid out to holders of common shares. Amounts outstanding shall be projected by an annual interest rate of 10 percent, whereby projection shall take place starting with the quarterly date when payout has fallen below 0.50 SEK. The company general meeting in NP3 has the unilateral right, but no obligation, to redeem preference shares for 35.00 SEK per share, with addition for any amounts outstanding. If the company is dissolved, the preference shares shall carry a preferential right to receive from the company's equity an amount per share calculated as the sum of 30.00 SEK and any amounts outstanding before distribution takes place between the common shares (for more information see section Articles of association). Preference shares shall otherwise not carry any right to participate in the distributions.

There have been no own holdings of repurchased shares. Staff hold 613,014 warrants which is equivalent to 1.1 percent of the number of common shares outstanding in the company. There are no further warrants, convertibles or equivalent securities that can lead to additional shares in the company.

Company general meeting

The company's highest decision-making body is the annual general meeting (ordinary company general meeting), which is held in Sundsvall during the first six months of the year after the end of the financial year. Together with any extraordinary company general meetings, the meeting provides shareholders with the opportunity to govern via their decision-making rights. At the annual general meeting the board and the chairman of the board are appointed, and principles determined for both the nominating committee as well as for remuneration to senior executives. The meeting also appoints auditors for auditing the group's accounts and decides on changes in the articles of association and change in the share capital, among other things. In order to be able to participate in decisions, shareholders need to attend the meeting, either in person or through a representative. However, the board can decide that shareholders can exercise their voting rights at the annual general meeting by means of postal vote ahead of the annual general meeting in accordance with chapter 7 § 4 a Swedish Companies Act. It is further required that the shareholder is registered in the share register at a specific date before the meeting and that the company has been notified of attendance in a certain order. Decisions at the company general meeting are normally made by a simple majority. For certain issues, however, the Swedish Companies Act prescribes that proposals shall be approved by a majority of the shares represented at the meeting and votes submitted.

Annual general meeting 2021

The last annual general meeting took place on 4 May 2021 in Sundsvall. At the time of the annual general meeting, the total number of shares was 82,288,946 and the number of votes 57,133,946. At the annual general meeting, 48,166,638 shares and 41,793,077 votes were represented, equivalent to 58.5 percent of the total number of shares and 73.1 percent of the total number of votes. The annual general meeting adopted the accounting records for 2020 and discharged the board and CEO from liability for the administration for the year 2020. The following decisions were taken at the annual general meeting on 4 May:

Dividend of 3.60 SEK per common share for the 2020 financial year with two separate payments of 1.80 SEK each. The annual general meeting further decided on dividend to shareholders of 2.00 SEK per preference share with quarterly payment of 0.50 SEK per preference share.

Remuneration to the chairman of the board shall be paid at 330,000 SEK and to other board members at 165,000 SEK each. Remuneration to members of the audit committee shall amount to a further 150,000 SEK in total, to be distributed by the board between the members in the audit committee.

- That the board shall consist of five board members and no alternate.
- Re-election of board members Lars Göran Bäckvall, Åsa Bergström, Anders Nilsson, Mia Bäckvall Juhlin and Nils Styf. The board also decided to elect Nils Styf as new chairman of the board.
- Selection of KPMG AB as audit firm until the end of the next annual general meeting.
- To approve the remuneration report for the 2020 financial year.
- Introduction of incentive programme 2021/2024 by means of an issue of max. 260,000 warrants of series 2021/2024, with the maximum number of common shares to be added estimated to amount to max. 260,000, equivalent to approx. 0.5 percent of the total number of common shares in the company, subject to full subscription and full utilisation of all warrants.
- Mandate for the board to decide on new issue of shares for a total subscription settlement volume of max. 5,400 000 common shares and 15,000,000 preference shares in order to offer shares to investors in connection with the acquisition of properties.
- Acquisition of 100 percent of shares in Goldcup 26835 AB (unät. Borlänge Kalkylatorn 7 AB).
- Changing the articles of association, new adopted articles of association are available on the company's homepage.
- Authorising the CEO to make minor adjustments in the annual general meeting's decisions.
- Minutes from the annual general meeting on 4 May 2021 are available on the company's homepage.

Nominating committee ahead of the annual general meeting 2022

At NP3's annual general meeting on 4 May 2021, it was decided that the nominating committee ahead of the annual general meeting 2022 shall consist of the chairman of the

board and one representative for each of the three largest owner-registered shareholders as of the last banking day before the annual general meeting. In accordance with the decision, the three largest shareholders based on ownership on 31 August 2021 have been offered a place on NP3's nominating committee and the following nominating committee has been formed:

- Poularde AB has appointed Lars-Göran Bäckvall, CEO Poularde AB,
- AB Sagax has appointed David Mindus, CEO AB Sagax,
- The Fourth AP fund has appointed Olof Nyström, Senior portfolio manager, Fourth AP fund
- Nils Styf, chairman of the board for NP3.

David Mindus has been appointed chairman of the nominating committee by the nomination committee.

The nomination committee shall prepare and submit to the company general meeting proposals for chairman for the meeting, board members, chairman of the board, board fee to each of the board members, chairman of the board and other remuneration for board assignments, fee to the auditor and, if applicable, proposal for choice of auditor.

The nomination committee shall further prepare and submit a proposal to the annual general meeting for principles for the composition of the nomination committee. The composition of the nomination committee shall be announced no later than six months before the annual general meeting. The nomination committee's term of office lasts until a new nomination committee has been appointed. The chairman in the nomination committee shall, unless the members agree otherwise, be the member who represents the largest shareholder by number of votes. The nomination committee's work is carried out in accordance with the instructions that have been adopted and, as far as applicable, in line with the Code.

The nomination committee applies the code's regulations regarding the composition of the board and as diversity policy is to apply rule 4.1. in the code when preparing their proposal for election of board members.

Board of directors

The shareholders appoint the board of directors at the annual general meeting. According to the articles of association, the board shall consist of no less than 3 and no more than 13 members. No alternates shall be appointed. During 2021, the board consisted of five ordinary members with Nils Styf elected as new chairman at the annual general meeting in May 2021. The board works according to a formal workplan and the work is regulated by, among other things, the Swedish companies act, articles of association and Swedish Corporate Governance Code. The rules of the Swedish Companies Act apply to decisions in the board, meaning that both more than half of members present and more than a third of the total number of members must vote for the decision. If the vote is tied, the chairman has the casting vote. The long-term and strategic decisions for NP3 are made jointly by the board and management. The company's CEO Andreas Wahlén attends board meetings but is not included in the board. Remuneration is paid for board work as well as for members in the audit committee. Board members are not entitled to severance pay.

Responsibility of the board

According to the Swedish Companies Act and the board's formal work plan, the board's overall role is to on behalf of the owners manage the company's affairs in such a way that the interests of all owners are met in the best possible way. The board has ultimate responsibility for the operations. Against this background, the board is responsible for achieving set targets and strategies regarding the

Annual general meeting 2022

Before the annual general meeting on 4 May 2022, the board proposes;

- a dividend of 4.30 SEK per common share and that the annual general meeting also decides on dividend to shareholders of 2.00 SEK per preference share.
- that remuneration to the CEO shall consist of fixed salary, variable salary of max. 25 percent of the total fixed salary, share-based incentive programmes and other benefits plus pension. Remuneration to other senior management shall consist of fixed salary, variable performance-based salary of max. two monthly salaries, share-based incentive programmes and other benefits plus pension.
- that the annual general meeting authorise the board to, up to the next annual general meeting, on one or several occasions, with or without deviation from the shareholders' preferential rights, against payment in cash or through set-off or capital contributed in kind decide on increasing the company's share capital by means of a new issue of common shares and/or preference shares. The authorization may not be used to a greater extent than that a total of 5,400,000 common shares and 15,000,000 preference shares are issued.
- that the annual general meeting decides to introduce an incentive programme 2022/2025 through a) issue of warrants to the subsidiary NP3 Förvaltning AB and b) approval of the transfer of warrants to employees of the company or its subsidiaries.

Before the annual general meeting, the nomination committee proposes:

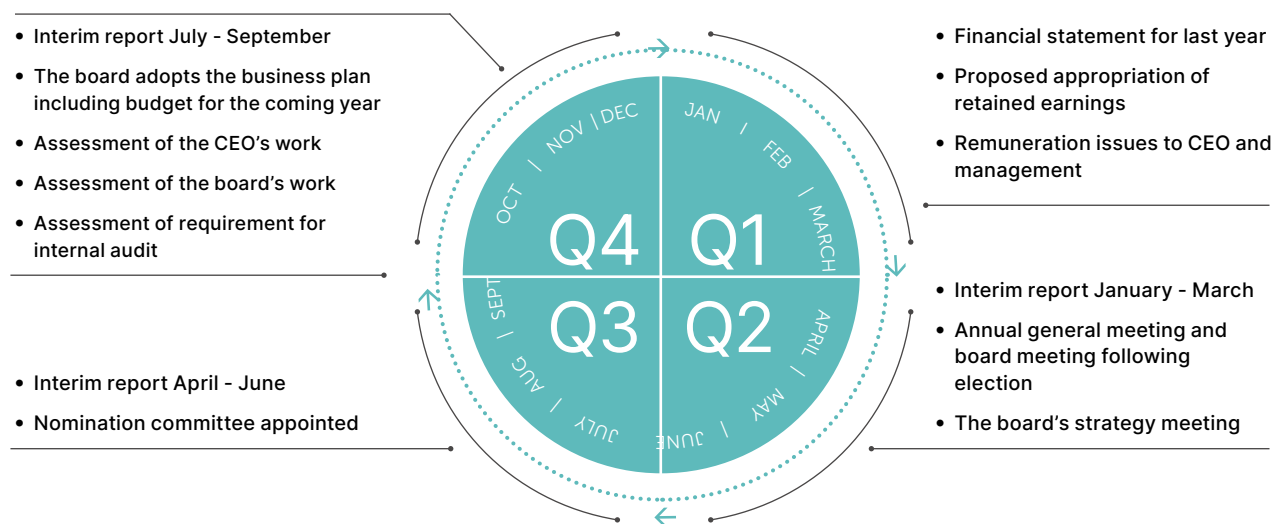
- re-election of board members Lars Göran Bäckvall, Åsa Bergström, Anders Nilsson, Mia Bäckvall Juhlin and Anders Nilsson as well as new election of Hans-Olov Blom. The nomination committee further proposes Nils Styf be reelected chairman of the board.
- that remuneration to board members is paid as follows: - chairman of the board: 360,000 SEK, - each of the other board members: 180,000 SEK, - remuneration to the audit committee shall be paid at 200,000 SEK in total.

The proposed total remuneration to board members, incl. remuneration for committee work, thus amounts to 1,460,000 SEK (1,140,000).

- that the number of board members elected at the company general meeting shall be 6 members (5).
- in accordance with the audit committee's recommendation, for the time up to the end of the next annual general meeting, re-election of the authorised audit firm KPMG AB as the company's auditor, with Peter Dahllöf being the new auditor in charge of the audit.
- that the meeting decides that the new nominating committee be appointed ahead of the 2022 annual general meeting according to unchanged principles.

The work of the board during the year

In addition to the points above, work on acquisitions and growth is ongoing all throughout the year.



company's operations. The board is further responsible for the company's business focus being subject to continuous review and that major changes in the business focus are discussed by the board. The responsibilities of the board include handling the company's organisation, among with appointing, assessing and, if required, dismissing the CEO and to determine salary and other remuneration for the same. The board determines the budget, business objective and strategies for the company's operations as well as makes decisions concerning acquisitions, investments and sales or restructuring of the property portfolio.

The board's formal workplan

Every year, the board determines a formal workplan for the board work. The formal work plan sets out the board's responsibilities and division of responsibility between the board and CEO. The formal work plan also sets out which affairs are to be discussed at the respective board meeting, and instructions regarding economic reporting to the board. The formal work plan also stipulates that the board shall have an audit committee. The full board makes up the remuneration committee. At each of the ordinary board meetings, issues of significant importance to the company such as acquisitions and divestments of properties as well as funding are discussed. Furthermore, the board is informed of the state of the market the rental and property market. Meetings in connection with the company's reporting discuss market valuation of the property portfolio and determine the profit/loss for the period or year, and financial position. Before the annual general meeting, the board submits a proposed appropriation of retained earnings. At the meeting following election the board shall, among other things, determine the company's signatory and appoint the audit committee and remuneration committee.

Chairman of the board

The chairman of the board shall have special responsibility in the board for the board's work to be well-organised and run efficiently and that the board completes its duties. The chairman shall be in continuous contact with and act as a discussion partner and support for the company's CEO.

The work of the board during 2021

NP3's board work during the year has to a great extent been characterised by the growth the company has undergone, which has involved several acquisition discussions. According to the current formal workplan, the board shall hold at least six ordinary board meetings per year and an additional meeting following election. During 2021, the board has held 18 board meetings, of which one meeting following election. Of these, nine were team meetings, one a telephone meeting, three per capsulam and one face-to-face meeting. During 2021, the board carried out an internal evaluation of its work.

Remuneration committee

The board has decided not to set up a special remuneration committee, but for the full board to instead carry out the duties such a committee shall have according to the code. With regard to remuneration matters, this means that the board shall:

- Prepare decisions in matters of remuneration principles, remunerations and other employment terms for company management.
- Follow and evaluate ongoing programmes and those completed during the year for variable remuneration to company management.

- Follow and evaluate the application of the guidelines for remuneration to senior executives that the annual general meeting has decided on, and with regard to remuneration structures and remuneration levels in the company.

Audit committee

The board's audit committee is appointed by the board once annually. Included in the audit committee for 2021 were board members Åsa Bergström and Nils Styf. The audit committee shall perform the duties stated in chap. 8 § 49 b of the Swedish Companies Act, which among other things involve:

- Overseeing the company's financial reporting.
- Overseeing the efficiency in the company's internal control, internal audit and risk management, with regard to financial reporting.
- Keeping up-to-date with the audit of the annual report and consolidated accounts.
- Examining and overseeing the auditors' impartiality and independence and thereby pay special attention to whether the auditor provides other services to the company than auditing services.
- Assist in preparing proposals for the company general meeting's decision on choice of auditor.

In addition, the audit committee shall prepare the board's decision in the aforementioned matters. Minutes are kept of the audit committee's meetings and the committee reports to the board. The audit committee's board members shall be appointed with special attention to competency and experience in accounting and auditing of listed companies. The majority of the committee's members shall be independent in relation to the company and company management. At least one of the members who is independent in relation to the company and company management shall also be independent in relation to the company's major owners. The committee's members must not be employees of the company. The audit committee also supports company management in accounting matters.

CEO

Andreas Wahlén has been NP3's CEO since the company was formed. The CEO is responsible for the company's ongoing management in accordance with the rules in the Swedish Companies Act and instructions for the CEO and for the financial reporting the board has adopted. According to the instruction, the CEO is responsible for the company's accounting and management of funds. The CEO shall further prepare delegation regulations for various officeholders in the company and employ, dismiss or set down terms and conditions for the company's staff. A mutual period of notice of 12 months applies to the CEO. There is no arrangement for severance pay with the CEO.

Management

The management group's composition at the start of 2021 was CEO, CFO, COO and Head of property management. Every person in the management group has their own area of responsibility. In management group meetings the overall strategy and operational issues are discussed. During the year, the management team has focused on the company's

growth, risks, supply of capital and sustainability work. The CEO is the lone board member in the respective subsidiary in the group and the COO is the alternate in the subsidiaries. A mutual period of notice of six months applies to the CFO, COO and Head of property management. The COO is entitled to six months' severance pay if given notice by the company. There is no arrangement for severance pay with the CEO and Head of property management.

Guidelines for remuneration to senior executives

Guidelines for remuneration to senior executives cover the members in the company's group management team, which currently consists of the company's CEO, CFO, COO and Head of property management. The guidelines shall be applied to remuneration that is contracted and changes that are made to remuneration already contracted, after the guidelines have been adopted. The guidelines adopted at the annual general meeting on 15 June 2020 apply until further notice. The guidelines do not cover remuneration decided by the company general meeting.

The guidelines' advancement of the company's business strategy, long-term interests and sustainability.

The company's business strategy in short is to create value in the property portfolio by means of local presence, creativity and good business acumen, and thus create conditions for continued good expansion and high reputation. The board is of the opinion that successful implementation of the company's business strategy and safeguarding the company's long-term interests, including its sustainability, requires the company to recruit and keep senior executives with the expertise and capacity to achieve set targets. This requires the company to offer competitive remuneration to motivate senior executives to do their utmost. These guidelines allow senior executives to be offered competitive total remuneration. The company has set up long-term, share-based incentive programmes. These have been decided by the company general meeting and are thus not covered by these guidelines. Variable cash remuneration covered by these guidelines shall aim to advance the company's business strategy and long-term interests, including its sustainability.

Forms of remuneration, etc.

Remuneration shall be in line with market conditions and may consist of the following components: fixed cash salary, variable cash remuneration, pension benefits and other benefits.

Meeting the criteria for payment of variable cash remuneration must be measurable during a period of one or several years. The variable cash remuneration may amount to max 25 percent of the total fixed cash salary during the measuring period for such criteria. The variable cash remuneration shall be linked to predetermined and measurable criteria, which may be financial or non-financial. These can also consist of personalised quantitative or qualitative targets. The criteria shall be designed so that they advance the company's business strategy and long-term interests, including its sustainability, such as by being linked to the business strategy or being designed so that a higher level of mutual interest is achieved between senior executives and the company's shareholders. When the measuring period for meeting the criteria for a payment of variable

cash remuneration is completed, it shall be assessed/determined to what extent the criteria have been met. The board is responsible for the assessment as far as variable cash remuneration to the CEO is concerned. With regard to variable cash remuneration to other senior executives, the CEO is responsible for the assessment. As far as financial targets go, the assessment shall be based on the financial information most recently published by the company.

For the CEO, pension benefits including health insurance, shall be defined contribution plans. Variable cash remuneration shall not be pensionable. Pension contributions for defined contribution pension plans shall amount to max 30 percent of the fixed annual cash salary, but not more than 10 basic amounts. Four other senior executives pension benefits including health insurance shall be defined contribution plans, unless the office holder is covered by a defined contribution pension plan according to mandatory collective agreement provisions. Variable cash remuneration shall be pensionable to the extent that follows from mandatory collective agreement provisions that are applicable to the office holder. Pension contributions for defined contribution pension plans shall amount to max 30 percent of the fixed annual cash salary, but not more than 10 basic amounts.

Other benefits may include life insurance, healthcare insurance and car benefits. Such benefits may amount to max 15 percent in total of the fixed annual cash salary.

The company has a profit-sharing foundation, which covers all employees except for the CEO. Provisions for the profit-sharing foundation are based on the company's annually set and achieved targets and must not exceed a basic amount per year and employee.

Termination of employment

When notice of termination is given by the company, the period of notice can be max. 12 months. Fixed cash salary during the period of notice and severance pay must together not exceed an amount equivalent to the fixed cash salary for one year. When notice of termination is given by the senior executive, the period of notice can be max. six months, without the right to severance pay.

In addition to this, remuneration for committing to restriction on competition may also be paid. Such remuneration shall compensate for any loss of income and shall only be paid to the extent that the previous senior executive has no right to severance pay. The remuneration shall amount to max. 60 percent of the fixed cash salary at the time of notice of termination, unless otherwise set out in mandatory collective agreement provisions, and be paid during the time the commitment to restriction on competition applies, which shall be max. 12 months after the employment ends.

Consideration of current salary and employment terms for employees

When preparing the board's proposal for its remuneration guidelines, current salary and employment terms for the company's employees have been considered by information about employees' total remuneration, the components of the remuneration and the increase and rate of increase of the remuneration over time having constituted part of the board's decision basis when assessing the adequacy of the guidelines and the restrictions that follow from these. The

development of the difference between senior executives' remuneration and other employees' remuneration will be disclosed in the remuneration report before the next annual general meeting.

The decision-making progress to determine, review and implement the guidelines

The board in full performs the compensation-related tasks that are typically the duty of a remuneration committee. These tasks include preparing proposals for guidelines for remuneration to senior executives. The board shall prepare proposals for new guidelines when the need arises for significant changes and submit the proposal to the annual general meeting to decide on, but at least every four years. The guidelines shall apply until new guidelines have been adopted by the company general meeting. The board shall also follow and evaluate programmes for variable remuneration to company management, the application of guidelines for remuneration to senior executives and applicable remuneration structures and remuneration levels in the company. In order to avoid conflicts of interest, board members involved in discussing and making decisions concerning remuneration to senior executives shall be independent in relation to the company and company management. When the board discusses and makes decisions in issues relating to remuneration, the CEO or other individuals in company management shall not be present if they are affected by those issues. When preparing issues relating to remuneration, external consultation shall be used when assessed as necessary.

In case the board decides to set up a remuneration committee, what is said in these guidelines about the board in its capacity as the company's remuneration committee shall apply to the remuneration committee.

Departure from the guidelines

The board may decide to temporarily depart from the guidelines in full or in part, if in individual cases there are special reasons for this and departure is necessary to safeguard the company's long-term interests, including its sustainability, or in order to ensure the company's financial viability. If such departure takes place, it shall be disclosed in the remuneration report ahead of the next annual general meeting.

Description of significant changes in the guidelines and remuneration report 2021

As a result of the changes to the Swedish Companies Act that became effective on 1 July 2019, the company drew up new guidelines for remuneration to senior executives. The guidelines were adopted at the annual general meeting in June 2020. The review of the guidelines has not resulted in any significant change to the remuneration that has been paid. The guidelines for 2022 essentially correspond to the guidelines that were adopted at the annual general meeting in 2020, and the guidelines adopted at the annual general meeting in June 2020 thus apply until further notice. Chap. 8, § 53b Swedish Companies Act sets out that the board shall prepare a remuneration report. The remuneration report shall cover the remuneration governed by the guidelines adopted at the meeting. The remuneration report for 2021 will be presented at the annual general meeting in

May 2022, and will also be available on the company's homepage, np3fastigheter.se. For the guidelines that applied during 2021, see also note 6.

Auditing

The auditor shall review the company's annual report and accounting records as well as the board's and CEO's management. The auditor is appointed by the annual general meeting. The 2021 annual general meeting decided, in accordance with the nomination committee's proposal, to re-elect for the time up to the end of the next annual general meeting the authorised audit firm KPMG AB as the company's auditor. Mattias Johansson was appointed auditor in charge.

Internal control

According to the Swedish Companies Act, the board is responsible for internal control and governance of the company. In order to maintain and develop a well-functioning control environment, the board for NP3 has arranged a number of fundamental documents of significance to financial reporting. These include the board's formal workplan and the instructions for the CEO and economic reporting, insider policy, IR and information policy as well as finance policy. In addition to this, a functioning control environment also requires a developed structure with continuous review. The responsibility for the day-to-day work of maintaining the control environment primarily falls on the CEO. The CEO regularly reports to the board and submits, in addition to interim reports, economic and financial reports about the operations to the board on a continuous basis all throughout the year.

A fundamental element in designing the internal control is being aware of the risk for errors that can arise in the financial reporting and, based on these errors, adjust the processes and organisation. The internal control is designed so that control activities are routinely carried out with the purpose of preventing, identifying and correcting errors and deviations. These controls take place on several levels in the company. On an operational level they include reviewing and accepting supplier invoices, as well as ongoing analysis of the economic result on a property level. Review and follow-up by property and business area with the business managers in charge of operations takes place continuously during the year. On an overall group level, other types of controls are carried out such as analysing key ratios, reconciling completed transactions and so on.

Since 2017, the company has gradually implemented organisational change in the financial management. From having previously used an external provider for these processes, NP3 now handles the ongoing financial management internally using its own accounting function. The aim of this has been to leverage the proximity to the figures to achieve better control, greater commitment and cost efficiency. The work on developing the accounting department has continued during 2021. The annual accounts process already follows set checklists and schedules to ensure that all formal records and updates are implemented. Procedures and manuals with appropriate items are established for internal control. Preparing the consolidated accounts and financial statements is done by a centralised function.

When preparing the quarterly financial statement, the review and analysis is focused on the most essential income statement items and balance sheet items. The income

statement items include rental income and property costs but also interest expenses, which make up a significant item as well as changes in value which to a high degree depend on assessments. In the balance sheet, the focus is on reviewing and analysing investment properties, deferred tax and interest-bearing liabilities as well as on acquisitions of properties being correctly reported. Built-in checks between different reports and systems are continuously developed and improved. The company's auditors examine the financial reporting twice a year. Their observations and assessments are then reported to the audit committee. The board always reviews quarterly reports and annual report before publication.

Policy documents

The board has renewed or revised the below policies during 2021:

Financial policy

The financial policy sets out guidelines and rules for how to run the funding activities. The aim is to clarify governance, risk limitation, division of responsibilities and follow-up and oversight of fund management.

Dividend policy

The company shall distribute approx. 50 percent of the profit from property management after current tax to holders of preference shares and common shares. Preference share dividend is limited to max 20 percent of the profit from property management after current tax.

Valuation policy

The company assesses its investment properties at fair value. The valuation policy sets out guidelines for how the valuation process shall work and at what intervals the valuations shall be verified with valuations obtained externally.

Information and IR policy

The information policy sets out guidelines and rules in order to ensure that the company's dissemination of information to players in the stock market is fast, concurrent, correct, relevant and reliable. Information about the company is provided mainly in the form of press releases and financial reports.

Insider policy

The insider policy shall act as guidance for persons who are regarded as having insider information in the company. The insider policy supplements current insider legislation.

Sustainability policy and business ethics policy

The purpose of the sustainability policy is to ensure that the company is a respected employer and a reliable business partner for customers and suppliers, and thus also helps to maintain a high level of confidence in the company. The company is based on the environmental, social conditions/staff and human rights reporting requirements, as well as anti-corruption reporting requirements set out in the Swedish Annual Accounts Act. It is also based on the UN's Global Compact principles.

In addition to the policy documents above, the board has also decided on environmental policy, integrity policy, IT policy, alcohol and drug policy, car policy, equality policy, salary policy and policy for SWEM (systematic work environment management).

Board of directors



NILS STYF

Chairman of the board since 2021.
Board member since 2019.
Born 1976.

MSc in Business and Economics,
Stockholm School of Economics.

Other commitments:

CEO in Hemsö Fastighets AB. Board member in all wholly- or partly-owned subsidiaries of Hemsö Fastighets AB. Board member in Mattssons Fastighetsutveckling i Stockholm AB.

Background:

Various positions in real estate companies, private equity and investment banker in London and Stockholm with a focus on the hotel and real estate sector.



ÅSA BERGSTRÖM

Board member since 2016.
Born 1964.

MSc in Business and Economics,
Uppsala University.

Other commitments:

CFO and Deputy CEO in Fabège AB, as well as deputy board member in all wholly-owned subsidiaries in the Fabège Group. Board member in Hemsö Fastighets AB, Svensk FastighetsFinansiering AB (publ).

Background:

Senior manager KPMG, finance manager positions in several real estate companies.



MIA BÄCKVALL JUHLIN

Board member since 2019.
Born 1974.

Registered Psychologist and registered Psychotherapist, Lund University.

Other commitments:

Board member in Poularde AB AB.

Background:

Active partner in Poularde AB. Psychologist with a focus on consulting assignments and individual contacts.



ANDERS NILSSON

Board member since 2010.
Chairman of the board 2017-2021.
Born 1951.

Civil engineer, KTH Royal Institute of Technology.

Other commitments:

Chairman of the board in SSG Standard Solutions Group AB, Castanum Förvaltning AB, Implementeringssystem i Sundsvall AB and board member in, i. a., Specialistläkarhuset AB, Frontit AB, Eurocon Consulting AB (publ), Polskenet Invest AB, InCoax Networks AB (publ).

Background:

Former CEO and group CEO for the IT-consulting firm Know It AB (publ) 2003-2011.



LARS GÖRAN BÄCKVALL

Board member since 2010.
Born 1946.

Civil engineer, Stockholm Technical Institute.

Other commitments:

Chairman of the board in Poularde AB. Board member in Knut Karlsson Invest AB, Norrlandspojkarna Utveckling AB, Frösö Park Fastighets AB, BBFV i Norrland AB and Fastighetsbolaget Emilshus AB

Background:

Active principal owner in Poularde AB. Solid background in the real estate sector and many years of experience as a contractor.

Comments by the chairman

I have had the privilege of leading the board work in NP3 in a year marked by global uncertainty. First through the Covid-19 pandemic and most recently the war in Ukraine. In a time marked by global uncertainty, it is reassuring to have a clear and simple business model where NP3's unique organization has created continued strong growth with high profitability.

NP3 has a relatively simple business model combined with strong local roots, but what makes the company truly unique is a corporate culture that combines commitment, entrepreneurship and a focus on creating shareholder value. This corporate culture is clear throughout the company, which of course includes the board and continues through management and the entire organization.

The board consists of five people who, through their experience and supplementing competence, support and challenge company management in its work. Discipline in matters relating to the business model as well as order in the company's affairs are important focus areas for the board, but even more important is that the board contributes to a culture of entrepreneurship with its strong commitment and business focus. My assessment is that the board has succeeded well in that task over the past year.

In a future that is characterized by increased competition and an uncertain world, it is important to create

conditions to further build on NP3's unique strengths. An entrepreneurial corporate culture and a disciplined attitude towards NP3's business model are the basis for creating long-term shareholder value. That attitude must be at the backbone of the board's work. I see it as an important task for me and the rest of the board to face the future together with NP3's employees.

I want to thank all shareholders for their trust and all employees for us together creating the culture that is so important for NP3's success.

Nils Styf

Chairman of the board

Member	Elected	Resigned	Independent in relation to		Participation in total number of meetings		Fee	Shareholdings as of 31/12/2021	
			Major shareholders	The company	Board meetings	Audit committee meetings		Common shares	Preference shares
Anders Nilsson	2011		Yes	Yes	18/18		165	153,500	-
Lars Göran Bäckvall	2010		No	Yes	17/18		165	14,140,579	2,974,207
Mia Bäckvall Juhlin	2019		No	Yes	17/18		165	44,909	22,110
Nils Styf (chrm.)	2019		Yes	Yes	18/18	5/5	405	17,506	-
Åsa Bergström	2016		Yes	Yes	18/18	5/5	240	11,000	700

Management

NP3's management group consisted of four persons during the financial year. Management is responsible for developing and managing the company in accordance with the strategy decided on. In addition to the management group, there are four other senior operations executives.

Shareholdings as of 31/12/2021.



ANDREAS WAHLÉN

CEO since 2008.
Born 1980.

Studies in economics with a focus on auditing and financing, Mid Sweden University.

Other commitments:

Board member in Jonels AB and Kinema AB.

Background:

CEO for Norrlandspojkarna Fastighets AB and the construction company Tre Jonsson Bygg AB.

Shareholdings in the company:

292,000 common shares (private and via company) and 83,578 warrants.



MATTIAS LYXELL

Head of property management since 2018.
Born 1969.

Other assignments: -

Background:

Several years experience of real estate, mainly in the segments operation, property management and construction projects. In previous positions worked with property optimisation in major operating and real estate companies.

Shareholdings in the company:

1,100 common shares, 100 preference shares and 12,576 warrants.

Other senior executives



MARKUS HÄGGBERG

Finance manager since 2020.
Born 1972.

Shareholdings in the company:

242 common shares and 19,106 warrants.



JENS LENNEFELDT

Business director South since 2020.
Business manager, Gävle since 2017.
Born 1984.

Shareholdings in the company:

7,240 common shares, 50 preference shares and 20,177 warrants.

**MARIE SELIN**

COO since 2017. Born 1961.

Studies in economics with a focus on auditing.

Other commitments:

Board member in Länsförsäkringar Västernorrland.

Background:

Has several years leadership experience from larger organisations in the real estate sector and energy sector. Previously worked as CEO for Mitthem AB and before that was in charge of operations in Finance & Accounting Services at Vattenfall.

Shareholdings in the company:

21,679 common shares and 49,734 warrants.

**HÅKAN WALLIN**

CFO since 2018. Born 1962.

Master of Business Administration at Stockholm University and Certified European Financial Analyst (CEFA) at Stockholm School of Economics.

Other commitments:

Board member in Cibola Holding AB and HWA Advisory & Capital AB.

Background:

Several years experience in financing, capital markets and accounting. Previous positions include business development manager at mid-cap listed Medivir AB, partner in the investment bank ABG Sundal Collier in corporate finance and executive positions at the audit firms Arthur Andersen and Ernst & Young.

Shareholdings in the company:

16,798 common shares and 42,288 warrants.

**MARIA PARINGER**

Business Manager North since 2018. Born 1974.

Shareholdings in the company:

560 common shares and 10,798 warrants.

**ANNA WIRTÉN**

Head of accounting since 2015. Born 1976.

Shareholdings in the company:

2,000 common shares and 21,094 warrants.

Financial reports

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Roundings in the annual report can result in columns and rows not adding up.



Consolidated statement of comprehensive income

Amounts in MSEK	Note	2021	2020
Rental income	2, 3	1,238	1,091
Property costs	4	-286	-236
Property tax	4	-39	-38
Net operating income		912	817
Central administration	5, 6	-57	-53
Result from associated companies and joint ventures	7	158	60
- of which profit from property management		60	19
- of which changes in value		138	59
- of which tax		-40	-17
Financial income	8	10	1
Financial expenses	9	-264	-226
Profit/loss after financial costs		759	599
- of which profit from property management		661	558
Change in value of investment properties	10	1,642	263
Change in value financial instruments	11	64	-38
Profit before tax		2,465	824
Current tax	12	-44	-49
Deferred tax	12	-400	-115
Net profit for the year		2,020	660
Other comprehensive income		-	-
Total comprehensive income for the year		2,020	660
Comprehensive income relating to the parent company's shareholders		2,017	659
Comprehensive income relating to non-controlling interest		3.6	1.5
Profit after tax per common share, SEK ¹⁾		35.82	11.12
Number of common shares at year-end, thousands		54,445	54,339
Weighted average number of common shares, thousands		54,403	54,339
The earnings per common share have been calculated as follows:			
Comprehensive income for the year relating to the parent company's shareholders		2,017	659
Preference shares' preferential right to dividend for the year		-68	-54
Weighted average number of common shares, thousands		54,403	54,339
Earnings per common share, SEK		35.82	11.12
Earnings per common share after dilution, SEK		35.40	10.98
Number of common shares after dilution as a result of warrants outstanding		55,058	55,039

1) Reduced by the preference shares' preferential right to dividend for the period.

Comments on the result January-December 2021

Earnings

The profit from property management increased by 19 percent compared to the same period the previous year and amounted to 661 MSEK (558). The increase in the profit from property management was primarily attributable to a larger property portfolio, but to a certain extent also to a higher contribution from the company's associated companies and joint ventures. The profit from property management per common share reduced by the holders of preference shares' right to dividend was equivalent to 10.90 SEK per common share (9.26) and the profit from property management in relation to earnings amounted to 53 percent (51). The operating surplus for the period amounted to 912 MSEK (817), which corresponds to a surplus ratio of 74 percent (75).

Changes in value of properties affected the result by 1,642 MSEK (263), of which 1,579 MSEK related to unrealised changes in value and 63 MSEK related to realised changes in value during the year. Changes in value in financial instruments amounted to 64 MSEK (-38) and related to unrealised changes in value of derivatives and listed securities.

Net profit after tax relating to the parent company's shareholders amounted to 2,017 MSEK (659), which was equivalent to 35.82 SEK per common share (11.12). Earnings per common share decreased by 68 MSEK (54), which relates to the holders of preference shares' preferential right to dividend for the period.

Income and expenses

Rental income increased by 13 percent to 1,238 MSEK (1,091). Rental income has increased mainly as a result of property acquisitions and to some extent through new lettings and investments which have led to higher rent levels. In the existing property portfolio, revenue increased by 2 percent. Revenue comprised rental income 1,133 MSEK (999) and service revenue 105 MSEK (92). Service revenue consisted primarily of costs passed on for heating, electricity and water as well as snow clearing.

The rental value for contracted annual rent at the time of reporting amounted to 1,436 MSEK, to be compared with 1,144 MSEK at the beginning of the year. The economic occupancy rate on the balance sheet date amounted to 93 percent (93).

Property costs for the period amounted to -286 MSEK (-236). The costs were distributed between property upkeep and operating expenses -234 MSEK (-192), repairs and maintenance -48 MSEK (-33) as well as anticipated and confirmed customer losses of -4 MSEK (-10). Property tax amounted to -39 MSEK (-38).

Central administrative expenses amounted to -57 MSEK (-53) and consisted mainly of overhead expenses such as personnel costs and economy/finance and marketing/

selling expenses. The proportion of costs for central administration in relation to revenue amounted to 4.6 percent (4.9).

NP3's investments in associated companies and joint ventures contributed positively to the company's profit from property management with 60 MSEK (19), the total share in profits for the period amounted to 158 MSEK (60).

Financial income amounted to 10 MSEK (1) and for the most part relates to realised profit when selling listed shares.

Financial costs increased and amounted to -264 MSEK (-226), which is mainly due to increased interest-bearing liabilities as a result of a larger property portfolio. Apart from interest expenses, financial costs also included -24 MSEK (-14) in borrowing costs distributed over a period of time.

The average interest on the loan portfolio at year-end was 2.53 percent (2.73). The interest coverage ratio was 3.3x (3.4). For more information regarding the company's funding, see pages 24-27.

Tax

Current tax amounted to -44 MSEK (-49) and was calculated on the period's taxable profit. The taxable profit for real estate companies is usually lower than the profit from property management as the taxable profit is reduced with accelerated depreciation and other adjustments for tax purposes.

Deferred tax amounted to -400 MSEK (-115) and consisted mainly of changes in temporary differences between market value and tax base on investment properties.

Consolidated statement of financial position

Amounts in MSEK	Note	31/12/2021	31/12/2020
Assets			
Fixed assets			
Investment properties	10	17,335	12,582
Leasehold rights	13	106	83
Participations in associated companies and joint ventures	17	724	456
Long-term receivables from associated companies and joint ventures	18	129	-
Other fixed assets	14, 15	29	34
Total fixed assets		18,322	13,156
Current assets			
Current receivables	19	75	47
Prepaid costs and accrued income		48	30
Listed shares	11, 24	3	15
Cash and bank balance		269	104
Total current assets		395	197
Total assets		18,718	13,352
Equity and liabilities			
Equity	20	6,743	4,637
Long-term liabilities			
Deferred tax	21	969	568
Non-current interest-bearing liabilities	22	9,285	7,404
Non-current interest-bearing liabilities rights of use		106	83
Derivatives	11, 23	9	73
Total long-term liabilities and provisions		10,369	8,128
Current liabilities			
Current interest-bearing liabilities	22	1,076	181
Other current liabilities	24	248	175
Accrued expenses and deferred income	25	282	231
Total current liabilities		1,606	587
Total equity and liabilities		18,718	13,352

Comment on financial position

The investment properties' value at the end of the year amounted to 17,335 MSEK (12,582), which is equivalent to an increase of 38 percent since the beginning of the year, explained by acquisitions, projects and changes in value.

Closing cash and bank balance were 269 MSEK (104). Equity has been affected by net profit, new issues as well as dividends, and amounted to 6,743 MSEK (4,637).

Accrued borrowing costs have reduced interest-bearing liabilities in the balance sheet by 53 MSEK. Long-term interest-bearing liabilities after adjustment for accrued borrowing costs amounted to 9,285 MSEK (7,404). Interest-

bearing current liabilities after adjustment for accrued borrowing costs amounted to 1,076 MSEK (181), of which 900 MSEK related to commercial paper loans, 167 MSEK related current repayments over the next twelve months and 9 MSEK to repayment of promissory note liabilities. At the time of reporting, the company's interest rate derivatives had a negative value of 9 MSEK (73).

For more information regarding the company's interest-bearing liabilities, see pages 24-27. The loan-to-value ratio amounted to 56 percent (57) and the equity/assets ratio to 36 percent (35). The company's net debt to EBITDA ratio at year-end was 10.3x (9.6).

Consolidated statement of changes in equity

Amounts in MSEK	Share capital	Other contributed capital	Retained earnings incl. profit for the year	Equity capital relating to the parent company's shareholders	Non-controlling interest	Total equity
Equity 01/01/2020	277	1,968	1,888	4,132	8	4,140
New issue of preference shares	11	79		90	-	90
Issue expenses		-3		-3	-	-3
Dividend			-253	-253	-	-253
Incentive programme		1		1	-	1
Change in income relating to non-controlling interest				-	2	2
Comprehensive income for the year ¹⁾			659	659	1	660
Equity 31/12/2020	288	2,045	2,294	4,627	11	4,637
Equity 01/01/2021	288	2,045	2,294	4,627	11	4,637
New issue of preference shares	35	289		324	-	324
Issue expenses		-6		-6	-	-6
Dividend			-270	-270	-2	-271
Incentive programme		2		2	-	2
Change in income relating to non-controlling interest				-	33	33
Issue of common shares for incentive program	0	5		5	-	5
Comprehensive income for the year ¹⁾			2,017	2,017	4	2,020
Equity 31/12/2021	324	2,334	4,041	6,698	46	6,743

NP3's share capital consists of 54,445,419 common shares and 38,000,000 preference shares.

1) Profit/loss for the year corresponds to comprehensive income for the year

Consolidated statement of cash flow		
Amounts in MSEK	2021	2020
Current operations		
Profit from property management	661	558
Profit from property management from associated companies and joint ventures	-60	-19
Dividend from associated companies and joint ventures	34	-
Other for items not included in the cash flow	-8	-4
Tax paid	-33	-37
Cash flow from operating activities before changes in working capital	595	498
Cash flow from changes in working capital		
Increase (-)/Decrease (+) in current receivables	-57	33
Increase (+)/Decrease (-) in current liabilities	34	14
Cash flow from operating activities	571	545
Investment activities		
Acquisition of investment properties, directly or through companies	-2,946	-751
Divested of investment properties	410	116
Investments in existing properties and other fixed assets	-332	-195
Investments in new construction projects	-190	-78
Investments in financial assets	-201	-251
Divestment of financial assets	17	-
Cash flow from investment activities	-3,242	-1,159
Funding activities		
New issue	323	88
Borrowings	7,410	3,176
Amortisation of borrowings	-4,638	-2,513
Dividend paid	-260	-225
Cash flow from funding activities	2,835	526
Cash flow for the year	165	-88
Cash and bank balance at beginning of the year	104	192
Cash and bank balance at the end of the year	269	104

Supplementary disclosures cash flow statement - group		
Paid interest and dividends received	2021	2020
Interest received	1	1
Interest paid	-232	-204
Dividends received	34	0
Adjustment for items not included in the cash flow		
Depreciation of assets	4	2
Other items	-12	-6
Total items not included in the cash flow	-8	-4
Acquisition of investment properties		
Acquired assets and liabilities:		
Tangible fixed assets	3,119	792
Operating receivables	16	15
Cash and bank balance	43	21
Provisions	-3	-
Borrowings	-107	-10
Current liabilities	-967	-388
Purchase price	-2,101	-424
To be added: Redemption of existing group liabilities	-888	-358
To be subtracted: Seller loan notes	-	10
Paid purchase price and redemption of liabilities	-2,989	-772
To be subtracted: Cash and bank balance in the acquired operations	43	21
Effect on cash and bank balance	-2,946	-751
Divestment of properties		
Divested assets and liabilities:		
Investment property	449	146
Current receivables	9	1
Cash and bank balance	33	-
Provisions	-2	-
Borrowings	-104	-
Operating liabilities	-129	-17
Sales price	353	131
To be added: Redemption of existing group liabilities	102	13
To be subtracted: Seller loan note and non-cash issue	-12	-28
Received purchase price including settlement of group liabilities	444	116
To be subtracted: Cash and bank balance in the divested operations	-33	-
Effect on cash and bank balance	410	116

Comment on the cash flow

Cash flow for the year from operating activities amounted to MSEK 571 (545). Acquisition of properties directly or via subsidiaries affected cash flow by -2,946 MSEK (-751) and sales of properties contributed with 411 MSEK (116). Investment in existing properties amounted to -332 MSEK (-195), which mainly related to modifications and redevelopment according to existing and new tenants' requirements. Investments in new construction during the period amounted to -190 MSEK (-78). Investments related to financial assets amounted to -201 MSEK (-251) and divestments of financial assets amounted to 17 MSEK (-).

Cash flow from funding activities amounted to 2,835 MSEK (526) and is largely explained by net borrowing, which amounted to 2,772 MSEK (663). Altogether, liquid assets during the period changed by -165 MSEK (88), which resulted in cash and bank balance outstanding of 269 MSEK (104).

Reconciliation of liabilities relating to the funding activities – group

Amounts in MSEK	31/12/2019	Cash flow from funding activities	Changes not affecting cash flow			31/12/2020
			Acquisitions	Divestments	Change in fair value	
Non-current interest-bearing liabilities	6,720	674	10	-		7,404
Current interest-bearing liabilities	193	-12				181
Derivatives	36				37	73
Total liabilities relating to the funding activities	6,949	663	10	-	37	7,658
	31/12/2020					31/12/2021
Non-current interest-bearing liabilities	7,404	1,877	107	-104		9,285
Current interest-bearing liabilities	181	895				1,076
Derivatives	73				-64	9
Total liabilities relating to the funding activities	7,658	2,772	107	-104	-64	10,370

Income statement - parent company

Amounts in MSEK	Note	2021	2020
Net sales		53	47
Other external costs	5	-50	-44
Personnel costs	6	-32	-30
Depreciation		-1	-1
Operating profit/loss		-30	-27
Profit/loss from financial items			
Interest income and similar income items	8	186	165
Interest expenses and similar profit/loss items	9	-211	-169
Other financial expenses	9	-23	-12
Profit/loss after financial items		-78	-43
Appropriations		92	46
Profit before tax		14	3
Tax on profit for the year	12	-8	-3
Profit/loss for the year*		6	0

*Profit/loss for the year corresponds to comprehensive income for the year.

Balance sheet - parent company

Amounts in MSEK	Note	31/12/2021	31/12/2020
Assets			
Fixed assets			
<i>Intangible assets</i>			
Software	14	4	3
<i>Tangible fixed assets</i>			
Equipment and cars	15	1	1
<i>Financial assets</i>			
Participations in group companies	16	656	658
Participations in associated companies and joint ventures	17	202	135
Non-current receivables group companies		4,664	3,299
Long-term receivables from associated companies and joint ventures	18	45	-
Other financial assets		1	3
Total fixed assets		5,573	4,100
Current assets			
<i>Current receivables</i>			
Receivables group companies		3,211	2,477
Other current receivables		10	26
Prepaid costs and accrued income		4	5
Total current receivables		3,225	2,508
Cash and bank balances		164	67
Total current assets		3,389	2,575
Total assets		8,962	6,674

Balance sheet - parent company, continued

Equity and liabilities		31/12/2021	31/12/2020
Equity	20		
<i>Restricted equity</i>			
Share capital		324	288
<i>Unrestricted equity</i>			
Share premium reserve		2,336	2,042
Retained earnings		-819	-549
Net profit for the year		6	0
Total non-restricted equity		1,523	1,493
Total equity		1,847	1,781
Untaxed reserves		2	1
Long-term liabilities to credit institutes			
Interest-bearing liabilities	22	6,020	4,738
Total non-current liabilities		6,020	4,738
Current liabilities			
Interest-bearing liabilities	22	994	104
Accounts payable		3	3
Other current liabilities		56	19
Accrued expenses and deferred income	25	40	29
Total current liabilities		1,093	154
Total equity and liabilities		8,962	6,674

Comment on the parent company

The parent company's revenue consists mainly of costs passed on to subsidiaries and financial revenue in form of interest income from subsidiaries. The parent company's balance sheet consists mainly of participations in wholly-

owned subsidiaries and receivables from those, as well as equity and interest-bearing liabilities. Risks and uncertainties for the parent company are the same as for the group.

Statement of changes in equity - parent company

Amounts in MSEK	Share capital	Share premium reserve	Other non-restricted equity
2020			
At beginning of year	277	1,966	-297
New issue	11	76	-
Dividend	-	-	-253
Profit/loss for the year*	-	-	0
At year-end	288	2,042	-549
2021			
At beginning of year	288	2,042	-549
New issue	35	294	-
Dividend	-	-	-270
Profit/loss for the year*			6
At year-end	324	2,336	-813

*Profit/loss for the year corresponds to comprehensive income for the year

Cash flow statement - parent company

Amounts in MSEK	2021	2020
Current operations		
Profit/loss after financial items	-78	-43
Adjustments for items not included in the cash flow	1	1
Tax paid	-2	-3
Cash flow from operating activities before changes in working capital	-79	-45
Cash flow from changes in working capital		
Increase (-)/Decrease (+) in operating receivables	19	-13
Increase (+)/Decrease (-) in operating liabilities	-63	-9
Cash flow from operating activities	-123	-67
Cash flow from investment activities	-2,022	-1,335
Funding activities		
New issue	329	87
Borrowings	5,280	2,040
Amortisation of borrowings	-3,107	-602
Dividend paid	-260	-225
Cash flow from funding activities	-2,242	1,300
Cash flow for the year	97	-102
Cash and bank equivalents at beginning of the year	67	169
Cash and bank equivalents at the end of the year	164	67

Supplementary disclosures cash flow statement - parent company

Amounts in MSEK	2021	2020
Paid interest and dividends received		
Interest received	181	159
Interest paid	-207	-161
Dividends received	1	-

Adjustment for items not included in the cash flow consists of depreciation of assets for the year 1 MSEK (1).

Liquid assets

The following subcomponents are included as liquid assets:

Cash and bank balances	164	67
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Reconciliation of liabilities relating to the funding activities – parent company

Amounts in MSEK	31/12/2019	Cash flow from funding activities	31/12/2020
Non-current interest-bearing liabilities	3,344	1,394	4,738
Current interest-bearing liabilities	59	45	104
Total liabilities relating to the funding activities	3,403	1,438	4,842
	31/12/2020		31/12/2021
Non-current interest-bearing liabilities	4,738	1,282	6,020
Current interest-bearing liabilities	104	890	994
Total liabilities relating to the funding activities	4,842	2,172	7,014

Notes Amounts in MSEK unless specified otherwise.

Note 1 Accounting principles

Bases for the accounts

The consolidated accounts for NP3 Fastigheter have been prepared in accordance with the IFRS standards approved by the EU and the interpretation of these (IFRIC). Furthermore, the consolidated accounts have been prepared in accordance with Swedish law by applying the Swedish Financial Accounting Standards Council's recommendation RFR 1 Supplementary Accounting Rules for Groups.

The accounting records are prepared based on acquisition value, except for investment properties, derivative instruments and holdings in listed shares, which are recorded at fair value. Changes to fair values are reported in the income statement. The parent company has prepared its annual report in accordance with the Swedish Annual Accounts Act (ÅRL) and by applying the Swedish Financial Reporting Board's recommendation RFR 2, Accounting for legal entities. The parent company applies the same accounting principles as the group, except for in those cases the provisions in the ÅRL specify otherwise or this is not possible given the relation between accounting and taxation. The parent company has chosen not to apply IFRS 9 to financial instruments. Instead, a method based on the acquisition value according to ÅRL is applied. Parts of the principles in IFRS 9 apply nevertheless - such as regarding write-downs, recognition/derecognition, criteria for hedge accounting being applied and the effective interest method for interest income and interest expenses. Shares in subsidiaries are recorded using the acquisition value method. Shareholder contributions are recorded at the giver's as an increase in shares in subsidiaries and at the recipient's as an increase in unrestricted equity. The parent company's financial guarantee agreements consist mainly of guarantee commitments for the benefit of subsidiaries. Financial guarantees mean that the company has an obligation to compensate the holder of a debt instrument for losses he/she incurs due to a specified debtor not making payment upon maturity according to the terms of agreement. For the recording of financial guarantees, the parent company applies a relief provision permitted by the Swedish Financial Reporting Board compared to the rules in IFRS 9. The guarantee agreements are then recorded as a provision in the balance sheet when the company has an obligation for which payment will likely be required in order to settle the obligation. The parent company does not apply IFRS 16, in accordance with the exception found in RFR 2. As lessee, leasing fees are accounted as an expense straight-line over the leasing period and thus rights of use and leasing liabilities are not recorded in the balance sheet.

Income statement and balance sheet are prepared according to ÅRL's (Annual Accounts Act) outlines for the parent company, while the consolidated statement of comprehensive income, consolidated statement of financial position, consolidated statement of changes in equity and consolidated statement of cash flows are based on IAS 1, Presentation of Financial Reports and IAS 7, report on cash flows, respectively. The differences to the group's reports that are present in the parent company's income statements and balance sheets mainly consist of the accounting of financial income and expenses, fixed assets and equity. Group contributions received and provided in the parent company are accounted over the income statement as an appropriation.

Functional currency and presentation currency

The parent company's functional currency is Swedish kronor which also constitutes the presentation currency for the parent company and the group. This means that the financial statements are presented in Swedish kronor.

Critical assessments

In order to prepare the accounts in accordance with IFRS, it is required that company management makes assessments and assumptions that affect the recorded assets, liabilities, earnings and costs reported in the annual accounts. These assessments and assumptions are based on historic experience and other factors that are assessed as being reasonable under the current circumstances. Actual outcome may differ from these assessments if other assumptions are made or other conditions exist.

When valuating investment properties, assessments and assumptions can have a significant impact on the group's results and financial position. Valuation requires assessment of future cash flows and that a reasonable required return is determined. In order to reflect the uncertainty inherent in assumptions and estimates made, an uncertainty margin of +/- 5-10% is usually given when valuating properties. Information regarding this and the assumptions and estimates that have been made can be found in the separate section on property valuation in the financial statements.

Classification

Fixed assets consist of amounts expected to be recovered or paid within twelve months from the balance sheet date. Long-term liabilities consist of amounts not due for payment until 12 months after the balance sheet date and other amounts for which companies have an unconditional right to defer payment to a time that is more than 12 months after the balance sheet date. Other assets and liabilities are recorded as current assets or current liabilities, respectively.

Asset acquisition versus business acquisition

Company acquisitions can be classified as either business acquisitions or asset acquisitions according to IFRS 3. Each individual acquisition is individually assessed. Company acquisitions whose primary aim is to acquire the purchased company's properties, and where the company's possible management organisation and administration are of secondary importance to the acquisition, are recorded as asset acquisitions. For asset acquisitions, no deferred tax relating to the property acquisition is recorded. Instead, any tax rebate reduces the property's acquisition value. For subsequent valuations of acquired properties at fair value, the tax rebate shall be replaced in full or in part by a recorded change in value of the property. Previous acquisitions have been assessed as constituting asset acquisitions.

Reporting of segments

NP3's segment reporting is based on eight geographic business areas. It is these operating segments that the operations are governed and followed up on, and also the basis on which internal reporting is founded. The respective business areas has one or several business managers who are responsible for net operating income and report monthly to group management. Group management follows up on net operating income and the value of the properties and investments. Follow-up of central administrative expenses and funding is done on a central level and not distributed by segment.

Consolidated accounts

The group's financial statements include the parent company and the subsidiaries that are under direct or indirect controlling influence of the parent company. Controlling influence is on hand if the parent company directly or indirectly has influence on the investment, is exposed to or has the right to variable return from its

commitment in the investment and can use its influence over the investment to affect the extent of its return. All companies in the group, except three that are owned to between 50-57.5 percent, are wholly-owned. At the end of the year the group comprised, in addition to the parent company, the subsidiaries listed in the company information in note 16 with associated sub-groups. The annual accounts are based on accounting records of 31 December 2021 for all group companies. The consolidated accounts are prepared in accordance with the acquisition method, which means that the subsidiaries' equity at the time of acquisition, determined as the difference between the real value of the assets and liabilities, has been eliminated in full. In the consolidated income statement, group companies acquired or divested during the year are recorded only at values relating to the holding period. Internal sales, purchases, profits, losses and balances within the group are eliminated in the consolidated accounts. Proportion of equity from non-controlling interest is recorded as a separate item in equity, separately from the parent company's owners' proportion of equity. The proportion of the profit/loss for the year relating to holdings without controlling influence interest is also disclosed separately.

Participations in associated companies and joint ventures

A company is recorded as an associated company when NP3 holds min. 20 percent and max. 50 percent of the votes. A joint venture is a cooperation agreement through which the parties that have joint controlling influence over the operations are entitled to the net assets. In the consolidated accounts, holdings in associated companies and joint ventures are recorded according to the equity method, which means that the consolidated book value of the holdings is adjusted by NP3's share of the profit/loss for the year and by any dividend received. NP3's income statement includes its share of the profit/loss for the year in associated companies and joint ventures.

Revenue

Rental income and other service revenue

Earnings, which from an accounting perspective can also be called operating leases, are invoiced in advance and distributed straight-line over a period of time in the result in accordance with the terms and conditions in the rental agreements. All rental agreements are classified as operating leases. Rental income includes, apart from rent for the premises, additional charges related primarily to property tax. Revenue classified as service revenue also includes other additional charges such as electricity, heating, water and property upkeep. Rents paid in advance are recorded as prepaid rental income. Rent discounts are distributed straight-line over the duration of the rental agreements.

Earnings from property divestments

Earnings from property divestments are recorded on the day the property is vacated, unless the purchase contract stipulates special terms and conditions. Control of the asset may have been transferred at a time before the time of taking possession, and if so the property sale is recognised as revenue on this earlier date. When assessing the time of revenue recognition, what has been agreed between the parties concerning risks and benefits and involvement in day-to-day management is taken into account. Furthermore, circumstances beyond the control of the seller and/or buyer that can affect the outcome of the transaction are taken into account. Profits from property sales are recorded as a change in value and are equivalent to the difference between the sales price received after deducting sales expenses and the most recently reported value, with addition for investments made after the last time of valuation.

Financial income

Financial income consists of interest income and is reported in the period it relates to. Interest income from bank deposits is calculated using the effective interest method. Financial income also includes group contributions received as well as dividends anticipated and received.

Costs

Property costs

The term property costs includes both direct and indirect costs for managing a property. These consist of costs for operation, property upkeep, repairs and ongoing maintenance of properties as well as technical administration and customer losses.

Central administration

Costs for central administration consist of costs for group-wide functions as well as ownership of the group's subsidiaries. The parent company's costs for, i. a., group management, staff administration, IT, market activities, investor relations, auditing fees and financial statements as well as costs for maintaining listing on the stock exchange are included in central administration. The item central administration also includes depreciation of other tangible and intangible assets.

Financial expenses

Financial expenses relate to interest and other expenses incurred in connection with taking out loans. Mortgage expenses are not considered financial expenses, but are capitalised as expenses directly relating to the acquisition of the investment property. The interest component in lease contracts as well as the full cost for site leaseholds is also recorded as a financial expense. Financial expenses are taken up as income in the period they relate to and are accounted according to the effective interest method, except to the extent to which they have been included in the acquisition cost for a redevelopment or new construction project. Financial expenses also include interest expenses for interest rate derivative contracts. Payment flows from these are taken up as income in the period they relate to. Effective interest is the interest that discounts the estimated future payments and payouts during a financial instrument's expected term to the financial asset's or liability's accounted net value. The estimate includes all fees paid or received by the contracting parties that are part of the effective interest, transaction expenses and all other discounts and premiums.

The net financial income is not affected by the market value of the interest derivative contracts entered into, which instead are recorded as changes in value under a separate heading.

Remuneration to employees

Remuneration to employees such as salaries and leave and associated social security contributions are recorded in step with employees having performed services in return for compensation. NP3 Fastigheter has pension solutions for the company's employees which are to be regarded as defined contribution pension plans. This means that the company's legal or informal obligations are limited to the amount the company has accepted to pay and that the size of the employee's remuneration after terminated employment is dependent on the contributions the company pays to the plan or to an insurance company, plus the return on capital the contributions provide. Commitments for retirement and occupational pension for civil servants is secured through insurance in Alecta. According to regulations currently in effect, part of these shall be classified as defined benefit

ITP-plans, which comprise several employers. As it is not possible to account for the company's proportional share of the plan, it is also accounted as a defined contribution plan. Obligations relating to contributions for defined contribution plans are accounted as expenses in the income statement when they arise.

Taxes

Income tax in the income statements consists of current and deferred tax. Income tax affects the profit except for in those cases it is related to transactions that have been accounted directly against equity, when the tax effect is also accounted directly against equity. Current and deferred tax is calculated based on the current tax rate of 20.6%. Current tax is tax that shall be paid or received relating to the current year, with adjustment of current tax relating to previous periods also attributed to this.

Deferred tax is accounted according to the balance sheet method on temporary differences between an asset's or liability's accounted value and its tax base. However, exceptions are made for temporary differences that arise at the first time of recording assets and liabilities that constitute asset acquisitions. Deferred tax assets relating to deficit deductions are recorded only to the degree it is likely that these will bring lower tax payments in the future. Change of deferred tax asset/tax liability is recorded in the income statement as deferred tax.

Lease contracts

Lessors

Lease contracts in which all risks and benefits associated with the ownership essentially fall on the lessor are classified as operating leases. All rental agreements relating to investment properties are to be regarded as operating leases. The accounting of these agreements can be seen from the principle for revenue.

Lessees

The group reports as lessee a lease liability on the starting date of the lease contract. At the same time, a right of use asset is accounted at an equivalent amount adjusted for leasing charges prepaid on the starting date. The lease liability is discounted by the imputed interest rate in the contract, i.e. ground rent interest. The majority of the group's lease contracts consist of site leasehold agreements. As site leasehold agreements are considered to carry a permanent obligation towards the lessor, no depreciation on the right of use is recorded and no amortisation of the lease liability takes place. The ground rent paid is presented in its entirety as a financial expense.

Investment properties

Investment property refers to a property that is held in order to generate rental income or increase in value or a combination of both, rather than using it for the own company's activities. All of NP3's properties are assessed as constituting investment properties. The term investment properties includes buildings, land and land improvements, ongoing new construction, additions and renovations projects as well as building equipment.

Initially, investment properties are recorded at cost, which includes directly related expenses. Investment properties are then accounted in the consolidated balance sheet at fair value. Valuation at fair value is made quarterly through independent external and internal valuation and based on market values. Changes in value, both realised and unrealised, are recorded in the income statement under the item change in value property. Unrealised changes in value are calculated from the valuation on the reporting date compared to valuation on the previous reporting date, alternatively acquisition

value if the property was acquired during the year, with addition of incremental expenses capitalised during the period. How the realised change in value is calculated can be seen in the accounting principles for revenue. Additional expenses are added to the recorded value only if it is likely that the future financial advantages which are connected to the asset will go to the company and the acquisition value can be calculated in a reliable manner. All other additional expenditures are accounted as costs when they arise. Expenses for ongoing repairs and maintenance are carried as expenses in the period they arise. For major investment projects in form of new construction or redevelopment projects, borrowing costs are capitalised as additional expenses on investment properties.

Tangible fixed assets

Tangible fixed assets consist of equipment, which has been recorded at acquisition value with deduction for accumulated depreciations and any write-downs. In the acquisition value is included the purchase price and expenses directly relating to the asset in order to put it in place and condition to be used in accordance with the purpose of the acquisition. Depreciation according to plan is done straight-line over the asset's estimated useful life, which is normally five years and based on original acquisition values after deduction for any write-downs made later. For assets acquired during the year, depreciation is calculated in consideration of the acquisition date. Additional expenses are added to the acquisition value only if it is likely that the future financial advantages which are connected to the asset will go to the company and the acquisition value can be calculated in a reliable manner. All other additional expenditures are accounted as costs when they arise.

Intangible assets

Intangible assets currently consist of IT-systems. These are recorded at acquisition cost less accumulated depreciations and any write-downs. The acquisition value includes the purchase price and expenses directly relating to the asset in order to put it in place and condition to be used in accordance with the purpose of the acquisition. Depreciation is linear over the asset's calculated useful life, which is normally five years.

Financial instruments

Financial instruments reported in the balance sheet include among the assets liquid assets, holdings in listed securities, rent receivables and other receivables, as well as among debts interest rate derivative instruments, trade creditors, other liabilities and borrowings. Financial instruments are initially recorded at fair value, equivalent to acquisition value, with addition for transaction expenses, except for the category financial instruments reported at fair value via the income statement where transaction expenses are not included. The following accounts are subsequently prepared depending on how classification has taken place as below.

A financial asset or financial liability is entered in the balance sheet when the company become party to the instrument's contractual terms. A receivable is recorded when NP3 has delivered and there is a contractual obligation for the counterparty to pay, even if no invoice has yet been sent. Accounts receivable are entered in the balance sheet when the invoice has been sent. A financial asset is removed from the balance sheet when the rights in the agreement have been realised, fall due or the company loses control of them. A financial liability is removed from the balance sheet when the contractual obligation is fulfilled or otherwise removed.

Financial assets are classified based on the business model in which the asset is dealt with and its cash flow character.

NP3 applies a business model where the objective is to collect contractual cash flows for the financial assets and they are thus recorded at accrued acquisition value. Holdings in listed securities, however, are recorded at fair value via the income statement.

All financial liabilities are also recorded at accrued acquisition value, except for the group's derivative instruments which are valued at fair value via the income statement.

The group records a loss reserve for expected credit losses on financial assets which are valued at accrued acquisition value. Credit reserves are continuously assessed based on history as well as current and forward-looking factors. For all financial assets, the group shall value the loss reserve at an amount equivalent to 12 months of expected credit losses. Receivables in the parent company consist only of receivables from subsidiaries, which are recorded at acquisition value and analysed in the general model for assessment of credit reserves.

Financial assets and liabilities are offset and reported at a net amount in the balance sheet only when there is a legal right to offset the amounts and an intention to settle them with a net amount or to concurrently realise the assets and settle the liability.

Equity

Dividends are recorded as a reduction of equity after the annual general meeting has made a decision. The calculation of the profit/loss per share is based on the profit/loss for the year relating to the parent company's shareholders and on the average weighted number of shares outstanding during the year.

The preference shares outstanding are classified as equity instruments and not as financial liabilities. This is because there is no contractual obligation to pay dividends or repay deposited capital. Payment is subject to a decision on this being made by the company general meeting, which can only take place after the board has proposed to the meeting that dividend shall be paid. Nor

is there any obligation for the company to redeem the preference shares. NP3's common shares are also classified as equity instruments.

Cash flow statement

The cash flow statement has been prepared according to the indirect method, which means that the profit from property management has been adjusted for transactions that have not involved payments or payouts during the period, and for any earnings and costs relating to the investing or funding activities' cash flows. Liquid assets refer to cash and bank balance.

New accounting principles

New standards that became effective in 2021

The group applies the same accounting principles and valuation methods as in the annual report last year. New or revised IFRS-standards or other IFRIC interpretations which became effective after 1 January 2021 have not had any notable effect on the group's financial statements. The company has received state subsidies in form of the rent support package which are recorded as rental income. Subsidies received are recorded in the income statement in the same period as the loss of income in form of rent discounts provided which the subsidies are intended to cover.

In 2019, rules were introduced in the EU regarding electronic reporting of financial reports. The rules shall be applied to financial years that start on 1 January 2021 or after. The new rules mean that this annual report is prepared in XHTML-format and submitted digitally to the Swedish Financial Supervisory Authority.

New standards and interpretations which become effective in 2022 and onward

None of the new and changed standards and interpretation opinions approved by the EU are currently assessed as affecting NP3's results or financial position to any significant extent.

Note 2 Rental income - group

Total rental income for the group amounted to 1,238 MSEK (1,091) for the financial year. Rental income consists of the rental value less the value of vacant areas during the year. Rental value refers to rental income received plus assessed market rent for areas vacant. Extra charges that are passed on to the tenant, such as property tax, electricity and heating are also included in the rental value. These extra charges, except for property tax, are defined as service revenue and are thus separately disclosed in accordance with IFRS15. For 2021, revenue consisted of rental income 1,133 MSEK (999) and service revenue 105 MSEK (92). In the exiting property portfolio, revenue increased by 2%. All rental agreements are classified as operating leases.

The maturity structure and contracted future rental income relating to the rental agreements that relate to non-cancellable operating leases can be seen from the tables beside.

Maturity structure	2021	2020
Due within 0-12 months	211	138
Due within 1-2 years	236	207
Due within 2-3 years	244	192
Due within 3-4 years	232	164
Due within 4-5 years	119	133
Due after more than 5 years	393	310
Vacancy, rental value	102	92
	1,538	1,236

Contracted future rental income	2021	2020
Contracted rental income year 1	1,225	1,005
Contracted rental income year 2	989	799
Contracted rental income year 3	745	607
Contracted rental income year 4	512	443
Contracted rental income year 5	393	310

The average remaining lease term at the end of 2021 was 4.1 years (4.2). The financial economic rate at the end of the year was 93 percent (93)

Note 3 Segment reporting - group

The group's operations and internal reporting are done in accordance with geographic division into business areas, which also constitutes the company's segments according to IFRS 8 Operating Segments. The business areas consist of Sundsvall, Gävle, Dalarna, Östersund, Umeå, Luleå, Middle Sweden and since 2021 also Skellefteå. The properties included in Skellefteå have previously been included in the Umeå business area. In connection with the establishment of the

new business area, the comparison period in the table below has been recalculated. The segments are assessed as having similar economic characteristics as all segments consist of a mix of various property types with geographic location being what separates them. Expenses for central administration, result from associated companies and joint ventures, net financial income, changes in value and tax are not distributed by segment.

12 months, MSEK	Sundsvall		Gävle		Dalarna		Östersund		Umeå		Skellefteå		Luleå		Middle Sweden		Non-distributed costs		Total group	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Rental income incl. vacancy	290	283	182	162	183	158	149	145	159	128	72	53	208	185	84	59	-2	1	1,324	1,174
Vacancy	-24	-28	-11	-12	-13	-13	-9	-7	-9	-6	-2	-2	-11	-12	-7	-2	-	-	-86	-83
Repairs and maintenance	-13	-8	-7	-4	-6	-4	-6	-5	-6	-4	-3	-1	-5	-5	-2	0	-	-2	-48	-33
Property costs	-56	-51	-29	-25	-29	-23	-28	-25	-31	-20	-14	-9	-37	-36	-9	-4	-2	1	-234	-192
Property tax	-5	-7	-5	-5	-5	-5	-4	-5	-6	-6	-3	-2	-7	-7	-3	-3	-	-	-39	-38
Customer losses	-2	-2	0	0	0	-2	0	0	0	-2	0	-1	-1	0	-1	-2	-	-1	-4	-10
Net operating income	191	187	130	116	129	111	103	102	106	90	50	37	147	126	62	48	-4	0	912	817
Central admin.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-57	-53	-57	-53
Result from associated companies and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	158	60	158	60
Net financial items	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-254	-225	-254	-225
Change in value investment property	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	1,642	263	1,642	263
Change in value financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	64	-38	64	-38
Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-444	-164	-444	-164
Net profit for the year	191	187	130	116	129	111	103	102	106	90	50	37	147	126	62	48	1,103	-157	2,020	660

Surplus ratio, %	72	73	76	77	76	77	73	74	71	74	71	74	75	73	81	84			74	75
Number of properties	108	102	67	60	60	54	41	38	42	36	45	30	48	41	35	27			446	388
Lettable area, thousand sqm	362	348	255	227	313	220	133	130	205	146	199	67	214	193	104	104			1,784	1,436
Rental value, MSEK	311	286	204	171	221	167	153	145	183	132	157	56	219	195	91	84			1,538	1,236
Economic vacancy, % ¹⁾	9	9	5	7	8	8	5	6	4	7	6	5	4	5	12	12			7	7
Property value	3,404	2,980	2,425	1,755	2,394	1,695	1,805	1,560	1,978	1,313	1,865	561	2,388	1,901	1,076	817			17,335	12,582

1) Calculated on current rental value on the balance sheet date.

There are no significant transactions between the segments. All revenue relates to Sweden where all properties are located. No one individual tenant represents ten percent or more of the revenue.

Note 4 Property costs

NP3's property costs consist of direct property costs such as utility costs, other operating expenses, maintenance and property tax. Indirect costs in form of property administration are also included in property costs. Utility costs such as heating, electricity and water are costs that to a large extent are passed on to tenants in form of extra charges. Maintenance costs consist of current expenses for maintaining the properties' standard. Property costs also include customer losses. Property tax is a state tax based on the properties' tax assessment value, which is mainly passed on to tenants.

Group	2021	2020
Property care-taking and operating expenses	-234	-192
Repair and maintenance costs	-48	-33
Customer losses	-4	-10
Total	-286	-236
Property tax	-39	-38

The parent company has no direct ownership in any property and thus no property costs.

Note 5 Expenses for central administration

Central administration expenses include costs for portfolio management and company administration. This includes all costs for group management, finance department, IT, investor relations, annual report, audit fees and other fees as well as depreciation of equipment including the part of current leasing costs for cars, office equipment and premises that is reported as depreciation in accordance with IFRS 16. The personnel costs that are not allocated to property administration are included in the central administration costs.

For 2021, the group's costs for central administration were divided between personnel costs -30 MSEK (-27), other administration costs -23 MSEK (-22) and depreciation -4 MSEK (-4).

Remuneration to auditors	2021	2020
KPMG		
Audit assignments	2.8	2.4
Audit in addition to the audit assignment	0.1	0.2
Other services	0.2	0.3
Total	3.1	2.9

The parent company's other external costs amounted to -50 MSEK (-44) and the parent company's personnel costs to -32 MSEK (-30). The parent company's external costs include costs for property management, which in the group are allocated to property costs.

Note 6 Employees and personnel costs (TSEK)

Average number of employees	Group		Parent company	
	2021	2020	2021	2020
Men	31	26	29	26
Women	13	13	13	13
Total	44	39	42	39
Total number of employees at the end of the year	54	45	47	45

Gender distribution in the board and company management

At the end of 2021, the board in the parent company consisted of 5 persons (5) of which 2 women (2). During 2021 the company's management group consisted of 4 persons (4) of which 1 woman (1). The management group makes up the group's senior executives.

Remuneration principles for senior executives

For 2021, remuneration to the CEO consisted of fixed salary, other benefits, pension and variable salary of max. 25 percent of the total fixed salary. For other senior executives, remuneration consisted of fixed salary, other benefits, pension and variable salary of max. two monthly salaries. The company has a profit-sharing foundation, which covers all employees except for the CEO.

Incentive programme

At the end of the year there were three warrant programmes in progress for the company's employees. These run for three years during the periods 2019-2022, 2020-2023 and 2021-2024. The warrants entitle to subscribe for new common shares in June 2022, June 2023 and June/July 2024, respectively. The subscription prices correspond to the NP3-share's price paid when the warrant programme was initiated converted at the average price trend for the listed real estate companies according to Carnegie Real Estate Index (CREX) during the corresponding period. The warrants will thus become valuable provided that NP3 sees a price trend that is better than the average for the listed real estate companies during the three-year periods. At the end of the year, employees held a total of 613,014 warrants with the right to subscribe for common shares, equivalent to 1.1 percent of the number of common shares outstanding. Of these, 142,035 were issued during 2021 with 36,895 bought by individuals in management. Employees have bought the warrants at fair value (market price). In 2021, NP3 issued 106,473 common shares on occasion of the exercise of warrants. In addition, 122,833 warrants were repurchased on occasion of the incentive program 2018-2021 at the corresponding market value at the time of the repurchase. The cost of repurchasing the warrants amounted to 7 MSEK. The programme has resulted in somewhat higher personnel costs regarding subsidies in order to finance part of some employees' purchase price. The procedure is in accordance with the decision by the annual general meeting 2019, 2020 and 2021. No further warrants or convertibles have been issued by the company during the year.

Notice of termination

Notice of termination for the CEO is 12 months on both sides. There is no arrangement for severance pay with the CEO. A mutual period of notice of six months applies to the CFO, COO and Head of property management. The COO is entitled to six months' severance pay if given notice by the company. There is no arrangement for severance pay with the CEO and Head of property management.

Pensions

The CEO and COO have premium-based pension solutions. Pensions to other employees follow ITP1 or ITP2 in Alecta depending on age. ITP1 is a defined contribution plan and ITP2 a defined benefit plan. For the 2021 financial year, the company did not have information available in order to report its proportional share of the plan's obligations, plan assets and costs, which meant that the plan was not possible to record as a defined benefit plan. The pension plan ITP 2 is thus recorded as a defined contribution plan. The premium for the defined benefit retirement and family pension is individually calculated and is dependent on, among other things, salary, previously earned pension, and the expected remaining period of employment. Expected fees in the next reporting period for ITP 2-insurances amount to 3 MSEK (2). The group's share of the total fees for the plan and the group's share of the total number of active members in the plan amount to 0.00911 or 0.00580 percent (0.00606 or 0.00555).

Cont. Note 6 Employees and personnel costs (TSEK)

Salaries, other compensation and social security costs	Group		Parent company	
	2021	2020	2021	2020
Salaries fees and benefits				
Board fee as per specification	1,140	1,140	1,140	1,140
CEO				
Basic salary	2,700	2,520	2,700	2,520
Variable remuneration	675	473	675	473
Benefits	120	116	120	116
Other senior management				
Basic salary	3,977	3,711	3,977	3,711
Variable remuneration	250	295	250	295
Benefits	238	180	238	180
Other employees	23,105	21,695	22,099	21,463
Total salaries, fees and benefits	32,205	30,130	31,199	29,898
Pension costs				
CEO	415	483	415	483
Other senior management	1,547	1,279	1,547	1,279
Other employees	3,315	2,952	3,173	2,911
Total	5,277	4,714	5,135	4,673
Statutory social security costs including payroll tax				
CEO	1,141	1,143	1,141	1,143
Other senior management	1,779	1,626	1,779	1,626
Other employees	8,692	6,859	8,309	6,820
Total	11,612	9,628	11,229	9,589

In addition to the reported costs in the tables above, total personnel costs include a cost for allocation to a profit-sharing foundation, including special payroll tax, for the group and the parent company of 2,369 TSEK (1,564).

Board fee	Fee, board member		Fee, audit committee		Total	
	2021	2020	2021	2020	2021	2020
Åsa Bergström	165	165	75	75	240	240
Mia Bäckvall Juhlin	165	165	-	-	165	165
Lars Göran Bäckvall	165	165	-	-	165	165
Anders Nilsson	165	330	-	-	165	330
Nils Styf (chrm.)	330	165	75	75	405	240
Total	990	990	150	150	1,140	1,140

Note 7 Result from associated companies and joint ventures

Group	2021	2020
Profit from property management		
Fastighetsbolaget Emilshus AB	26	17
Fastighetsaktiebolaget Ess-Sierra	30	2
Malabo Holding AB	1	-
Cibola Holding AB	2	-
Total	60	19
Changes in value		
Fastighetsbolaget Emilshus AB	93	28
Fastighetsaktiebolaget Ess-Sierra	38	31
Malabo Holding AB	1	-
Cibola Holding AB	5	-
Total	138	59
Tax		
Fastighetsbolaget Emilshus AB	-24	-9
Fastighetsaktiebolaget Ess-Sierra	-14	-8
Malabo Holding AB	-1	-
Cibola Holding AB	-2	-
Total	-40	-17

The share of profits for Fastighetsaktiebolaget Ess-Sierra for 2020 relates to the period 11-31 December.

Malabo Holding AB's result for 2021 refers to the period 1 May - 31 December. Cibola Holding AB reports to NP3 with a lag of one quarter. Results for 2021 refer to the period 1 June - 30 September.

Note 8 Interest income and similar profit/loss items

Group	2021	2020
Interest income, other	4	1
Profit from sale of listed shares	6	-
Total	10	1
Parent company	2021	2020
Interest income, group companies	178	165
Dividend listed shares	1	0
Profit from sale of listed shares	6	-
Total	186	165

All interest income relates to financial instruments which are not categorised as fair value via the income statement.

Note 9 Interest expenses and similar profit/loss items

Group	2021	2020	Parent company	2021	2020
Interest expenses, interest rate derivatives	-20	-12	Interest expenses, group companies	-31	-23
Interest expenses, other	-215	-197	Interest expenses, interest rate derivatives	-22	-12
Financial expense site leasehold/leasing	-3	-2	Interest expenses, other	-158	-134
Other financial expenses	-26	-14	Other financial expenses	-23	-12
Total	-264	-226	Total	-234	-181

All interest expenses and other financial expenses, except interest rate derivatives, relate to financial instruments which are not categorised as fair value via the income statement, but valued at accrued acquisition value. Interest rate derivatives, however, are valued at fair value over the income statement. The unrealised change in value is not recorded in the net financial income, but in a separate row in the income statement, see note 11.

Ground rent for 2021 amounted to 3 MSEK (2). Ground rent is the fee an owner of a building on publicly owned land pays to the municipality annually. The ground rent is distributed over time and often renegotiated at intervals of between 10 to 20 years. At the end of 2021, NP3 had 43 (36) buildings granted site leaseholds. According to IFRS 16 Leasing, the ground rent is recorded as a financial expense instead of in the net operating income. The interest component in other lease contracts is also recorded as a financial expense.

Note 10 Investment properties

Property value distributed by property type and business area:

	Retail		Industrial		Logistics		Offices		Other		Total	
31 December	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Sundsvall	774	666	1,233	1,100	443	392	431	393	523	430	3,404	2,980
Gävle	417	405	1,301	854	219	189	269	172	220	137	2,425	1,755
Dalarna	505	444	1,321	601	384	330	82	169	102	152	2,394	1,695
Luleå	1,274	1,077	732	510	380	312	0	0	1	1	2,388	1,901
Umeå	702	571	708	255	38	19	375	333	156	135	1,978	1,313
Skellefteå	230	194	1,137	305	32	34	96	21	369	7	1,865	561
Östersund	472	424	484	405	45	40	537	444	267	246	1,805	1,560
Middle Sweden	165	149	763	637	0	0	112	0	36	31	1,076	817
Total	4,538	3,929	7,680	4,667	1,541	1,316	1,902	1,531	1,674	1,139	17,335	12,582

Investment properties, change in value	2021	2020
Opening value	12,582	11,402
Acquisition of properties	3,131	792
Investments in existing properties	332	193
<i>of which capitalised interest expenses</i>	1	1
Investments in new construction projects	190	78
<i>of which capitalised interest expenses</i>	2	2
Divestments	-542	-146
Realised change in value	63	49
Unrealised change in value	1,579	214
Closing value	17,335	12,582

NP3 Fastigheter records its properties at fair value in the balance sheet. The fair value corresponds to the properties' market value. Changes in the market value are recorded as a change in value in the income statement under the heading change in value of investment properties. Unrealised changes in value for the year relating to investment properties that remain on the balance sheet at the end of the year amount to 1,604 MSEK.

Change by property type for the year	Retail		Industrial		Logistics		Offices		Other		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
Opening value	3,928	3,806	4,667	3,892	1,315	1,240	1,531	1,506	1,139	957	12,582	11,402
Acquisition of properties	121	80	2,234	577	-	55	285	-	491	80	3,131	792
Investments in existing properties	125	53	116	86	6	27	60	6	25	21	332	193
Investments in new construction projects	13	2	140	76	-	-	-	-	37	-	190	78
Divestments	-28	-	-100	-76	-	-	-154	-	-260	-70	-542	-146
Realised change in value	4	-	28	13	-	-	10	-	21	36	63	49
Unrealised change in value	375	-12	595	100	220	-7	170	19	221	115	1,579	214
Closing value	4,538	3,929	7,680	4,667	1,541	1,316	1,902	1,531	1,674	1,139	17,335	12,582

Cont. Note 10 Investment properties

Property valuation

The company's investment properties are valued at fair value every quarter in accordance with NP3's valuation policy and the portfolio's market value is determined by the company's board. Valuation is done in accordance with IFRS 13 level 3.

Assessment of fair value is done using a combination of local sales comparison method and yield-based method in form of discounting future estimated cash flow. When using the local sales comparison method, a comparison is carried out between the valuation object and completed property transactions with similar characteristics. The cash flow model bases the analysis on an estimated net operating income for the respective property, or assessment unit, for the coming ten years. Year 1 is based on actual rents and normalised operating and maintenance cost. From year 2, rents that deviate from the assessed market rent are adjusted to current market levels at the end of the respective contract term. For operating and maintenance costs, assessment is made adjusted to conditions on the market. The net operating income is calculated at present value together with the residual value to calculate the property's market value. The market value, which shall reflect an estimated price when selling on the open property market, is compared with prices of known, comparable transactions.

Cost of capital and required return, for calculating the present value of the cash flow and calculating the property's residual value, shall reflect the property's location and market development and is coordinated with the valuation institute/s that is/are used. Cost of capital and required return are individual for each property and are first and foremost extracted from the transaction market for comparable properties and based on assumptions regarding real rate of interest, inflation and equity risk premium.

The equity risk premium varies for each property and constitutes a weighted assessment of the property's category, the locality, the property's location in the locality and the property's condition and standard. Contract composition, the length and size of contracts are also taken into account. The input that has been used for the valuations is presented in the table below. Estimated inflation for 2022 is 2 percent, and 2 percent for the following years, and the discount rate that has been used is 8.47 percent.

During the fourth quarter of 2021, 99 percent of the property value was valued by external independent parties. According to the company's valuation policy, at least 90 percent of the total holdings shall be evaluated by external parties during the second and fourth quarter and remaining properties be completed with internal valuations. The external valuations during 2021 were obtained from Forum Fastighetsekonomi AB, Newsec Advice AB and Svefa AB. Uncertainty regarding estimates in market value is usually stated at +/- 5-10 percent.

The total value of the company's property portfolio amounted to 17,335 MSEK (12,582) on the reporting date. During the year, investments were made for a total of 3,653 MSEK (1,063), of which 332 MSEK (193) related to investments in existing properties, 190 MSEK (78) related to new construction projects and 3,131 MSEK (792) related to new acquisitions. Valuation for the period shows a positive unrealised change in value of 1,579 MSEK (214) and a realised change in value of 63 MSEK (49). Unrealised changes in value arise from, among other things, an effect in the accounts as a result of deduction for deferred tax in acquisitions for the year, as well as revaluations as a result of existing market conditions.

NP3 has commitments to complete initiated projects with a remaining investment volume of about 286 (133) MSEK in addition to what has been recorded in the balance sheet.

Input for valuation 31/12/2021 distributed by property category	Yield requirement	Rental value, SEK/sqm	Property costs, SEK/sqm	Initial Vacancy rate
Retail	6.44%	1,043	249	4.6%
Industrial	6.39%	753	210	9.0%
Logistics	6.13%	828	192	8.4%
Offices	6.18%	1,114	311	12.6 %
Other	6.30%	988	226	6.7%
Total weighted average	6.35%	872	227	8.0%

Sensitivity analysis property valuation

Assessing the value of properties is always associated with uncertainty to some extent. Property valuations are calculations made according to accepted principles, based on certain assumptions. The value margins stated when evaluating properties, which are often in the range of +/- 5-10 percent, are to be considered a measure of the uncertainty that is inherent in assumptions and calculations made. The table below shows how a change in various assumptions might affect the company's profit before tax.

Sensitivity analysis property valuation		
31 Dec 2021, MSEK	Change +/-	Impact on earnings before tax
Market value property	5 %	+/-867
Yield requirement	0.25 %	-697/+758
Rental income	80 SEK/sqm	+/-143
Property costs	20 SEK/sqm	-/+36
Vacancy rate	1%	-/+15

Note 11 Change in value financial instruments

NP3 uses interest rate derivatives to achieve the desired interest maturity structure. The fair value of the interest rate derivatives is based on discounting of estimated future cash flows according to the terms and conditions of the contracts and maturity dates, with starting point in market rates. In order to determine the fair value, market rates are used for the respective term noted at the end of the accounting period and generally accepted methods of calculation. This means that the fair value has been determined according to observable data, i.e. level 2 in the valuation hierarchy according to IFRS 13. If the agreed interest rate differs from the market interest rate, this gives rise to an excess or deficit in value and the change in value during the period is reported in the income statement. Unrealized change in value refers to the change in value that arose during the financial year on the derivative instruments that remained at the end of the year. It is the issuer of the derivatives who provides valuation opinions to NP3. During the year, the interest rate derivatives' value, mainly due to changed market rates, has increased by 64 MSEK. The market value of the derivative portfolio amounted to -9 MSEK (-73). Upon maturity, the derivatives' market value will have been dissolved and the changes in value over time do not affect equity.

Listed shares have been revalued at the closing price on the balance sheet date with an unrealized impact on earnings of 1 MSEK (-1). The accounted value of the shareholdings amounted to 3 MSEK as of 31 December.

	2021	2020
Unrealised change in value interest rate derivatives	63.5	-37
Unrealised change in value listed shares	0.5	-1
Total	64	-38

Note 12 Tax on profit for the year

In the income statement, tax is distributed between current and deferred tax. Current and deferred tax has been calculated based on a nominal tax rate of 20.6%. Current tax is calculated based on the individual companies' taxable profit, which is often lower than the net profit for the year as there is scope for tax adjustments. This applies mainly to the possibility of using tax depreciation, deductions for new construction projects, tax-exempt sales of properties via companies and utilisation of tax deficits. The deferred tax expense recorded in the income statement is made up of change in the deferred tax liability for the year, except for amounts that come from the sale of investment properties.

Group	2021	2020
Current tax		
Current tax for the year	-44	-49
	-44	-49
Deferred tax		
Deferred tax relating to investment properties	-346	-93
Deferred tax relating to derivatives	-13	8
Deferred tax relating to deficit deductions	-1	2
Deferred tax relating to other temporary differences	-2	1
Deferred tax relating to untaxed reserves	-38	-33
	-400	-115
Total tax charged to profit for the year	-444	-164

Reconciliation effective tax group	2021	2020
Profit before tax	2,465	824
Tax according to current tax rate, 20.6% (21.4)	-508	-176
Result from participations in associated companies and joint ventures	32	13
Effect of interest cap rules	-14	-9
Divestment of properties	30	6
Effect of deductible but not accounted costs	1	0
Use of previous non-capitalised deficit deductions	1	1
Recalculation tax rate	-	1
Other tax adjustments, net	13	0
Total	-444	-164

Parent company	2021	2020
Current tax	-8	-3
Total tax charged to profit for the year	-8	-3

There is no deferred tax in the parent company

Reconciliation effective tax parent company

Profit before tax	14	3
Tax according to current tax rate, 20.6% (21.4)	-3	-1
Effect of interest cap rules	-6	-2
Effect of deductible but not accounted costs	1	0
Total	-8	-3

Note 13 Leasehold rights

At the end of the year, NP3 had 43 properties (36) granted site leaseholds and commitments concerning leasing of cars, office machinery and office space.

Group	2021	2020	2021	2020	2021	2020
	Site leaseholds		Other lease contracts		Total	
Beginning of year	78	65	5	7	83	72
Additional	20	13	5	1	25	14
Outgoing	0	-	-	-1	0	-1
Depreciation	-	-	-2	-2	-2	-2
Value at year-end	98	78	8	5	106	83

The annual cost for site leasehold fees is accounted as a financial expense. For 2021, the cost amounted to -3 MSEK (-2).

Note 14 Software (TSEK)

Parent company	2021	2020
Accumulated acquisition values:		
At beginning of year	4,041	2,142
Investments for the year	2,208	1,899
	6,249	4,041
Accumulated depreciation according to plan:		
At beginning of year	-1,203	-758
Depreciation for the year according to plan	-642	-446
	-1,845	-1,203
Recorded value at year-end	4,404	2,838

Note 15 Equipment

Group	2021	2020
Accumulated acquisition values:		
At beginning of year	36	34
New acquisitions	1	2
	37	36
Accumulated depreciation according to plan:		
At beginning of year	-25	-23
Depreciation for the year according to plan	-2	-2
	-27	-25
Recorded value at year-end	10	11
Parent company (TSEK)		
Accumulated acquisition values:		
At beginning of year	1,684	1,694
New acquisitions	152	-
Divestments/Disposals	-	-10
	1,836	1,684
Accumulated depreciation according to plan:		
At beginning of year	-962	-636
Divestments/Disposals	-	-
Depreciation for the year according to plan	-310	-326
	-1,272	-962
Recorded value at year-end	564	722

Note 16 Participations in group companies (TSEK)

Subsidiaries directly owned by the parent company are shown in the table below. Other companies included in the group can be seen from the respective subsidiary's annual report. All subsidiaries have their domicile and head office in Sundsvall, except for Lillänge Köpcenter KB with domicile and head office in Östersund.

Subsidiary	Corp. ID no.	Share	Book value 2021	Book value 2020
Fastighetsbolaget Ateneum i Brynäs KB	916606-5012	0	0	0
Lillänge Köpcenter KB	969676-9042	1	424	424
Marmolada i Luleå AB	556792-5531	100	8,267	8,267
NP1 Förvaltning AB	556937-4787	100	50	50
NP15 Förvaltning AB	559334-3097	100	59	-
NP2 Förvaltning AB	556720-7187	100	8,949	8,949
NP3 Fastigheter Holding AB	559317-7628	100	57	-
NP3 Fastigheter Holding 2 AB	559344-2634	100	25	-
NP3 Förvaltning AB	556827-8666	100	68,622	68,622
NP3 Projekt AB	556977-9027	100	2,755	55
NP4 Förvaltning AB	556843-3139	100	28,879	28,879
NP5 Förvaltning AB	556814-4074	100	83,395	83,395
NP6 Förvaltning AB	556878-4788	100	15,656	15,656
NP7 Förvaltning AB	556878-4770	100	6,954	6,954
NP8 Förvaltning AB	556859-2249	100	20,350	20,350
NP9 Förvaltning AB	556859-2272	100	15,800	15,800
NP10 Fastigheter Ljusta Birsta Projekt KB	969700-6188	1	1	1
NP10 Förvaltning AB	556974-4856	100	58	58
NP11 Förvaltning AB	556963-5278	100	50	50
NP12 Förvaltning AB	556974-4872	100	2,058	2,058
NP13 Förvaltning AB	559034-6564	100	393,069	393,069
NP14 Förvaltning AB	559268-3337	100	300	250
Simple Self Storage Sundsvall AB	559034-9790	100	555	555
Sköns Prästbord 2:3 KB	969645-3811	1	0	0
Trellvex KB	916549-7430	0	0	0
Trucken 7 KB	969700-3870	0	0	0
Total			656,333	657,986

Note 17 Participations in associated companies and joint ventures

	Group		Parent company	
	2021	2020	2021	2020
Opening value	456	149	135	135
Acquisitions	144	247	67	-
Share of profits	158	60	-	-
Dividend	-34	-	-	-
Closing value	724	456	202	135

Associated companies and joint ventures	Corp. ID no.	Domicile and head office	Participating interest, %	Voting right, %	Share of equity	
					2021	2020
Fastighetsbolaget Emilshus AB	559164-8752	Vetlanda	19.1	20.2	346	185
Fastighetsaktiebolaget Ess-Sierra	559235-3667	Stockholm	50.0	50.0	293	271
Malabo Holding AB	559311-6964	Sundsvall	50.0	50.0	13	-
Cibola Holding AB	556998-1268	Sundsvall	31.6	31.6	71	-
Total					724	456

Associated companies and joint ventures - income statement and balance sheet in summary, MSEK (100 %)

	Fastighetsbolaget Emilshus AB		Fastighetsaktiebolaget Ess-Sierra		Malabo Holding AB		Cibola Holding AB	
	2021	2020	2021	2020 ¹⁾	2021 ²⁾	2020	2021 ³⁾	2020
Income statement								
Rental income	280	183	89	5	6	-	31	-
Profit from property management	131	86	59	3	2	-	8	-
Net profit for the year	469	176	109	49	4	-	19	-
Statement on financial position								
Investment properties	4,827	2,715	1,429	1,440	140	-	487	-
Other fixed assets	13	1	-	-	-	-	20	-
Current assets	147	90	25	25	15	-	32	-
Total assets	4,987	2,806	1,454	1,465	155	-	539	-
Equity	1,848	943	589	546	26	-	223	-
Interest-bearing liabilities	2,839	1,731	786	842	122	-	272	-
Other liabilities	300	132	79	77	7	-	44	-
Total equity and liabilities	4,987	2,806	1,454	1,456	155	-	539	-

¹⁾ Fastighetsaktiebolaget Ess-Sierra's result for 2020 relates to the period 11-31 December.

²⁾ Malabo Holding AB's result for 2021 refers to the period 1 May - 31 December.

³⁾ Cibola Holding AB reports to NP3 with a lag of one quarter. Results for 2021 refer to the period 1 June - 30 September.

Note 18 Receivables from associated companies and joint ventures

Receivables from associated companies and joint ventures for the group refer to receivables from Fastighetsbolaget Emilshus AB, 45 MSEK, Malabo Holding AB, 74 MSEK and Cibola Holding AB, 10 MSEK. The receivables from Fastighetsbolaget Emilshus are accounted in the parent company. The receivables bear interest at market terms.

Note 19 Current receivables

Group	2021	2020	Provision for expected credit losses	2021	2020
Aged receivables			Provision at beginning of year	14	14
Current receivables not due and due up to 30 days	74	43	Provisions for the year	11	16
Accounts receivable due 30-60 days	2	2	Reversed provisions	-9	-6
Accounts receivable due 60-90 days	1	1	Realised losses	-3	-10
Accounts receivable due >90 days	11	15	Closing balance	13	14
Provision for expected credit losses	-13	-14			
Total	75	47			

Book value of receivables from tenants corresponds to fair value when payment of accounts receivable is imminent.

Credit risk

The company reviews the creditworthiness of major tenants annually and limits the risk by not being exposed to any one individual tenant to more than 5 percent, except for tenants with

higher reliability such as state, municipality and region. When signing new rental agreements, credit reports are obtained for the tenant and an assessment of the tenant's creditworthiness done. Current receivables consist, in addition to accounts receivable, mainly of VAT and income taxes recoverable where no risk for cancelled payments is believed to be present.

Note 20 Equity and capital structure

Share capital

The number of common shares issued as of 31 December was 54,445,419. This was 106,473 more than at the beginning of the year due to the new issue of common shares that was carried out as a result of the company's first warrants program expiring in June 2021. In addition to the common shares, there are 38,000,000 preference shares. At the beginning of the year the number was 27,950,000, but in two directed new issues in May and October, respectively, the number was increased by a total of 10,050,000 preference shares. According to the articles of association, the share capital shall be min. 190,050,000 SEK and max. 760,200,000 SEK. The number of shares shall be min. 54,300,000 and max. 217,200,000. Every common share entitles to (1) vote/share and every preference share entitles to one tenth (1/10) vote. All shares have a P/B ratio of 3.50 SEK/share. NP3 does not own any own shares.

Other contributed capital

Refers to equity contributed by the owners (in addition to share capital) as a premium share issue.

Accumulated profits or loss

Accumulated profits generated in the group.

Incentive programme

The company issued 142,035 warrants to employees during the year, with an option to subscribe for shares in the parent company in June 2024. The subscription price will be set as the share price on issuance of the options in June 2021 adjusted up/down depending on all listed real estate companies' average development, calculated according to Carnegie Real Estate Index, during the period from issuance until June 2024. The warrants will thus become valuable provided that NP3 sees a price trend that is better than the average for the listed real estate companies during the three-year period. Employees have bought the warrants at fair value (market price). The fair value has been calculated by applying an option valuation model based on Monte Carlo simulation. The calculation has been based on a subscription price for the common share, equivalent to the average volume-weighted price at Nasdaq Stockholm during a period in June 2021.

The programme has resulted in somewhat higher personnel costs regarding subsidies in order to finance part of some employees' purchase price. Persons in management have bought 36,895 options. In comparable incentive programmes which run 2020-2023 and 2019-2022, respectively, 470,979 options have been issued. Altogether then, a total of 613,014 warrants for just over 3 MSEK have been issued during last three years, equivalent to 1.1 percent of the number of common shares outstanding. No further warrants or convertibles have been issued by the company. The money paid for the warrants is recorded under other contributed capital.

In 2021, a new issue of 106,473 common shares was carried out on occasion of the exercise of warrants under the incentive program 2018-2021. The remainder of the warrants for the 2018-2021 program, 122,833, were repurchased by NP3 for 7 MSEK, which corresponds to the market value at the time of repurchase.

The table below shows the distribution of warrants for various categories of employees at the beginning and end of 2021.

Warrants	Warrants outstanding at beginning of year	Redeemed warrants during the year	Warrants issued during the year	Closing warrants at year-end
CEO	94,933	-27,736	16,381	83,578
Other senior executives	117,230	-33,146	20,514	104,598
Other employees	488,122	-168,424	105,140	424,838
Total	700,285	-229,306	142,035	613,014

Restricted and non-restricted equity in the parent company

According to the Swedish Companies Act, equity consists of restricted (non-distributable) and unrestricted (distributable) equity. Only so much can be distributed to shareholders that after distribution there is still full coverage for restricted equity in the parent company. Furthermore, distribution of profits must only be done if it is warrantable with regard to the requirements the operation's nature, extent and risks put on the size of equity and the company's and group's assessment of financial position, liquidity and position in other respects.

Dividend

Dividend is proposed by the board in accordance with the provisions in the Swedish Companies Act and decided by the annual general meeting. Proposed dividend not yet paid for the 2021 financial year amounts to 4.30 SEK/common share and 2.00 SEK/preference share, total 310 MSEK. The amount is recorded as a liability only once the annual general meeting has decided on dividend.

Net asset value per common share

Calculation of long-term net asset value per common share is done by equity relating to the parent company's holders of common shares being adjusted for items that do not involve payout in the near term. In NP3's case this means that the value for derivatives and deferred tax liability shall be added to equity according to the balance sheet.

	2021		2020	
	MSEK	SEK/ common share	MSEK	SEK/ common share
Net asset value				
Equity acc. to balance sheet	6,743	123.86	4,637	85.34
Deduction for non-controlling interest	-46	-0.85	-11	-0.20
Deduction for preference share capital	-1,216	-22.33	-894	-16.46
Add-back derivatives	9	0.17	73	1.34
Add-back deferred tax	969	17.80	568	10.46
Long-term net asset value, SEK/common share	6,459	118.64	4,373	80.47

Capital structure

Together with equity attributable to the parent company's shareholders, the interest-bearing net borrowings make up the company's capital structure. NP3 has funding activities with the objective to achieve efficient management, contribute to the company being able to follow its business plan and strategy. This means that the company strives to secure funding in the long term and limit financial risks in form of interest rate and funding risk. The company has terms and conditions imposed by external creditors with regard to interest coverage ratio and loan-to-value ratio. The company's financial policy specifies a long-term loan-to-value ratio of 55-65 percent and an interest coverage ratio of at least 2 times. For more information about NP3's financial objectives and target achievement, see page 6.

Note 21 Deferred tax

The deferred tax liability largely consists of temporary differences between the recorded value and tax base on properties and untaxed reserves with deduction for deferred tax liabilities relating to derivative instruments and deficit deductions that are assessed as being utilisable in the future. Deficit deductions consist of the previous year's tax losses which are carried over to the next year and utilised by offsetting them against future tax profits. Remaining deficit deductions are calculated at 33 MSEK.

Group	2021	2020
<i>Deferred tax asset</i>		
Deferred tax relating to derivative instruments	-2	-16
Deferred tax relating to loss carry-forwards	-7	-8
<i>Deferred tax liability</i>		
Deferred tax relating to investment properties	846	500
Deferred tax relating to other temporary differences	3	1
Deferred tax relating to untaxed reserves	129	91
Total deferred tax	969	568

Change of deferred tax for the year

Deferred tax	Temporary difference property	Derivatives	Loss carry-forwards	Other temporary differences	Untaxed reserves
As of 1 January 2020	404	-8	-6	2	58
Recorded through the income statement	93	-8	-2	-1	33
Acquisition/divestment of investment property	3	-	-	-	-
31 December 2020	500	-16	-8	1	91
As of 1 January 2021	500	-16	-8	1	91
Recorded through the income statement	347	14	1	2	36
Acquisition/divestment of investment property	-1	-	-	-	2
31 December 2021	846	-2	-7	3	129

Note 22 Interest-bearing liabilities

The group's interest-bearing liabilities at year-end amounted to 10,467 MSEK (7,668) including interest-bearing liabilities relating to leasehold rights pursuant to IFRS 16, which amounted to 106 MSEK (83). The interest-bearing liabilities excluding liabilities relating to leasehold rights amounted to 10,361 MSEK (7,585), of which bank funding 7,172 MSEK (6,130), commercial paper loans 900 MSEK (0), bond loans 2,300 MSEK (1,475), other interest-bearing liabilities 42 MSEK (12) and accrued borrowing expenses which reduced the interest-bearing liabilities by 53 MSEK (32).

Loan maturity profile in bank and bond loans

	Secured commercial paper and bank loans ¹⁾				Bond loans				Total capital			
	MSEK		Average interest rate, %		MSEK		Average interest rate, %		MSEK		Proportion, %	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
31 Dec												
-12 months	1,196	1,629	1.33	1.98	-	-	-	-	1,196	1,629	12	21
1-2 years	571	2,774	2.00	2.15	600	375	3.90	4.92	1,171	3,149	11	41
2-3 years	1,956	452	1.96	2.00	700	600	3.79	3.90	2,656	1,052	26	14
3-4 years	881	1,049	1.97	2.03	1,000	500	3.15	3.84	1,881	1,549	18	20
4-5 years	3,414	170	1.91	2.13	-	-	-	-	3,414	170	33	2
5-10 years	54	57	2.08	2.07	-	-	-	-	54	57	1	1
Total resp. average	8,072	6,130	1.85	2.07	2,300	1,475	3.54	4.14	10,372	7,605	100	100

1) Commercial papers for 900 MSEK are included in secured loans with due date within 12 months for the year 2021.

Cont. Note 22 Interest-bearing liabilities

Fixed interest profile in bank and bond loans

	Derivatives, MSEK		Capital, MSEK		Average interest rate, %		Proportion, %	
	2021	2020	2021	2020	2021	2020	2021	2020
31 Dec								
-12 months	-3,725	-2,525	6,609	5,009	3.54	3.73	64	66
1-2 years	200	300	238	353	0.59	0.54	2	5
2-3 years	500	200	500	217	0.69	0.47	5	3
3-4 years	725	-	725	-	1.43	-	7	-
4-5 years	500	500	500	500	0.58	0.69	5	7
5-10 years	1,800	1,525	1,800	1,525	0.59	0.93	17	20
Total resp. average	0	0	10,372	7,605	2.53	2.73	100	100

Payment flows - future interest payments	Credits	Derivatives
-12 months	-233	-31
1-2 years	-198	-30
2-3 years	-133	-30
3-4 years	-75	-26
4-5 years	-32	-14
5- years	-3	-32
Total	-674	-163

Future interest payments are calculated on existing credit portfolio as of 31 December 2021. The interest rate has been assumed to be on the same level for the various credits. The credits include bank, commercial paper and bond loans.

In addition to the financial liabilities whose undiscounted cash flows are presented in the tables above, the group possesses 43 site leasehold agreements (36) whose annual site leasehold fees total 3 MSEK undiscounted (2). These lease contracts are regarded as permanent from the group's perspective, as the group has no right to cancel the contracts. All site leasehold agreements will be renegotiated within a period of 0-20 years, which will have an effect on the site leasehold fees.

Maturity structure other interest-bearing liabilities, group	2021	2020
-12 months	9	10
1-2 years	31	-
5- years	2	2
Total	42	12

Maturity date other financial instruments, group	2021	2020
Accounts payable, within 30 days	101	52

The parent company's interest-bearing liabilities amounted to 7,014 MSEK (4,842), of which 6,020 MSEK (4,738) are long-term and 994 MSEK (104) are current. The liabilities consisted of bank financing of 3,859 MSEK (3,393), bond loans of 2,300 MSEK (1,475), commercial paper loans of 900 MSEK (0) and accrued borrowing costs that have reduced interest-bearing liabilities by 45 MSEK (26).

Note 23 Derivatives

NP3 uses interest rate derivatives to manage interest risk and achieve the desired fixed interest profile. The strategy means that changes in value will arise over time, depending on the change in market rates and remaining term. For valuation method see note 11, change in value financial instruments. At year-end there were 18 interest rate derivative contracts comprising 4,025 MSEK. Maturity dates and fair value at the end of the accounting period can be seen from the following table.

Settlement date	Amount	Fair value
2022	300	0
2023	200	0
2024	500	5
2025	725	-29
2026	500	1
2027	400	0
2028	500	6
2029	500	5
2030	200	2
2031	200	1
Total	4,025	-9

Note 24 Financial instruments and risk management

Real estate is a long-term asset which requires long-term funding with distribution between equity and interest-bearing liabilities. The financial liabilities the company has are bank, commercial paper and bond loans, and vendor loans as well as interest rate derivatives, accrued interest and certain operating liabilities such as accounts payable. The financial assets the company has are listed shares, liquid assets, accounts receivables and accrued rental income.

The financial risks incurred by the financial liabilities can be divided into liquidity and refinancing risk as well as interest rate risk. Liquidity and refinancing risk refer to the risk of not being able to obtain funding, or only at highly increased costs in connection with loan agreements expiring and having to be replaced with new ones. The loan requirement can relate to refinancing of existing loans or new borrowings that are required in order to be able to achieve the growth targets. NP3's planned expansion rate is highly dependent on new loans from lenders and issued capital from shareholders. In order to reduce the risk, NP3 works continuously to convert loans, and for loans newly taken out strives to match the loan maturity structure. For more information regarding the company's risks, see the section on structured risk management, pages 64-68.

Interest expenses for liabilities are a significant cost item for the company and changes in interest rate levels have a significant

effect on the result and cash flow. Interest expenses are affected mainly by the level of current market interest rates and the credit institutes' margins, as well as what strategy NP3 selects for the interest lock-in period.

A sensitivity analysis of interest rates shows that an increase of Stibor by one percentage point increases NP3's interest expense by 51 MSEK, based on existing credit agreements as of the end of the accounting period. The company is not exposed to any foreign exchange risk.

Guidelines for finance and funding activities in the company are set out in the company's financial policy, which is set down by the board. The aim of the financial policy is to identify financial risks and create uniform guidelines for how to manage the financial risks. The overall objective of the funding activities is to support the company's business plan and strategy, and secure the company's funding and requirement for liquid assets in the long term. The company has terms and conditions imposed by external creditors with regard to interest coverage ratio and loan-to-value ratio. For a summary of NP3's financial objectives and target achievement, see page 6.

Below are the various categories of financial instruments that can be found in the group's balance sheet. Categorisation acc. to IFRS 9.

Financial instruments, MSEK	Financial assets valued at accrued acquisition value		Financial items valued at fair value via the result		Financial liabilities valued at accrued acquisition value	
	2021	2020	2021	2020	2021	2020
Non-current receivables	144	16		5		
Rent receivables	6	8				
Other receivables	69	39				
Prepaid costs	48	30				
Listed shares			3	15		
Cash and bank balances	269	104				
Derivatives			9	73		
Interest-bearing liabilities					10,476	7,668
Accounts payable					101	52
Other liabilities					147	123
Accrued expenses and deferred income					282	231

Financial instruments such as accounts receivables and accounts payable are recorded at accrued acquisition value less any write-down, which is why the fair value is assessed as corresponding to

the recorded value. Non-current interest-bearing liabilities primarily have a short fixed interest period, meaning that the accumulated acquisition value well matches the fair value.

Note 25 Accrued expenses and deferred income

	Group		Parent company	
	2021	2020	2021	2020
Prepaid rents	198	166	-	-
Accrued interest costs	34	31	29	19
Other	50	34	11	10
	282	231	40	29

Note 26 Pledged assets and contingent liabilities

Pledged assets for liabilities	Group		Parent company	
	2021	2020	2021	2020
Property mortgages	8,679	6,847	-	-
Shares in subsidiaries	1,038	737	58	58
Total	9,717	7,584	58	58
Contingent liabilities				
Surety for the benefit of group companies	-	-	7,172	6,130
	-	-	7,172	6,130

Note 27 Group information

Of the parent company's total purchases and sales, measured in SEK, 3% (3) of purchases and 100% (100) of sales relate to other companies within the company group to which the company belongs. The parent company NP3 Fastigheter AB has no direct ownership in properties, but these are owned via wholly-owned subsidiaries. The

parent company provides administrative and technical property management services to the subsidiaries, as well as to group management and funding services. Of the group's 55 employees at year-end, 47 are employed in the parent company, 7 in two of the wholly-owned subsidiaries, and 1 works for the company on a consultancy basis.

Note 28 Transactions with related parties

At the annual general meeting in May 2021, a transaction with AB Sagax was approved, which was completed later the same month. The transaction comprised the acquisition of 100% of the shares in Fastighets AB Projektgatan (559288-0677) and took place on market terms. During the year NP3 also divested, on market terms, the wholly-owned subsidiary Hotellfastigheten Dalecarlia (556189-5623) to Cibola Holding AB, of which Poularde AB is a partner.

Apart from these two transactions, no other significant transactions with related parties were completed during the year.

The board and management team are closely associated with NP3. With regard to salaries and other remuneration, costs and obligations regarding pensions and similar benefits, agreements regarding severance pay to the board and CEO, see note 6.

Note 29 Significant events after the end of the financial year

Property acquisitions with a value of approximately 750 MSEK have been signed. The property acquisitions will be taken possession of during the first half of 2022.

In March 2022, NP3 was informed by EPRA (The European Public Real Estate Association) that the company's common share will be

included in the FTSE EPRA Nareit Global Real Estate Index Series ("EPRA index"). The common share is included in the EPRA index as of 21 March 2022. EPRA index is a leading global index of listed real estate investments and consists of approximately 500 real estate companies.

The board's proposed appropriation of retained earnings

Note 30 Proposed appropriation of retained earnings

The following non-restricted equity in the parent company is at the disposal of the annual general meeting:

	Amount (SEK)
Profit brought forward	1,517,650,328
Net profit for the year	5,982,011
Total	1,523,632,339

The board proposes the amount to be distributed as follows:

Dividend 4.30 SEK/common share	234,115,302
Dividend 2.00 SEK/preference share	76,000,000
To be carried forward	1,213,517,037
Total	1,523,632,339

As of the balance sheet date, the company has 54,445,419 registered common shares and 38,000,000 registered preference shares.

Possible additional dividend on new shares

The company has proposed that the annual general meeting in NP3 Fastigheter AB (publ) authorise the board to decide on a new issue of max. 5,400,000 common shares and max. 15,000,000 preference shares. The board thus proposes that the new shares that may be issued with the support of the authorisation shall bring a dividend as mentioned above as of the day the new shares have been entered in the share register kept by Euroclear Sweden AB. This means that the right to dividend as above for a new share exists as of the record day following the entry of the new share in the share register. If the authorisation is utilised in full, dividend on additional common shares and preference shares will amount to max. 41,610,000 SEK, of which max. 11,610,000 SEK relate to additional common shares and max. 30,000,000 SEK relate to additional preference shares. Including all possibly additional preference shares and common shares, the total proposed dividend as above amounts to a total of 351,725,301.70 SEK.

The board's statement regarding proposed dividend

Rationale

The group's equity has been calculated in accordance with the IFRS-standards adopted by the EU and in accordance with Swedish law by applying the Swedish Financial Reporting Board's recommendation RFR 1 (Supplementary Accounting Rules for Groups). The parent company's equity

has been calculated in accordance with Swedish law and by applying the Swedish Financial Reporting Board's recommendation RFR 2 (Accounting for legal entities)

The proposed dividend makes up about 50 percent of the group's profit from property management after current tax, which corresponds to the company's dividend policy that specifies that the majority of the profit from property management after tax paid shall be provided as dividend.

The group's profit after changes in value and tax amounted to 2,020 MSEK. The dividend policy is based on the group's profit from property management, which is why increases or decreases in value not affecting cash flow in the group's properties as well as interest rate derivatives normally do not affect the dividend. Such profits or losses not affecting cash flow were also not taken into account in previous years' decisions on profit distribution. The board finds that there is full coverage for the company's restricted equity after the proposed profit distribution. The board also finds that the proposed dividend to shareholders is justifiable with regard to the parameters specified in chap. 17, § 3 first and second sections in the Swedish Companies Act (nature of the business, scope and risks as well as the need to strengthen the balance sheet, liquidity and position otherwise).

Nature of the business, scope and risks

The board assesses that the company's and group's equity after the proposed dividend will be sufficiently large in relation to the nature of the business scope and risks. In this context, the board considers the company's and group's historic development, budgeted development, investment plans and the economic climate.

Assessment of financial position, liquidity and position otherwise

Assessment of financial position

The board has proposed a comprehensive assessment of the company's and group's financial position and its possibilities to meet its commitments. The proposed dividend makes up 17 percent of the company's equity and 5 percent of the group's equity. The company's loan-to-value ratio and interest coverage ratio, respectively, in 2021 was 56 percent or 3.3x. The long-term target for the loan-to-value ratio is 55-65 percent and an interest coverage ratio of min. 2x, which is achieved even after the proposed dividend. The company's and group's capital structure is good considering the current conditions in the real estate sector. Against this background, the board believes that

the company and group are in a good position to take future business risks and even transaction with possible losses. Planned investments have been considered when determining the proposed dividend.

Liquidity

The proposed dividend will not affect the company's and group's ability to meet its payment obligations in a timely manner. The company and group have good access to liquidity and have liquidity reserves in form of both short- and long-term credits. The credits can be drawn at short notice, which means that the company and group are well prepared to handle both variations in liquidity as well as unexpected events.

Position otherwise

The board has considered all other known circumstances that may be of significance to the company's and group's financial position and which have not been taken into account within the above-mentioned. No circumstances have emerged thereby that make the proposed dividend appear as not justifiable.

Valuation at fair value

Derivative instruments and holdings in listed shares have been valued at fair value acc. to chap. 4, § 14 Swedish Annual Accounts Act. The valuation has shown a deficit in value of 5 MSEK after tax at year-end, which has reduced equity by the same amount.

2022, The board

Reconciliation key ratios

NP3 applies the guidelines for alternative key ratios issued by ESMA. Alternative key ratios refer to financial measurements that are not defined or stated in the rules applicable to financial reporting, i.e. IFRS. The company reports certain financial measurements in the report that are not defined in accordance with IFRS. The alternative key ratios which NP3 presents are used by company management to assess the company's financial development. Accordingly, they are also assessed as giving other stakeholders, such as analysts and investors, valuable information. But not all companies calculate financial measurements in the same way, and these financial measurements shall therefore not be seen as a replacement for measurements defined according to IFRS. Below you'll find a reconciliation of the alternative financial key ratios that are presented in this report. Definitions of key ratios can be found on page 111.

MSEK	2021 Jan-Dec	2020 Jan-Dec	MSEK	2021 Jan-Dec	2020 Jan-Dec
Interest-bearing liabilities	10,361	7,585	Net debt	10,089	7,466
Current investments	-3	-15	Operating surplus, future-orientated 12 months acc. to earnings capacity	1,034	831
Liquid assets	-269	-104	Central administration expenses, future-orientated 12 months	-55	-49
Net debt	10,089	7,466	Adjusted net operating income	979	782
Profit after tax, relating to shareholders in the parent company	2,017	659	Net debt to EBITDA ratio, x	10.3	9.6
Deduction holders of preference shares' preferential right to dividend	-68	-54	Profit for the period before tax	2,465	824
Profit after tax reduced by holders of preference shares' preferential right to dividend	1,949	604	Add-back changes in value	-1,706	-225
Average number of common shares, thousands	54,403	54,339	Add-back financial expenses	264	226
Profit after tax, SEK/common share	35.82	11.12	Add-back result from associated companies and joint ventures, excl. dividend	-158	-60
Rental income	1,238	1,091	Adjusted profit before tax	865	765
Net operating income	912	817	Interest coverage ratio, x	3.3	3.4
Surplus ratio, %	74	75	Net debt	10,089	7,466
Net operating income, rolling 12 months	912	817	Market value property portfolio	17,335	12,582
Average market value property portfolio	14,283	11,927	Participations in associated companies and joint ventures	724	456
Yield, %	6.4	6.9	Loan-to-value ratio, %	55.9	57.3
Profit after tax, rolling 12 months	2,020	660	Equity according to financial position	6,743	4,637
Average total equity	5,507	4,332	Balance sheet total	18,718	13,352
Return on equity, %	36.7	15.2	Equity/assets ratio, %	36.0	34.7
Profit after tax, relating to shareholders in the parent company, rolling 12 months	2,017	659	Equity according to financial position	6,743	4,637
Deduction holders of preference shares' preferential right to dividend	-68	-54	Deduction preference capital	-1,216	-894
Average equity after settlement of preference capital and holdings without controlling influence	4,432	3,474	Deduction non-controlling interest	-46	-11
Return on equity, common share %	44.0	17.4	Number of shares at the end of the period, thousands	54,445	54,339
Profit before tax, rolling 12 months	2,465	824	Equity, SEK/common share	100.67	68.67
Average total equity	5,507	4,332	Equity according to financial position	6,743	4,637
Return on equity, before tax, %	44.8	19.0	Deduction preference capital	-1,216	-894
Profit from property management, rolling 12 months	661	558	Deduction holdings without controlling influence	-46	-11
Average total equity	5,507	4,332	Add-back derivatives	9	73
Return on profit from property management, %	12.0	12.9	Add-back deferred tax	969	568
Net debt	10,089	7,466	Number of shares at the end of the period, thousands	54,445	54,339
Equity according to financial position	6,743	4,637	Long-term net asset value, SEK/common share	118.64	80.47
Debt/equity ratio, x	1.5	1.6	Profit from property management	661	558
			Deduction holders of preference shares' preferential right to dividend	-68	-54
			Average number of common shares, thousands	54,403	54,339
			Profit from property management, SEK/common share	10.90	9.26

Definitions

Return on equity

Profit after tax for a rolling 12-month period, in percent of average equity.

Return on equity, before tax

Profit before tax for a rolling 12-month period, in percent of average equity.

Return on equity, common share

Profit after tax for a rolling 12-month period, reduced by the preference shares' preferential right to dividend for the period and share in profits for non-controlling interest, in percent of average equity after settlement of preference capital and non-controlling interest.

Return on profit from property management

Profit from property management for a rolling 12-month period, in percent of average equity.

Loan-to-value ratio

Net debt in percent of the properties' recorded value and investments in associated companies and joint ventures.

Yield

Net operating income for a rolling 12-month period in percent of the property portfolio's average market value. The key ratio shows the return from the operating activities in relation to the properties' value.

Net operating income

Rental income for the period less property costs.

Equity, SEK/common share

Equity relating to the parent company's shareholders after settlement of preference capital in relation to the number of common shares at the end of the period.

Equity, SEK/preference share

Equity per preference share corresponds to the share's redemption price upon liquidation plus accrued dividend.

Economic occupancy rate

Rental income in percentage of rental value.

Profit from property management

Profit for the period before tax and changes in value and tax in both group and associated companies as well as joint ventures.

Profit from property management, SEK/common share

Profit for the period before tax and changes in value reduced by the preference shares' preferential right to dividend, in relation to the weighted average number of common shares.

Average interest rate

Weighted interest on interest-bearing liabilities (excluding liabilities rights of use) taking into account interest rate derivatives on the balance sheet date.

Average remaining lease term

The weighted average remaining term for the rental agreements.

Rental income

Debited rents and extra charges less rent discounts.

Rental value

Rental income on current agreements with addition for assessed market rent for vacant areas 12 months ahead at the time of reporting.

Long-term net asset value, SEK/common share

Recorded equity, after taking into account the preference capital and non-controlling interest, with add-back of derivatives and deferred tax, in relation to the number of common shares at the end of the period. The key ratio shows the net assets' fair value from a long-term perspective. Assets and liabilities not assessed as falling due, such as fair value on derivatives and deferred taxes, are thus excluded.

Net investments

The sum of acquired properties, directly and via companies, as well as investments in projects and associated companies and joint ventures with deduction for sales price on properties that have been divested, directly and via companies, as well as with deduction for divested participations in associated companies and joint ventures.

Net debt

Interest-bearing borrowings, excluding liability rights of use, with deduction for liquid assets and current investments.

Preference capital

Number of preference shares multiplied by equity per preference share.

Profit after tax, SEK/common share

Profit for the period after tax relating to the mother company's shareholders, reduced by the holders of preference shares' preferential right to dividend for the period, in relation to the weighted average number of common shares.

Interest coverage ratio

Net profit before tax with add-back of changes in value, financial expenses and result from participations in associated companies and joint ventures (excl. dividend), divided by financial expenses. Interest coverage ratio is a measurement that indicates how many times the company manages to pay its interest with the profit from the operating activities.

Net debt to EBITDA ratio

Net debt on the balance sheet date in relation to 12 months future-oriented net operating income less central administration costs.

Debt/equity ratio

Net debt in relation to equity on the balance sheet date.

Equity/assets ratio

Adjusted equity as a percentage of the balance sheet total.

Properties taken possession of

Agreed property value reduced by tax rebate for properties taken possession of during the period.

Occupancy rate

Let area as a percentage of lettable area.

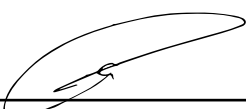
Surplus ratio

Net operating income for the period as a percentage of rental income for the period. The key ratio is a measurement of effectivity comparable over time but also between real estate companies.

Signing of the Annual report

The board and the CEO herewith certify that the annual accounts have been prepared in accordance with generally accepted accounting principles in Sweden and that the consolidated accounts have been prepared in accordance with the International Financial Reporting Standards (IFRS) provided for in the European Parliament's and Council of Europe's regulation (EU) no. 1606/2002 on the application of international accounting standards. The annual accounts and consolidated accounts provide a true reflection of the parent company's and group's position and result and describe significant risks and uncertainties facing the companies included in the group. Furthermore, the Directors' Report provides a true overview of the development of the company's and group's operations, position and result.

Sundsvall, 7 April 2022


Nils Styf
Chairman
Åsa Bergström
Member
Lars Göran Bäckvall
Member
Mia Bäckvall Juhlin
Member
Anders Nilsson
Member
Andreas Wahlén
CEO

My auditor's report was submitted on 8 April 2022


Mattias Johansson
Authorised public accountant

Auditor's Report

To the general meeting of the shareholders of NP3 Fastigheter AB (publ), corp. id 556749-1963

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of NP3 Fastigheter AB (publ) for the year 2021, except for the corporate governance statement on pages 69-79 and the sustainability report on pages 47-60. The annual accounts and consolidated accounts of the company are included on pages 61-112 except pages 69-79 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act, and present fairly, in all material respects, the financial position of the parent company as of 31 December 2021 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2021 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 69-79 and sustainability report on pages 47-60. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the statement of comprehensive income and statement of financial position for the group.

Our opinions in this report on the the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of investment properties

See note 1 Accounting principles, note 10 Investment properties page 91-94 och 98-99 in the annual report and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

Investment properties are held at fair value in the Groups financial statements. The carrying value of these properties is MSEK 17 335 as per 31 December 2020, which represents 92% of to the Groups total assets.

The fair value of Investment properties as per 31 December 2021 has been determined based on valuations carried out by independent valuers.

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

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

Response in the audit

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

We have assessed the competence and independence of third party valuers.

We have evaluated the controls established by the company to ensure that input data provided to the independent third party valuers are accurate and complete.

We have, on a sample basis, tested individual valuations. When doing so, we made use of available current market data from external sources, especially for yields, discount rates, rents and vacancies used.

We have verified the accuracy of disclosures on Investment properties given by the company in notes 1 and 10 in the annual report, especially concerning elements of judgement and applied key assumptions.

Acquisitions and divestments

See note 1 Accounting principles, note 10 Investment properties page 91-94 och 98-99 in the annual report and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

During 2021, the Group has invested in properties for a total of 3 463 MSEK, of which 3 131 MSEK is related to acquisitions. Divestments have been carried out of properties with a book value of 542 MSEK.

Risks in acquisitions and divestments mainly consist of the timing of the accounting of the transaction and the fact that specific terms of the individual transactions are not properly taken into account, which can have a significant impact on the Group's results and financial position.

Response in the audit

We have assessed the routine for the acquisition and divestment of properties and have reviewed for material transactions underlying contracts, timing of accounting, purchase price and any special terms and conditions.

We have verified the accuracy of disclosures on acquisitions and divestment of the investment properties that the company provides in notes 1 and 10 of the Annual Report.

Other Information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1-60 and 69-79. The other information comprises also of the remuneration report which we obtained prior to the date of this auditor's report. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts

The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intend to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.

— Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.

— Conclude on the appropriateness of the Board of Directors' and the Managing Director's, use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.

— Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.

— Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, measures that have been taken to eliminate the threats or related safeguards.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

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

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of NP3 Fastigheter AB (publ) for the year 2021 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the

company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner.

The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528) for NP3 Fastigheter AB (publ) for year 2021.

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

In our opinion, the Esef report **#[checksum]** has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 *Examination of the Esef report*. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of NP3 Fastigheter AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of

Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

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

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

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Mis-

tatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

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

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts

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

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

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

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 69-79 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevR 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act.

The auditor's opinion regarding the statutory sustainability report

The Board of Directors is responsible for the sustainability report on pages 47-60, and that it is prepared in accordance with the Annual Accounts Act.

Our examination has been conducted in accordance with FAR:s auditing standard RevR 12 The auditor's opinion regarding the statutory sustainability report. This means that our examination of the statutory sustainability report is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinion.

A statutory sustainability report has been prepared.

KPMG AB, Box 382, 101 27, Stockholm, was appointed auditor of NP3 Fastigheter AB (publ) by the general meeting of the shareholders on the 4 may 2021. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2008.

Stockholm 8 april 2022

KPMG AB



Mattias Johansson
Authorized Public Accountant

Property register

Business area Sundsvall									
No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Sundsvall									
1 Köpstaden 23	Bultgatan 12	Sundsvall	Industrial	21,368	57 Skedlo 2:63	Skedlovägen 25	Sundsvall	Logistics	1,327
2 Sköns Prästbord 2:3	Timmervägen 6	Sundsvall	Logistics	12,686	58 Tuna-Ångom 1:74	Stationsvägen 4	Sundvall	Industrial	1,327
3 Huggsta 1:160	Johannedalsvägen 65	Sundsvall	Industrial	12,412	60 Högom 3:187	Tegelvägen 14	Sundsvall	Industrial	1,298
4 Birsta 12:2	Birstavägen 1	Sundsvall	Industrial	7,984	61 Granlo 3:335	Linköpingsvägen 3	Sundsvall	Industrial	1,279
5 Sköns Prästbord 1:50	N. Förmansvägen 17	Sundsvall	Retail	6,296	62 Sköns Prästbord 2:6	Timmervägen 6 A	Sundsvall	Logistics	1,150
6 Ljusta 3:10	Gesällvägen 20	Sundsvall	Industrial	6,288	63 Slagan 6	Axvägen 16	Sundsvall	Industrial	1,131
7 Vandringsmannen 1	Gärdevägen 3	Sundsvall	Offices	6,073	64 Luftvärnet 1	Regementsvägen 9	Sundsvall	Offices	1,093
8 Sköns Prästbord 1:53	Lärlingsvägen 1	Sundsvall	Industrial	5,692	65 Huggsta 1:167	Johannedalsvägen 67	Sundsvall	Industrial	1,020
9 Vandringsmannen 5	Gärdevägen 5A-C, G	Sundsvall	Offices	5,385	66 Sköns Prästbord 1:82	Arbetsledarvägen 6	Sundsvall	Industrial	992
10 Gärde 1:26	Krossvägen 11	Sundsvall	Logistics	4,983	67 Rosenborg 6	Kolvägen 22	Sundsvall	Retail	988
11 Geten 2	Fridhemsgatan 122	Sundsvall	Offices	4,604	68 Rosenborg 1	Kolvägen 20	Sundsvall	Retail	926
12 Vandringsmannen 2	Gärdevägen 1	Sundsvall	Industrial	4,253	69 Rosenborg 2	Kolvägen 14	Sundsvall	Industrial	655
13 Dingersjö 3:58	Njurundavägen 103	Sundsvall	Industrial	4,012	70 Veterinären 4	CA Svenssons väg 2	Sundsvall	Offices	567
14 Skönsmon 2:100	Kontorsvägen 4	Sundsvall	Retail	4,000	71 Kvissle 1:124	Njurundavägen 105	Sundsvall	Industrial	533
15 Klökan 1:17	Lagbasvägen 1	Sundsvall	Industrial	3,974	72 Staben 6	Granmodalsvägen 22	Sundsvall	Industrial	500
16 Vandringsmannen 6	Gärdevägen 9-11	Sundsvall	Industrial	3,865	73 Ålgen 32	Hovgatan 4	Sundsvall	Industrial	450
17 Ljusta 7:8	Antennvägen 12-18	Sundsvall	Retail	3,822	74 Huggsta 1:173	Johannedalsv. 65A	Sundsvall	Industrial	288
18 Ljusta 7:9	Antennvägen 43	Sundsvall	Retail	3,822	75 Bergsåker 5:12	Västra vägen 158	Sundsvall	Land	-
19 Målås 4:6	N. Förmansvägen 18	Sundsvall	Logistics	3,800	76 Bergsåker 5:18	Västra vägen 158	Sundsvall	Land	-
20 Sköns Prästbord 1:14	Gesällvägen 4	Sundsvall	Retail	3,738	77 Granlo 3:391	Lindköpingsvägen 8	Sundsvall	Land	-
21 Högom 3:172	Bergsgatan 122	Sundsvall	Retail	3,716	78 Lillhällom 1:165	Tvåspannsvägen 6	Sundsvall	Land	-
22 Högom 3:179	Mejselvägen 11	Sundsvall	Industrial	3,608	79 Ljusta 7:3	Antennvägen 24	Sundsvall	Land	-
23 Laboratoriet 2	Kontorsvägen 9	Sundsvall	Logistics	3,425	80 Högom 3:16	Mejselvägen 13	Sundsvall	Land	-
24 Slagan 4	Axvägen 6	Sundsvall	Industrial	3,311	81 Sköns Prästbord 1:65	N. Förmansvägen 20	Sundsvall	Other	-
25 Högom 3:217	Mejselvägen 14	Sundsvall	Retail	3,245	Härnösand				
26 Målås 3:20	Birstavägen 21	Sundsvall	Industrial	3,234	Yrkesskolan 4	Gånsviksvägen 4	Härnösand	Offices	3,195
27 Linjeförmannen 7	Bäckebovägen 12	Sundsvall	Industrial	3,201	Saltvik 8:12	Saltviksvägen 9	Härnösand	Industrial	1,550
28 Baggen 7	Enhörningsvägen 22	Sundsvall	Retail	2,788	Saltvik 8:17	Saltviksvägen 7	Härnösand	Retail	1,438
29 Målås 4:3	Förmansvägen 15	Sundsvall	Industrial	2,768	Saltvik 8:22	Verkstadsvägen 10	Härnösand	Industrial	1,307
30 Baggen 3	Enhörningsvägen 24	Sundsvall	Logistics	2,715	Ångbåten 6	Varvsallén 3	Härnösand	Logistics	508
31 Valknytt 4	Norra Vägen 25	Sundsvall	Retail	2,670	Timrå				
32 Sköns Prästbord 1:47	S. Förmansvägen 4	Sundsvall	Industrial	2,667	1 Vivstamon 1:16	Svetsarvägen 4	Timrå	Industrial	6,953
33 Sköns Prästbord 2:7	Timmervägen 6B	Sundsvall	Logistics	2,635	2 Vivstamon 1:37, 1:38	Terminalvägen 4	Timrå	Retail	6,187
34 Vandringsmannen 3	Gärdevägen 7	Sundsvall	Offices	2,538	3 Vivstamon 1:62	Terminalvägen 10-16	Timrå	Offices	5,148
35 Sköns Prästbord 2:5	Timmervägen 8	Sundsvall	Industrial	2,505	4 Vivsta 13:84	Årvälvsvägen 10	Timrå	Other	4,509
36 Nolby 7:142	Svartviksvägen 10-12	Sundsvall	Industrial	2,458	5 Vivstamon 1:86	Årvälvsvägen 14	Timrå	Industrial	3,472
37 Baggen 6	Hovgatan 6	Sundsvall	Industrial	2,456	6 Vivstamon 1:27	Kabelvägen 5	Timrå	Industrial	3,415
38 Högom 3:155	Montörvägen 10	Sundsvall	Industrial	2,424	7 Vivstamon 1:21	Kabelvägen 1	Timrå	Industrial	3,410
39 Plikthuggaren 1,2 + 6	Björneborgsgatan 25	Sundsvall	Other	2,397	8 Norrberge 1:116	Midlandavägen	Timrå	Offices	3,260
40 Nacksta 5:19	Bergsgatan 118	Sundsvall	Retail	2,349	9 Vivstamon 1:17	Terminalvägen 20-24	Timrå	Other	2,856
41 Vävsleden 6	Norra vägen 34	Sundsvall	Offices	2,307	10 Vivstamon 1:63	Terminalvägen 30	Timrå	Retail	2,061
42 Sköns Prästbord 1:91	N. Förmansvägen 24	Sundsvall	Retail	1,993	11 Vivstamon 1:51	Terminalvägen 13	Timrå	Industrial	1,989
43 Sköns Prästbord 1:59	Arbetsledarvägen 14	Sundsvall	Industrial	1,988	12 Vivstamon 1:54	Svarvarvägen 8	Timrå	Industrial	1,650
44 Vandringsmannen 4	Gärdevägen 5	Sundsvall	Offices	1,863	13 Norrberge 1:113	Midlandavägen 14	Timrå	Offices	725
45 Sköns Prästbord 1:62	Lärlingsvägen 2-4	Sundsvall	Retail	1,844	Sollefteå				
46 Rosenborg 4	Kolvägen 14 B	Sundsvall	Offices	1,800	Hågesta 3:115	Hågesta	Sollefteå	Other	46,033
47 Slagan 10	Axvägen 14	Sundsvall	Industrial	1,800	Orren 6	Kungsgatan 10	Sollefteå	Offices	4,317
48 Vävsleden 9	Norra vägen 40	Sundsvall	Retail	1,768	Hågesta 3:128	Hågesta 4	Sollefteå	Other	2,953
49 Geten 1	Hovgatan 1	Sundsvall	Industrial	1,721	Tröskan 1 & 3	Gamla vägen 3	Sollefteå	Other	796
50 Vävsleden 5	Norra vägen 32	Sundsvall	Retail	1,668	Färgaren 8	Strömgatan 3	Sollefteå	Land	-
51 Granlo 3:373	Linköpingsvägen 7-9	Sundsvall	Offices	1,542	Others				
52 Lillhällom 1:162	Tvåspannsvägen 6	Sundsvall	Industrial	1,461	Fiskja 15:2	Aspåsvägen 14	Kramfors	Industrial	17,100
53 Sköns Prästbord 1:67	S. Förmansvägen 5A	Sundsvall	Retail	1,447	Norrånet 6:1	Norra Industrivägen 4	Hudiksvall	Industrial	3,683
54 Högom 3:198	Mejselvägen 6-12	Sundsvall	Industrial	1,395	Furulund 6:1	Kungsgatan 51	Hudiksvall	Retail	2,993
55 Plutonen 1	Plutonsvägen 13	Sundsvall	Industrial	1,345	Rösta 13:1	Strömsbruksvägen 2	Nordanstig	Industrial	329
56 Kompaniet 5	Kompanivägen 12	Sundsvall	Industrial	1,345					

Property register

Business area Gävle

No. Property	Address	Municipality	Category	Area
Gävle				
1 Näringen 5:15	Lötångsgatan 6	Gävle	Industrial	25,400
2 Fredriksskans 15:16	Bönnavägen 55	Gävle	Industrial	13,911
3 Sörby Urfjäll 37:3	Utmarksvägen 10	Gävle	Industrial	13,612
4 Sörby Urfjäll 30:1	Utmarksvägen 1-3	Gävle	Retail	10,172
5 Sörby Urfjäll 29:1	Utmarksvägen 4	Gävle	Logistics	9,992
6 Brynäs 86:1	S. Skeppsbron 35	Gävle	Retail	7,680
7 Sörby Urfjäll 37:1	Utmarksvägen 6	Gävle	Offices	6,773
8 Näringen 16:6	Kanalvägen 4-10	Gävle	Industrial	6,631
9 Sörby Urfjäll 36:4	Utmarksvägen 15	Gävle	Industrial	6,237
10 Näringen 8:5	Strömsbrovägen 19	Gävle	Industrial	5,945
11 Andersberg 14:46	Ersbogatan 14	Gävle	Logistics	5,750
12 Andersberg 14:43	Ersbogatan 4	Gävle	Industrial	5,211
13 Sörby Urfjäll 29:4	Utmarksvägen 2	Gävle	Logistics	5,198
14 Sörby Urfjäll 27:2	Rälskatan 2-4	Gävle	Industrial	5,042
15 Näringen 8:3	Strömsbrovägen 23	Gävle	Retail	4,953
16 Andersberg 14:42	Ersbogatan 12	Gävle	Industrial	4,797
17 Näringen 14:4	Kanalvägen 1-3	Gävle	Offices	4,692
18 Hemlingby 56:10	Kryddstigen 1-3	Gävle	Other	4,635
19 Hemlingby 21:4	Kryddstigen 2	Gävle	Retail	4,500
20 Näringen 11:3	Strömsbrovägen 18	Gävle	Industrial	4,252
21 Hemsta 12:6	S. Kungsvägen 14	Gävle	Retail	3,863
22 Sörby Urfjäll 30:4	Utmarksvägen 5-7	Gävle	Industrial	3,486
23 Näringen 25:1, 25:2	Strömmavägen 1	Gävle	Retail	3,461
24 Brynäs 34:8	Atlasgatan 11	Gävle	Industrial	3,448
25 Järvsta 63:3	Utgårdsvägen 9	Gävle	Industrial	3,094
26 Sörby Urfjäll 38:5	Elektrikergatan 6	Gävle	Retail	3,088
27 Hemlingby 20:7	Kryddstigen 23	Gävle	Industrial	3,054
28 Hemsta 12:16	Skolgången 18-20	Gävle	Offices	3,009
29 Brynäs 32:3	Riggargatan 15	Gävle	Other	2,575
30 Brynäs 63:6, 63:7	Kaserngatan 107	Gävle	Other	2,508
31 Nybo 3:43	Valbovägen 177	Gävle	Industrial	2,451
32 Sörby Urfjäll 38:1	Elektrikergatan 3	Gävle	Industrial	2,350
33 Sörby Urfjäll 28:3	Utmarksvägen 35	Gävle	Industrial	2,199
34 Sörby Urfjäll 8:12	Upplandsgatan 6	Gävle	Offices	2,118
35 Sörby Urfjäll 34:5	Utmarksvägen 23	Gävle	Industrial	1,999
36 Sörby Urfjäll 28:6	Utmarksvägen 37	Gävle	Offices	1,990

No. Property	Address	Municipality	Category	Area
37 Näringen 13:11	Förrådsgatan 7	Gävle	Industrial	1,975
38 Kungsbäck 4:6	Regementsvägen 29	Gävle	Offices	1,962
39 Sörby Urfjäll 26:1	Växelgatan 2	Gävle	Retail	1,760
40 Näringen 6:4	Lötångsgatan 13	Gävle	Industrial	1,520
41 Hemlingby 49:30	Ingenjörsgatan 18	Gävle	Industrial	1,500
42 Hemsta 12:21	Skolgången 6	Gävle	Retail	1,455
43 Sörby Urfjäll 36:2	Utmarksvägen 19	Gävle	Industrial	1,280
44 Brynäs 34:12	Atlasgatan 7	Gävle	Industrial	1,145
45 Näringen 3:3, 3:4	Lötångsgatan 20	Gävle	Industrial	954
46 Sörby Urfjäll 34:4	Utmarksvägen 25	Gävle	Industrial	927
47 Sörby Urfjäll 4:2	Industrigatan 8	Gävle	Industrial	785
48 Järvsta 63:4	Utgårdsvägen 13	Gävle	Industrial	760
49 Näringen 12:2	Snäppvägen 4	Gävle	Industrial	602
50 Hemsta 17:23	Rynningsgatan 10	Gävle	Other	390
52 Sörby Urfjäll 36:5	Blomsterängsvägen 3	Gävle	Land	0

Bollnäs

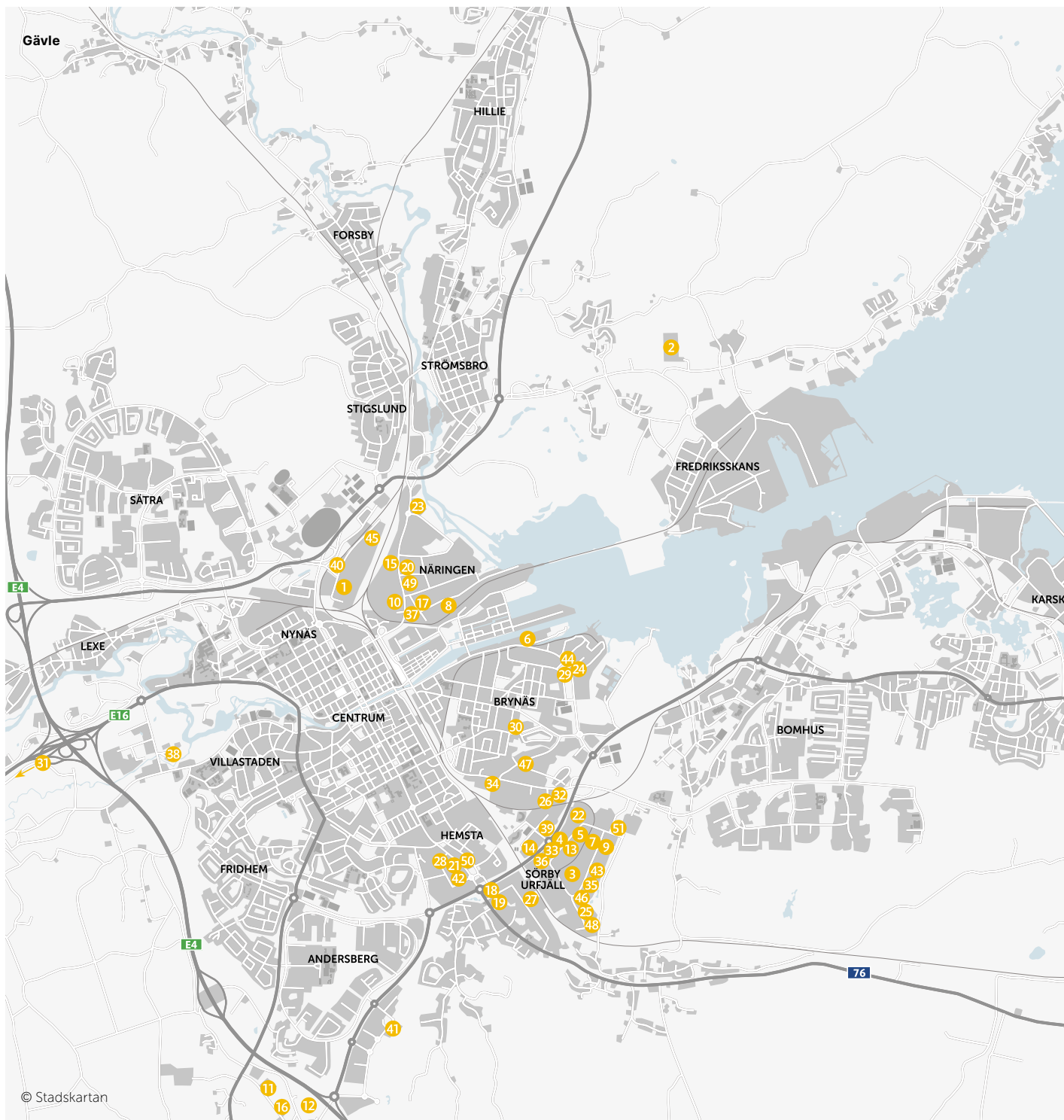
Häggesta 7:122	Industrigatan 10	Bollnäs	Industrial	6,181
Häggesta 8:50, 51	Industrigatan 21	Bollnäs	Retail	5,137
Broåker 8	V. Satationsgatan 8	Bollnäs	Offices	4,016
Säversta 4:101	Skidvägen 7-9	Bollnäs	Industrial	2,244
Häggesta 4:19	Häggstavägen 10	Bollnäs	Industrial	1,680

Sandviken

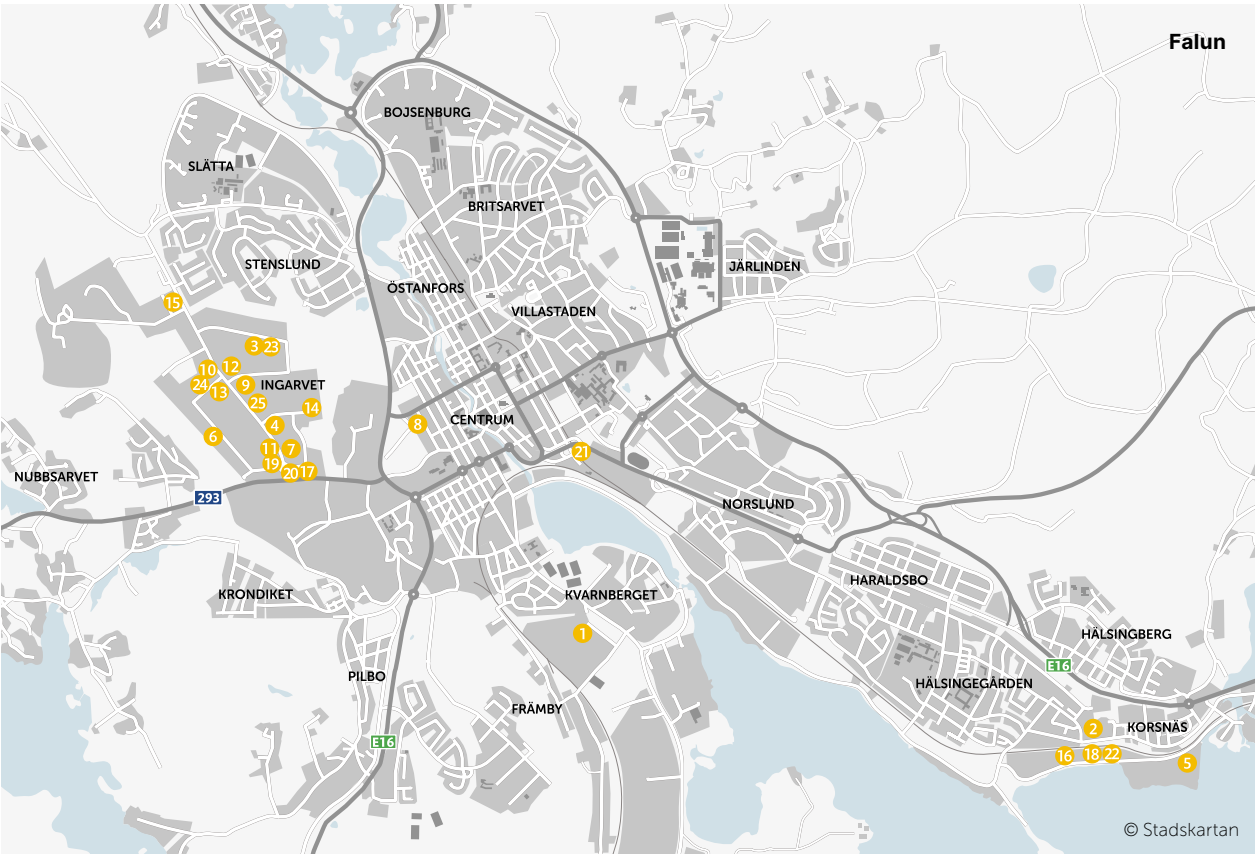
Blixten 5	Blixtvägen 15	Sandviken	Industrial	2,400
Eldaren 13	Förrådsgatan 12	Sandviken	Offices	1,843
Mom 14:4	Ovansjövägen 303	Sandviken	Industrial	1,808
Svarvaren 14	Förrådsgatan 7	Sandviken	Industrial	1,153
Svarvaren 11	Industrivägen 14	Sandviken	Industrial	970
Knapermursvreten 7	Högbovägen 49	Sandviken	Industrial	824
Tuna 3:1		Sandviken	Land	0

Söderhamn

Tönnebro 1:5	Tönnebro 115, 125	Söderhamn	Other	2,672
Brädgården 3:12	Arend Stykes väg 11	Söderhamn	Industrial	2,314
Vråken 8	Brädgårdsgatan 6	Söderhamn	Offices	1,950

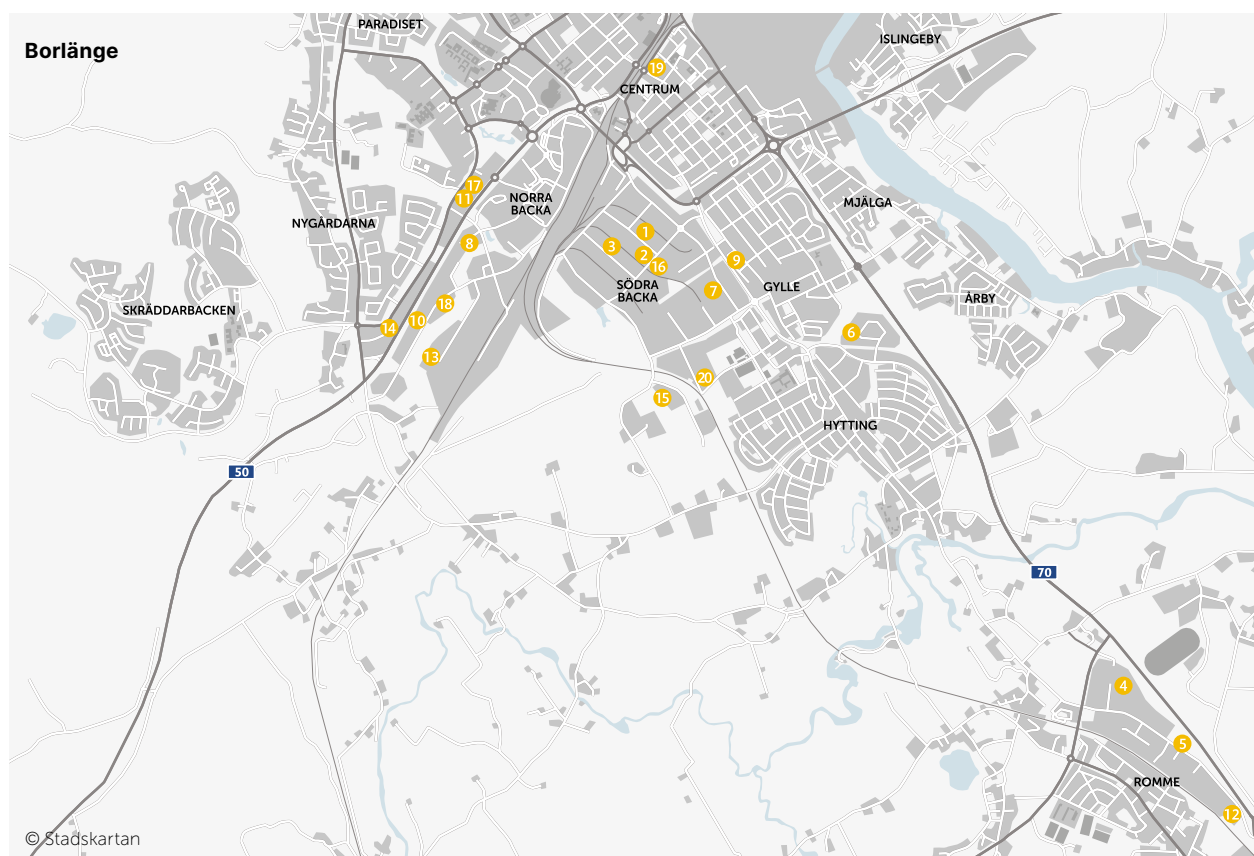


Property register



Business area Dalarna

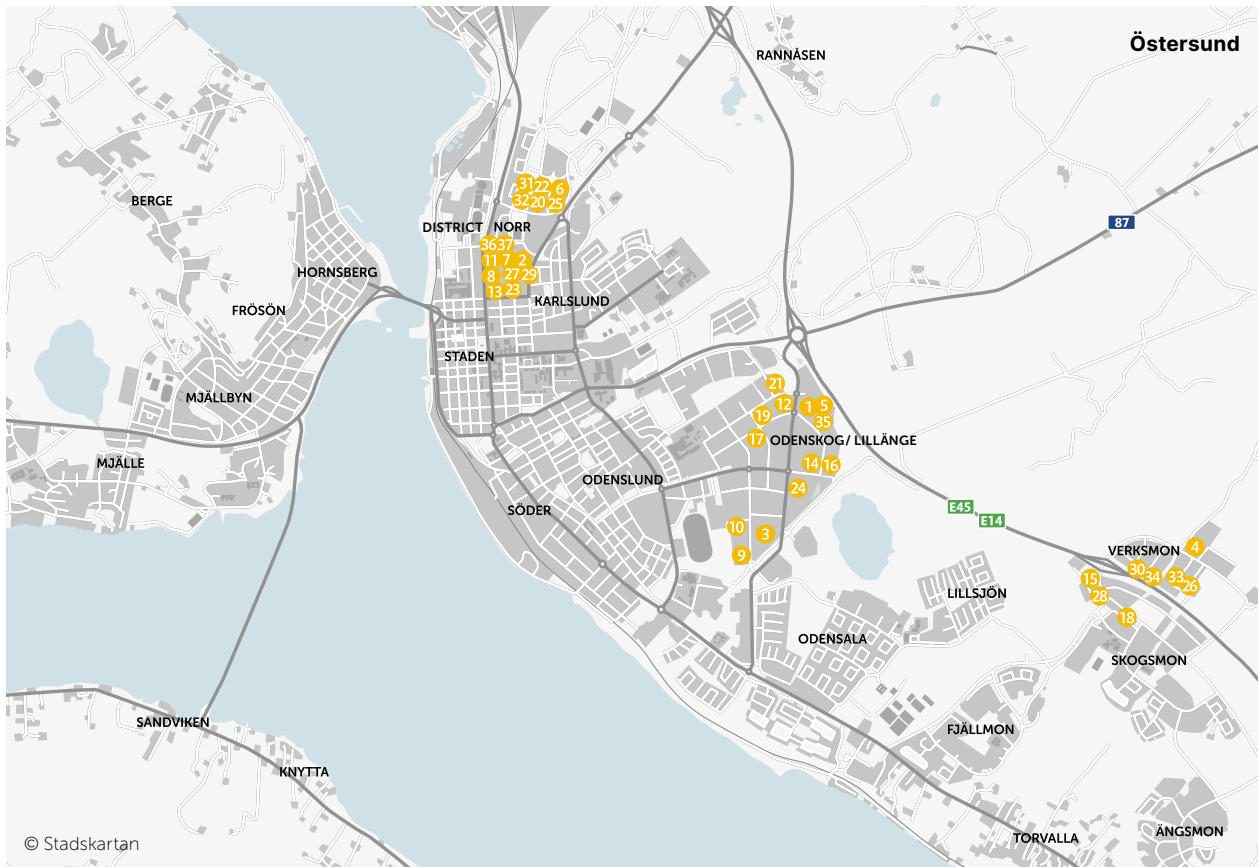
No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area		
Falun											
1	Främby 1:56	Främbyvägen 6	Falun	Industrial	61,850	21	Falun 8:7	Tullkammaregatan 2	Falun	Offices	756
2	Hälsinggården 1:427	Lövåsvägen 26	Falun	Logistics	10,800	22	Hälsinggården 1:499	Roxnåsvägen 4	Falun	Offices	730
3	Ingarvsskogen 10	Västermalmsv. 13	Falun	Industrial	9,640	23	Ingarvsskogen 7	Västermalmsv. 11 A	Falun	Offices	729
4	Ingarvsmynnen 3 & 4	Ingarvsvägen 6	Falun	Industrial	8,540	24	Lunsta 5	Matsarvsvägen 19	Falun	Offices	450
5	Korsnäs 3:7	Roxnåsvägen 13	Falun	Industrial	8,240	25	Ingarvsmon 4	Ingarvsvägen	Falun	Other	0
6	Riset 4	Matsarvsvägen 7	Falun	Industrial	6,912						
7	Ingarvsmynnen 1	Ingarvsvägen 2	Falun	Retail	6,285						
8	Hyttberget 3	Yxhammargatan 5-7	Falun	Retail	4,507						
9	Ingarvsbacken 1	Västermalmsv. 2-4	Falun	Retail	4,223						
10	Lunsta 4	Ingarvsvägen 13	Falun	Retail	3,432						
11	Skyfallet 20	Ingarvsvägen 1	Falun	Retail	3,324						
12	Ingarvsskogen 4	Västermalmsvägen 1	Falun	Industrial	2,784						
13	Västra Tullen 3	Matsarvsvägen 16	Falun	Retail	2,533						
14	Vägverket 2	Zettergrens väg 14	Falun	Retail	2,415						
15	Tviksta 1	Skyfallsvägen 2	Falun	Offices	2,122						
16	Hälsinggården 1:68	Roxnåsvägen 10	Falun	Industrial	1,487						
17	Ryckepungen 2	Ryckepungsvägen 3	Falun	Retail	1,184						
18	Hälsinggården 1:498	Roxnåsvägen 6	Falun	Offices	990						
19	Skyfallet 18	Ryckepungsvägen 4	Falun	Industrial	869						
20	Ryckepungen 1	Ryckepungsvägen 5	Falun	Retail	855						



Business area Dalarna

No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Borlänge					Leksand				
1 Ässjan 1	Gesällgatan 3-7	Borlänge	Logistics	18,268	Åkerö 1:15	Gamla Siljansv. 14, 18	Leksand	Retail	6,851
2 Blåsbälgen 1	Mästargatan 8	Borlänge	Logistics	18,117	Noret 37:5	Lima Kersbacken 2	Leksand	Industrial	1,564
3 Banvakten 1	Hejargatan 4-8	Borlänge	Industrial	15,011	Övermo 2:43	Övermo Moskogsv. 27	Leksand	Industrial	1,051
4 Buskåker 4:13	Tunavägen 277 B	Borlänge	Industrial	8,600	Mora				
5 Norr Romme 8:42	Tunavägen 284	Borlänge	Industrial	6,697	Utmeland 47:27, 47:28	Tallvägen 7	Mora	Industrial	9,931
6 Kroken 3	Cirkelgatan 16-18	Borlänge	Industrial	6,487	Östnor 171:2, 167:3	Landsvägen 52	Mora	Industrial	8,500
7 Hammaren 6	Hammargatan 4	Borlänge	Industrial	5,791	Öna 394:12	Brudtallsvägen 14A-F	Mora	Industrial	4,948
8 Lantmätaren 3 + 4	Ritargatan 4	Borlänge	Other	3,790	Utmeland 47:34	Örjasvägen 11	Mora	Logistics	4,820
9 Separatoren 2	Källstigen 1	Borlänge	Retail	3,318	Noret 52:43	Skålmyrsvägen 41-45	Mora	Retail	4,027
10 Teknikern 2	Gjutaregatan 40	Borlänge	Retail	3,178	Östnor 107:6	Landsvägen 11A-D, 19	Mora	Industrial	3,906
11 Sotaren 2	Nygårdsvägen 13	Borlänge	Retail	2,889	Utmeland 89:256	Mossvägen 1	Mora	Industrial	3,730
12 Sör Romme 1:17	Tunavägen 300	Borlänge	Logistics	2,420	Stranden 55:4	Tingsnäs v. 21A-B	Mora	Industrial	3,456
13 Pinnpojken 3 + 4	Planerargatan 12-14	Borlänge	Industrial	2,217	Noret 159:7	Tallvägen 7	Mora	Industrial	1,320
14 Kalkylatorn	Projektgatan 7	Borlänge	Retail	2,190	Others				
15 Kolvagnen 5	Lagergatan 4	Borlänge	Retail	1,985	Daldansen 3	Skolvägen 3	Ludvika	Industrial	3,356
16 Släggan 2	Mästargatan 7	Borlänge	Offices	1,550	Bävern 13	Bäverstigen 6	Smedjebacken	Industrial	1,999
17 Nygårdarna 14:202	Nygårdsvägen 11	Borlänge	Industrial	1,493	Hulån 55:7	Hulån 56	Vansbro	Industrial	1,951
18 Ingenjören 1	Gjutaregatan 37	Borlänge	Industrial	877					
19 Turisten 1	Sveagatan 1	Borlänge	Offices	355					
20 Grepén 1	Mejselgatan 9	Borlänge	Land	0					

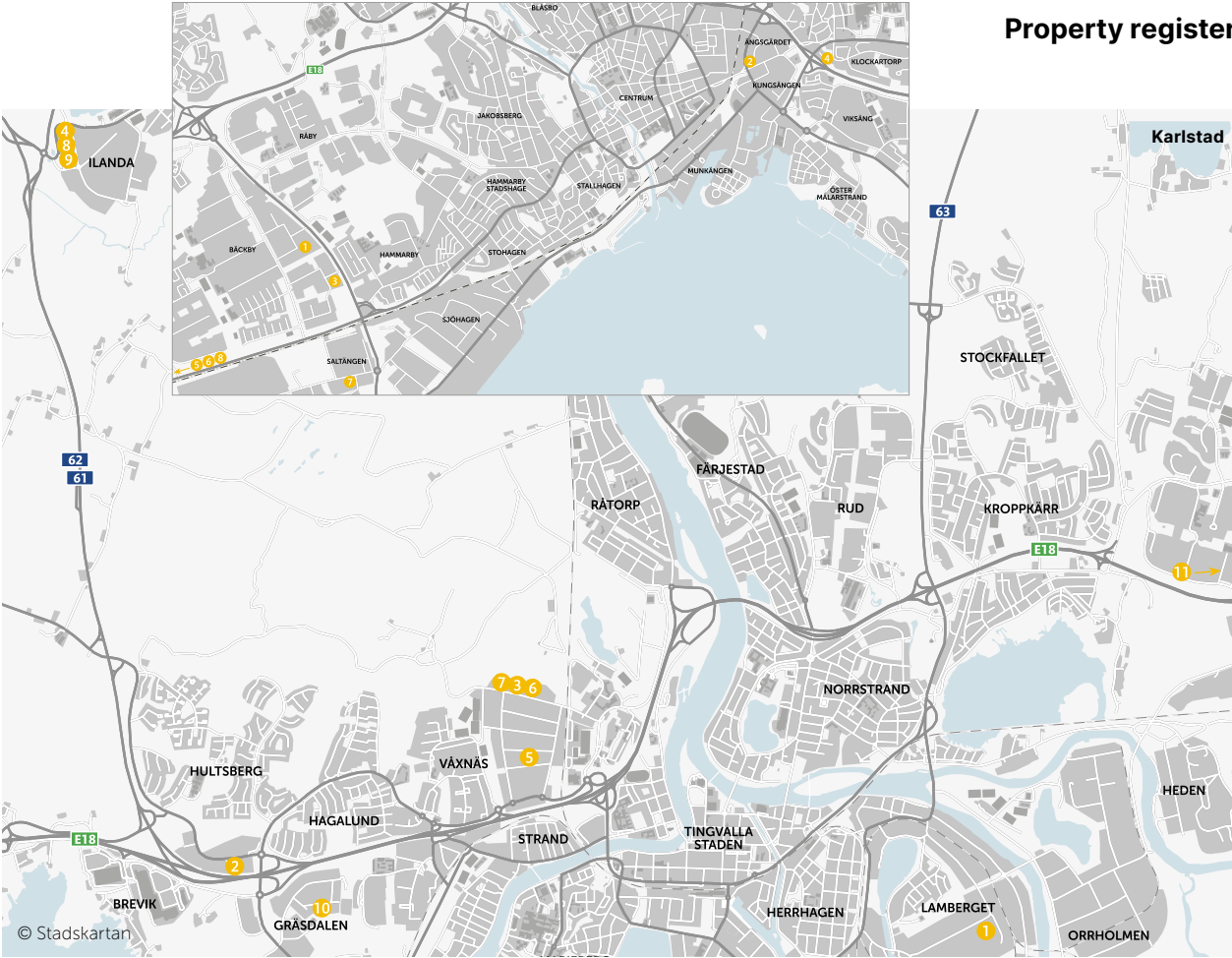
Property register



Business area Östersund

No.	Property	Address	Municipality	Category	Area	No.	Property	Address	Municipality	Category	Area
Östersund											
1	Ångvälten 5	Chaufförvägen 27	Östersund	Retail	12,506	23	Fältjägaren 1	Kanslihusgränd 2	Östersund	Offices	1,466
2	Lugnet 7	Armégränd 3-7	Östersund	Offices	11,326	24	Bandsågen 11	Hagvägen 17	Östersund	Industrial	1,305
3	Hejaren 5	Hagvägen 30	Östersund	Industrial	11,075	25	Lastbilen 2	Arenavägen 2	Östersund	Retail	1,296
4	Timmerlasset 1	Hägnvägen 15	Östersund	Industrial	9,235	26	Virkesmätaren 7	Störvägen 9	Östersund	Industrial	1,281
5	Ångvälten 7	Chaufförvägen 27	Östersund	Retail	8,167	27	Fältjägaren 11	Kanslihusgränd 5	Östersund	Offices	950
6	Lastbilen 1	Arenavägen 4	Östersund	Industrial	7,476	28	Motorsågen 2	Kolarevägen 2	Östersund	Industrial	935
7	Fältjägaren 6	Infanterigatan 16	Östersund	Offices	6,943	29	Lugnet 11	Infanterigatan 21	Östersund	Offices	930
8	Fältjägaren 3	Kaserngatan 13	Östersund	Other	5,603	30	Flottaren 1 + 3	Plankvägen 4	Östersund	Industrial	660
9	Svarven 6	Odenskogsvägen 42	Östersund	Industrial	5,527	31	Hjultraktorn 4	Arenavägen 5	Östersund	Land	-
10	Svarven 10	Odenskogsvägen 36A	Östersund	Industrial	5,328	32	Hjultraktorn 5	Arenavägen 1	Östersund	Land	-
11	Fältjägaren 4	Kaserngatan 5	Östersund	Other	5,169	33	Virkesmätaren 6	Störvägen 9	Östersund	Land	-
12	Trucken 16	Chaufförvägen 25	Östersund	Logistics	4,720	34	Flottaren 4	Plankvägen 8	Östersund	Land	-
13	Fältjägaren 2	Kaserngatan 17	Östersund	Offices	4,469	35	Ångvälten 4	Speditörvägen 3	Östersund	Land	-
14	Släpvagnen 6	Chaufförvägen 28	Östersund	Retail	4,014	36	Fältjägaren 13		Östersund	Land	-
15	Motorsågen 3	Kolarevägen 8	Östersund	Industrial	2,856	37	Fältjägaren 14		Östersund	Land	-
16	Snöslungan 8	Chaufförvägen 33	Östersund	Retail	2,632	Others					
17	Traktorn 1	Vallvägen 6	Östersund	Retail	2,025		Brunflo-Ånge 3:1	Centrumvägen 55	Brunflo	Industrial	3,809
18	Busken 1	Splintvägen 5	Östersund	Offices	2,012		Namn 3:1	Myrviksvägen 22	Berg	Industrial	1,042
19	Trucken 7	Chaufförvägen 17	Östersund	Industrial	1,925		Kånkback 1:246	Kånkback 106	Ragunda	Industrial	1,027
20	Hjultraktorn 1	Arenavägen 3	Östersund	Offices	1,864		Så 2:91		Åre	Land	-
21	Nyckelpigan 4	Inspektörsvägen 19	Östersund	Offices	1,585						
22	Hjultraktorn 2	Arenavägen 9, 15	Östersund	Offices	1,516						

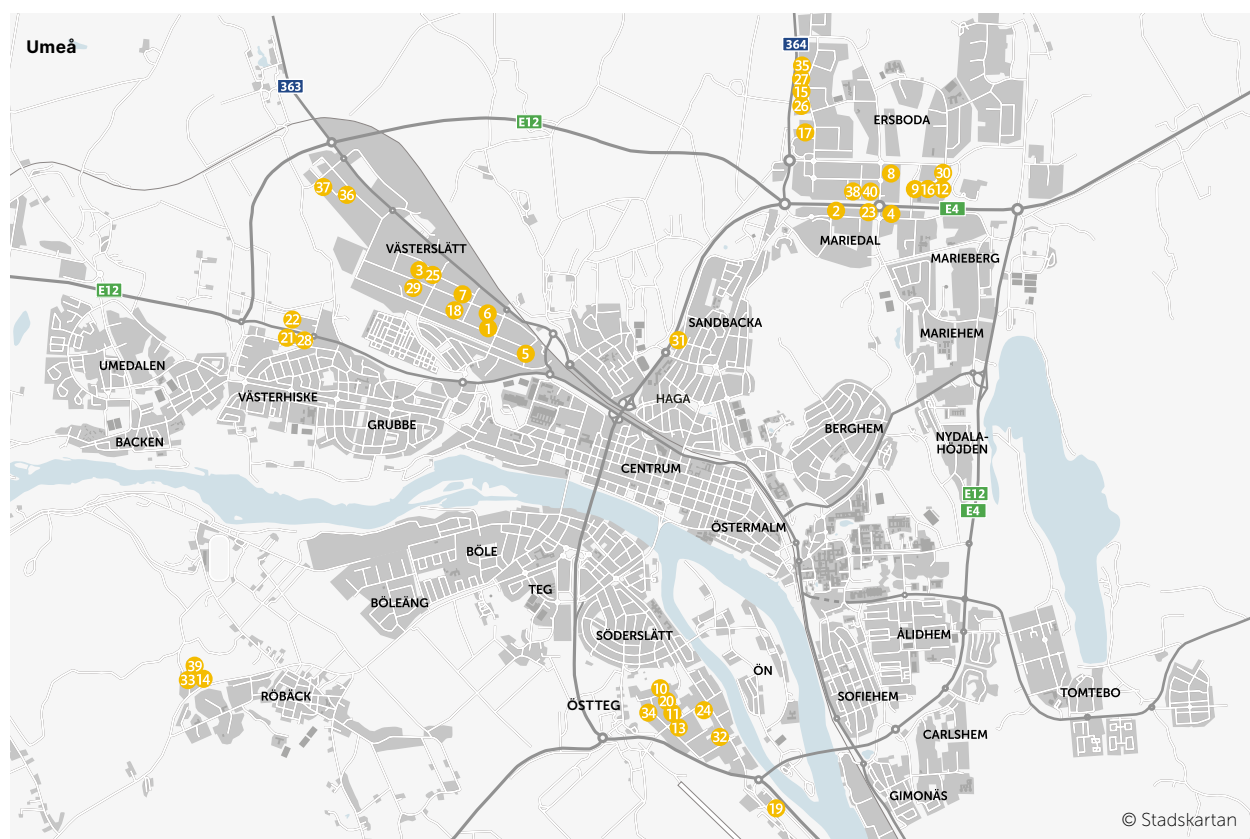
Property register



Business area Middle Sweden

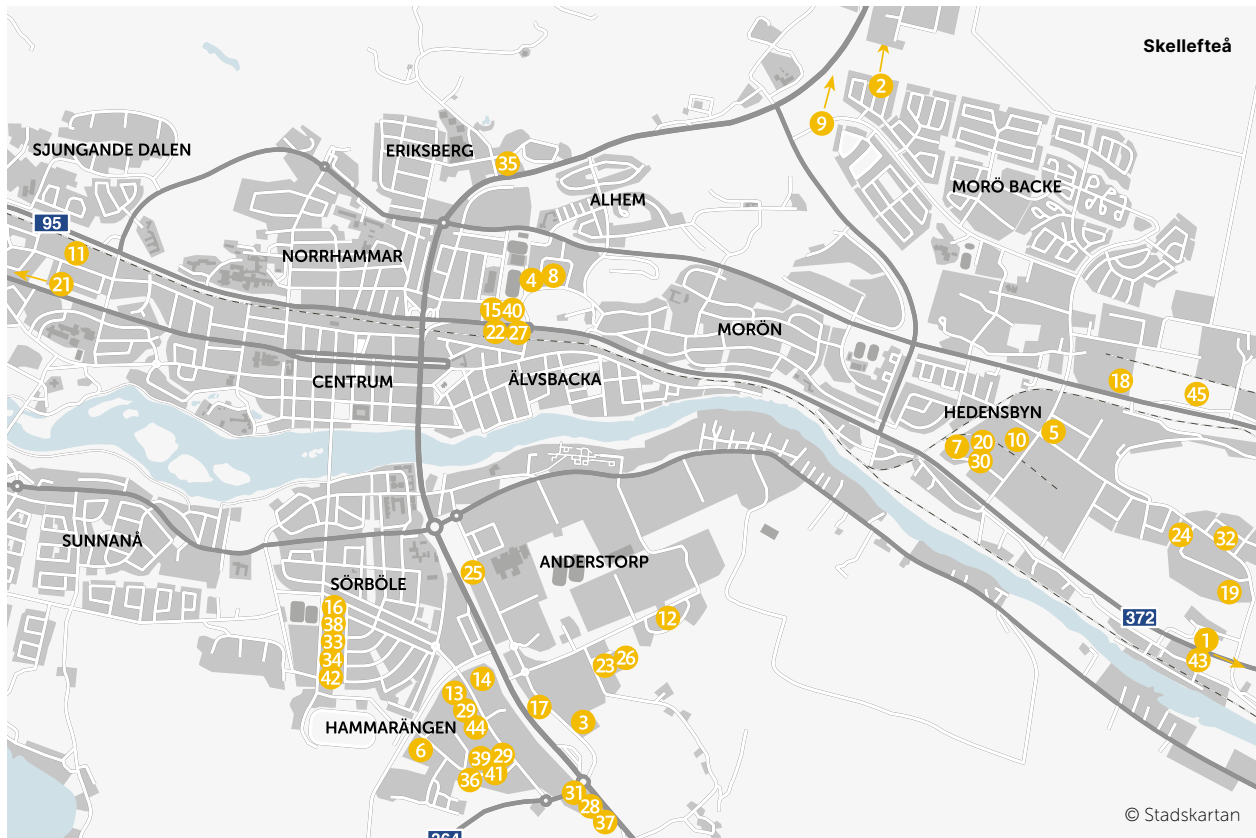
No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Karlstad					Others				
1 Stådet 2	Gjuterigatan 38 A-D	Karlstad	Industrial	19,557	Hissmontören 2	Klerkgatan 18	Örebro	Industrial	10,331
2 Planeraren 9	Körkarlsvägen 1-3	Karlstad	Industrial	8,627	Vägskalet 15 + 16	Rönngatan 2-6	Katrineholm	Industrial	5,635
3 Ratten 15	Säterivägen 20A	Karlstad	Offices	2,429	Hedkärr 1:24	Herrestads Torp 354	Uddevalla	Retail	4,000
4 Ilanda 1:47	Fjärrviksvägen 2A	Karlstad	Industrial	2,153	Guldet 1	Södra Metallvägen 1	Skövde	Retail	3,373
5 Spärren 2	Spärrgatan 7	Karlstad	Industrial	1,954	Ormbunken 8	Industrigatan 9	Mariestad	Retail	3,271
6 Ratten 10	Säterivägen 18	Karlstad	Offices	1,795	Odonet 1	Moränvägen 2	Motala	Retail	2,479
7 Ratten 13	Säterivägen 20	Karlstad	Offices	1,630	Generatorn 2	Turbinvägen 5	Motala	Industrial	1,564
8 Ilanda 1:37	Fjärrviksvägen 2	Karlstad	Industrial	1,326	Halla-Stenbacken 1:102	Fossumsbergsvägen 1	Uddevalla	Industrial	1,518
9 Ilanda 1:54	Fjärrviksvägen 2B, 4A	Karlstad	Industrial	1,192	Nollplanet 8	Fabriksgatan 7	Eskilstuna	Industrial	1,251
10 Gräsmattan 8	Frögatan 16	Karlstad	Industrial	1,000	Draken 19	Hangarvägen 11	Karlskoga	Industrial	799
11 Busterud 1:160	Bråtebäcksvägen 22	Karlstad	Industrial	911	Lindeshyttan 5:5	Fotbollsgatan 16	Lindesberg	Industrial	789
Västerås					Silvret 2	Kromgatan 5	Kristinehamn	Industrial	639
1 Härdsmidet 1	Ånghammargatan 6-8	Västerås	Industrial	11,999	Kryddgården 4:11	Ågatan 12	Enköping	Industrial	600
2 Sägklingen 9	Pilgatan 19	Västerås	Industrial	3,580	Svårdet 5	Gasverksvägen 3A	Nyköping	Industrial	600
3 Blåsterugnen 3	Kokillgatan 9	Västerås	Industrial	2,475	Terminalen 10	Magasinsvägen 5	Karlskoga	Land	0
4 Fanjunkaren 2	Klockartorpsgatan 16	Västerås	Other	2,411	Bredstorp 3:8	Sportvägen 1	Tranås	Land	0
5 Krogen 1	Långängskrogen 7	Västerås	Industrial	1,286					
6 Världshuset 2	Gilltunavägen 4	Västerås	Industrial	1,130					
7 Munkboängen 4	Saltängsvägen 27	Västerås	Industrial	1,081					
8 Krogen 2	Långängskrogen 9	Västerås	Industrial	360					

Property register



Business area Umeå

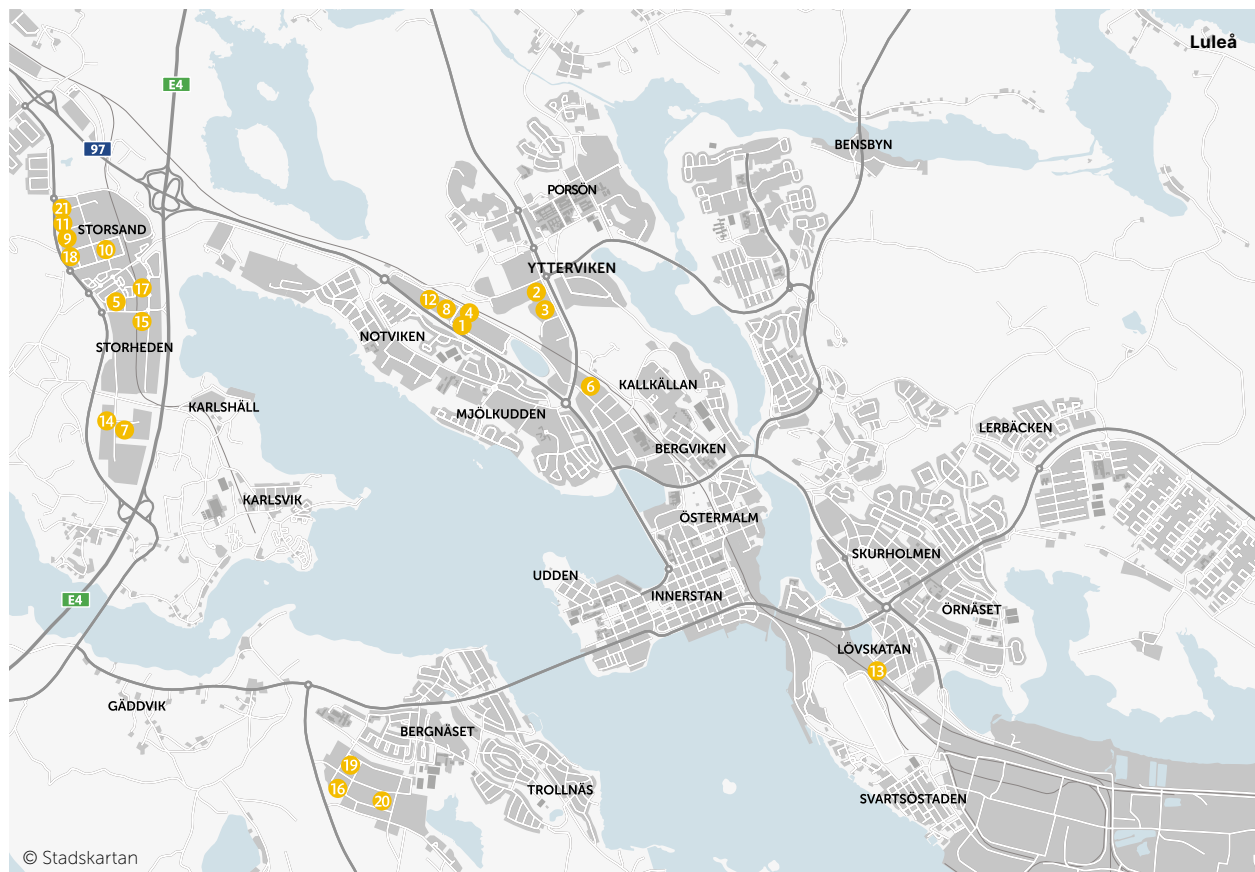
No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area	
Umeå										
1	Vevstaken 9	Spårvägen 10	Umeå	Retail	11,421	23 Björnjägaren 2	Björnvägen 11B	Umeå	Retail	2,461
2	Björnjägaren 3	Björnvägen 7	Umeå	Retail	11,292	24 Maskinen 1	Maskingatan 1	Umeå	Offices	2,430
3	Ledningen 1	Strömvägen 3-5	Umeå	Other	9,626	25 Ledningen 2	Strömvägen 1	Umeå	Industrial	2,083
4	Huggormen 1	Björnvägen 15-17	Umeå	Offices	8,515	26 Kedjan 5	Gräddvägen 13	Umeå	Logistics	2,068
5	Rälsbussen 5	Industrivägen 2	Umeå	Industrial	7,671	27 Kedjan 7	Gräddvägen 15B	Umeå	Other	2,058
6	Generatorn 7	Förradsvägen 11-15	Umeå	Retail	6,939	28 Kronoskogen 3	Kronoskogsvägen 2-6	Umeå	Industrial	1,829
7	Rälen 3	Förradsvägen 12	Umeå	Industrial	5,347	29 Spänningen 5	Förradsvägen 23	Umeå	Retail	1,686
8	Laven 2	Formvägen 16	Umeå	Offices	5,219	30 Bruket 2	Bruksvägen 3	Umeå	Industrial	1,680
9	Cementgjuteriet 1	Bruksvägen 15	Umeå	Retail	5,200	31 Ledet 1	Sandbackavägen 1	Umeå	Retail	1,562
10	Schablonen 6	Läringsgatan 10-14	Umeå	Industrial	5,127	32 Maskinen 7	Läringsgatan 41	Umeå	Industrial	1,506
11	Matrisen 6	Läringsgatan 1	Umeå	Offices	4,686	33 Röbäck 30:95	Täktvägen 2	Umeå	Industrial	1,450
12	Cementgjuteriet 5	Bruksvägen 7	Umeå	Retail	4,635	34 Schablonen 3	Läringsgatan 20	Umeå	Offices	1,409
13	Cisternen 26	Maskingatan 7-9	Umeå	Offices	4,599	35 Kedjan 6	Gräddvägen 15C	Umeå	Retail	1,360
14	Röbäck 30:94	Täktvägen 4	Umeå	Industrial	4,487	36 Grubbe 9:55	Mätarvägen 11B	Umeå	Logistics	1,200
15	Kedjan 8	Gräddvägen 15A	Umeå	Other	4,328	37 Grubbe 9:48	Kabelvägen 1A	Umeå	Logistics	899
16	Cementgjuteriet 6	Bruksvägen 7	Umeå	Retail	4,116	38 Singeln 17	Formvägen 10	Umeå	Offices	857
17	Länken 2 + 3	Gräddvägen 3	Umeå	Retail	3,574	39 Röbäck 30:113	Täktvägen 6	Umeå	Industrial	849
18	Pumpen 2	Spårvägen 18	Umeå	Industrial	3,371	40 Singeln 18	Formvägen 10DD	Umeå	Offices	515
19	Flygaren 1 + 3	Flygplatsvägen 19	Umeå	Offices	3,155	Örnsköldsvik				
20	Matrisen 2	Läringsgatan 9	Umeå	Retail	2,850	Norrlungångar 2:144	Björnavägen 41 A	Örnsköldsvik	Industrial	48,012
21	Kronoskogen 2	Kronoskogsvägen 8-10	Umeå	Industrial	2,760	Snjälavads Prästbord 1:131	Kavelvägen 17	Örnsköldsvik	Industrial	7,974
22	Rödbergsmynan 8	Spinnvägn 15	Umeå	Retail	2,641	Ånundsiö-Näs 5:40	Köpmangatan 3	Örnsköldsvik	Industrial	784



Business area Skellefteå

No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Skellefteå									
1 Profilen	Näsuddsvägen 10-14	Skellefteå	Industrial	21,439	24 Rikthyveln 3	Hyvelgatan 1	Skellefteå	Industrial	2,226
2 Morö Backe 1:3	Serviceg. 5, 6, 13 + 19	Skellefteå	Industrial	20,679	25 Operatören 1	Gymnasievägen 4	Skellefteå	Retail	2,110
3 Sömmerskan 3	Gymnasievägen 24	Skellefteå	Other	17,863	26 Utköraren 2	Filtergränd 4	Skellefteå	Industrial	2,030
4 Industrien 9	Mullbergsvägen 11	Skellefteå	Other	15,677	27 Sture 13	N. Järnvägsgränd 64	Skellefteå	Industrial	2,009
5 Hallen 6	Svedjevägen 8	Skellefteå	Industrial	12,847	28 Släpvagnen 3	Tjarnvägen 38	Skellefteå	Retail	1,822
6 Sörböle 2:81	Verkstadsvägen 2	Skellefteå	Industrial	12,262	29 Motorn 8	Tjarnvägen 26	Skellefteå	Industrial	1,795
7 Lagret 8	Lagergatan 1	Skellefteå	Offices	7,626	30 Lagret 6	Lagergatan 3B	Skellefteå	Industrial	1,592
8 Förrådet 12	Maskinvägen 13	Skellefteå	Industrial	7,071	31 Släpvagnen 1	Tjarnvägen 36	Skellefteå	Retail	1,486
9 Flamman 1	Nöppelbergsvägen 16	Skellefteå	Retail	6,628	32 Gradsågen 2 + 3	Risbergsgatan 81	Skellefteå	Industrial	1,459
10 Kontoret 5	Svedjevägen 5	Skellefteå	Industrial	5,862	33 Älggräset 1	Brogatan 33	Skellefteå	Offices	1,426
11 Nybruket 5	Industrivägen 38-42	Skellefteå	Industrial	4,755	34 Älggräset 4	Brogatan 39	Skellefteå	Industrial	1,217
12 Företagaren 3	Företagsvägen 34	Skellefteå	Industrial	4,722	35 Ringen 4	Mossgatan 32	Skellefteå	Other	1,112
13 Motorn 1	Tjarnvägen 2	Skellefteå	Retail	4,629	36 Muttern 3	Verkstadsvägen 14	Skellefteå	Industrial	1,077
14 Karossen 1	Tjarnvägen 1B	Skellefteå	Retail	4,325	37 Släpvagnen 2	Tjarnvägen 40	Skellefteå	Retail	1,012
15 Bielke 6	Norrbölegatan 66	Skellefteå	Logistics	3,985	38 Älggräset 2	Brogatan 35	Skellefteå	Industrial	989
16 Porsen 2	Brogatan 29	Skellefteå	Industrial	3,396	39 Motorn 11	Verkstadsvägen 11	Skellefteå	Industrial	850
17 Rondellen 2	Gymnasievägen 18	Skellefteå	Industrial	3,101	40 Bielke 3	Norrbölegatan 68	Skellefteå	Other	560
18 Transistorn 3	Torsgatan 101	Skellefteå	Industrial	2,981	41 Motorn 9	Verkstadsvägen 15	Skellefteå	Offices	545
19 Rikthyveln 1	Hyvelgatan 15	Skellefteå	Industrial	2,876	42 Älggräset 3	Brogatan 37	Skellefteå	Industrial	241
20 Lagret 7	Lagergatan 3D	Skellefteå	Industrial	2,813	43 Sägverket 4	Brädgårdsvägen 15	Skellefteå	Industrial	165
21 Charkuteriet 5	Plastvägen 6	Skellefteå	Industrial	2,668	44 Motorn 2	Tjarnvägen 4	Skellefteå	Land	-
22 Sture 12	N. Järnvägsg. 60-62	Skellefteå	Industrial	2,502	45 Transistorn 6	Transportgatan 7	Skellefteå	Land	-
23 Utköraren 1	Nälvägen 3	Skellefteå	Industrial	2,283					

Property register



Business area Luleå

No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Luleå					Gällivare				
1 Skotet 8	Spantgatan 14	Luleå	Retail	18,253	Gällivare 12:334	Vouskojärviv. 11-23	Gällivare	Industrial	16,497
2 Räfsan 4	Depåvägen 2	Luleå	Logistics	18,251	Gällivare 15:336	Energiplan 3	Gällivare	Retail	8,022
3 Räfsan 5	Depåvägen 4C-G	Luleå	Industrial	8,850	Gällivare 12:573	Treenighetens Väg 1	Gällivare	Retail	3,437
4 Skotet 1	Banvägen 11A-B	Luleå	Industrial	7,936	Gällivare 57:22	Metallvägen 4	Gällivare	Industrial	1,221
5 Storheden 1:81	Cementvägen 8	Luleå	Logistics	6,330	Kiruna				
6 Ödla 6	Ödlegatan 6	Luleå	Retail	5,202	Välten 8 (Kramaren 4)	Österleden 12	Kiruna	Retail	16,244
7 Storheden 2:10	Krossvägen 4	Luleå	Industrial	4,890	Linbanan 2	Linbanevägen 1	Kiruna	Retail	3,323
8 Notviken 4:48	Banvägen 13	Luleå	Retail	4,502	Släpvagnen 10	Forvägen 29-31	Kiruna	Industrial	1,198
9 Storheden 1:26	Handelsvägen 3C	Luleå	Industrial	2,994					
10 Storheden 1:5	Besiktningsv. 6 o 12	Luleå	Industrial	2,719					
11 Storheden 1:24	Handelsvägen 7	Luleå	Logistics	2,633					
12 Notviken 4:51	Banvägen 19	Luleå	Logistics	2,055					
13 Mjölner 32 + 33	Föreningsgatan 5	Luleå	Industrial	1,660					
14 Storheden 3:2	Makadamvägen 4	Luleå	Industrial	1,656					
15 Storheden 1:51 + 1:57	Betongvägen 20	Luleå	Industrial	1,628					
16 Bergnåset 3:51	Upplagsvägen 3-5	Luleå	Logistics	1,493					
17 Storheden 1:55	Betongvägen 10	Luleå	Retail	1,085					
18 Storheden 1:33	Besiktningsvägen 9	Luleå	Industrial	890					
19 Bergnåset 3:6 + 3:7	Industrivägen 19-20	Luleå	Industrial	789					
20 Bergnåset 3:38 + 3:39	Fabriksvägen 4-6	Luleå	Industrial	750					
21 Storheden 1:25	Handelsvägen 7	Luleå	Land	-					

Property register



Business area Luleå

No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area
Piteå					Others				
1 Stadsön 8:50	Fläktgatan 6-14	Piteå	Retail	8,048	Björka 2	Hästskovägen 4A-D	Haparanda	Retail	8,100
2 Stadsön 8:9	Fläktgatan 9	Piteå	Retail	5,348	Norrmalm 6	Lillgatan 4 A- C	Haparanda	Retail	2,980
3 Stadsön 6:23	Oktanvägen 6	Piteå	Retail	5,130	Uven 13	Ugglegatan 11	Boden	Industrial	1,910
4 Pitholm 47:59	Traversvägen 7	Piteå	Industrial	4,500					
5 Öjebyn 33:222	Hammarvägen 32	Piteå	Logistics	4,390					
6 Stadsön 8:34	Fläktgatan 24	Piteå	Retail	3,551					
7 Stadsön 8:36	Fläktgatan 20	Piteå	Retail	3,400					
8 Stadsön 8:5	Reläggatan 4	Piteå	Industrial	3,379					
9 Öjebyn 3:462	Turbovägen 7	Piteå	Retail	3,260					
10 Öjebyn 3:497	Taktvägen 3B-C	Piteå	Industrial	3,219					
11 Stadsön 8:11	Fläktgatan 7	Piteå	Retail	3,190					
12 Stadsön 8:38	Fabriksgatan 8-10	Piteå	Retail	2,215					
13 Stadsön 6:25	Oktanvägen 2A-C	Piteå	Industrial	1,942					
14 Stadsön 8:20	Voltgatan 9	Piteå	Industrial	1,941					
15 Stadsön 8:37	Fabriksgatan 4	Piteå	Retail	1,922					
16 Stadsön 8:15	Fabriksgatan 5	Piteå	Retail	800					
17 Öjebyn 11:42	Hammarvägen 11 A-B	Piteå	Industrial	410					

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Skellefteå

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