

2022

Annual report

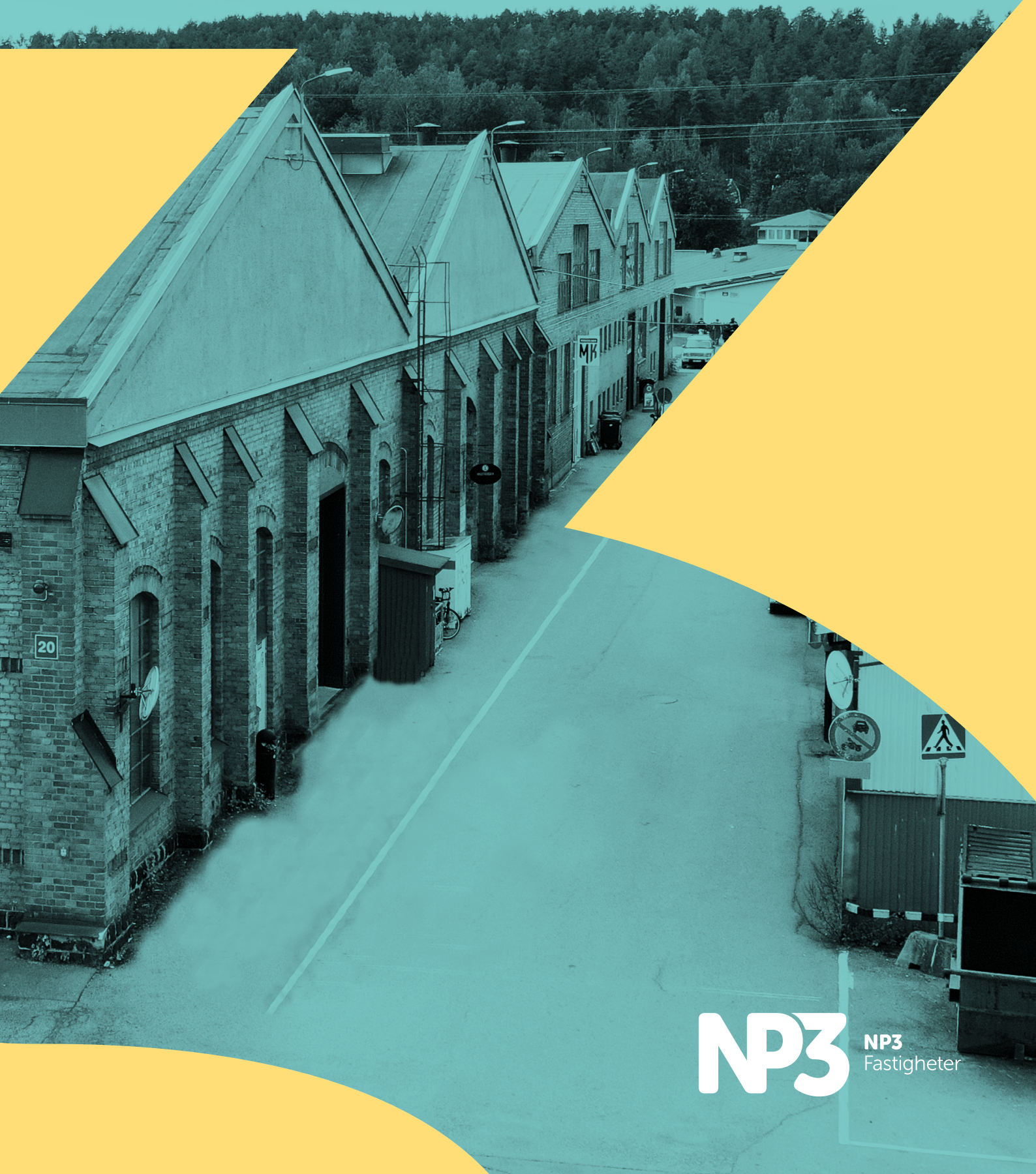


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Roundings in the annual report can result in columns and rows not adding up.

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

Calendar

Interim reports

Q1 January - March 2023: 4 May 2023

Q2 January - June 2023: 7 July 2023

Q3 January - September 2023: 20 October 2023

Year-end report 2023: 9 February 2024

Record days for dividend on preference shares

28 April 2023

31 July 2023

31 October 2024

31 January 2024

30 April 2024

Proposed record days for dividend on ordinary shares

8 May 2023

31 July 2023

31 October 2023

31 January 2024

Annual general meeting: 4 May 2023

This Annual Report is an in-house translation of NP3s 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

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Gärdevägen 5A, 856 50 Sundsvall, Sweden

The year in brief

Q1

- Acquisitions relating to 13 properties were taken possession of at a total investment of 237 MSEK and an annual rental value of 21 MSEK. One property was divested of for 5 MSEK.
- In March, the company's ordinary share was included in FTSE EPRA Nareit Global Real Estate Index Series ("EPRA index"). EPRA index is a leading global index of listed real estate investments and consists of approximately 500 real estate companies.

Q2

- Acquisitions relating to 27 properties were taken possession of at a total investment of 970 MSEK and an annual rental value of 73 MSEK. Three properties were divested of for 21 MSEK. In addition, the company reclassified its holdings in Fastighets AB Jämtjägaren from a subsidiary to an associated company with two related properties at a value of 51 MSEK.
- Launch of an MTN-programme with a framework of 5 BSEK, under which NP3 has the possibility to continuously issue bond loans with a term of at least one year in the capital market with the option to also issue green bonds and sustainability-linked bonds.

Q3

- In September the company carried out refinancing of its coming bond maturity in March 2023 by issuing new unsecured green bonds under the existing MTN-programme for 400 MSEK with a term of 3 years at an interest rate of 3 months' STIBOR + 650 basis points. Of the total maturity of 600 MSEK, the company repurchased bonds equivalent to a nominal amount of 381 MSEK. The remaining 219 MSEK have been repaid on the due date after year-end.
- Acquisitions relating to eight properties were taken possession of at a total investment of 337 MSEK and an annual rental value of 31 MSEK. Two properties were divested of for 92 MSEK.

Q4

- Acquisitions relating to three properties were taken possession of at a total investment of 118 MSEK and an annual rental value of 9 MSEK. One property was divested for 7 MSEK.

+19 %

Profit from property management per ordinary share 13.00 SEK

+16 %

Proposed dividend per ordinary share 5.00 SEK

1,662 MSEK

Acquisitions for the year taken possession of

+14 %

The property value amounted to 19.8 BSEK

+25 %

Revenue amounted to 1,551 MSEK

+26 %

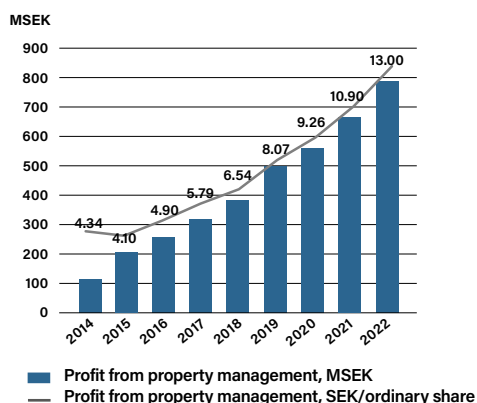
The operating surplus amounted to 1,149 MSEK

Significant events after year-end

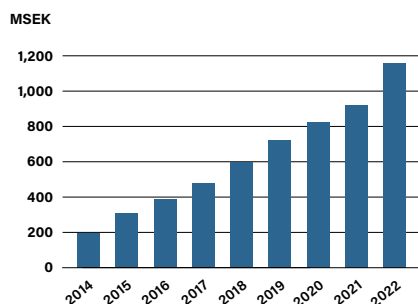
In February, the company carried out a directed new issue of 2,750,000 ordinary shares for a price of 230 SEK per share, which provided the company with 633 MSEK before transaction costs.

NP3 is a cash flow-oriented real estate company with a focus on commercial properties with high yields, primarily in North Sweden. As of 31 December, the property portfolio amounted to 1,950,000 square metres of lettable area, divided between 488 properties in the categories industrial, retail, office, logistics and others. The property portfolio are spread across eight business areas: Sundsvall, Gävle, Dalarna, Östersund, Umeå, Skellefteå, Luleå and Middle Sweden. At year-end, the property value amounted to 19.8 BSEK. NP3-shares are listed at Nasdaq Stockholm, Large Cap. NP3 was founded in 2010 and has its head office and domicile in Sundsvall.

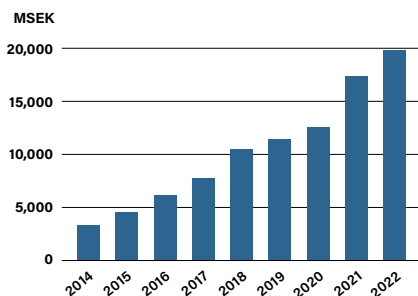
The profit from property management increased by 19% to 785 MSEK. The profit from property management per ordinary share amounted to 13.00 SEK, an increase of 19%.



The operating surplus increased by 26% to 1,149 MSEK



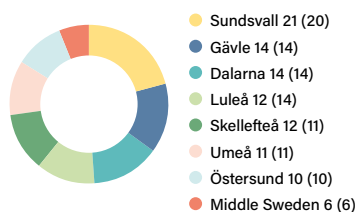
The property value increased by 14% to 19.8 BSEK



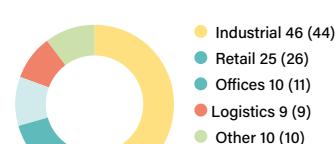
Key ratios	2022	2021
Outcome		
Property value, MSEK	19,805	17,335
Rental income, MSEK	1,551	1,238
Net operating income, MSEK	1,149	912
Profit from property management, MSEK	785	661
Share-based		
Profit after tax, SEK/ordinary share	21.04	35.82
Profit from property management, SEK/ordinary share	13.00	10.90
Equity, SEK/ordinary share	117.21	100.67
Long-term net asset value, SEK/ordinary share	133.17	118.64
Property-related		
Economic occupancy rate, %	94	93
Surplus ratio, %	74	74
Financial		
Loan-to-value ratio, %	57.6	55.9
Interest coverage ratio, x	2.8	3.3
Net debt to EBITDA ratio, x	9.7	10.3

For reconciliation of key ratios and definitions, see pages 114-115.

Property value per business area, %



Property value per property category, %



Comments by the CEO

2022 has been a year with much turbulence at a global level. The world order is characterised by increased tension and all of Europe is obviously significantly affected by Russia's full-scale invasion of Ukraine. Add to this natural disasters, inflation, anxiety about the economic situation and in Sweden's case also more serious criminality that is not limited to the urban areas. Adaptions to new conditions take place continuously but when the "pendulum" does swing, it does so strongly, regardless of direction. Now nearly all countries must strengthen their armed forces and domestic supply chains and show the ability to take action for an improved environment and reduced inflation, etc. But you may ask yourself whether the pendulum's strength is beneficial for the long-term results and targets. I see the simple business model with a long-term focus in these turbulent times as a clear strength for NP3.

It's the long-term approach and simplicity that are the foundation in NP3. This leads to fewer risks for our company and allows us to focus our energy to where it brings the greatest benefit. NP3 Fastigheter was founded in 2010 with the business idea of owning and managing high-yielding commercial properties, primarily in North Sweden. Our focus on conducting business in a stable and well-defined market segment is the same now as then.

Profit from property management for 2022 amounted to 785 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 larger property portfolio, which as of the 2022 balance sheet date amounted to almost 20 billion SEK.

Increasing the profit from property management per share while maintaining a lower operational and financial risk will continue to be our long-term and highest priority going forward. The guiding principle for the activities in the company, our use of resources and our investments, is and will continue to be the ability to deliver a profit from property management that is as stable and predictable as possible and has the highest possible long-term growth to our shareholders. Our profit from property management will decrease during 2023, given the quickly and strongly increasing interest expenses. However, the rental market continues to be strong and the market rent is increasing, which gives a higher net operating income from the existing property portfolio, which over time will further strengthen our prioritised financial goals in terms of profit from property management and cash flow.

Growth and risk

My ambition is for NP3 to be a net investor during 2023. The significance of growth becomes clear when looking back at how the risks have changed during the last ten years.

In 2012, NP3 had 45 properties and 240 rental agreements. Our ten largest tenants then made up 45 percent of the rental value.

In 2017 the number of properties was 234 and the number of rental agreements 1,300. The ten largest tenants' rental value amounted to 14 percent.

As of year-end 2022 the number of properties was 488, the number of rental agreements 2,400 and the ten largest tenants' rental value amounted to 11 percent.

It is important to highlight that this growth has taken place with an improved level in the loan-to-value ratio and net debt to EBITDA ratio.

NP3's required return over a five-year period is to have a return before tax amounting to 15 percent on equity. In the latest five-year period, it amounted to 26 percent.

NP3 shall continue to be a growth company. Most likely we will continue to see volatility in the market and higher interest rate levels compared with what things looked like during NP3's first ten years. But – and this is an important but – despite higher interest rate levels NP3 has a sustainable business model. If the interest rate increases to 6 percent on average and we can then buy with a 7 percent return, i.e. just above our valuation yield as of year-end, this means a return on our equity of 10 percent with the same assumptions that our balance sheet has today. This is not a level with which we are satisfied – but it's still a profitable business. Being able to lean on a business idea and strategy in times of uncertainty is a privilege.

In February 2023, NP3 issued 2.75 million ordinary shares, which generated proceeds of just over 600 million SEK. The share issue was carried out to allow us to act when opportunities arise in the market, such as repurchasing bonds, investments in tenant adaptations or acquisitions. Turbulent and stressed markets give rise to both risks and opportunities, and NP3 must be able to act if a clearly good business opportunity arises.

Sustainability

Already back in 2012, the company had a sound and good target for sustainability: "NP3 shall continuously reduce its environmental impact". I wish that this short and simple target was sufficient and that being able to act in practice was more important than writing about the ability to act. Creating comparability through taxonomy is a good and desirable idea, but the decisive factor for the climate will not be whether the properties have climate analyses or if they achieve the taxonomies Top 15 or even Top 30 in terms of energy efficiency.

"I see the simple business model with a long-term focus in these turbulent times as a clear strength for NP3."

The primary challenge for NP3 and the industrial property segment is not linked to the most energy-efficient properties, but to the poorest ones. Consequently, our energy and effort must be aimed at this problem. NP3 will follow the taxonomy's criteria for comparability but we will also apply our own.

One ambition for NP3 is to improve those least performing properties in terms of energy efficiency which could then be measured at an average value of our properties' primary energy efficiency and then continuously improve that figure within the existing and comparable property portfolio. The rationale for this is that it is the total improvement for the environment that is important. In the short term, the majority of our portfolio will not achieve Top 15, but divesting the least performing properties in terms of energy efficiency in order to try and get a sustainability label cannot be the sensible thing to do. I usually try to invoke common sense – NP3 will continue doing so.

Funding

Diversified funding sources have always been central to NP3. The funding sources work in different ways and NP3 has used these for different purposes. The commercial papers market, for example, has contributed to better cash management. The bond market has been used by NP3 not because it's been cheap but because it is not secured and has enabled investments in projects in existing properties that upon completion can be refinanced in banks. This means that NP3, despite less favourable financing terms in the commercial paper and bond markets than previously, intends to be a long-term issuer of these funding sources.

I assess refinancing as being NP3's biggest individual risk. In light of this assessment, NP3 issued bonds during 2022 at a significantly more expensive level than historically noted, as the projects we primarily finance yield a return of 8-15 percent on top of the cash flow generated from previously vacant premises. In other words, this has continued contribute to our profitability. We will continue to be an issuer of bonds but depending on the price we may reduce our volume, as our cash balance is strengthened

from the issue of ordinary shares. But in these uncertain times, refinancing unsecured debt well in time before maturity is of priority.

Future

NP3 will continue to use the simplicity of its business model and related risk-taking going forward. Low prices per square metre that are far below the price for new production, good locations and good alternative use are key elements of this. If you follow and achieve this strategy, the risk of investing is manageable in our opinion. In terms of the development on the property market, continued inflation increases the prices for new production, even if the economic situation is beginning to stabilise them, while the valuations for existing properties are continuing their downward trend. In other words, the difference between new production and existing properties' price per square metre is presently increasing at a significant rate.

We are the largest property owner in north Sweden in terms of square metres and our existing premises should over time become even more attractive. We have local offices in 12 locations with proximity to our properties and our tenants. This I hope will be reflected in our net letting even if the economy deteriorates in the near future. Our strong local presence and expertise in traditional development of properties will, as I see it, be even more crucial in a future with higher financing costs.

Lastly, writing about the future while being completely blind to the outside world feels unreasonable. The industrial investment in north Sweden certainly still remain stable but let us hope for a 2023 with significantly less global turbulence.

For us at NP3, Lars-Göran Bäckvall passing touches us deeply. Lasse founded NP3 together with me about 12 years ago. We could not then imagine NP3's journey and even today I see the journey as just started. We will miss Lasse in so many ways, but we will continue in the same spirit.

Finally, there are many to whom I would like to extend a big thank you. Our staff, board, shareholders and other stakeholders who make daily efforts for NP3's continued development, you all make this work an interesting, educational and exciting journey together!

Many thanks!

Sundsvall, March 27, 2023



Andreas Wahlén

Financial targets and dividend targets

Objective	Explanation and result	Outcome																		
Growth in profit from property management per ordinary share The growth in profit from property management per ordinary share shall amount to at least 12% per year over a five-year period.	The key ratio shows the company's overall growth target. Growth in profit from property management per ordinary share amounted to 19%. The average growth over the five-year period was 18%.	<table><tr><th>Year</th><th>Profit from property management per ordinary share, SEK</th><th>Average annual growth, 5 years, %</th></tr><tr><td>2018</td><td>6.5</td><td>18%</td></tr><tr><td>2019</td><td>8.0</td><td>18%</td></tr><tr><td>2020</td><td>9.0</td><td>18%</td></tr><tr><td>2021</td><td>10.5</td><td>18%</td></tr><tr><td>2022</td><td>12.5</td><td>18%</td></tr></table>	Year	Profit from property management per ordinary share, SEK	Average annual growth, 5 years, %	2018	6.5	18%	2019	8.0	18%	2020	9.0	18%	2021	10.5	18%	2022	12.5	18%
Year	Profit from property management per ordinary share, SEK	Average annual growth, 5 years, %																		
2018	6.5	18%																		
2019	8.0	18%																		
2020	9.0	18%																		
2021	10.5	18%																		
2022	12.5	18%																		
Return on equity Return on equity before tax over a five-year period shall amount to at least 15%.	The target shows the 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. Return on equity before tax amounted to 22%. Average return on equity before tax over the five-year period amounted to 26%.	<table><tr><th>Year</th><th>Return on equity before tax, %</th><th>Average return on equity before tax, 5 years, %</th></tr><tr><td>2018</td><td>20%</td><td>26%</td></tr><tr><td>2019</td><td>25%</td><td>26%</td></tr><tr><td>2020</td><td>20%</td><td>26%</td></tr><tr><td>2021</td><td>45%</td><td>26%</td></tr><tr><td>2022</td><td>22%</td><td>26%</td></tr></table>	Year	Return on equity before tax, %	Average return on equity before tax, 5 years, %	2018	20%	26%	2019	25%	26%	2020	20%	26%	2021	45%	26%	2022	22%	26%
Year	Return on equity before tax, %	Average return on equity before tax, 5 years, %																		
2018	20%	26%																		
2019	25%	26%																		
2020	20%	26%																		
2021	45%	26%																		
2022	22%	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 2.8x.	<table><tr><th>Year</th><th>Interest coverage ratio, x</th></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><tr><td>2022</td><td>2.8</td></tr></table>	Year	Interest coverage ratio, x	2018	3.3	2019	3.5	2020	3.4	2021	3.3	2022	2.8						
Year	Interest coverage ratio, x																			
2018	3.3																			
2019	3.5																			
2020	3.4																			
2021	3.3																			
2022	2.8																			
Loan-to-value ratio The long-term loan-to-value ratio shall amount to 55-65%.	The loan-to-value ratio shows the proportion of the property value that 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 58%.	<table><tr><th>Year</th><th>Loan-to-value ratio, %</th></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><tr><td>2022</td><td>58%</td></tr></table>	Year	Loan-to-value ratio, %	2018	62%	2019	58%	2020	57%	2021	56%	2022	58%						
Year	Loan-to-value ratio, %																			
2018	62%																			
2019	58%																			
2020	57%																			
2021	56%																			
2022	58%																			
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 flow and profitability. The board proposes a dividend for 2022 of 5.00 SEK/ordinary share and a dividend of 2.00 SEK/preference share. The total proposed dividend is 363 MSEK ¹⁾ , which is equivalent to an increase of 17%. The proposed dividend for holders of ordinary and preference shares amounts to 50% of the profit from property management after current tax.	<table><tr><th>Year</th><th>Dividend, %</th></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><tr><td>2022</td><td>50%²⁾</td></tr></table>	Year	Dividend, %	2018	59%	2019	54%	2020	53%	2021	50%	2022	50% ²⁾						
Year	Dividend, %																			
2018	59%																			
2019	54%																			
2020	53%																			
2021	50%																			
2022	50% ²⁾																			
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><tr><th>Year</th><th>Proportion of preference share dividend, %</th></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><tr><td>2022</td><td>10%¹⁾</td></tr></table>	Year	Proportion of preference share dividend, %	2018	12%	2019	11%	2020	15%	2021	12%	2022	10% ¹⁾						
Year	Proportion of preference share dividend, %																			
2018	12%																			
2019	11%																			
2020	15%																			
2021	12%																			
2022	10% ¹⁾																			

1) Of the amount stated, 14 MSEK relates to additional dividends on newly issued ordinary shares issued in February 2023.

2) Dividend proposed by the board.

Current earnings capacity

Definition of earnings capacity

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, interest expenses and organisation at the end of the accounting period. Earnings capacity is based on the coming 12-month period given the property portfolio the company owned as of 31 December 2022. The earnings capacity is based on contracted annual rent and shows what profit the company would generate under the terms and conditions stated.

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

Current earnings capacity on a 12-month basis

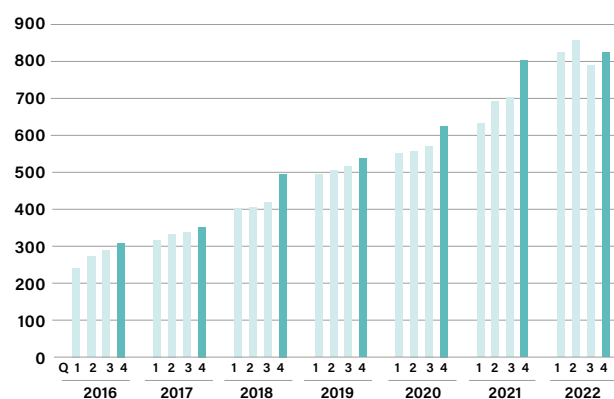
1 Jan, MSEK	2023	2022	2021	2020	2019
Adjusted rental value	1,862	1,525	1,236	1,123	1,055
Vacancy	-122	-102	-92	-79	-78
Rental income	1,740	1,423	1,144	1,045	977
Property costs	-397	-346	-273	-252	-237
Property tax	-45	-43	-40	-36	-30
Net operating income	1,298	1,034	831	757	710
Central administration	-61	-55	-49	-46	-44
Net financial income	-508	-260	-211	-194	-177
Profit from property management from associated companies and joint ventures	81	72	46	13	-
Profit from property management	810	791	616	530	489
Profit from property management after preference share dividend	734	715	561	480	446
Profit from property management, SEK/ordinary share	13.44	13.13	10.32	8.84	8.20

The estimated earnings capacity is based on the following information.

- Contracted rental income on an annual basis (including additional charges and rent discounts taken into account) and other property-related income as of 1 January 2023 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 administration.
- 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 income and costs are calculated based on the company's actual average interest rate level as of 1 January 2023, but have not been adjusted for effects regarding borrowing costs distributed over a period of time.

Profit from property management from earnings capacity, MSEK



Average annual growth for the period 2016-2022 was 18 percent.

Comments earnings capacity

Compared to the current rental value of 1,880 MSEK, the forward-looking adjusted rental value amounted to 1,862 MSEK. The largest adjustment items were primarily discounts of -26 MSEK and tenants moving in and out (upcoming) which represented -2 MSEK.

Since the beginning of the year, the company's operating surplus in the earnings capacity has increased by 25 percent to 1,298 MSEK. The yield in the earnings capacity amounted to 6.6 percent (6.0) of the property value 19,805 MSEK. The profit from property management in the earnings capacity increased by 2 percent compared to the beginning of the year, which the profit from property management per ordinary share also did.

Acquisitions and divestments

There were no contracted acquisitions not taken possession of or contracted divestments not vacated as of 31 December.

Our resources



Properties

- 488 properties
- 1,950,000 square metres lettable area
- 330,000 square metres development rights



Staff and human resources

Our staff's individual skills, competencies and experience, which collectively and individually 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 interest groups.
- Long-term collaborations with our suppliers, banks and other interest groups.
- A great number of tenants who aggregated accounts for more than 2,400 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 property 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 geo-graphical location and property category as well as a 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 and tenants as well as for the economy and society in the locations where the company is established.

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 perform new construction projects and add value to existing properties

Property management and letting

Efficient property management creates increasing net operating income, which also has a positive effect on the property value. In order to achieve efficient property management, NP3 is present in all the company's main geographic locations. The company's local presence and accessibility facilitates involvement in tenants' activities and creates opportunities to meet customers' needs and requests. By having a well-diversified property portfolio in the main locations, the company is also able to offer tenants a wider range of premises and meet customers' varying demand for premises. As NP3 works close to and together with the company's tenants in matters relating to both energy and premises, the company also contributes to sustainable development of both properties and tenants' activities, while generating lower operating costs and stable rental income.

Net letting: Amounted to 42 MSEK during the year

Vacancy rate: Amounted to 6 percent at year-end

Surplus ratio: Amounted to 74 percent

What we create



Owners

- Profit from property management per ordinary share: 13.00 SEK
- Return on equity: 17 percent
- Profit after tax: 1,244 MSEK
- Proposed dividend to shareholders: 363 MSEK of which 287 MSEK to holders of ordinary shares and 76 MSEK to holders of preference shares



Customers

- Developing premises/properties according to customers' needs in order to create growth and value in the tenants' activities.
- A repurchase rate of 85 percent, i.e. number of rental agreements that are renewed in relation to the proportion of cancellable contracts



Employees

- Job opportunities with a safe and stable employer
- Development and benefits
- Salaries to staff: 41 MSEK



Suppliers, business partners and creditors

- Contribute directly and indirectly to creating job openings
- Purchased goods and services from suppliers: 1,003 MSEK
- Interest and other financial expenses to creditors: 385 MSEK



Society

- Value-creating development in the locations where we work together with municipalities and businesses.
- Tax revenue and job openings
- Current tax and property tax: 96 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 to focus 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 streamlines the portfolio by divesting those properties included in larger acquisitions that 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: 1,662 MSEK
Divestments: -125 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 satisfied tenants and growth in value as well as a higher net operating income for NP3. In scope for NP3's project activities are new construction projects that utilises our building rights as well as development and refinement of existing properties. Refinement of the existing portfolio creates value and attracts greater interest from long-term tenants for the premises. 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: 642 MSEK

Property portfolio

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

Rental value by municipality (15 largest)

As of 31 Dec. 2022

Municipality	Rental value, MSEK	Proportion, %
Sundsvall	263	14
Skellefteå	216	11
Gävle	212	11
Östersund	188	10
Umeå	160	9
Falun	117	6
Borlänge	110	6
Luleå	106	6
Timrå	62	3
Piteå	62	3
Örnsköldsvik	51	3
Sollefteå	46	2
Karlstad	45	2
Gällivare	33	2
Västerås	32	2
Other municipalities	179	10
Total	1,880	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 488 properties (446) with a total lettable area of 1,950,000 square metres (1,784,000). The market value of the portfolio amounted to 19,805 MSEK (17,335). NP3's property portfolio is divided into eight business areas: Sundsvall, Gävle, Dalarna, Östersund, Umeå, Skellefteå, Luleå and Middle Sweden.

Risk diversification

NP3 works continuously on diversifying the risk of the property portfolio. This is done primarily via two dimensions, rental value per property category and the rental value's exposure to industry affiliation. The portfolio overall show a diversified composition with regard to both property categories and industry exposure.

The rental value per property category shows the nature of the property, while industry exposure shows which industry the company's rental income is allocated to. 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 municipality, which together accounted for 10 percent (10) of the rental income. Premises for

state and municipality are rented in the categories office, other and industrial. A big difference can also be seen in the consumer goods sector, which in the categorisation amounted to 1.3 percent (1.5) of the total rental value and to 5 percent (6) with regard to industry exposure of the total rental income. This difference is explained by consumer goods suppliers also renting premises in the logistics and industrial categories. The exposure of the rental income is distributed between several industries, with manufacturing and light industry being the biggest one.

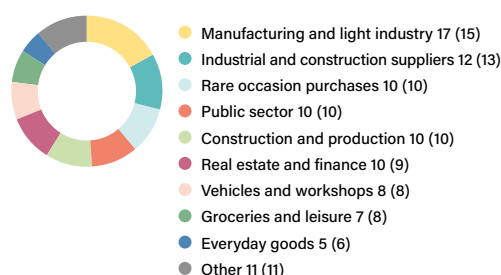
Property categories

The properties are divided into five property categories: industrial, retail, office, logistics and other. The industrial category has increased by 2 percentage points from the beginning of the year to 51 percent and is NP3's largest category. In the category the company owns primarily properties suitable for 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 Svenska Krämfabriken, which together account for 5 percent of the category's total rental value. For the industrial category, the rental value amounted to 869 SEK per square metre (768) for contracted areas. The market value was 7,946 SEK per square metre (7,512).

Rental value by property category, %

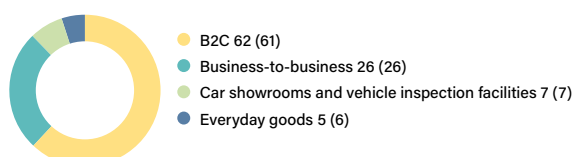


Industry exposure, %



In the retail category, B2C accounts for the largest share, 62 percent (61), see breakdown in the chart below. B2C is dominated by discount chains such as Dollarstore, ÖoB and Rusta. Ready-made clothing stores have a share of 3 percent (3). 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 was 4.2 years (4.5), which was longer than the average for the entire property portfolio. Contracted rental value for the category amounted to SEK 1,127 per square metre (1,014).

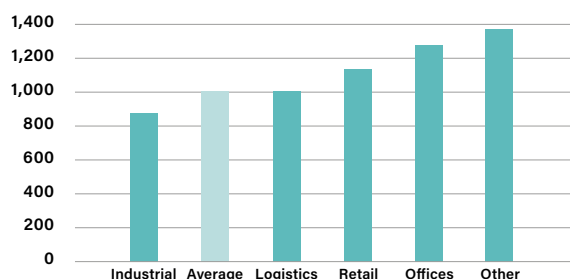
Distribution within the retail category, %



The office category accounts for 10 percent (11) of the property value and 11 percent (11) of the rental value. The largest tenants in the category are the Swedish Public Employment Service, Skanska Sverige AB and Metso Outotec Sweden AB. Contracted rental value amounted to 1,267 SEK per square metre (1,141) for offices, which is the second highest in the holdings.

Logistics properties made up 6 percent (6) of the total rental value. The low proportion of logistics properties is a result from increased general interest in the category which have increased the market prices 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 metre was 999 SEK per square metre (863) for contracted area and the market value was 15,591 SEK per square metre (15,407).

Average rent per category for contracted area, SEK/sqm



The category other includes 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 independent 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 metre, 1,359 SEK per square metre (1,269) for contracted area.

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 quarter, other properties are valued internally. During the first and third quarter, the property values are adjusted mainly through internal valuations. During the fourth quarter of 2022, 99 percent (99) of the total property portfolio were valued externally.

Parameters	2022	2021
Realised change in value, MSEK	25	63
Unrealised change in value, MSEK, of which	316	1,579
<i>Cash flow-generated</i>	<i>1,488</i>	<i>448</i>
<i>Yield generated</i>	<i>-1,172</i>	<i>1,131</i>
Yield level - valuation, %	6.71	6.35
Inflation assumption year 1 in forecast period, %	4.0	2.0
Inflation remaining forecast period, %	2.0	2.0

The table below shows basic data and assumptions for property valuation as of 31 December 2022 and 2021

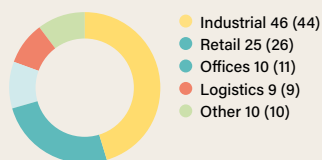
Method

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. The cash flow is based on actual rents and normalised operating and maintenance cost, on the basis of an assessment in line with market conditions. At the end of the lease term of the respective contracts rents that deviate from the assessed market rent are adjusted to correspond to market levels. 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. Discount rate and valuation yield, 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.

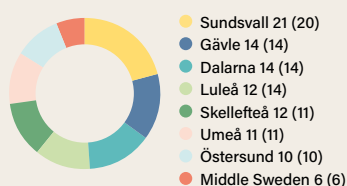
Outcome

The total value of the company's property portfolio amounted to 19,805 MSEK (17,335) on the balance sheet date. The change in value during the whole year was 341 MSEK (1,642), of which 25 MSEK (63) related to realised changes in value from divestments. Of the unrealised changes in value of 316

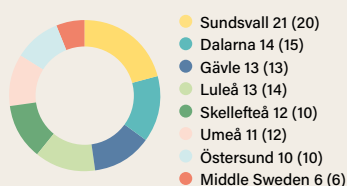
Property value per property category, %



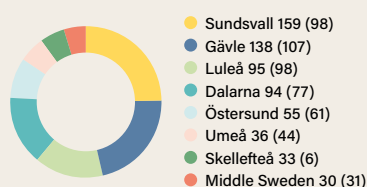
Property value per business area, %



Rental value per business area, (%)



Investments in the property portfolio per business area, MSEK



MSEK (1,579), 1,488 MSEK (448) were for cash flow-related changes, while assumptions regarding higher yield requirements negatively affected the valuations by -1,172 MSEK (1,131). The change in value related to the year 2022's indexation of rents and adjusted inflation assumption for 2023 has been attributed to cash flow-related changes. The yield requirements used in the valuations during the fourth quarter varied between 5.20 and 9.50 percent (5.00 to 9.25). The weighted yield requirement for the valuation of the property portfolio as of 31 December amounted to 6.71 percent (6.35).

Changes in the property portfolio

During the year the property value increased by 14 percent (38), the lettable area by 9 percent (24) and the number of properties by 9 percent (15). In total, 51 acquired properties were taken possession of for 1,662 MSEK (3,131). Furthermore, 265 MSEK (190) have been invested in new construction projects and 377 MSEK (332) have been invested in existing properties in the form of tenant adaptations. During the year, seven properties were divested and vacated for 125 MSEK (542). In addition, the company reclassified its holdings in Fastighets AB Jämtjägaren from a subsidiary to a joint venture with two related properties at a value of 51 MSEK.

Sundsvall and Skellefteå were the business areas with the highest growth in property value during 2022. The property value rose by 737 MSEK in Sundsvall and 536 MSEK in Skellefteå, which is explained by acquisitions during the year.

The properties' value per square metre increased during the year by 5 percent (11) from 9,717 SEK at the start of the year to 10,156 SEK per square metre on the balance sheet date.

Properties, change in value, MSEK	2022	2021
Opening value	17,335	12,582
Acquisition of properties	1,662	3,131
Investments in existing properties	377	332
Investments in new construction projects	265	190
Divestments of properties	-176	-542
Realised changes in value	25	63
Unrealised changes in value	316	1,579
Closing value	19,805	17,335
Acquired properties not taken possession of	-	197

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 year amounted to -362 MSEK (-286). The costs were distributed between property upkeep and operating expenses -312 MSEK (-234), repairs and maintenance -44 MSEK (-48) as well as anticipated and confirmed customer losses of -5 MSEK (-4). Property tax amounted to -41 MSEK (-39).

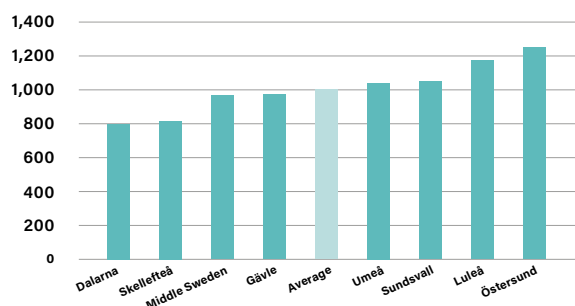
Tenants and contract structure

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 2,400 rental agreements (2,200). The average remaining lease term for all rental agreements was 4.0 years (4.1). The ten biggest tenants in relation to rental value were distributed across 79 agreements (78) with a remaining lease term of 6.1 years (5.2) and they accounted for 11 percent (11) of the 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 1,880 MSEK (1,538) and the contracted annual rent was 1,758 MSEK (1,436) at the end of the year. This corresponded to a economic occupancy rate of 94 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 995 SEK per square metre, which is an increase of 102 SEK, corresponding to just over 11 percent, compared to 893 SEK at the beginning of the year. The increase in the average rental value can be explained by CPI-indexation and a higher rental value related to the company's project activities. Östersund has the highest contracted rental value per square metre with 1,237 SEK (1,181). Dalarna has the lowest average rental value with 790 SEK (721) per square metre.

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



Of the total contract value, excluding extra charges, just over 92 percent was indexed to the consumer price index. There are also agreements with indexation to a fixed percentage equivalent to just over 5 percent of the total contract value 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 25 percent to 1,551 MSEK (1,238). Rental income has increased mainly as a result of indexed rents, property acquisitions and to some extent through lettings and investments in existing properties, which have led to higher rental income. In comparable portfolio, revenue increased by 6 percent (2), see table.

Rental income, MSEK	2022	2021
Comparable portfolio	1,193	1,127
Acquired properties	353	94
Divested properties	5	16
Contracted rental income	1,551	1,238

Comparable portfolio include properties the company owned during all of 2021 and 2022. 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 2022

Year	MSEK	%
2023	203	12
2024	332	19
2025	350	20
2026	244	14
2027	185	10
2028	104	6
2029	71	4
2030	43	2
2031	66	4
2032	86	5
2033	76	4
Total	1,758	100

Net letting and change in vacancies

Net letting for the year amounted to 42 MSEK (43). The positive net letting reflects a continued good demand for the company's premises.

Net letting

The value of signed rental agreements during the year amounted to 188 MSEK (161) and included all signed new rental agreements and existing agreements that have been renegotiated. The value of terminated rental agreements including bankruptcies amounted to -146 MSEK (-118) for the year. The amount includes all agreements that were terminated for vacating premises during the year, those agreements that were terminated as a result of bankruptcies and those rental agreements that were renegotiated during the current period of contracts where the new agreement is recorded under "signed rental agreements".

Net letting, MSEK	2022	2021
Signed rental agreements	188	161
Terminated rental agreements incl. bankruptcies	-146	-118
Net	42	43

Vacancy

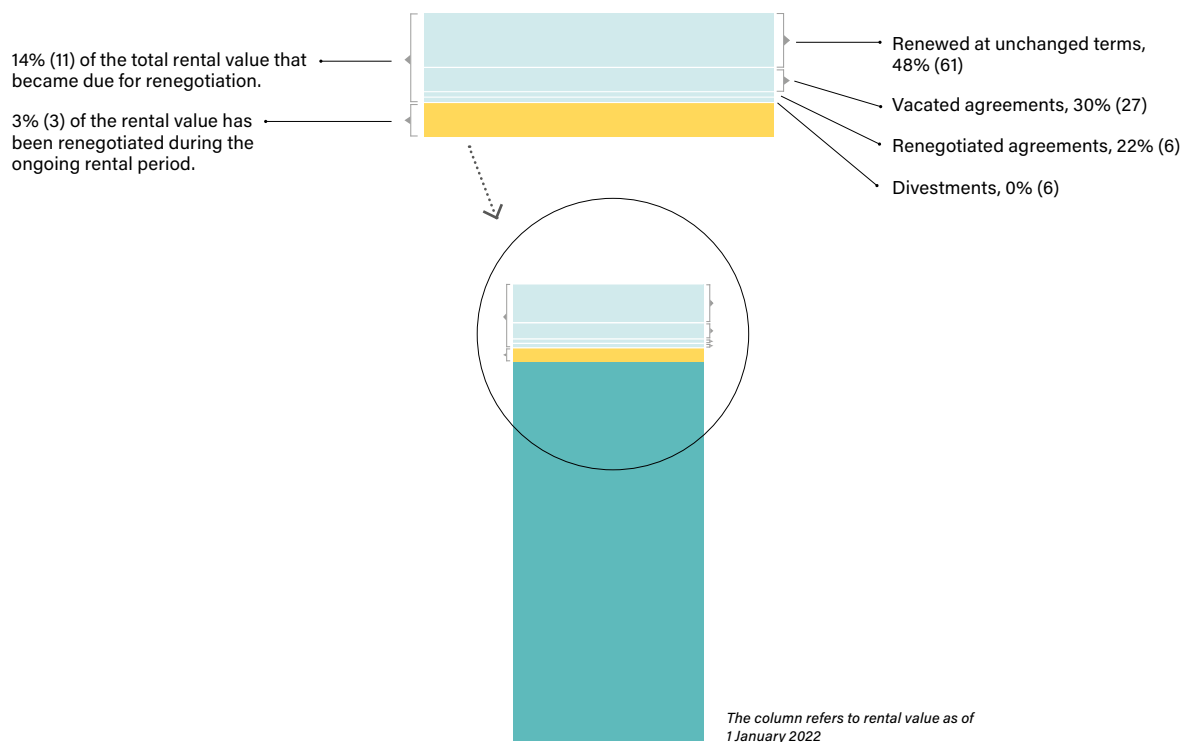
At the end of the fourth quarter, the value of vacancies increased compared to the beginning of the year as a result of a net change in tenants moving in and out of 10 MSEK, indexation of estimated market rent for vacant premises by 8 MSEK, acquired vacancy of 3 MSEK and value of vacancies for divested properties of -1 MSEK. The economic occupancy rate amounted to 94 percent (93). As of 31 December, there were rental agreements, not yet occupied, amounting to 50 MSEK. The rental value for terminated rental agreements not yet vacated amounted to 66 MSEK, of which 54 MSEK take place during 2023.

Vacating year terminated rental agreements	Number	Rental value, MSEK
2023	99	54
2024	11	10
2025	2	1
2026	8	1
Total	120	66

Change in the value of vacancies, MSEK	2022	2021
Opening value of vacancies 1 Jan.	102	92
Net change in moving in/out	10	-10
Value of vacancies, acquired properties	3	22
Value of vacancies, divested properties	-1	-2
Value of vacancies	114	102
Adjustment estimated market rent for vacant premises	8	-
Closing value of vacancies	122	102
Occupancy rate, %	94	93

Rental value future changes to agreements, MSEK		
Terminated agreements not vacated	66	72
- of which acquired	-	-
New rentals, not taken possession of	-50	-62

At the beginning of the year, 14 percent of the total rental value became due for renegotiation during 2022. Another 3 percent of the rental value has been renegotiated during the ongoing rental period. Only rental agreements that existed at the start of 2022 are recorded, thus rental agreements for properties acquired during the year are excluded.



Segment reporting in summary

12 months, MSEK	Sundsvall		Gävle		Dalarna		Östersund		Umeå		Skellefteå		Luleå		Middle Sweden		Non-distributed costs		Total group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Rental income and other revenue	346	290	223	182	235	183	162	149	191	159	177	72	222	208	103	84	-2	-2	1,656	1,324
Vacancy	-31	-24	-9	-11	-15	-13	-7	-9	-10	-9	-11	-2	-12	-11	-11	-7	-	-	-105	-86
Repairs and maintenance	-13	-13	-4	-7	-6	-6	-4	-6	-5	-6	-3	-3	-6	-5	-3	-2	-1	-	-44	-48
Property costs	-68	-56	-39	-29	-49	-29	-30	-28	-39	-31	-34	-14	-42	-37	-14	-9	1	-2	-312	-234
Property tax	-7	-5	-6	-5	-5	-5	-4	-4	-5	-6	-4	-3	-6	-7	-3	-3	-	-	-41	-39
Customer losses	-3	-2	-1	0	-2	0	0	0	0	0	0	0	0	-1	-1	-1	1	-	-5	-4
Net operating income	225	191	165	130	158	129	118	103	132	106	126	50	156	147	70	62	-1	-4	1,149	912

NP3's largest tenants

Based on area				Based on rental value	
Tenant	Rented area, sqm	Proportion of tot. area (%)	Number of rental agreements	Tenant	Number of rental agreements
Dagab Inköp & Logistik AB	27,851	1.4	6	Postnord Sverige AB	12
LEAX Falun AB	27,143	1.4	5	Dagab Inköp & Logistik AB	6
Postnord Sverige AB	26,746	1.4	12	Ahlberg-Dollarstore AB	7
Granngården AB	24,233	1.2	14	Assemblin EI AB	11
Assemblin EI AB	22,682	1.2	11	Plantagen Sverige AB	5
HL Display Aktiebolag	21,368	1.1	1	Granngården AB	14
BYGGmax AB	20,998	1.1	10	The Swedish Fortifications Agency	11
Trelleborg Sealing Solutions Kalmar AB	20,000	1.0	1	LEAX Falun AB	5
Ahlberg-Dollarstore AB	19,956	1.0	7	Svenska Krämfabriken AB	1
Jonsson & Paulsson Industri AB	17,943	0.9	4	Swedol AB	7
Total	228,920		71	Total	79
Average remaining lease term for the ten largest/area 5.3 years				Aggregate rental value 208 MSEK, which is equivalent to 11 percent of the total rental value Average remaining lease term for the ten largest/rental value 6.1 years	

Brief description of the biggest tenants (rental value)

- 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.
- 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.
- 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.
- Assemblin EI AB is an installation and service partner with operations in Sweden, Norway and Finland.
- Plantagen has more than 140 stores in Norway, Sweden and Finland with just over 1,300 employees. Plantagen is owned by Ratos.
- Granngården supplies products for agriculture and forestry, among others, and has more than 100 shops all around Sweden as well as e-commerce.
- 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.
- 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, mining and construction industry and agricultural industry. Today there are eleven factories in six different countries, of which five in Sweden.
- Svenska Krämfabriken was established in Falun 2014 and is a market-leading manufacturer, R&D-centre, brand name owner and developer in the segments beauty and health. The production facilities are located in Borlänge.
- Swedol has e-commerce and some 100 stores in Sweden, Norway, Finland and Estonia and with around 900 employees. Is part of the Alligio Group.



Sömmerskan 3 in Skellefteå

Property management

NP3 is present in all of the company's main geographic locations and has a flat organisation with short decision-making parts, which we believe is a condition for achieving efficient management.

The local presence gives us the ability to understand and create opportunities for how premises can be used and allows us to efficiently adapt our property management to our properties' and tenants' needs and activities.

Based on this, our organisation works closely with existing tenants, find the best development of our vacant premises and renegotiate both rental and operating agreements.

Our approach is based on our three core values - commitment, trustworthiness, business integrity.

The year that has passed, which in early winter began as a normal year, unfortunately quickly changed as a result of global upheaval, the war in Ukraine and the resulting increase in inflation, presenting us with a challenging year with rampant prices for, above all, building material and energy.

The price of electricity has reached completely new levels during the year, and especially so the hourly rates at daytime. As the company has had its electricity trading hedged, NP3 has still been spared much of these cost increases, and since a large part of these costs are charged to our tenants they have also benefited from the effect of our hedging.

With regard to costs for property upkeep we have seen even these costs increasing, especially following a full-year effect of higher insurance costs. Despite these aggregated price increases, we have still managed to keep the overall cost level in line with previous years, thanks to continued cost-efficient management and low repair costs.

Proximity to our customers

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 diversified property portfolio in the main locations, the company over time has the opportunity to meet customers' changing demand for premises.

NP3's availability is of key importance for delivering service at 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.

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.

Sustainability and cost reduction

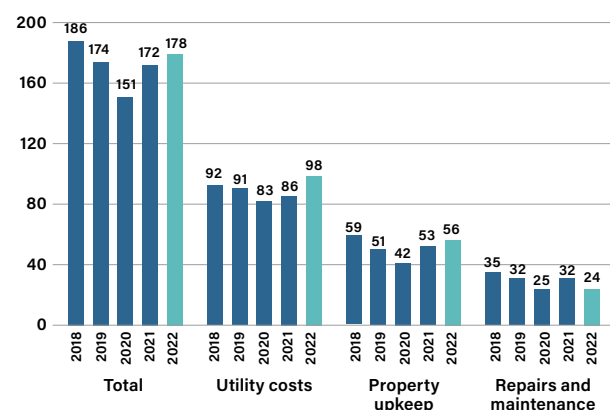
NP3 works actively on adding value to the properties, with sustainability being a natural component. The company thus continuously implements energy-saving operating and maintenance measures in the property portfolio, both to reduce costs and limit the environmental impact of the properties. The company's aim is to, together with tenants, contribute to and enable sustainable development of both properties and tenants' activities. The company also works actively on renegotiating operating agreements and strives to achieve favourable purchasing terms with central agreements where possible. Another important factor is to meet customers' needs both in day-to-day maintenance as well as with regard to more long-term solutions, such as customisation of premises.

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 graph below shows the company's cost development during 2018 up to 2022 in SEK per square metre in budgeted holdings, 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



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



Josef Sommarkrans
Project developer

NP3's project activities consist of three components, new construction projects, additions and renovations, and maintenance projects. NP3 invested 642 MSEK in existing properties and new construction projects during 2022.

2022 was a year when the pandemic finally ended but unfortunately also the year when war in Europe became a reality and all plans and strategies were overturned once more. Many dialogues on new construction projects were put on hold and the focus shifted towards the existing project portfolio and our existing tenants' project needs. Despite the circumstances, more was invested in projects than ever before in NP3's history. Ahead of 2023 the activity for new construction projects remains to be cautious even if NP3 is well prepared for a turnaround in the market.

During the year the company has also focused on continued growth in the green project portfolio, which with increased demand from our tenants, resulted in us starting up 13 energy projects during 2022. In Örnsköldsvik investment was made in a solar PV system with a production of more than 400 MWh/year.

New construction projects

New construction projects gives NP3 a good return when the development rights are in the existing property portfolio. During 2022 two new construction projects were started on the company's development rights, before a more cautious approach was taken towards continued new production.

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 less intense 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 the company in several respects, in addition to the construction project and its return.

During the year NP3 has invested 265 MSEK in twelve new construction projects which also relates to project started during 2021. The average remaining lease term is ten years and the rental value for the newly produced units amounts to 41 MSEK per year. The rental value is on average equivalent to 1,228 SEK per square metre, to be compared with 893 SEK per square metre in the existing property portfolio at the start of 2022. At the end of the year, there were ongoing new construction projects at a forecasted value of 41 MSEK.

Additions and renovations

Additions and renovations are normally done in order to adapt existing premises to the tenant's activities. For investments in redevelopments and extensions 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.

Within the framework of additions and renovations, 106 projects are ongoing at year-end with a budget of 219 MSEK. During 2022 a total of 377 MSEK was invested in additions and renovations projects as well as energy projects. The average remaining lease term for the ten largest completed additions and renovations projects is on average five years and the rental value amounts to 31 MSEK per year. The rental value is equivalent to 1,130 SEK per square metre, to be compared with 893 SEK per square metre in the existing property portfolio at the beginning of 2022.

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 consider environmental certification for every major new construction or redevelopment project.

NP3 today has 12 environmentally certified buildings, of which 11 are Green Building-certified and one is BREEAM-certified. Another certification was 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
Gällivare 12:573	Gällivare	Retail/Other	Q1-23	43	3,400
Sömmerskan 3	Skellefteå	Other	Q1-23	13	2,400
Målås 4:6	Sundsvall	Logistics	Q1-23	12	3,800
Sköns Prästbord 1:65	Sundsvall	Industrial	Q2-23	96	4,300
Hågesta 3:115	Sollefteå	Other	Q2-23	25	2,200
Näringen 12:2	Gävle	Industrial	Q2-23	29	1,800
Hedkärr 1:24	Uddevalla	Retail	Q3-23	31	1,900
Ledningen 1	Umeå	Industrial	Q3-23	27	9,900
Total				276	29,700

Additional rental value for the above projects amounts to 23 MSEK.

Completed 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
Ångvälten 5	Östersund	Retail	Q1 -22	15	6,600
Stadsön 8:5	Piteå	Retail	Q1 -22	11	2,000
Näringen 8:5	Gävle	Industrial	Q1 -22	10	5,900
Näringen 5:15	Gävle	Other	Q2 -22	28	5,000
Stadsön 8:9	Piteå	Retail	Q2 -22	20	1,500
Sörby Urfjäll 8:12	Gävle	Offices	Q2 -22	17	2,300
Grepén 1	Borlänge	Logistics	Q3 -22	83	4,000
Buskåker 4:13	Borlänge	Industrial	Q3 -22	35	3,300
Sörby Urfjäll 27:2	Gävle	Industrial	Q3 -22	22	1,800
Total				317	38,100

Transactions

NP3 took possession of 51 properties in 2022 at an investment of 1,662 MSEK. The properties taken possession of during the year have an annual rental value of 134 MSEK and a lettable area of 158,700 square metres. In addition, the company has divestment and vacated properties at a value of 176 MSEK.



David Nises
Head of transactions



John Fransson
Transaction analyst

During the beginning of 2022, NP3 noted great interest for acquisitions of properties in the company's geographies. The increased interest has resulted in lower yield requirements on real estate transactions carried out during the first six months. The strong transaction climate changed to a cautious market mid-year where the company, against a background of macroeconomic uncertainty, chose to adopt a restrictive position early on and only carry out transactions already entered into or with negotiations completed. The company has maintained this position, whereby only acquisitions at an investment of 5 MSEK have been entered into since mid-year.

The market value of NP3's property portfolio on the balance sheet date amounted to 19,805 MSEK (17,335), which is an increase of 2,470 MSEK compared to the beginning of the year. The change consists of acquisitions amounting to 1,662 MSEK and changes in value amounting to 341 MSEK, where the unrealised change amounts to 316 MSEK and is explained by stronger cash flows which to some extent have been offset out by higher yield requirements. In addition to the above, NP3 has invested in existing properties and new construction projects for 642 MSEK and divestment properties

at a value of 176 MSEK, of which 51 MSEK relate to the holdings in Fastighets AB Jämtjägaren, which the company reclassified from a subsidiary to a joint venture during the second quarter.

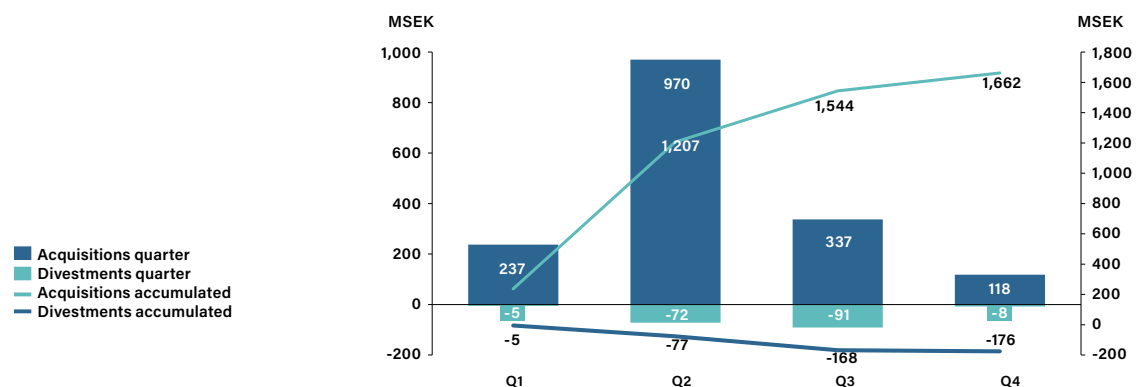
The first six months were characterised by a high rate of acquisitions where the company during the first quarter took possession of 13 properties at an investment of 237 MSEK, with the largest acquisitions being located in Falun, Skellefteå, Karlstad, Örebro and Luleå. In addition, a small property was divested in Enköping.

During the second quarter, 27 properties were taken possession of at an investment of 970 MSEK, with the largest acquisitions being located in Sundsvall, Skellefteå, Timrå and Gävle. As part of streamlining NP3's property portfolio, three properties were divested in Sundsvall.

During the third quarter, the company took possession of eight properties at an investment of 337 MSEK. In addition, two properties were divested in Kiruna and in Tranås.

During the fourth quarter, the company took possession of three properties at an investment of 118 MSEK and divested one property in Sundsvall.

Acquisitions and divestments 2022



Transactions 2022

Property	Municipality	Category	Area, sqm	Rental value, MSEK	Occupancy rate* %
Properties taken possession of during Q1					
Virveln 8	Västerås	Industrial	4,414	1.5	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
Gräsmattan 7	Karlstad	Industrial	2,008	1.7	100
Höken 3	Boden	Commerce	1,730	1.1	93
Neutronen 4	Örebro	Industrial	1,697	2.1	100
Hammaren 1	Karlstad	Industrial	1,644	1.1	100
Mätaren 1	Umeå	Industrial	1,530	1.4	100
Storheden 1:43	Luleå	Industrial	1,500	1.6	100
Hallstahammar-Nibble 1:140	Hallstahammar	Industrial	1,428	2.6	100
Hyttberget 2	Falun	Industrial	1,215	0.9	100
Norrlungångar 2:45	Örnsköldsvik	Other	900	0.6	0
Total			28,104	21.3	
Properties taken possession of during Q2					
Vivstamon 1:32 & 1:53	Timrå	Industrial	14,519	13.1	100
Merkurius 5	Skellefteå	Other	11,828	11.4	100
Hallen 7	Skellefteå	Industrial	5,630	3.3	100
Sköns Prästbord 1:54	Sundsvall	Logistics	5,598	6.5	100
Andersberg 14:36	Gävle	Logistics	3,829	5.4	100
Sköns Prästbord 1:71	Sundsvall	Retail	3,565	3.7	100
Nässland 4:1	Härnösand	Industrial	3,228	1.7	71
Sköns Prästbord 1:96	Sundsvall	Industrial	2,990	3.6	100
Berge 2:4	Sundsvall	Industrial	2,785	3.6	100
Långan 7	Östersund	Industrial	2,135	2.9	100
Främmerhörnas 2:4	Örnsköldsvik	Industrial	2,001	1.2	90
Ljusta 1:11	Sundsvall	Retail	1,955	2.7	100
Vivstamon 1:35	Timrå	Industrial	1,839	1.4	100
Säversta 7:117	Bollnäs	Industrial	1,783	1.3	70
Sköns Prästbord 1:94	Sundsvall	Industrial	1,686	1.6	100
Sörby Urfjäll 26:2	Gävle	Industrial	1,564	0.9	86
Nybruket 4	Skellefteå	Industrial	1,557	1.3	100
Berge 2:6	Sundsvall	Industrial	1,195	1.4	100
Merkurius 2	Skellefteå	Other	1,184	1.0	100
Sköns Prästbord 1:88	Sundsvall	Retail	1,135	1.3	100
Filtret 2	Skellefteå	Industrial	1,131	0.4	100
Hemlingby 20:16	Gävle	Industrial	970	0.9	100
Sköns Prästbord 1:68	Sundsvall	Industrial	750	0.9	100

Property	Municipality	Category	Area, sqm	Rental value, MSEK	Occupancy rate* %
Properties taken possession of during Q3					
Klubbvärdet 2:4	Piteå	Industrial	644	0.4	0
Sköns Prästbord 1:100	Sundsvall	Other	0	0.7	100
Högom 3:218	Sundsvall	Other	0	0.0	0
Total			75,501	72.7	
Properties taken possession of during Q4					
Lokomotivet 2	Östersund	Industrial	23,410	11.6	97
Rondellen 3	Skellefteå	Offices	6,285	8.1	100
Bänken 1	Borlänge	Industrial	5,012	3.1	99
Nacksta 5:28	Sundsvall	Industrial	4,425	5.3	100
Buskåker 3:13 & 3:17	Borlänge	Industrial	3,152	1.3	100
Kolbotten 2	Borlänge	Industrial	1,590	0.7	100
Grässträet 1	Karlstad	Offices	1,319	1.3	95
Total			45,193	31.4	
Properties taken possession of during Q4					
Borrmaskinen 5	Skellefteå	Industrial	5,400	3.8	100
Hjulsmeden 4	Västerås	Retail	4,017	4.4	95
Granlo 3:369	Sundsvall	Industrial	455	0.6	100
Total			9,872	8.8	
Total taken possession of 2022			158,670	134.2	
Properties divestment and vacated during Q1					
Kryddgården 4:11	Enköping	Industrial	600	0.5	51
Total			600	0.5	
Properties divestment and vacated during Q2					
Högom 3:187	Sundsvall	Industrial	1,298	0.8	100
Veterinären 4	Sundsvall	Offices	567	0.5	0
Älgen 32	Sundsvall	Industrial	450	0.4	30
Fältjägaren 13 & 14**	Östersund	Other	0	0.0	0
Total			2,315	1.8	
Properties divestment and vacated during Q3					
Bredstorp 3:8	Tranås	Industrial	3,711	3.6	100
Linbanan 2	Kiruna	Retail	3,323	3.6	100
Total			7,034	7.2	
Properties divestment and vacated during Q4					
Skedlo 2:63	Sundsvall	Logistics	1,327	0.7	83
Total			1,327	0.7	
Total divestment 2022			11,276	10.1	

*On transaction date. ** The properties are part of Fastighets AB Jämtjägaren which NP3 owns together with Jämtkraft AB. From Q2 2022 the company is no longer consolidated in the NP3-but the holdings are recorded as participations in associated companies.

Funding



Håkan Wallin
CFO



Anton Bergh
Finance Controller

Access to capital is a requirement for NP3's long-term growth and management of its property portfolio. The company works continuously on improving its credit worthiness, where the selected capital structure and financial risk level are central areas. The guiding parameter in this process is that the company's long-term growth and profitability targets shall be achieved with a balanced degree of financial risk.

The capital market was characterised for the major part of 2022 by high volatility and uncertainty initially created by the war in Ukraine, which in turn led to increasing inflation and higher interest levels. NP3's interest-bearing liabilities, excluding liabilities related to leasehold rights, increased during the year from 10,361 MSEK to 12,235 MSEK, i.e. an increase of 1,874 MSEK. A large portion of the increase relates to financing of acquisitions and project investments, which were mainly carried out or signed during the first six months of 2022.

As part of gradually increased uncertainty in the financial and capital markets during the year, focus was placed on strengthening the company's financial position and flexibility in order to manage refinancing risks primarily related to upcoming bond maturities. In order to improve flexibility, the company established an MTN-programme in June with a framework of 5 BSEK under which loans in the bond markets can be issued continuously. In September a green bond of 400 MSEK was issued under the MTN-programme with a term of three years. At the same time, 381 MSEK of the total maturity in March 2023 of 600 MSEK was repurchased. The remaining portion of the bond maturity of 219 MSEK was repaid with cash funds in March 2023. A further measure for reducing the refinancing risk was the company's directed new issue of ordinary shares, which was carried out in February 2023 and generated proceeds of 633 MSEK before transaction costs. As at 31 December available cash equivalents including credit facilities and loan commitments amounted to 533 MSEK.

The volatile situation in the capital market led that the company's outstanding volume

of commercial paper loans declined from 900 MSEK to 145 MSEK during the year. The decrease was refinanced through secured backup facilities.

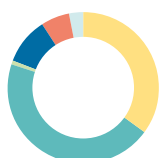
In order to manage the increased interest rate level in a balanced way, interest rate derivatives (interest rate swaps) were subscribed for in part through new contracts, in part by extending the term of existing derivatives by utilising their surplus values. Altogether, this led to both the average fixed interest period and proportion of interest-hedged loan portfolio being in essence maintained at the same levels 31 December 2022 as the year before. In addition, the cost for the increased interest-hedging could be limited compared to the alternative of only signing new contracts with expenses based on higher interest levels.

Overall funding structure

The company's total assets amounted to 21,854 MSEK (18,718) as of 31 December, with the largest class of assets consisting of properties of 19,805 MSEK and participations in associated companies and joint ventures of 1,064 MSEK. Operations are funded through a combination of equity, interest-bearing liabilities and other liabilities. Equity and interest-bearing liabilities represented 91 percent (91) of the company's funding at year-end.

Financial expenses amounted to 385 MSEK (264) and after property costs, including property tax, made up the highest proportion of the operation's costs. For 2022, the interest coverage ratio was 2.8x (3.3) and the loan-to-value ratio 57.6 percent (55.9). During the year, the average loan maturity period decreased from 2.9 to 2.3 years, with the change mainly depending on the profile of the company's

Capital structure, %



- Equity 35 (36)
- Loans from credit institutes 45 (38)
- Commercial papers 1 (5)
- Bond loans 10 (12)
- Deferred tax 6 (5)
- Other liabilities 3 (4)

maturity structure, which in turn determines the time for the refinancing of loans. The reduced average loan maturity period combined with the volatile situation in the financial markets resulted in the refinancing risk primarily related to NP3's coming bond maturity increased during the year. During 2022 and up to today, much focus has been placed on managing this risk by strengthening the company's financial position and flexibility ahead of these maturity dates. Important measures in this work, described above, have been refinancing of a large part of the company's bond maturity in March 2023 and the directed rights issue of shares carried out in February 2023.

Loans with maturities during 2023 amounted as of 31 December 2022 to 1,622 MSEK, of which bank financing was 1,403 MSEK and bond loans in March 2023 were 219 MSEK. The proportion to be refinanced amounted to 13 percent (3) of total interest-bearing borrowings as of 31 December 2022. Maturities in 2023 related to bank financing consisted of 145 MSEK in secured commercial paper loans, 460 MSEK in utilised secured backup facilities for commercial paper loans, 149 MSEK revolving credit line for acquisitions and other bank loans of 649 MSEK. Of the total maturities of 1,622 MSEK in 2023, 218 MSEK remained outstanding not being either repaid, refinanced or secured for upcoming refinancing through credit decision at the publish date of this annual report.

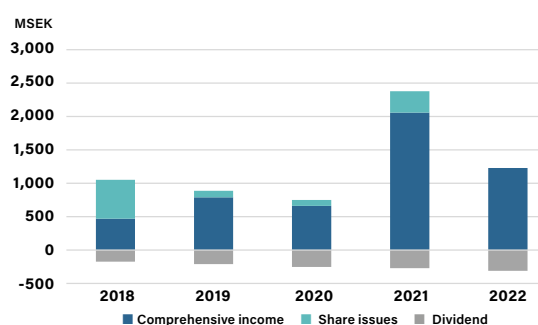
NP3 has a long-term credit rating of "BB" with negative outlook from Nordic Credit Rating. The rating contributes to increasing transparency and understanding of the company's operations and creditworthiness.

Equity

NP3's growth target is for the profit from property management per ordinary share to increase by 12 percent annually over a five-year period while return on equity before tax shall amount to at least 15 percent annually over a five-year period, with the guiding principle being that this shall take place at a balanced risk.

Equity amounted to 7,663 MSEK (6,743) MSEK as of 31 December with the equity/assets ratio amounting to 35 percent (36). 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 54,607,856 ordinary 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 ordinary shares, equivalent to 118.05 SEK per ordinary 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 2022 and 2021.

Financing	2022	2021
Bank loans, MSEK	9,769	7,172
Commercial paper loans, MSEK	145	900
Bond loans, MSEK	2,319	2,300
Interest coverage ratio, x	2.8	3.3
Average interest rate, borrowings, (%)	4.18	2.53
Cash and cash equivalents, MSEK	204	269
Loan-to-value ratio, %	57.6	55.9
Equity/assets ratio, %	35.1	36.0
Average loan maturity period, years	2.3	2.9
Average fixed interest period, years	1.9	2.0
Proportion of interest-hedged loan portfolio, %	31.3	35.8
Net debt to EBITDA ratio, x	9.7	10.3

The interest-bearing liabilities on the reporting date amounted to 12,353 MSEK (10,467) including interest-bearing liabilities related to leasehold rights pursuant to IFRS 16, which amounted to 118 MSEK (106). The interest-bearing liabilities excluding above liabilities of 118 MSEK amounted to 12,235 MSEK (10,361), of which bank financing 9,769 MSEK (7,172), commercial paper loans 145 MSEK (900), bond loans 2,319 MSEK (2,300), other interest-bearing liabilities 44 MSEK (42) and accrued borrowing expenses, which reduced the interest-bearing liabilities by 42 MSEK (53). Secured loans in bank and promissory note loans against sureties made up 81 percent (78) and unsecured bond and promissory note loans 19 percent (22) of total interest-bearing liabilities.

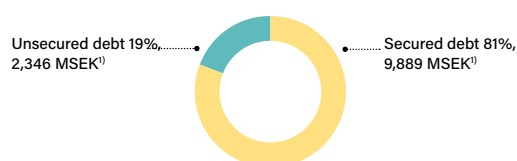
The company aims to have a loan-to-value ratio of between 55 and 65 percent with financing sources being a balanced mix of bank, commercial paper and bond loans. The loan-to-value ratio calculated as a net liability (interest-bearing liabilities less liquid assets and current investments) of 12,022 MSEK, in relation to the property value of 19,805 MSEK and investments in associated companies of 1,064 MSEK, totalling 20,869 MSEK, amounted to 57.6 percent (55.9) as of 31 December. The net debt to EBITDA ratio, net liability in relation to forward-looking adjusted operating surplus less central administration expenses, amounted to 9.7x (10.3) at year-end.

Change in interest-bearing liabilities, MSEK

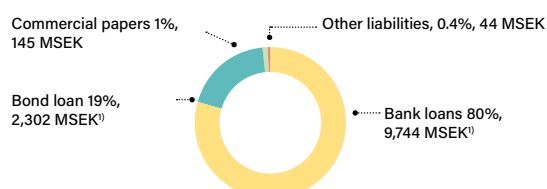
Interest-bearing borrowings 1 January 2022	10,361
Acquisition financing	1,011
Bridge financing loans and cash management/drawing on RCF	547
Project financing	396
Increased borrowing on existing property portfolio (including properties previously not mortgaged)	388
Repayment of bridge financing loans	-250
Annual repayments on loan	-208
Repayment of loans on sold properties	-21
Decrease in accrued borrowing expenses	11
Interest-bearing liabilities as of 31 December 2022	12,235

The above analysis shows net changes in interest-bearing liabilities as opposed to the company's report on cash flow on page 90, which shows gross changes.

Distribution, secured and unsecured debt



Distribution, financing sources



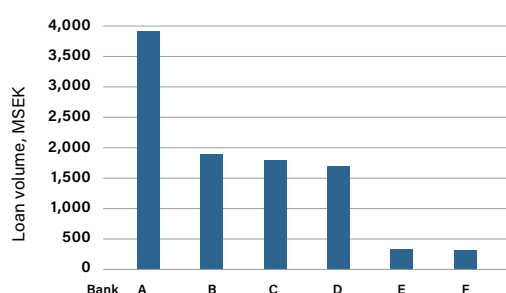
1) Net after reduction of accrued borrowing expenses

Funding sources and commitments in loan agreements

Bank loans

Bank loans, which account for the company's main funding source, amounted to 9,744 MSEK net (7,146) at year-end after deducting accrued borrowing expenses was equivalent to 49 percent (41) of the properties' market value. The increase in bank loans is primarily related to financing of the company's acquisitions and project investments during the year and utilisation of secured backup facilities of 745 MSEK at year-end relating to commercial paper loans. 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 Scandinavian merchant banks. Below are the company's bank loans distributed by creditors.

Bank loans, distribution by creditor



The majority of the group's bank loans are subject to various commitments vis-a-vis the creditors. If the commitments are not complied with, the creditor 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 intragroup agreements shall be in line with market terms, reports of key figures and financial position shall be submitted each quarter and pledging assets in the form of shares in subsidiaries and mortgage deeds in properties/site-leasehold rights. All commitments to the banks were fulfilled at year end.

Bond loans

Unsecured bond loans amounted to 2,302 MSEK (2,273) net after deducting accrued borrowing expenses as of 31 December and made up 12 percent (13) of the properties' market value. In June the company issued an MTN-programme with a framework of 5 BSEK under which loans in the bond markets can be issued continuously. In September the company issued a green bond of 400 MSEK under this program with a term of three years and maturity in September 2025, while 381 MSEK were repurchased of the total bond maturity of 600 MSEK in March 2023.

The remaining part of the above bond maturity of 219 MSEK was repaid in March 2023. Other bond maturity relates to 700 MSEK in January 2024, 1 BSEK in October 2024 and 400 MSEK under the described MTN-programme in September 2025. The bonds are listed at Nasdaq Stockholm. The bond loans' maturity structure and interest terms are disclosed in note 22.

The company's bond loans have three financial commitments as set out in the table below.

Commitments	Covenant-level
Net loan-to-value ratio	< 70%
Interest coverage ratio	> 1.8x
Equity/assets ratio	> 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 were fulfilled at year-end.

Commercial papers

At the end of 2021, a commercial paper programme was launched with a total framework of 2 BSEK, under which 145 MSEK (900) had been issued as of 31 December 2022, which was equivalent to 1 percent (5) of the properties' market value. The term for commercial papers outstanding at year-end was max. 3 months with a remaining average term of 1.0 months. The commercial papers were classified as current interest-bearing liabilities as of 31 December. The decrease in the volume outstanding between 31 December 2022 compared to 2021 was primarily attributed to not refinanced commercial paper loans in a volatile capital market where refinancing was done by utilising secured back-up facilities of 745 MSEK.

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 up 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 2,319 MSEK 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 2022, the value of the company's green assets amounted to 3,413 MSEK (2,726), which is equivalent to an increase of 25 percent (31). 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 rights of use, amounted to 11,640 MSEK (9,285) at year-end, equivalent to 95 percent (90) of total interest-bearing liabilities. Current interest-bearing liabilities according to the balance sheet as of 31 December amounted to 595 MSEK (1,076) of which 144 MSEK (898) related to commercial papers, excluding interest. 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 current interest-bearing liabilities included 214 MSEK of annual repayments of bank loans during the coming twelve months and 18 MSEK in repayment of promissory note liabilities and 219 MSEK related to the remaining part of bond maturity.

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 twelve months amounted to 1,622 MSEK. NP3 aims to carry out refinancing in good time before maturity, which also contributes to reducing the refinancing risk. At the publication date of this annual report, 218 MSEK, excluding commercial papers, of the above total maturity in 2023 remained outstanding for which repayments or refinancing had not taken place, alternatively credit decisions had not been received. The lion's share of the above remaining liabilities fall due in Q4 2023 when an extension is also intended to be carried out.

During the year, the company has carried out refinancing of some 2.1 BSEK (4.1), of which bank loans amounted to 1.7 BSEK and bond loans to 0.4 BSEK. The smaller amount of refinancing and extensions of loans during 2022 compared to 2021 resulted in average loan maturity period decreasing from 2.9 to 2.3 years at the end of 2022.

Fixed interest profile

NP3's liability portfolio includes mainly 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 interest fixed period per 31 December was 1.9 years (2.0). At year-end, 31 percent (36) of the loan portfolio was interest-hedged with a maturity structure of between one and nine years as per note 23. The remaining portion remains at fixed interest against Stibor 3 months.

Average interest rate for the company's interest-bearing borrowings amounted to 4.18 percent (2.53) at year-end. For bank and commercial paper loans, the average interest rate was 4.06 percent (1.85) (including commitment fee for a back-up facility) and for bond loans 6.33 percent (3.54). The higher average interest rate 2022 is mainly explained by a higher Stibor-level which in part was offset by the company's interest hedging.

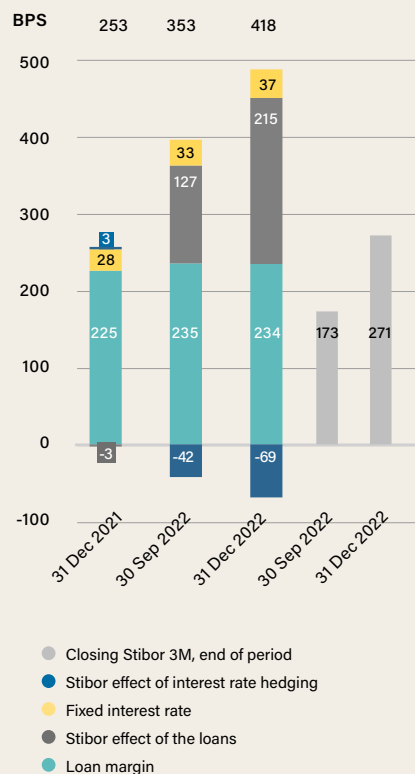
Below is a sensitivity analysis for the company's interest expenses in the event the interest rate is changed by +0.5 and +1.0 percent, respectively.

Sensitivity analysis	Change	Annual effect on interest expense
Change Stibor 3 months	+0.5%	+42 MSEK
Change Stibor 3 months	+1.0%	+84 MSEK

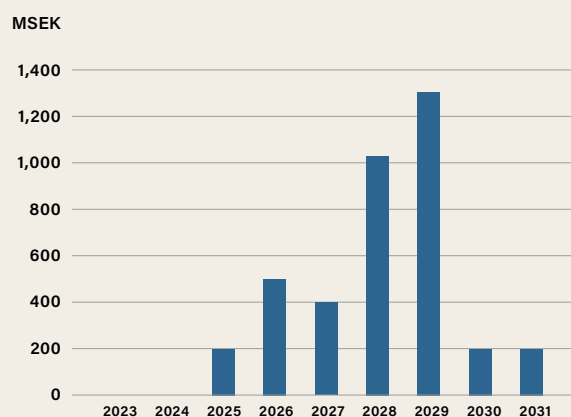
Derivatives

The average interest rate, including the of interest rate hedging's Stibor-effect, for the company's interest hedging portfolio as of 31 December was -1.01 percent (0.79). 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 for and included 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 376 MSEK (-9) at year-end, which led to a positive change in value during the year of 385 MSEK (64) in the result. Net exposure of NP3's derivatives portfolio as of 31 December was 3,825 MSEK in total with maturities upto the end of 2031. The agreements have been signed with four different creditors.

Average interest rate level



Maturity structure derivatives



Associated companies and joint ventures

The share in profits from associated companies and joint ventures amounted to 151 MSEK (158) during the year, of which 81 MSEK (60) related to profit from property management.

For Fastighetsbolaget Emilshus AB, NP3's share in profits is calculated based on Emilshus' reported earnings capacity according to their quarterly report for the period January – September 2022. For Cibola Holding AB, NP3's share in profits is reported with a quarter's delay.

Fastighetsbolaget Emilshus AB

NP3's participating interest in the associated company Emilshus as of 31 December amounted to 17.8 percent and the voting right amounted to 19.3 percent. Emilshus acquires, develops and manages commercial properties in Småland and neighbouring growth regions. In June 2022, Emilshus' Class B share and preference share were listed on Nasdaq Stockholm.

For the full year 2022, Emilshus contributed 35 MSEK (26) to NP3's profit from property management and the total share in profits for the year amounted to 75 MSEK (95).

Fastighetsaktiebolaget Ess-Sierra

NP3 owns 50 percent of Fastighetsaktiebolaget Ess-Sierra, the remaining 50 percent are owned by AB Sagax. Ess-Sierras' operations consist of owning and managing properties with building supply stores. A little over 40 percent of the property value is found in locations where NP3 is already established today.

Rental income for the year amounted to 93 MSEK and the property value as of 31 December amounted to 1,610 MSEK. For the year, Ess-Sierra contributed 32 MSEK (30) to NP3's profit from property management and the total share in profits for the year amounted to 65 MSEK (54).

Cibola Holding AB

NP3 owns 31.6 percent of the hotel property company Cibola Holding AB. Cibola's holdings include five hotel and spa facilities. The properties are located in North of Sweden.

As of 31 December, NP3's proportion of equity amounted to 99 MSEK and for the full year Cibola contributed 11 MSEK to NP3's profit from property management and the total share in profits amounted to 9 MSEK.

Malabo Holding AB

In Västerås NP3 is partner in a joint venture where NP3 owns 50 percent of Malabo Holding AB together with two partners who own the remaining 50 percent of the company. The aim of the joint venture is to build up a property portfolio by acquiring, letting and developing properties in Västerås.

As of 31 December, NP3's proportion of equity amounted to 15 MSEK and for the year Malabo contributed 2 MSEK to NP3's profit from property management and the total share in profits amounted to 2 MSEK.

Fastighets AB Jämtjägaren

NP3 and Jämtkraft AB run a joint project to construct a head office and operating centre for Jämtkraft. The project is carried out in the jointly owned company Fastighets AB Jämtjägaren. The partners own the company to 50 percent each and as of 30 September 2022 the company is accounted for as a joint venture, as it has been deemed that NP3 does not have any controlling interest in the company. Previously, the holding was consolidated as a subsidiary.

The project to construct a head office and operating centre for Jämtkraft is in progress and is estimated to be completed during the first half of 2024. As of 31 December, NP3's proportion of equity amounted to 73 MSEK.

Associated companies and joint ventures

	Total associated companies and joint ventures		Major holdings in associated companies and joint ventures			
	2022 Jan-Dec	2021 Jan-Dec	Fastighetsbolaget Emilshus AB		Fastighetsaktiebolaget Ess-Sierra	
	2022 Jan-Dec ¹⁾	2021 Jan-Dec	2022 Jan-Dec ¹⁾	2021 Jan-Dec	2022 Jan-Dec	2021 Jan-Dec
NP3's share of the profit from associated companies and joint ventures, MSEK						
NP3's share capital, %			17.8	19.1	50.0	50.0
NP3's number of votes per share, %			19.3	20.2	50.0	50.0
Proportion of equity	1,064	724	557	346	321	293
Profit from property management	81	60	35	26	32	30
Change in value properties	83	137	33	92	49	38
Changes in value financial instruments	25	1	25	1	-	-
Tax	-38	-40	-19	-24	-16	-14
Total share in profits	151	158	75	95	65	54

1) As Emilshus published its financial statement on the same day as NP3 Fastigheter, the share in profits for the fourth quarter has been based on the earnings capacity that was presented in the company's quarterly report for January - September 2022. Estimated tax expense for the fourth quarter has been expected to amount to 20.6 percent of earnings capacity. Changes in value have been left unchanged for the fourth quarter as compared to the period January - September 2022. If NP3's share in profits had been based on Emilshus' actual outcome as of 31 December, the share in profits for the whole year would have amounted to 60 MSEK and the share in profits from property management would have amounted to 34 MSEK.

“The global change to a green approach has resulted in Norrland today being seen as one of the most expansive regions in Europe.”

Our market

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

Despite the uncertain market situation that developed during 2022 and looks to remain during 2023, there is a strong belief in the future among Norrland's entrepreneurs. The global transition to a green economy has resulted in Norrland today being seen as one of the most expansive regions in Europe. In the coming decades investments of more than 1,000 BSEK are planned in renewable energy, electrification and fossil-free steel backed up in most cases by traditional major industrial companies and investors.

- The mining company LKAB, steel manufacturer SSAB and the energy company Vattenfall plan to build a large plant for fossil-free sponge iron 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. In total, the project comprises 400 BSEK over a 20-year period.
- 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 the first phase 25 BSEK will be invested in the project which is expected to generate 1,500 new jobs once the project is underway.
- In Skellefteå, a city where NP3's presence is strong, Northvolt is building Europe's largest factory for the manufacturing of lithium-ion batteries for electric cars. The factory is estimated to create 3,000 jobs when the factory is fully operational by 2025.
- Outside of Piteå in Markbygden, Europe's largest land-based windfarm is being built. The farm is being built in three stages and is expected to be fully operational in 2025 and the farm is estimated to contain 700-800 wind turbines. Once fully operational the farm will generate 10-12 TWh, which is equivalent to some 6-8 Percent of Sweden's total electricity production.

The four projects mentioned above are all parts of the transition to green energy and now when 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 of the ongoing development.



Photo: Blade Solutions AB

Positive development despite the current market climate

NP3 is an established property owner in Norrland and owns properties in several of the locations where investments worth billions are now being made. NP3 sees and has seen increased interest in Norrland among both Swedish and foreign real estate investors. For an established player in Norrland such as NP3, this development holds many opportunities. At the same time, the uncertain and volatile market climate that developed during 2022 and which is believed to remain during 2023, with a high rate of inflation and increasing interest rates, has affected the global economy and also Sweden and NP3 as a company.

Despite what is happening in the world around us there is much positive development in the economy in NP3's prioritised locations, also alongside the major green industrial investments mentioned above. One example is Synsam Eyewear which moved its manufacturing from Asia to a new production and innovation centre in Frösön outside of Östersund. Production started in August 2022.

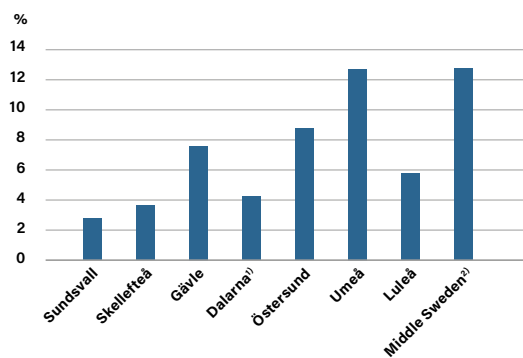
In Västerås, a strong company cluster is being built within electrification. The city already has over 9,000 employees in energy technology at ABB and Northvolt, which operates a research centre in the city, and the train manufacturer Bombardier Transportation. Bombardier is building a global innovation centre in the city for research and development of energy-efficient transport for both rail and heavy vehicle industries. The innovation centre is scheduled to be completed in 2023.

Population development

Sweden's population grew by 0.7 percent last year and by 0.6 percent in NP3's main locations. The population development was positive in all NP3's main locations except for Sundsvall and Dalarna where the population development remained unchanged. The population increased most in Skellefteå and Umeå. At the end of last year, approximately 1.25 million residents 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 for the country as a whole (10.1 percent), but more than for the country outside of the big cities. Population growth has been the fastest in Västerås, Karlstad and Örebro (NP3's business area Middle Sweden), 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 2012-2022



	Population 2022 number of residents	Population development 2012-2022	Population development 2022
Sundsvall	99,361	2.8%	-0.0%
Skellefteå	74,402	3.7%	1.4%
Gävle	103,493	7.6%	0.3%
Dalarna¹	288,310	4.3%	-0.0%
Östersund	64,324	8.8%	0.6%
Umeå	132,235	12.7%	0.9%
Luleå	79,244	5.8%	0.5%
Middle Sweden²	413,176	12.8%	1.0%
All NP3's business areas	1,254,545	8.3%	0.6%
Nationwide excl. metropolitan areas	6,220,956	7.6%	0.4%
Nationwide	10,443,100	10.1%	0.7%

1) Refers to all of Dalarna's counties.

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 0.6 percent in 2022, 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. Seen over a five-year period between 2018 and 2022, unemployment in Sweden rose by 0.1 percent. In NP3's main locations in northern Sweden unemployment has declined more in all locations than in the nation as a whole, where Skellefteå is the location that stands out the most with unemployment having decreased by 2.7 percent for the five-year period.

Over the past 20 years, disposable household income has developed strongly in Sweden. Between the years 2020 and 2021, disposable household income in all locations where NP3 is active (no statistics that are a more recent were available at the time of printing) increased by 3.3 percent on average, which is slightly lower than for the nation as a whole where disposable income rose by 5.9 percent or 4.6 percent and metropolitan areas are excluded. For 2022, however, there is a risk that disposable income will decrease somewhat considering the year's high inflation rate.

The disposable income in Sweden for an average household at the end of 2021 was 536,600 SEK per year. In NP3's locations, the corresponding figure is 476,200 SEK – lower than the Swedish average but higher than the average figure for the country, excluding the metropolitan regions.

	Unemployment 2022	Unemployment development 2022	Disposable income for households, 2021 ¹⁾	Development of disposable income, 2021
Sundsvall	6.8%	-0.7%	477	2.3%
Skellefteå	3.8%	-0.7%	494	3.0%
Gävle	9.4%	-0.3%	470	0.0%
Dalarna ²⁾	6.5%	-0.2%	467	3.9%
Östersund	5.0%	-0.5%	454	4.3%
Umeå	4.5%	-0.4%	479	4.1%
Luleå	5.2%	-0.6%	474	2.9%
Middle Sweden ³⁾	7.7%	-0.6%	485	3.9%
All NP3's business areas⁴⁾	6.1%	-1.2%	476	3.3%
Nationwide excl. metropolitan areas	6.4%	-1.4%	467	4.6%
Nationwide	6.6%	-0.6%	537	5.9%

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

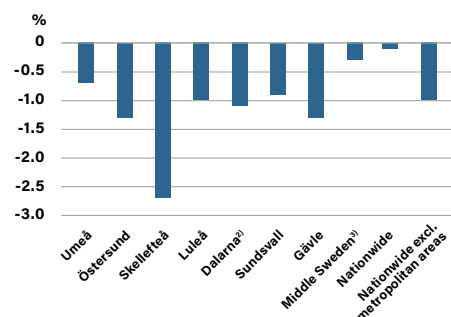
2) Refers to all of Dalarna's counties.

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.

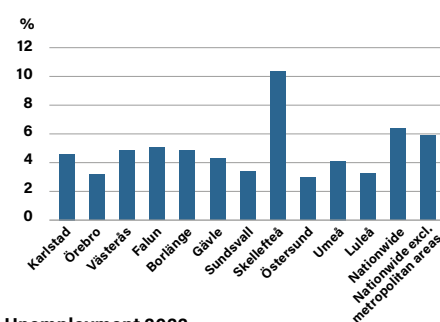
4) Unweighted by number of residents per municipality

Source: Newsec

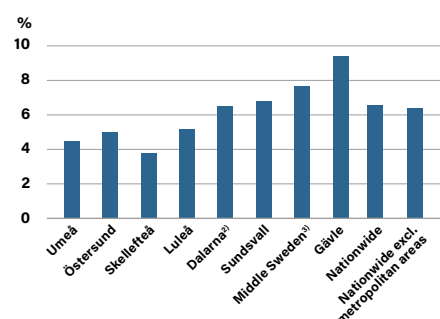
Unemployment trend in NP3's regions and locations, 2018-2022



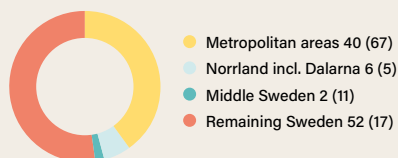
Development of disposable income, 2017-2021



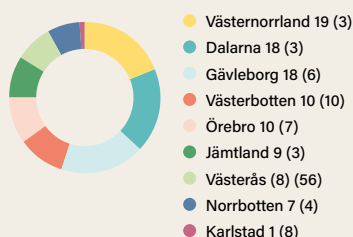
Unemployment 2022



Transaction volume by region 2022, %



Transaction volume in NP3's markets (county/city) 2022, %



Transaction volume in Norrland including Dalarna by category 2022, %



Transaction volume in Sweden by category 2022, %



Source: Newsec

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 during the year. For 2022, the changes in the outside world have affected the transaction market where the transaction volume has decreased significantly compared to 2021. In total, property deals for a value of 220 BSEK were completed in Sweden during 2022 which is almost half compared to 2021.

For Norrland and Dalarna the transaction volume did not decline to the same extent as for the nation as a whole. In total, property deals were completed in Norrland and Dalarna for a value of 14 BSEK, which can be compared to 2021 when deals for 19 BSEK were completed. The year-on-year decrease was 26 percent, which can be compared to the nation as a whole where the decline was no less than 45 percent.

Of the total number of deals completed in Norrland and Dalarna, 10 BSEK of the deals were completed in counties of Västernorrland, Gävleborg and Dalarna where little more than 3 BSEK were completed in each respective area.

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 2022 in Sweden as a whole, industrial, warehouses and logistics properties are the largest segment in northern Sweden, followed by housing.

Outside of Norrland and Dalarna, Västerås stands out, where properties worth 34.5 BSEK changed hands during 2021 while the corresponding figure for 2022 was just 1 BSEK.

Property ownership in northern Sweden

Commercial properties in northern Sweden are owned to a greater extent than in southern and central Sweden by municipal 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 NP3 have the largest property portfolios in Norrland, the third largest property owner in Norrland is Samhällsbyggnadsbolaget.

NP3's local roots and long experience give the company 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 over time creates room for continued growth in value NP3's in property portfolio.

Biggest transactions in Norrland 2022

Despite the uncertain and volatile market climate, a number of major property transactions took place during the year in north Sweden. The biggest property deal took place in June when Svenska Myndighetsbyggnader acquired for properties for public use in Sundsvall for 2.6 BSEK from Lilium Fastigheter.

The second biggest deal during 2022 took place in February when Regio acquired twelve centrally located office properties in Gävle for 2.4 BSEK. Castellum was the seller in this deal.

The third largest property transaction carried out during the year related to a housing portfolio of 13 properties in Östersund. The transaction was carried out in July with Niam being the seller and Klarabo being the buyer of the properties. The portfolio comprised 877 rental apartments and the acquisition was carried out at an underlying property value of 890 MSEK.

Listed real estate companies with the largest ownership in Norrland*

		Property value, MSEK*
1.	Diös	25,900
2.	NP3 Fastigheter	15,847
3.	Samhällsbyggnadsbolaget	12,300
4.	Nyfosa	5,174
5.	Neobo	4,131
6.	Fastighets AB Balder	3,600
7.	Fastpartner	2,400
8.	Intea**	2,320
9.	Klarabo	2,310
10.	Castellum (incl. Kungsleden)	965

*Where the exact volume is not made public, it has been assessed based on available information. Refers to values 30 September 2022

** The company's intended stock exchange listing is suspended due to the current market situation.

Source: Newsec

Ten biggest real estate deals in Norrland 2022 (excl. structured deals)

Month	Seller	Buyer	Area, sqm	Rental value, MSEK	Property designation / object
June	Lilium	Svenska Myndighetsbyggnader**	77,000	2,600	4 properties in Sundsvall
Feb	Castellum	Regio	107,000	2,435	12 properties in Gävle
July	Niam	Klarabo	62,000	890	13 properties in Östersund
Feb	Macastell Förvaltnings AB	Diös	36,000	564	12 properties in Falun-Borlänge
Feb	Private property owner	NP3 Fastigheter	35,500	546	16 properties in Sundsvall and Gävle
Feb	Stora Enso	Northvolt	900,000	500*	Kvarnsveden 3:205 Falun-Borlänge
June	Samhällsbyggnadsbolaget	Scherdin & Olsson Fastighet AB	10,500	300	Höder 7 in Umeå
June	Östersundshem	Bohild	19,500	258	2 properties in Östersund
Jan	Din bil Sverige AB	Nordisk Renting	27,500	250	7 properties in Dalarna and Gävleborg
March	Private property owner	NP3 Fastigheter	15,700	210	4 properties in Skellefteå

* Assessed value

** Was owned in June to equal parts by SBB and Kåpan Pension. In November Kåpan Pension became 100% owner of Svenska Myndighetsbyggnader.

Source: Newsec



Our business areas

The colours show NP3's eight business areas and which municipalities¹⁾ are included in the respective business area. The number after the municipality shows the municipality's proportion of the company's total property value.

Business area Luleå 2022

Total number of properties	50
Lettable area, thousand sqm	217
Rental value, MSEK	241
Number of employees	5

Business area Östersund 2022

Total number of properties	41
Lettable area, thousand sqm	159
Rental value, MSEK	191
Number of employees	4

Business area Dalarna 2022

Total number of properties	67
Lettable area, thousand sqm	339
Rental value, MSEK	264
Number of employees	3

Business area Skellefteå 2022

Total number of properties	53
Lettable area, thousand sqm	235
Rental value, MSEK	216
Number of employees	3

Business area Umeå 2022

Total number of properties	45
Lettable area, thousand sqm	212
Rental value, MSEK	210
Number of employees	4

Business area Sundsvall 2022

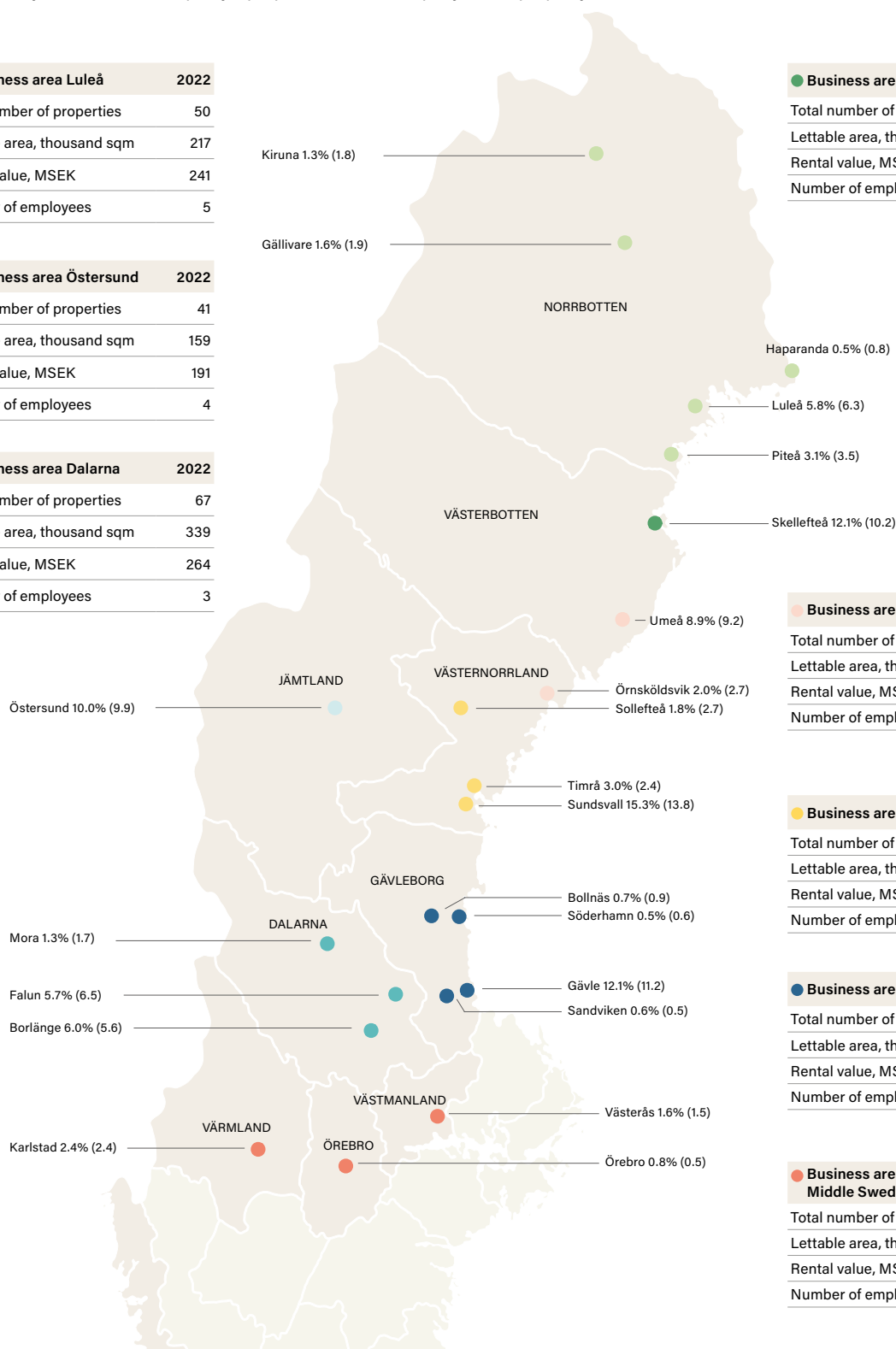
Total number of properties	121
Lettable area, thousand sqm	406
Rental value, MSEK	394
Number of employees	6

Business area Gävle 2022

Total number of properties	71
Lettable area, thousand sqm	264
Rental value, MSEK	248
Number of employees	3

Business area Middle Sweden 2022

Total number of properties	40
Lettable area, thousand sqm	120
Rental value, MSEK	115
Number of employees	2



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 applies to 31 December and does not include group-wide services.

Business area Sundsvall

NP3's largest business area, both in terms of property and rental value. The largest municipalities in the business area are Sundsvall, Sollefteå and Timrå where the properties in Sundsvall/Timrå account for 82 percent of the rental value. In addition, properties are owned in Härnösand, among others.

The retail and industrial sector is well established in the Sundsvall area, not least as a result of the expansion and development that have taken place in 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 also being located near Timrå makes the area attractive and popular. Major tenants in Sundsvall include Systembolaget, Dagab Inköp & Logistik as well as Postnord.

In Sollefteå, the property portfolio consist mainly of the former regiment I21, which is now being developed as a result of the Swedish Armed Forces' new establishment in the municipality. In Sollefteå, the Swedish Fortifications Agency is NP3's biggest tenant and Sollefteå municipality the second largest tenant.

Major projects in progress include new construction project of a truck workshop with more than 4,000 square metres and an energy project where the existing cooling plant is being replaced with geothermal heating. Both projects are located in Birsta.

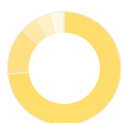
Rental value by property



Area by property category



Number of properties per location



BA Sundsvall 31 Dec	2022	2021
Total number of properties	121	108
Lettable area, thousand sqm	406	362
Rental value, MSEK	394	311
Economic vacancy, %	9	9
Property value, MSEK	4,141	3,404

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-38
Signed rental agreements	48
Net letting	10

Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	29
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	-1
Net change in tenants moving in/out	3
Value of vacancies	32
Adjustment estimated market rent for vacant premises	2
Closing value of vacancies	34

Business area Gävle

Gävle is the second largest business area in terms of property value and a third largest in terms of rental value. Most of the property portfolio are located in Gävle and represent 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.

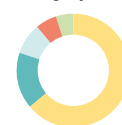
NP3 has chosen to focus the property portfolio mainly on two areas in Gävle, Närke and Sörby Urfjäll. Närke is a centrally located industrial area, where NP3 owns many business-to-business retail properties. Sörby Urfjäll is NP3's largest area in Gävle and an area where NP3 is the dominating property 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, Trelleborg and Postnord. In addition, Dagab Inköp & Logistik is also a major tenant. In the industrial area Närke a new construction project is in progress for an industrial building of 1,800 square metres. The project is expected to be finished in mid-2023.

Rental value by property



Area by property category



Number of properties per location



AO Gävle 31 Dec	2022	2021
Total number of properties	71	67
Lettable area, thousand sqm	264	255
Rental value, MSEK	248	204
Economic vacancy, %	5	5
Property value, MSEK	2,761	2,425

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-27
Signed rental agreements	26
Net letting	-1

Change in vacancies, MSEK	2022
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
Value of vacancies	11
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	12

Business area Dalarna

The main locations in the business area consist of Falun and Borlänge, where the property portfolio in these two locations make up 86 percent of the business area's rental value. In addition to Falun and Borlänge, properties are owned in Leksand, Mora and Ludvika, 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. A property category that has seen good development and demand in Dalarna is industrial, but other types of premises have also enjoyed good demand.

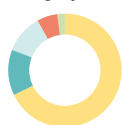
Larger tenants include LEAX Falun, Svenska Krämfabriken and Region Dalarna. A project in Borlänge that was completed during the year consists of an extension of warehouses and staff areas for Svenska Krämfabriken.

Rental value by property



Industrial	66% (65)
Retail	13% (14)
Logistics	11% (9)
Offices	7% (8)
Other	3% (4)

Area by property category



Industrial	68% (67)
Retail	13% (14)
Logistics	11% (11)
Offices	6% (6)
Other	2% (2)

Number of properties per location



Falun	28 (25)
Borlänge	24 (20)
Mora	9 (9)
Leksand	3 (3)
Others	3 (3)

BA Dalarna 31 Dec	2022	2021
Total number of properties	67	60
Lettable area, thousand sqm	339	313
Rental value, MSEK	264	221
Economic vacancy, %	7	8
Property value, MSEK	2,648	2,394

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-8
Signed rental agreements	19
Net letting	11

Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	17
Value of vacancies, acquired properties	1
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-1
Value of vacancies	16
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	17

Business area Östersund

The business area is largely concentrated in Östersund municipality, which accounts for almost 100 percent of the rental value. The job market is stable, which in part is explained by a strong public sector where the municipality and county council are the major employers. The Swedish Public Employment Service is also a large employer within the municipality and NP3's second largest tenant in Östersund. The biggest tenant is Jonsson & Paulsson Industri.

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 commercial areas. 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, NP3 and Jämtkraft AB run a joint project to construct a head office and operating centre for Jämtkraft. The project is realised in the jointly owned company Fastighets AB Jämtjägaren in which the parties each own 50 percent of the company. The project is estimated to be completed in the first half of 2024.

Rental value by property



Industrial	37% (28)
Retail	22% (24)
Offices	19% (22)
Logistics	3% (3)
Other	19% (22)

Area by property category



Industrial	50% (41)
Retail	17% (20)
Offices	16% (19)
Logistics	4% (4)
Other	13% (16)

Number of properties per location



Östersund	38 (37)
Others	3 (4)

BA Östersund 31 Dec	2022	2021
Total number of properties	41	41
Lettable area, thousand sqm	159	133
Rental value, MSEK	191	153
Economic vacancy, %	3	5
Property value, MSEK	1,998	1,805

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-10
Signed rental agreements	11
Net letting	1

Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	8
Value of vacancies, acquired properties	1
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-3
Value of vacancies	5
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	6

Business area Umeå

The property portfolio in the business area are concentrated in northern Sweden's largest municipality, Umeå, but Örnsköldsvik is also part of the business area. The properties in Umeå account for 76 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 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 retail, industrial and office buildings as well as land. NP3's largest property portfolio in the Umeå area are located at 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. At Ersboda you will also find Dollarstore, which is also a tenant to NP3. In addition, Skanska Sverige is one of the largest tenants in the business area.

Rental value by property



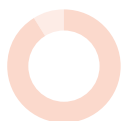
Industrial	47% (46)
Retail	29% (30)
Offices	12% (13)
Other	12% (11)

Area by property category



Industrial	52% (51)
Retail	26% (26)
Offices	10% (10)
Other	12% (12)

Number of properties per location



Umeå	41 (40)
Örnsköldsvik	4 (2)

BA Umeå 31 Dec	2022	2021
Total number of properties	45	42
Lettable area, thousand sqm	212	205
Rental value, MSEK	210	183
Economic vacancy, %	5	4
Property value, MSEK	2,152	1,978

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-11
Signed rental agreements	17
Net letting	6

Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	8
Value of vacancies, acquired properties	1
Value of vacancies, divested properties	0
Net change in tenants moving in/out	2
Value of vacancies	10
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	11

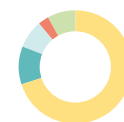
Business area Skellefteå

The business area is entirely focused towards Skellefteå municipality and was established in 2021 in connection with a larger portfolio acquisition from municipality-owned Skellefteå Industrihus. Skellefteå is characterised by belief in the future, largely as a result of Northvolt's establishments in the region as a growth engine for subcontractors and service, road and site works companies. This has resulted in a strong rental market, especially for industrial premises.

NP3's dominant property category in Skellefteå is industrial and makes up 70 percent of the business area's rental value and no less than 74 percent of the area. Major tenants consist of Latitude 64, Skellefteå municipality and Metso.

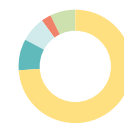
NP3's property portfolio in Skellefteå are mainly located in suburban areas in proximity to the inner centre, mainly at the areas Hedensbyn, Hammarängen, Sörböle and Anderstorp. Major projects in progress include a redevelopment project of office premises into a gym in Anderstorp with a total lettable area of 2,400 square metres.

Rental value by property



Industrial	70% (75)
Retail	11% (13)
Offices	8% (5)
Logistics	3% (4)
Other	8% (3)

Area by property category



Industrial	74% (79)
Retail	9% (17)
Offices	7% (5)
Logistics	3% (3)
Other	7% (2)

Number of properties per location



Skellefteå	53 (45)
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BA Skellefteå 31 Dec	2022	2021
Total number of properties	53	45
Lettable area, thousand sqm	235	199
Rental value, MSEK	216	157
Economic vacancy, %	8	6
Property value, MSEK	2,401	1,865

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-30
Signed rental agreements	34
Net letting	4

Change in vacancies, MSEK	2022
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	6
Value of vacancies	16
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	17

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 biggest tenants in the business area are Scania, Postnord and Dollarstore.

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 Kallax airport, and Porsödalen near the university.

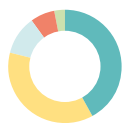
In Piteå, NP3 owns almost exclusively non-urban retail properties in the BackCity area, which is Piteå's only non-urban commercial area. Major tenants in BackCity are Willys, Rusta and Dollarstore.

A major project that was completed during the year in the business area is a new construction project of commercial premises in Piteå where Jysk is tenant. The project was completed in the first half of 2022.

Rental value by property



Area by property category



Number of properties per location



BA Luleå 31 Dec	2022	2021
Total number of properties	50	48
Lettable area, thousand sqm	217	214
Rental value, MSEK	241	219
Economic vacancy, %	6	4
Property value, MSEK	2,445	2,388

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-16
Signed rental agreements	24
Net letting	9

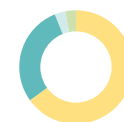
Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	9
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	0
Net change in tenants moving in/out	3
Value of vacancies	13
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	14

Business area Middle Sweden

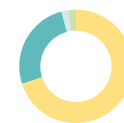
NP3's main locations in the business area, Karlstad, Örebro and Västerås, have seen strong development in the property market in recent years. With a strategic location and good communications, the region is a strong logistics centre. The retail property market benefits from the region's positive population growth, which has been among the highest in the country. At present, the business area is NP3's smallest, but the company strives to continue to acquire properties and grow in Middle Sweden. Most of the property portfolio are in Karlstad and account for 38 percent of the business area's rental value. The second largest property portfolio are in Västerås, which accounts for 28 percent of the rental value.

Main tenants consist of Assemblin EI, K-Rauta and Plantagen. Projects in progress worth mentioning include a new construction project in Uddevalla of commercial premises for Jysk.

Rental value by property



Area by property category



Number of properties per location



BA Middle Sweden 31 Dec	2022	2021
Total number of properties	40	35
Lettable area, thousand sqm	120	104
Rental value, MSEK	115	91
Economic vacancy, %	9	12
Property value, MSEK	1,260	1,076

Net letting, MSEK	2022
Terminated rental agreements incl. bankruptcies	-7
Signed rental agreements	8
Net letting	1

Change in vacancies, MSEK	2022
Opening value of vacancies 1 Jan.	11
Value of vacancies, acquired properties	0
Value of vacancies, divested properties	0
Net change in tenants moving in/out	-1
Value of vacancies	10
Adjustment estimated market rent for vacant premises	1
Closing value of vacancies	11

The share and shareholders

NP3 Fastigheter is listed on Nasdaq Stockholm Large Cap and at year-end had 11,339 shareholders (11,952). The share price for ordinary shares amounted to 198.60 SEK (362.50) on the balance sheet date, which is equivalent to a market value of 10,845 MSEK (19,736). In addition to this come the preference shares with a market value of 942 MSEK (1,290) at year-end.

The year's highest price paid for the ordinary shares was 384.50 SEK and was recorded on 3 January. The lowest price for the year was recorded on 28 September and was 141.80 SEK. The volume-weighted average price for the ordinary share during the year was 249.04 SEK (221.55).

During the last twelve months, the share price dropped by -45 percent (199) to be compared with Nasdaq's real estate index (OMXS Real Estate PI) which during the same period dropped by -45 percent (44) and Carnegie's Real Estate Index (CREX) which also dropped by -45 percent (47). The total return on the share, which is defined as share price development including reinvested dividend, has had a negative return of -44 percent (202) during twelve months, to be compared with Nasdaq's total return index for real estate companies (OMXS Real Estate GI) which has had a negative return of -43 percent (46). Nasdaq's total return index (OMXS GI), which shows the average development on the entire Stockholm Stock Exchange including dividends, saw a negative return of -21 percent (39) during the same period.

Equity per ordinary share

Equity amounted to 7,663 MSEK (6,743), of which preference capital amounted to 1,216 MSEK (1,216) and holdings without controlling influence to 46 MSEK (46). As a result of a decision at the company's AGM on 2 May 2019 regarding the introduction of a three-year incentive program, warrants have been utilised. In June 2022, there was an issue of 162,437 ordinary shares which resulted in a total number of 54,607,856 ordinary shares and 38,000,000 preference shares at year-end. After deductions for preference capital and holdings without controlling influence, equity corresponded to 117.21 SEK per ordinary share (100.67). The equity/assets ratio in the company was 35 percent (36).

Long-term net asset value indicates long-term net asset value reduced by preference capital and holdings without controlling influence and amounted to 7,272 MSEK (6,459), which is equivalent to 133.17 SEK per ordinary share (118.64). The share price at the end of the year was 169 percent (360) of equity per ordinary share and 149 percent (306) of the long-term net asset value per ordinary share.

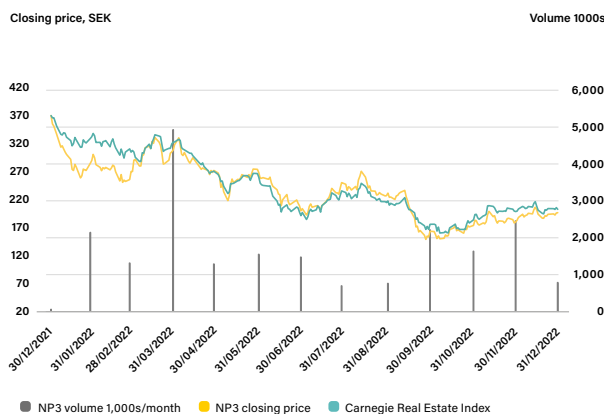
Trading of the share at Nasdaq Stockholm

	Closing price, SEK		Number of transactions per trading day		Turnover rate, %		Average trading volume per trading day, MSEK	
	31 Dec 2022	31 Dec 2021	Whole year 2022	Whole year 2021	Whole year 2022	Whole year 2021	Whole year 2022	Whole year 2021
Ordinary share	198.60	362.50	752	407	40	20	20.9	9.1
Preference share	24.80	33.95	119	107	36	31	1.6	1.4

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



NP3's price development compared to Carnegie Real Estate Index



In February 2023, the board of NP3 with the support of the authorisation for issue obtained at the AGM on 4 May 2022, decided on and carried out a directed new share issue of 2 750,000 ordinary shares, which provided the company with 633 MSEK before transaction costs.

The new issue resulted in the shares in the company increasing from 92,607,856 shares to 95,357,856 shares, split into 57,357,856 ordinary shares and 38,000,000 preference shares. The new share issue resulted in dilution of 2.9 percent of the shares and 4.5 percent of the votes in relation to the total number of shares outstanding, or votes in the company after the new share issue.

Dividend

For the 2022 financial year, the board proposes a dividend of 5.00 SEK per ordinary share (4.30), to be paid on four occasions of 1.25 SEK each. Proposed dividend per ordinary share is equivalent to an increase of 16 percent (19). The proposed dividend for ordinary shares is equivalent to a yield of 3 percent (1) 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 363 MSEK (310), which is an increase of 17 percent (15). The proposed dividend is in accordance with the company's dividend policy to provide a dividend of about 50 percent of the company's profit from property management after current tax.

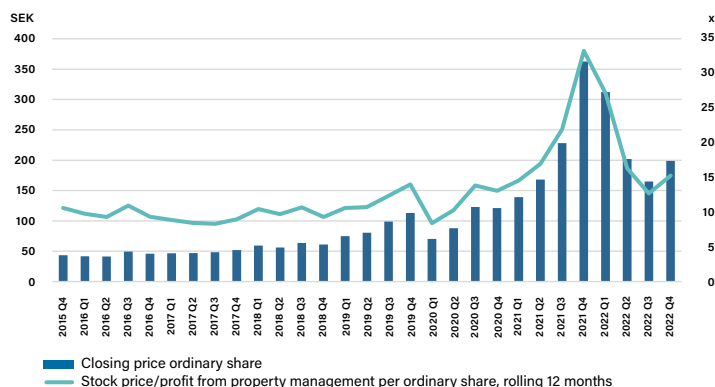
Distribution of profit from property management after current tax

MSEK	2022 Jan-Dec	2021 Jan-Dec	2020 Jan-Dec	2019 Jan-Dec	2018 Jan-Dec
Profit from property management	785	661	558	487	382
Current tax	-55	-44	-49	-38	-25
Profit from property management after current tax	730	617	509	449	357
Dividend	363 ¹⁾	310	270	241	211
Distribution in percent of profit from property management after current tax	50%	50%	53%	54%	59%

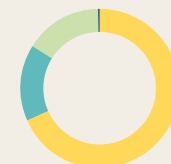
The company aims to pay dividends of around 50 percent of the profit from property management after current tax to holders of ordinary and preference shares.

1) Constitutes the board's proposal, dividend of 5.00 SEK/ordinary share, and dividend of 2.00 SEK/preference share. Of the amount recorded, 14 MSEK relates to additional dividends on newly issued ordinary shares issued in February 2023.

Stock price/profit from property management per ordinary share



Owner categories, proportion of share capital, %



- Swedish legal entities 69 (72)
- Swedish natural persons 15 (14)
- Foreign legal entities 16 (14)
- Foreign natural persons 0 (0)

Share facts as of 31 Dec 2022

Marketplace:
Nasdaq Stockholm, Large Cap

Market value: 11,787 MSEK
Number of shareholders: 11,339

Ordinary shares
Quantity: 54,607,856
Closing price: 198,60
ISIN: SE0006342333

Preference shares
Quantity: 38,000,000
Closing price: 24,80
ISIN: SE0010820514

Ownership structure

Shareholders as of 31 Dec 2022	Number of ordinary shares	Number of preference shares	Participating interest	Votes per share
Poularde AB	14,179,726	1,140,873	16.5% (18.5)	24.5% (24.8)
AB Sagax (Satrap Kapitalförvaltning AB)	12,566,806	2,293,672	16.0% (15.3)	21.9% (21.8)
Fourth AP fund	3,637,319	2,584,712	6.7% (7.5)	6.7% (6.3)
Länsförsäkringar Fondförvaltning AB	4,115,057	-	4.4% (3.5)	7.0% (5.5)
Bonnier Treasury S.A.R.L	-	3,000,000	3.2% (3.2)	0.5% (0.5)
Försäkringsaktiebolaget Avanza Pension	151,131	2,740,390	3.1% (3.3)	0.7% (1.1)
RBCB LUX Ucits Ex-Mig	1,256,375	1,480,000	2.9% (2.9)	2.4% (2.4)
Lannebo Fonder	2,458,157	-	2.6% (1.4)	4.2% (2.3)
PPB Holding AB	-	2,166,666	2.3% (1.8)	0.4% (0.3)
SEB Investment Management	2,164,161	-	2.3% (2.6)	3.7% (4.2)
Handelsbanken Liv Försäkrings AB	664,730	857,935	1.6% (1.5)	1.3% (1.5)
J.A. Göthes AB	1,041,600	416,640	1.6% (1.6)	1.9% (1.9)
State Street Bank and Trust Co, W9	1,146,316	6,979	1.2% (0.4)	2.0% (0.4)
Jönsson, Ulf	-	1,000,000	1.1% (1.1)	0.2% (0.2)
JP Morgan Chase Bank NA, W9	960,480	-	1.0% (-)	1.6% (-)
Swedbank Försäkring AB	20,906	886,442	1.0% (0.7)	0.2% (0.1)
Verdipapirfond Odin Ejendom	818,077	-	0.9% (1.3)	1.4% (2.1)
Futur Pension Försäkringsaktiebolag	48,771	754,010	0.9% (-)	0.2% (-)
BNY Mellon SA/NV (Former BNY), W8IMY	72,952	700,000	0.8% (0.1)	0.2% (0.2)
Erik Selin Fastigheter Aktiebolag	-	640,000	0.7% (2.4)	0.1% (2.8)
Total 20 largest shareholders	45,302,564	20,668,319	71.2% (67.5)	81.1% (75.7)
Other shareholders	9,305,292	17,331,681	28.8% (32.5)	18.9% (24.3)
Total number of shares	54,607,856	38,000,000	100.0%	100.0%

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

Holdings	Number of shareholders	Number of ordinary shares	Number of preference shares	Participating interest	Votes per share
1 – 500	8,223	431,953	436,786	0.9%	0.8%
501 – 1,000	997	257,078	506,887	0.8%	0.5%
1,001 – 2,000	718	344,630	722,521	1.2%	0.7%
2,001 – 5,000	666	514,695	1,655,113	2.3%	1.2%
5,001 – 10,000	327	406,166	1,966,235	2.6%	1.0%
10,001 – 50,000	307	1,987,913	4,802,853	7.3%	4.2%
50,001 –	101	50,665,421	27,909,605	84.9%	91.5%
Total number of shareholders 31/12/2022	11,339	54,607,856	38,000,000	100.0%	100.0%



Sustainability report

Comments by the CEO

In other words, NP3's sustainability initiatives aim to constantly make everything a little better, with the most effective solutions over time in each case.

Sustainability is a word that is all too often used and is interpreted to suit one's own purpose. It is natural that the interpretation lies in external factors and constantly changes but I believe that successful sustainability initiatives also require a long-term and clear direction.

Many investments regarding sustainability and ESG have unfortunately failed and created paper products. On the positive side, for some, it has generated work for a large consulting industry, but unfortunately much of this consulting work has not made much difference to long-term sustainability.

NP3 owns almost 500 buildings and the vast majority were built 30 years ago, or more. I believe that our property portfolio reflects what the general situation in Sweden looks like with regard to industrial and warehouse properties. A minority of these fall within the limits set for sustainable buildings according to the EU's Taxonomy (Top 15%) or are energy rated in the categories A and B. For NP3 it is also not doable to within a reasonable timeframe shift the absolute majority of our buildings to this category and certainly also not the best choice for our environment and future.

The most sustainable option is rarely to demolish in order to build something new or to slightly improve an already good property in terms of energy efficiency to make it seem as sustainable. Another way to phrase this is that the property that has the absolutely least environmental impact is the one that does not need to be built.

From a sustainability perspective with regard to the environment, economy and in relation to the company's

tenants, the likely most sustainable option in practice is often to improve properties with a poor energy rating to achieve a higher energy rating and thus elevate them from energy class F to D or from E to C. This can also be a matter of converting a building to eliminate its dependency on oil or replacing direct-acting electricity or even district heating with geothermal and/or solar heating. 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 and thus stick to our long-term direction in sustainability. Even if we consider the EU's Taxonomy as a good and positive initiative, it is not because of this that NP3 will make a great difference for our environment and our future. We believe in our long-term approach of working with sustainability, based on our experiences in Norrland and with common sense as a guiding star. We will continue with this. In this way sustainability and long-term return can go hand in hand.

Andreas Wahlén

Our sustainability work

For NP3 it is important and natural that sustainability and long-term economic results go hand-in-hand. As a player with a long-term approach in managing and developing properties, the company has a responsibility to proceed in a way that is sustainable for our future, therefore one of our mottos is also to always do everything a little bit better. We believe this is also a requirement for a for a long-term sustainable society, to together with our stakeholders evaluate, prioritise and set the strategy for how the company can always become a little bit better. In order to achieve this, we review our materiality analysis annually. Based on this, NP3 then pursues prioritised issues in order to achieve the company's objectives in sustainability.

THE SUSTAINABILITY REPORT

The annual report for 2022 also includes the company's sustainability report, which prepares annually and covers the entire group NP3 Fastigheter AB with all subsidiaries, which also corresponds to the financial report. The sustainability report does not, however, cover the company's associated companies or joint ventures as the proportion of these is deemed to have a marginal effect on the company's outcome in the sustainability field. Since 2020, NP3 has reported its sustainability initiatives in accordance with the Global Reporting Initiative (GRI) level Core. From the annual report for 2022, the company prepares its sustainability reports in accordance with GRI Universal Standards 2021 and covers the financial year 1 January to 31 December 2022.

SUSTAINABILITY GOVERNANCE

NP3's sustainability initiatives are based on UN Global Compact and the need to take long-term responsibility for economic, environmental and social development. These sustainability initiatives form an integral part of the overall governance of the company, for which the board and CEO have the ultimate responsibility. The company shall always comply with or surpass current environmental legislation and other sectoral environmental requirements that concern the operations.

In addition to external frameworks, sustainability initiatives are based on NP3's business concept and an annually updated materiality analysis with related stakeholder dialogue. Integrating sustainability work in all activities, reducing our environmental impact and increasing the number of sustainable properties is an overall objective for the company. The company also has in place continuous and well-developed risk management and during the year has begun a climate scenario analysis on a local level in accordance with TCFD's recommendations.

The strategic governance of the company's sustainability initiatives shall ensure target achievement and continued development of the same. Governance takes place via the company's policies, guidelines and overall measurable detailed targets and action plans. The company has also prepared a code of conduct which is based on the company's values, and gives guidance as to how company employees should act and take correct decisions in their daily work. The code of conduct is

mandatory for all staff and annual training sessions are held for all staff. Based on this, there is also a code of conduct for suppliers which is continually evaluated and followed up on with suppliers and other business partners. In order to achieve the company's targets for the number of energy-saving and sustainable properties, there is quarterly follow-up of the property's energy performance in NP3's sustainability committee.

The sustainability policy and code of conduct formed the basis for the company's sustainability initiatives and are revised annually by the company's board. The policies below can be found on the company's homepage. Furthermore, several policies and operational procedures can be found on the company's intranet.

- Sustainability policy
- Information and IR policy
- Insider policy
- Privacy Policy
- Equal Opportunity, Equal Treatment and Anti-Discrimination Policy
- SWEM - Systematic Work Environment Management
- Code of Conduct
- Whistle-Blower Procedure

All of NP3's staff and board members have been informed of the company's policies and guidelines during 2022. Reporting of the companies sustainability initiatives has taken place for the board at ordinary board meetings. The majority of the company's board members are also highly knowledgeable and experienced in matters of sustainable development thanks to their regular job roles. The company has not had any breaches of law during the reporting period.

Materiality analysis and stakeholder dialogue

NP3 has evaluated and renewed the company's materiality analyses during the year. This evaluation identified a number of important sustainability aspects and issues for the company, which were then further prioritised based on their effect on the outside world and the own organisation. Following this, the company selected the eight most significant issues for the company's sustainability initiatives.

Responsible business

- Long-term economic result
- Good business ethics and anticorruption

Responsibility for the future

- Energy use
- Emissions
- The properties' environmental and climate risks

Health and well-being

- Health and safety
- Diversity and equal opportunity
- Tenants and suppliers

The materiality analysis was then verified with a selection of the company's stakeholders.

NP3's stakeholders:

- Shareholders
- Creditors
- Tenants
- Employees
- Suppliers
- Local communities and interest groups

NP3 has elected to divide the most essential issues into three main areas:

Responsible business:

For NP3, sustainability and long-term economic results go hand in hand. The company has a responsibility towards its stakeholders to maintain good financial growth, high business ethics and to comply with laws and guidelines. The company has a code of conduct both for its staff as well as suppliers. Maintaining good business acumen enables long-term economic results.

Responsibility for the future:

For NP3, as for most other real estate companies, energy use and emissions are the area in which the company can have the greatest impact on the environment. An important aspect in this is having an active property management organisation and to cooperate with our tenants to help them, too, save energy.

Health and well-being:

Providing pleasant and safe workplaces for our staff, tenants and suppliers is essential for NP3. It is important for the company that everyone is treated equally regardless of gender and ethnicity. Our staff's health and the work environment are obvious areas in which the company encourages to exercise and pursue a healthy lifestyle.

Differences to previous years

When comparing with previous years' materiality analysis we now include "Market presence" in "Long-term economic result", "Cities and communities" have been given lower priority as the company has a low proportion of project volume and thus less possibility to positively affect development. "Water use" and "Biodiversity" are two important areas which NP3 has paid attention to but chosen to prioritise as less significant for the company. With regard to water use, this is an issue with lower priority as the company's markets are not located in areas that suffer from a high level of water stress and the company's properties are connected to municipal water systems where efflux is managed according to the municipality's and Swedish Environmental Protection Agency's stated environmental requirements. Regarding biodiversity, this issue has been prioritised as less significant as the project activities for NP3 are limited and only a small amount of land and forest are owned. The company's standpoint on water use and biodiversity has also been firmly integrated into the stakeholder dialogues.

	Focus area	How NP3 works on the issue	The UN's global goals
 Responsible business	Long-term economic result	The starting point for NP3 is that operations shall be managed with profitability and good ethics. With its local business community and active market presence, NP3 contributes to employment and purchasing power as well as to an active local economy.	 
	Good business ethics and anticorruption	NP3 has zero tolerance for all forms of corruption and financial irregularities, e.g. bribes, unauthorised commissions, fraud, embezzlement and money laundering.	
 Responsibility for the future	Energy use	NP3 shall annually reduce the total energy consumption (kwh) in the existing property portfolio by working towards set targets. The company also considers it as its duty to support and cooperate with its tenants with regard to energy-saving measures.	
	Emissions	NP3 shall work to continuously reduce the operations' carbon emissions and strive to minimise waste going to landfills and incineration. NP3 prioritises re-use and recycling in construction projects.	 
	The properties' environmental and climate risks	The company works with 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. The company also has in place continuous and well-developed risk management and during the year has begun a climate scenario analysis on a local level in accordance with TCFD's recommendations.	  
 Health and well-being	Health and safety	NP3 shall offer a good work environment which promotes physical and social well-being and prevents work-related injuries and illness. The work environment shall be safe for NP3's staff, tenants and suppliers and meet the requirements stipulated by laws and agreements.	 
	Diversity and equal opportunity	NP3 works to prevent discrimination, harassment, sexual harassment and degrading treatment from occurring in the company.	  
	Tenants and suppliers	Providing pleasant and safe workplaces for our tenants and suppliers as well as for our staff is essential for NP3. NP3 sets sustainability requirements when procuring goods and services from suppliers and business partners.	 

Responsible business

LONG-TERM ECONOMIC RESULT AND 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 initiatives are thus integrated into the business model. In order to secure the business model the company prepares a long-term strategy plan which together with the company's financial and tax policies drives towards a long-term economic and environmentally sustainable prospective.

NP3 strives for an open, transparent and relevant dialogue between shareholders, analysts and investors. We are responsible for giving fair and easily accessible information to our shareholders and other stakeholders. All communication shall be aimed at building confidence, creating long-term relations and countering speculation and rumours. NP3 complies with the rules and regulations that govern listed companies, and the practices by the financial market.

NP3 works with long rental contracts 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. The company also has customer focus, which is achieved through local presence and long customer relations, which in turn create stable rental income.

NP3's organisation is flat with short decision-making paths and a high pace of business, which is made possible by committed staff. As the organisation is decentralised and leadership is informal, it is necessary for staff to be independent, proactive and act on their own initiative. The company is characterised by a prestigeless attitude, solid knowledge of local conditions, good business acumen and close relations with customers and other stakeholders.

Economic sub-targets for NP3 are that the growth in the profit from property management per ordinary share shall amount to 12 percent over a five-year period. Return on equity before tax, over a five-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 84-94. The economic value created amounted to 2,690 MSEK during 2022 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 and financial instruments. Distributed value to the owners refers to the dividend provided to the owners. The Economic value retained for 2022 amounted to 908 MSEK.

GRI-indicators regarding economic sustainability

Economic value created and distributed, GRI 201-1				
	2022		2021	
	MSEK	%	MSEK	%
Economic value created				
Rental income and other revenue	1,782	66	1,248	40
Profit from property management, joint ventures	81	3	60	2
Changes in value	828	31	1,844	59
Total	2,690	100	3,152	100
	2022		2021	
	MSEK	%	MSEK	%
Economic value distributed				
Operating expenses	-601	22	-301	10
Employees	-46	2	-40	1
Taxes	-424	16	-537	17
Creditors	-349	13	-250	8
Owners (proposed dividend)	-363	13	-310	10
Economic value retained	908	34	1,714	54

BUSINESS ETHICS AND ANTICORRUPTION

The company's sustainability policy states 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. 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. 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.

Focus area

Anti-corruption	Ethical matters are continuously discussed by the board and management and governed by the policy for business ethics and the sustainability policy. Suspicions of breach can be reported via a digital tool or to a member of the audit committee.
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Outcome 2022

- In 2022 the target was achieved, as there were no reported cases of corruption or abuse of positions of power or trust for own benefit or that of others, or suspicion of such. Thus no measures have been taken.
- No issues concerning deviations from the sustainability policy or the policy for business ethics were reported.
- No employee became subject to disciplinary measures as a result of corruption in 2022.
- No agreements were terminated or not renewed due to infringements related to corruption during 2022.
- No public legal cases concerning corruption against the organisation or its employees were noted during 2022
- Neither NP3 nor any representatives of the company have been sentenced during the last five years for any crime linked to nonconformance with the company's code of conduct, corruption or anti-competitive activities.
- NP3 has also not provided any financial contributions to or in any other way compensated lobbying organisations or other nonprofits activities whose aim is to influence political campaigns or various forms of legislation.

Code of Conduct

The starting point for NP3 is that operations shall be run with profitability and good ethics. NP3's code of conduct is based on the company's values, and gives guidance as to how company employees should act and take correct decisions in their daily work. The code of conduct is mandatory for all staff and annual training sessions are held to ensure that all staff are familiar with the company's guidelines. NP3 is dependent on the outside world having confidence in the company, so all employees must always conduct themselves in a professional manner, and with the company's core values in mind, when meeting tenants, investors, business partners, suppliers and colleagues. The code of conduct is the company's primary policy document in matters of sustainability. Our employees are expected to share the

company's values and comply with the code of conduct, which means that everyone is responsible for setting a good example. All new employees are informed about the code as a part of their induction.

Our code of conduct should contribute to:

- Our employees having a feeling of responsibility, and making the right decisions based on good business ethics.
- Consensus on what is acceptable conduct – and what is not – with the aim of creating long-lasting sustainable relations and sustainable properties and projects.
- Develop good relationships and counteract an unhealthy dependence on our stakeholders.

Guidelines for how the code of conduct shall be practised describe what applies to, for example, gifts, impartiality and possible conflicts of interest.

Code of conduct for suppliers

Environment, working conditions and human rights are important parameters for NP3 as a company. It is therefore important that the company's suppliers and business partners also share these values. NP3 thus carries out continuous evaluation and follow-up of suppliers and other business partners. The companies that supply goods and services to NP3 shall meet the company's 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.

Taxonomy

The taxonomy regulation was drawn up as part of the EU's action plan in order to define how large a proportion of an activity is environmentally sustainable. In order to be considered sustainable according to the taxonomy regulation, an activity must contribute significantly to at least one of six environmental objectives set and avoid substantial damage to any of the other environmental objectives, requirements regarding social minimum safeguards are also set.

NP3 is not covered by the reporting requirements in the taxonomy but still chooses to report an assessment of how large part of the business that are consistent with the taxonomy. NP3 reports in accordance with Fastighetsägarnas.se's updated threshold regarding primary energy efficiency, which means that a lower proportion of the portfolio are considered to be in line with the taxonomy than what was reported for 2021.

NP3's activities consist of management and development of commercial properties, mainly in industrial and retail. The company's assessment is that the activities are primarily covered by the economic activity 7.7, "Acquisition and ownership of properties" in the taxonomy. The proportion of activities in "7.1 Construction of new buildings", "7.2 Renovation of existing buildings", and "7.3 Installation, maintenance and repairs of energy efficient equipment" is thus considered by the company to be too small to be reported.

For an economic activity to be considered being align with the taxonomy, it must contribute significantly to one of the two environmental targets drawn up and not cause significant damage (DNSH) to any of the other environmental targets. In order to meet the requirements when it comes to do no significant harm, the company has made certain assumptions in order to assess them as compliant or not.

Regarding "Acquisition and ownership of properties", NP3 has also started a climate scenario analysis covering the company's property portfolio. The analysis was started at the end of 2022 and is carried out in accordance with TCFD with two different climate scenarios. This analysis will then form the basis for an in-depth analysis on a property level where any possible risks exist. In the report for 2022, NP3 has assumed that none of the compliant properties are doing no significant harm.

NP3 also works on ensuring the social minimum requirements (minimum safeguards) in the taxonomy. NP3 follows international conventions such as UN FN Global Compact and ILO's core convention. The company carries out annual risk management in order to identify and manage risks and works following a sustainability policy. For staff and suppliers there is a code of conduct which also covers anticorruption and whistleblowing. The company's policies and guidelines are reviewed annually.

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.

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 expenses

The reporting of operating expenses includes the total costs related to, for example, repairs and planned maintenance and ongoing operating expenses, excluding energy costs.

Properties compatible with the taxonomy

The thresholds that determine whether a property is covered by the taxonomy, according to the first environmental target, is for buildings built before 2021 that the building should have energy class A or be within the top 15 percent in terms of primary energy use.

During December 2022, Fastighetsägarna.se updated the thresholds for primary energy efficiency which make up the top 15 percent of the most energy-efficient buildings within the framework of the taxonomy's first climate target. The Tables on the next page show 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, 19 percent consist of industrial properties that, according to the Swedish National Board of Housing and Planning, are not to be energy declared. Accordingly, the company today has no data about these buildings primary energy efficiency and can thus not be considered to be compliant with the taxonomy based on Fastighetsägarna.se's thresholds. In the tables on the next page, the industrial properties have not been excluded from the company's total amount. The company does, however, strive to energy declare these properties.

	Code/codes	Absolute amount	Proportion of amount	Climate change mitigation	Climate change adaptation	Climate change mitigation	Climate change adaptation	Water and marine resources	Circular economy	Pollution	Biodiversity and ecosystems	Minimum safeguards	Taxonomy-aligned proportion, year 2022	Taxonomy-aligned proportion, year 2021	Category (enabling activities)	Category (transitional activities)
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TURNOVER*

Economic activities		MSEK	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	M	O
A. Activities covered by taxonomy																
A.1. Environmentally sustainable activities (taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	232	15			-	J	-	-	-	-	J	15	19	-	-
A.2. Activities eligible covered by the taxonomy but not environmentally sustainable activities (not taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	1,319	85													
Total (A.1 + A.2)		1,551	100													
B. Activities not covered by taxonomy																
Turnover in activities not covered by the taxonomy (B)		0	0													
Total (A+B)		1,551	100													

* Proportion of turnover from products or services which are linked to economic activities that are compatible with the taxonomy requirements – information that covers the year 2022

INVESTMENTS*

Economic activities		MSEK	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	M	O
A. Activities covered by taxonomy																
A.1. Environmentally sustainable activities (taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	159	7			-	J	-	-	-	-	J	7	23	-	-
A.2. Activities eligible covered by the taxonomy but not environmentally sustainable activities (not taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	2,145	93													
Total (A.1 + A.2)		2,304	100													
B. Activities not covered by taxonomy																
Investments in activities not covered by the taxonomy (B)		0	0													
Total (A+B)		2,304	100													

* Proportion of turnover from products or services which are linked to economic activities that are compatible with the taxonomy requirements – information that covers the year 2022

OPERATING EXPENSES*

Economic activities		MSEK	%	%	%	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	Y/N	%	%	M	O
A. Activities covered by taxonomy																
A.1. Environmentally sustainable activities (taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	16	13			-	J	-	-	-	-	J	13	19	-	-
A.2. Activities eligible covered by the taxonomy but not environmentally sustainable activities (not taxonomy aligned)																
7.7 Acquisition and ownership of buildings	7.7	104	87													
Total (A.1 + A.2)		120	100													
B. Activities not covered by taxonomy																
Operating expenses in activities not covered by the taxonomy (B)		0	0													
Total (A+B)		120	100													

* Proportion of operating expenses from products or services which are linked to economic activities that are compatible with the taxonomy requirements – information that covers the year 2022

Responsibility for the future

NP3 manages and develops properties and thus has responsibility to do this in an environmentally sustainable way, for our and coming generations' future. Our success in this work affects the well-being and work environments of a large number of people through our staff, tenants and suppliers. 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.

CLIMATE-IMPACT

NP3's total carbon dioxide emissions shall be reduced by 75% by the year 2025

ENERGY

NP3's total energy consumption shall be reduced by 20% by the year 2025

GREEN PROPERTIES

NP3's green property portfolio shall grow by 25% per year

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 and suppliers, ensure a sustainable future.
- Show respect for natural resources by using raw materials sparingly and achieving a high level of recycling and reuse in, for example, construction projects.
- Work to continuously reduce the operations' environmental impact, primarily by evaluating alternative energy sources and reducing energy consumption in our properties.
- Setting environmental requirements when procuring products and services.

ENERGY USE

The properties' energy consumption is, as for most real estate companies, the main factor affecting the climate and is thus one of NP3's most important environmental issue. Increasing the number of energy-saving and sustainable properties is one of NP3's overall environmental targets and is based in the company's sustainability policy. Follow-up takes place quarterly in NP3's sustainability committee.

NP3 measures and follows the energy used for the properties where the company has right of disposition over the supply of electricity and/or heating. A large part of this consumption is charged by preliminary debit and settled annually which means that tenants pay for their own energy consumption. In properties where tenants have their own contracts for energy supply, the company does not have access to the property's energy use, these are thus not included in the company's report. In cooperation with our tenants the company tries to find new solutions for saving energy. Even if tenants are charged for their own energy consumption, NP3 considers it its obligation to support tenants in finding sustainable solutions, both with regard to energy-saving measures and more environmentally friendly energy sources.

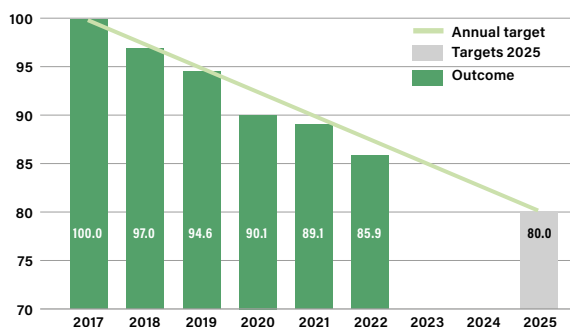
The company measures overall energy consumption but also in comparable holdings (like for like). Comparable holdings may vary between the years with different parameters, how long a property has been owned by the company, major changes to the property and how long the company has had access to statistics from measuring energy consumption. In order to include a new property 24 months of continuous energy statistics are needed. This means that



Örnsköldsvik's Largest photovoltaic power plant was installed in Hägglundsområdet in Gullänget. An investment of more than 4.5 MSEK. The maximum effect is 499kwp and is estimated to produce 415Mwh annually, which in turn reduces the climate impact by 195 tonnes of carbon dioxide per year.

previously reported consumption for preceding years can change at the next reporting occasion. Reduced weather-normalised consumption is thus reported annually and compared only with the preceding year. NP3 has a long-term target to reduce its energy consumption by 20 percent between 2017-2025 which means annual savings of 2.5 percent. When comparing between the years, accumulated savings at the end of 2022 amounted to just under 14 percent. Weather-normalised average consumption within comparable holdings for 2021 amounted to 159 kWh/sqm LOA and for 2022 to 154 kWh/sqm LOA, which means a reduction of 3 percent. Consumption also includes tenants' consumption where these are included in the company's totals. Weather-normalised total average consumption for the properties where the company has right of disposition over the supply of electricity and/or heating amounted to 91 kWh/sqm for heating and 58 kWh/sqm for electricity.

Annually reduced energy consumption, %



Produced energy

During 2022 an additional two large solar PV systems were built in the company's property portfolio with a total area of 3725 square metres and with estimated production of 635 MWh. The company does not have any statistics for produced energy for

2022 but intends to introduce measuring of self-produced energy during 2023.

Energy use in the organisation, GRI 302-1

Actual energy use,

MWh	2022	2021	Change
Heating	77,251	83,349	-6,098
Electricity	52,893	55,851	-2,958
Total MWh	130,144	139,200	-9,056
Total lettable area, tsqm	1,950	1,784	166

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 2022 are shown here.

- Norrlungånger 2:144 Installation of Örnsköldsvik's largest solar PV system with estimated production of 415 MWh.
- Sköns Prästbord 1:65 Sundsvall, project in cooperation with a neighbouring property newly built by NP3 of 4,200 sqm, where a cooling/heat pump supplies surplus heat from a freezing plant to the newly built property. Estimated savings 1,000 MWh/year.
- Vråken 8 in Söderhamn, change to new energy-efficient ventilation with associated control, total energy savings estimated at 30 percent.
- Buskåker 4:13 Borlänge, Installation of solar PV system with estimated production of 220 MWh.
- Continuous replacement of existing lighting to LED lighting in a number of properties in the holdings with estimated energy savings of between 20-30 percent on electricity.

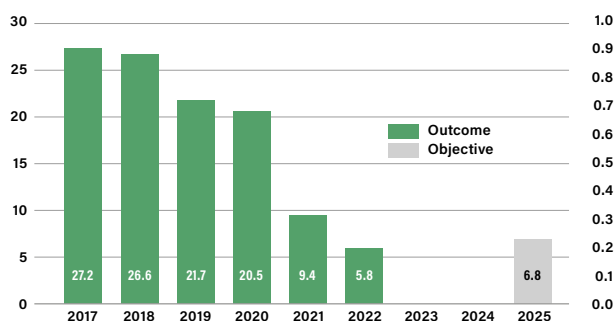
EMISSIONS

Under this item NP3 reports emissions within Scope 2, purchased energy for the company's properties. NP3 measures and follows carbon dioxide emissions from the energy consumption the company has right of disposition 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 origin labelled electricity for the properties' energy consumption NP3 also works actively to reduce energy use and thus emissions by optimising operations and investing in energy-efficiency projects. Increasing the number of sustainable properties is one of NP3's overall environmental targets and is based in the company's sustainability policy. Follow-up takes place quarterly in NP3's sustainability committee.

For 2022, the emissions of carbon dioxide amounted to 5.8 kg CO₂/sqm LOA. The company calculates emissions for purchased electricity, for the part that does not consist of 100 percent origin labelled electricity, 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 2022 is not available until 2023. 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. At the end of 2022, NP3 had reduced the company's carbon dioxide emissions by just under 79 percent compared to the base year 2017, which means that the company's long-term goal for 2025 was achieved in 2022. NP3 will evaluate a new long-term target in 2023 concerning emissions and at the same time consider linking this to Science Based Targets (SBTi).

Carbon dioxide emissions, kg CO₂/sqm



GRI-indicators regarding environmental sustainability

Carbon emissions, GRI 305-1-4 and CRE 3

Tons CO ₂	2022	2021	Change
Scope 1 Direct GHG-emissions			
Company vehicles, business trips	12.8	11.7	1.1
Refrigerants*	124,3	-	124,3
Total	137,1	11.7	125,4
Scope 2 Indirect GHG-emissions, market based-method			
Heating	3,800	4,142	-342
Electricity	1,242	3,781	-2,539
Total	5,042	7,923	-2,881
Total lettable area, tsqm	1,950	1,784	166
Scope 3 Other indirect GHG-emissions			
Private vehicles, business trips	8.4	4.3	4.1
Business trips by plane	3.9	6.9	-3.0
Total	12,3	11.2	1,1
Total	5,191	7,946	-2,755

The report follows the GHG-protocol's five principles

SCOPE 1

Emissions from company cars

Emissions have been calculated based on the cars actual consumption and number of kilometers driven in service. Converted to an aggregate average of emissions per kilometre and company car, the emissions factor for 2022 amounted to 85 g CO₂-e/km (85). During 2022 the company's total number of company cars increased as the organisation grew and there was a gradual return to more physical meetings after the years of the pandemic, which resulted in an increase of kilometers driven in service during 2022. NP3 is gradually working to replace the company cars with cars with preference for electric or hybrid drive when the lease contracts expire. The company will continue to review and develop its car and travel policy to further reduce the climate and environmental impact of our trips.

Refrigerants*

For 2022, NP3 for the first time reported emissions from refrigerants which are obtained from the respective property's refrigerant report, data is reported in connection to the F-Gas Regulation EU/517/2014

SCOPE 2

Purchased energy

For scope 2, NP3 reports carbon dioxide emissions from energy use that includes the energy that NP3 buys for the holdings' 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 the properties and tenants is reporting according to "market based method" and 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 is calculated using SAS emissions calculator as of 2022, the number of trips and distances travelled are compiled by the travellers. Emissions from the use of private cars in service are based on employees' reporting of kilometers driven in 2022 and the distance is multiplied by the emission factor 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.

Intensity concerning greenhouse gas emissions

The weather-normalised average consumption within comparable portfolio for 2022 amounted to 154 kWh/sqm LOA and for 2021 to 159 kWh/sqm LOA, which means a reduction of 3 percent, then also including part of our tenants' consumption.

For heating, the reduction was from 101 kWh/sqm LOA to 95 kWh/sqm LOA and for electricity from 62 to 60 kWh/sqm LOA.

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. Quarterly follow-up of key ratios is carried out in the company's sustainability committee.

THE PROPERTIES' ENVIRONMENTAL AND CLIMATE RISKS

Work on the properties' environmental and climate risks is governed by the company's sustainability policy. NP3 has localised two significant risks in the company's risk management, the risk of climate changes and the risk of contaminated soil.

The risk of climate change has been assessed as a risk of minor significance for NP3 in the section on structured risk management. It is, however, estimated that the risk may increase, taking this as a starting point the company has begun a climate scenario analysis during the year at a local level in accordance with TCFD's recommendations. Based on this analysis work will continue at the property level for the locations where the initial analysis shows that a greater risk exists.

An additional environmental and climate risk can be if contaminated soil is discovered in any of the company's properties. The company has a register of potentially contaminated soil where no property is currently in need of decontamination.

The section "Structured risk" management contains further information about these risks.

Environmental and climate risk in connection with the company's project activities

The company has a relatively small project activity. Management of construction material and waste is governed by an environmental appendix in the tender documents where reuse and recycling are prioritised.

Sustainability certification

Environmental certification

NP3 has as its objective to consider environmental certification for major redevelopments and new production. Certified buildings relate to buildings with sustainability certification from an independent certification programme. During 2022, NP3 certified 5 properties and on the balance sheet date had 12 environmentally certified properties.

Environmentally certified properties

Property	Municipality	Category	Certification	Area, sqm
Part of the Ödalan 6	Luleå	Retail	Green Building	2,114
Cementgjuteriet 5	Umeå	Retail	Green Building	4,635
Cisternen 26	Umeå	Offices	BREEAM	4,599
Part of Släpvnagen 6	Östersund	Retail	Green Building	1,700
Baggen 3	Sundsvall	Industrial	Green Building	2,715
Öjebryn 3:496 & 3:497	Piteå	Other	Green Building	3,219
Målås 4:3	Sundsvall	Industrial	Green Building	2,768
Vivstamon 1:63	Timrå	Retail	Green Building	2,088
Sköns Prästbord 2:6	Sundsvall	Logistics	Green Building	1,153
Part of Stadsön 8:9	Piteå	Retail	Green Building	1,534
Grepén 1	Borlänge	Logistics	Green Building	3,925
Sköns Prästbord 1:65	Sundsvall	Industrial	Green Building	4,286

Health and well-being

Health and well-being is a broad term that spans across a large field. For NP3 this means that people are treated equally and that no one should feel bad or get injured at the workplaces we provide. Pleasant and safe workplaces are, from the company's perspective, just as important for our tenants and suppliers as for our staff. It is a given that everyone is treated equally regardless of gender and ethnicity. Our staff's well-being also contributes to the company's development which makes it natural to encourage them to exercise and pursue a healthy lifestyle.

HEALTH AND SAFETY AT WORK

NP3 should be a professional and welcoming workplace, characterised by respect, honesty and tolerance to create a good work environment. It is the company's duty to offer a safe and healthy work environment and the company believes it is important for staff to have a sense of cohesion. Thanks to our work on core values we make it clear which rights and duties you have as an employee, and to act accordingly.

The company's core values are based on that staff is:

- Motivated – We tackle our assignments with commitment and enthusiasm, which creates a modern, professional and leading company
- Trustworthy – We keep our promises and create trust with an informal and prestigeless culture
- Businesslike – We are businesslike and show courage and flexibility in all situations

Well-being of staff

A good work environment and an entrepreneurial and creative corporate culture contribute to making NP3 an attractive employer. No one shall be subjected to degrading treatment, sexual harassment or discrimination. The work environment shall be sober and free of drugs, and our workplaces follow laws and regulations.

The company cares about staff and encourages them to lead a healthy life. In order to motivate staff to training and exercise, the company provides an annual allowance to spend on preventive healthcare and staff are also offered one hour per week to pursue this.

All staff have the option to make appointments for medical care and receive crisis support thanks to private health insurance which covers quicker care and also offers rehabilitating measures. The insurance covers healthcare counselling, care planning, specialist medical care, second opinion and hospital care.

Information about treatment as part of the private health insurance is provided only to the company, if the employee so wishes. No reporting takes place directly to the company which ensures confidential management and guarantees that the information is not used for any favourable or unfavourable treatment of any member of staff. The insurance is evaluated annually by the company.

Good work environment

All employees are covered by collective agreements. Information about periods of notice, rules about consultation and negotiation and important operational changes that significantly affect staff take place in accordance with MBL and collective agreements.

Using systematic work environment management (SWEM), which is regulated in the Swedish Work Environment Authority's provision Systematic Work Environment Management (AFS 2001:1), the company works on environmental issues in a structured way.

Work environment management at NP3 covers all employees and takes into account employees' different occupational conditions. The work environment can affect staff both physically and mentally - all conditions in the work environment are included in SWEM. SWEM is performed in a similar way to any other company governance activity. In practice, this means that work environmental matters should have their rightful place in day-to-day activities. Work environment matters are also treated in different governing documents, such as the policy document and operational procedures.

Work environment management is conducted in cooperation between employer, employee and the company's safety officer. The respective manager is responsible for the work environment in his/her unit. This responsibility includes various work environment tasks that are carried out in day-to-day activities, such as adapting work to individual employees' abilities and to help staff prioritise work tasks with a high workload. All staff have a responsibility to contribute to a good work environment and to follow the company's policies, guidelines and operational procedures.

The work environment is inspected, based on risks factors that have already been identified and in order to spot "new" risks, on a regular and ongoing basis. In the event of major operational changes, the risks are reviewed at the planning stage already. The company maps out the risks in the work environment by means of annual performance reviews and follow-up meetings, unit meetings but also during security checks and kick-off meetings. Regular consultation meetings take place between the company's safety officer and employer representatives, where risk assessments of the activities are also carried out as part of the annual follow-up of SWEM. With the purpose of ensuring that work is performed as prescribed in the regulations, that everything is working smoothly, and that the different elements of work environment management fit together in a coherent way.



As part of the risk assessment it is also assessed how serious the risks are in, based on the questions below:

- How likely is it for ill health or an accident to occur at work?
- How serious would the consequences be if this were to occur?

The aim is to counteract any risks in such a way that the risk is eliminated or reduced or controlled as much as this is possible, and staff protected in some other way, for example by having regular follow-up sessions to set priorities during high-pressure work periods. The company's safety officer has the right to demand that the company takes measures in case of shortcomings and to discontinue hazardous work that may lead to immediate and serious danger to employees life or health. This work is evaluated annually. All participants in the company's consultation meetings have completed work environment training.

During the year, visits have been carried out by the company's safety officer to some of the company's local offices in order to inspect workplaces with regard to ergonomics and to inform and train the company's staff. The training is adapted to the target group, takes place during paid working hours and is paid in full by the company. The effectiveness of the training is evaluated verbally by participants.

The target for 2023 is that a work environment inspection shall be carried out in all local offices.

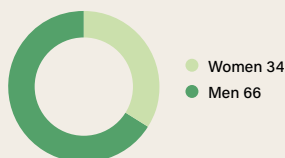
Whistle-blower function

The company's staff have several options for alerting about sustainability issues they perceive as being insufficiently managed: with their immediate superior, with the CEO, with the board's audit committee or by using a whistle-blower function that is independent from the company and can be accessed via the company's homepage. The function aims to help both staff and external partners report events and conduct that are not in line with NP3's values, code of conduct or that in some other way have a negative effect on the company or people's health and safety. All whistleblowing cases are managed in accordance with predetermined procedures. Those who file a whistleblowing case receive quick feedback, and then the aim is to maintain a dialogue with the whistle-blower. All cases are processed confidentially and the whistle-blower always receives some kind of feedback within ten days. NP3 did not receive any cases through the whistle-blower function during 2022.

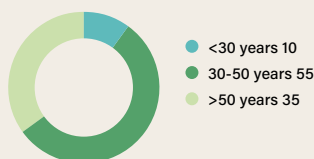
“A good work environment and an entrepreneurial and creative corporate culture contribute to making NP3 an attractive employer.”

Total employees

Gender distribution, %

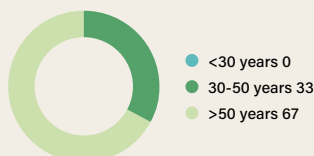


Age distribution, %



Distribution board and management

Age distribution board, %



Gender distribution board, %



Age distribution strategic and operations management, %



Gender distribution strategic and operations management, %



Business development and internal communication

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 13 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 more efficiency. 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.

Our distribution at the workplace

As of 31 December, the company had 58 staff (55) of which 20 women (17) and 38 men (38). All staff are covered by the company's collective agreements and are full-time salaried employees and employed in Sweden. A couple of female staff has worked part-time during the year. One of the staff has been on leave for a longer period of time to pursue studies.

The company expanded the organisation by 13 persons (+24%) during the year. Ten persons (-18%) ended their employment.

The company's business areas include business managers, technical administrators and property administrators. The group-wide 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, Falun, Karlstad, Västerås and Stockholm.

Employee turnover, GRI 401-1

	Women	Men
Newly employed during 2022		
Under 30 years	3	1
30-50- years	3	4
Over 50 years	-	2
Total	6	7
Persons who left during 2022		
Under 30 years	1	-
30-50- years	1	3
Over 50 years	1	4
Total	3	7

One additional member was added to NP3's board during 2022, which at the end of the year consisted of 6 persons (5) of which 2 women (2) and 4 men (3). The strategic management group during 2022 consisted of 4 persons (4): CEO, CFO, COO and Head of property management, of which 1 woman (1) and 3 men (3).

Absence

Sick leave in the company is permanently low. During 2022 it was 0.62 percent (0.50) and all absence is short-term absence. No cases of work-related injuries, ill-health or illness were found during 2022.

All the company's staff with children are entitled to parental leave in accordance with current legislation. A total of 20 staff took parental leave during the year, 12 men and 8 women. All staff returned to work after their parental leave ended. Some time after returning to work, however, one employee terminated his/her employment at his/her own request. The remaining employees have retained their

previous employment. The “Retention rate” thus amounted to 95. “Returning to work-rate” amounted to 100.

All staff completed annual performance reviews during 2022.

Information and training

Important information that staff require for their work is available on the company’s intranet, staff are also informed by their immediate superior and in joint company meetings. All new staff complete introductory training at the company’s head office during which the company’s vision, business model, code of conduct and core values are gone through, in addition to other practical information. All staff are also giving training in the company’s code of conduct and regulatory issues during the annual staff meeting.

In the last two years, intra-company work concerning information security has been carried out in order to reduce the risk of being subjected to hacking. All staff completed regular interactive training sessions during the year in order to increase their level of knowledge.

Apart from the more general training efforts above, various types of functional training sessions are also offered to both groups but also to individual employees, depending on requirements. The need for training is usually established during annual performance reviews. Training has been carried out in the following areas during the year in order to upgrade staff’s skills:

- Economy and property valuation
- Law
- Work environment
- Leadership
- Sustainability
- IT

The company’s staff have completed 744 hours of training in total incl. both internal and external training during 2022, which results in 13 hours per employee on average. The average for female staff was 11 hours and the average for male staff was 14 hours. All staff are salaried employees and the calculation is done based on the number of employees.

TENANTS AND SUPPLIERS

Tenants

The development of the company’s property portfolio is based on close and long-term cooperation with our tenants, providing our tenants with suitable premises with a good work environment thus benefits both our tenants and ourselves. Our local presence contributes to awareness of tenants’ preferences and needs, while also ensuring involvement in the activities. That our premises shall be safe is both a duty as well as a matter of course. Security checks and inspections are carried out annually on all properties where NP3 is responsible for active management.

During the years 2019-2021 annual Customer satisfaction surveys (CSI) were carried out and the result showed an increase every year. In the last survey a total of more than 85 percent of tenants were generally satisfied or very satisfied with NP3 as a

landlord, just over 89 percent experience contact with NP3 as good or very good and more than 90 percent were happy with their premises. The next survey is planned for 2023.

CSI result			
	2021	2020	2019
	85.1	82.8	78.1

The company did not receive any complaints during the year regarding violations of the customers’ integrity or identified leaks, thefts or losses of customers’ data.

Suppliers

For the company’s suppliers and contractors to fulfil the same basic requirements as we put on ourselves is something we consider to be a matter of course. For our suppliers to have a safe work environment in and around our properties is as important to our suppliers as it is for us. In the same way, it is also a requirement that their work reflects our way of looking at sustainability and the environment. With dialogues and follow-ups we can assure that our suppliers meet both social and environmental requirements, which are set out in the company’s code of conduct for suppliers. For 2023 the target is for three of our main contractors to be screened with regard to social criteria.

The procurement of products and services must be based on good business principles. The choice of supplier or partner must be made after an analysis of market prices, sustainability and expected quality. Basic human rights, work conditions, environmental and ethical requirements must be complied with. Suppliers and other parties must always be able to have confidence in the integrity and as established guidelines in our selection process. NP3 always maintains responsibility towards customers and other stakeholders even if the company has outsourced the order. NP3 has zero tolerance for all forms of corruption and financial irregularities, e.g. bribes, unauthorised commission, fraud, embezzlement and money laundering.

Security checks and inspections are carried out at all properties where the company’s operating suppliers are active. NP3 has not identified any non-compliance with policies or safety regulations during the year.

The right to freedom of association and collective bargaining is not deemed to be in the risk zone in any part of the company or at our suppliers. NP3 does not permit child labour in the company’s operations, nor at any of the company’s suppliers. The company also does not permit any young employees to be exposed to hazardous work in the own operations or at the company’s suppliers, nor does it assess that there is a risk of forced labour or violations that involve rights of the indigenous population within the company’s activities.

No incidents concerning non-compliance regarding products’ health and safety effects and services or market communication were reported during 2022.

DIVERSITY AND EQUAL OPPORTUNITY

Within the company, equality is a matter of course that contributes to better quality, efficiency, innovation and profitability. A common staff skills base and impetus are needed to drive development and improvement initiatives in our company. Our tenet is the principle that everyone is of equal value, and that everyone should have the same opportunities, rights and obligations. Our work atmosphere must be characterised by respect and fair conditions between individuals and groups. Nobody must be subjected to discrimination due to their sex, transgender identity or expression, ethnic background, religion or creed, disability, sexual orientation or age. NP3 has zero tolerance for degrading treatment such as discrimination or sexual harassment.

No cases of discrimination were reported during 2022.

Equal and competitive remuneration

Part of the work with equality and diversity is about ensuring equal and competitive salaries. An annual salary mapping is done, which as in previous years shows that in NP3 there is no objective differences in salary that can be attributed to gender. Equal work tasks shall generate equal remuneration. NP3 offers all staff competitive remuneration in line with market conditions. Salary determination is based on collective bargaining, work tasks in the role and the individual employee's performance. Continuous evaluation of performance in relation to individual targets and action plans is an important tool in the work to ensure equal and competitive salaries. The relation between fixed basic salary and variable remuneration is the same between women and men and between different personnel groups within your company, except for top management.

During 2022, all permanently employed staff in the company were offered to participate in a share warrant programme for the fifth 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. NP3 has a profit-sharing foundation, which covers all permanently employed staff except for the CEO.

The company has not had any temporary employees during the year.

The following benefits are offered to all permanent employees:

- Health insurance
- Profit-sharing foundation
- Warrant programme
- Pension provisions in accordance with ITP
- Parents' salary
- Allowance to spend on preventive healthcare

Information about the total annual remuneration rates, i.e. the relation between the total annual remuneration for the company's highest-paid individual in relation to the average total annual remuneration for all other employees and also the comparative percental increase can be found in the company's remuneration report 2022 which is published on the company's homepage.

We contribute to gaining experience

The real estate sector has long had difficult to recruit new personnel, NP3 thus wants to work for youth and those seeking employment to get a positive picture of the sector. This is done by offering internships in the company, among other things. In 2022 a total of five interns, two women and three men, were welcomed found in various parts of our operations. Groups of students were also welcomed during the year through a multi-year collaboration with an upper secondary school. The company also contributes during interviews with university/college students.

In the period up to 2030, NP3 will contribute with a total of 40 internships (five per year on average) allowing more young people to gain experience in the sector and the labour market, which contributes to a more sustainable society. During 2023 the company will work further with supplier follow-up and look into whether it is possible to create internships at our suppliers through our cooperation agreements.

Membership and trade associations

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

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/>

Memberships and collaborations during 2022

Organisation	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.

			Deviations		
GRI standard	Information	Page reference	Deviations from requirements	Reason	Explanation
GRI 2: General Disclosures 2021					
The organisation and its reporting practices					
2-1	Organisational details	1, 3			
2-2	Entities included in the organisation's sustainability report	45			
2-3	Reporting period, frequency and contact point. Contact person for sustainability report: CEO	45			
2-4	Restatements of information	46, 52			
2-5	External assurance	121			
Activities and workers					
2-6	Activities, value chain and other business relationships	3, 27			
2-7	Employees	58			
2-8	Workers who are not employees	-		Information incomplete	Reports only own employees but employs approximately 30 FTEs in property management.
Governance					
2-9	Governance structure and composition	73-83			
2-10	Nomination and selection of the highest governance body	74-75			
2-11	Chair of the highest governance body	75-76			
2-12	Role of the highest governance body in overseeing the management of impact	45, 76-77			
2-13	Delegation of responsibility for managing impacts	45, 77			
2-14	Role of the highest governance body in sustainability reporting	45			
2-15	Conflicts of interest	73-76			
2-16	Communication of critical concerns	45-46			
2-17	Collective knowledge in the highest governance body	45			
2-18	Evaluation of the performance of the highest governance body	76			
2-19	Remuneration policies	75-78			
2-20	Process for determine remuneration	60, 76-78			
2-21	Annual total compensation ratio	78, Remuneration report			
Strategy, policies and practices					
2-22	Statement on sustainable development strategy	4-5, 44			
2-23	Policy commitments	45, 49			
2-24	Embedding policy commitments	45			
2-25	Processes to remediate negative impacts	45-46			
2-26	Mechanisms for seeking advice and raising concerns	45, 57			
2-27	Compliance with laws and regulations	48-49			
2-28	Membership associations	60			
Stakeholder engagement					
2-29	Approach to stakeholder engagement	46			
2-30	Collective bargaining agreements	56			

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			Deviations		
GRI standard	Disclosure	Page reference	Deviations from requirements	Reason	Explanation
Material topics					
	3-1	Process for determine material topics	46		
	3-2	List of material topics	46		
	3-3	Governance of material topics	45-46		
GRI 201: Economic performance 2016					
	201-1	Direct economic value generated and distributed	48		
	201-2	Financial implications and other risks and opportunities due to climate change	45, 71		
	201-3	Defined benefit plan obligations and other retirement plans	60, 77		
	201-4	Financial assistance received from government	-	-	No contributions have been received
GRI 202: Market presence 2016					
	202-2	Proportion of senior management hired from from the local community	-	-	Three out of four
GRI 204 - Procurement practices 2016					
	204-1	Proportion of spending on local suppliers	-		Expected to be reported in the 2023 Annual report
GRI 205 - Anti-corruption 2016					
	205-1	Operations assessed for risks related to corruption	48-49		
	205-2	Communication and training about anti-corruption policies and procedures	48-49		
	205-3	Confirmed incidents of corruption and actions taken	48-49		
GRI 206: Anti-competitive behaviour 2016					
	206-1	Legal actions for anti-competitive behaviour, anti-trust, and monopoly practices	49		
GRI 207 - Tax 2019					
	207-1	Approach to tax	79, 104		
	207-2	Tax governance, control and risk management	69, 79, 104		
	207-3	Stakeholder engagement and management of concerns related to tax	79, 104		
	207-4	Country-by-country reporting	-	-	Only Sweden
GRI 302 - Energy 2016					
	302-1	Energy consumption within the organisation	53		
	302-2	Energy consumption outside the organisation	52		
	302-3	Energy intensity	53		
	302-4	Reduction of energy consumption	53		
GRI 303 - Water and effluents 2018					
	303-1	Interactions with the water as a shared resource	46		

		Deviations			
GRI standard	Disclosure	Page reference	Deviations from requirements	Reason	Explanation
GRI 304 - Biodiversity 2016					
	304-2	Significant impacts of activities, products and services on biodiversity	46		
GRI 305 - Emissions 2016					
	305-1	Direct (Scope 1) GHG emissions	54		
	305-2	Energy indirect (Scope 2) GHG emissions	54		
	305-3	Other indirect (Scope 3) GHG emissions	54		
	305-4	GHG emissions intensity	54		
	305-5	Reduction of GHG emissions	54		
GRI 306 - Waste 2020					
	306-2	Management of significant waste-related impacts	55		
GRI 308 - Supplier Environmental Assessment 2016					
	308-1	New suppliers that were screened using environmental criteria	49, 59		
GRI 401 - Employment 2016					
	401-1	New employee hires and employee turnover	58		
	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	60		
	401-3	Parental leave	58-59		
GRI 402 - Labour/Management Relations 2016					
	402-1	Minimum notice periods regarding operational changes	56		
GRI 403 - Occupational health and safety 2018					
	403-1	Occupational health and safety management system	56-57		
	403-2	Hazard identification, risk assessment, and incident investigation	56-57		
	403-3	Occupational health services	56		
	403-4	Worker participation, consultation, and communication on occupational health and safety	58-59		
	403-5	Worker training on occupational health and safety	56-57, 59		
	403-6	Promotion of workers' health	56-57		
	403-7	Prevention and mitigation of occupational health and safety impacts directly linked to business relationships	56-57		
	403-8	Workers covered by an occupational health and safety management system	56		
	403-9	Work-related injuries	58		
	403-10	Work-related ill health	58		
GRI 404 - Training and education 2016					
	404-1	Average hours of training per year per employee	59		
	404-2	Programs for upgrading employee skills and transition assistance programs	59		
	404-3	Percentage of employees receiving regular performance and career development reviews	59		

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		Deviations			
GRI standard	Disclosure	Page reference	Deviations from requirements	Reason	Explanation
GRI 405 - Diversity and equal opportunity 2016					
405-1	Diversity of governance bodies and employees	-			The company does not report the origin of employees
405-2	Ratio of basic salary and remuneration of women to men	60			
GRI 406 - Non-discrimination 2016					
406-1	Incidents of discrimination and corrective actions taken	60			
GRI 407 - Freedom of association and collective bargaining 2016					
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	56, 59			
GRI 408 - Child labour 2016					
408-1	Operations and suppliers at significant risk for incidents of child labour	59			
GRI 409 - Forced or compulsory labour 2016					
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labour	59			
GRI 411 - Rights of indigenous peoples 2016					
411-1	Incidents of violations involving rights of indigenous peoples	59			
GRI 413 - Local communities 2016					
413-1	Operations with local community engagement, impact assessments, and development programs	60			
413-2	Operations with significant actual and potential negative impacts on local communities	-	-	-	The company has not noticed any negative impact on local communities
GRI 414 - Supplier social assessment 2016					
414-1	New suppliers that were screened using social criteria	59			
414-2	Negative social impacts in the supply chain and actions taken	59			
GRI 415 - Public Policy 2016					
415-1	Political contributions	49			
GRI 416 - Customer health and safety 2016					
416-1	Assessment of the health and safety impacts of product and service categories	59			
416-2	Incidents of non-compliance concerning the health and safety impacts of products and service	59			
GRI 417 - Marketing and labeling 2016					
417-3	Incidents of non-compliance concerning marketing communications	59			
GRI 418 - Customer privacy 2016					
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	59			

Directors' report 2022

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 industrial, retail, offices, logistics 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.

Organisation

NP3's organisation consists of management and three main functions: letting and market, operation and property management as well as funding and economic management. At the end of the year, the company had 58 employees.

Earnings

- The group's net divestments amounted to 1,551 MSEK (1,238).
- The group reported a net operating income of 1,149 MSEK (912) and profit before tax of 1,575 MSEK (2,465).
- The parent company's net divestments amounted to 62 MSEK (53).
- The parent company reported an operating loss of -34 MSEK (-30) and profit before tax of 87 MSEK (14).

Comments on profit/loss for the year can be found on pages 87 and 93.

Significant events of the year

- During the year, the group acquired 51 properties with a value of 1,662 MSEK. Seven properties were divested for 125 MSEK. Furthermore, 642 MSEK have been invested in existing properties and new construction projects.
- In March, the company's ordinary share was included in FTSE EPRA Nareit Global Real Estate Index Series ("EPRA index"). EPRA index is a leading global index of listed real estate investments and consists of approximately 500 real estate companies.
- In June the company established an MTN-programme with a framework of 5 BSEK, under which NP3 has the possibility to continuously take out loans in SEK with a term of at least one year in the capital market with the option to also issue green bonds and sustainability linked bonds.
- In September the company carried out refinancing of its coming bond maturity in March 2023 by issuing unsecured green bonds under the MTN-programme for 400 MSEK with a term of 3 years at an interest rate of 3 months' Stibor + 650 basis points. Of the total amount of 600 MSEK, the company repurchased bonds equivalent to a nominal amount of 381 MSEK, with 219 MSEK thus remaining to be repurchased in March 2023.

Anticipated future development

Despite external conditions continuing to be tense, the company continues to stick to its overall aim continuing 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. The uncertain market situation, however, means that the company in the near term will focus on investments in the existing property portfolio with sustainable projects instead of acquiring new properties. NP3's continued growth is largely focused on the targets of generating growth in the profit from property management per ordinary share of 12 percent per year over a five-year period and to over the five-year period generate a return on equity before tax of at least 15 percent. A good return and strong cash flow allow NP3 to over time meet the target of providing a dividend of some 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 prepares a sustainability report to provide information about the company's sustainability initiatives and to meet the requirements on sustainability reports in accordance with the seventh chapter of the Annual Accounts Act. The sustainability report is issued as a separate section before the directors' report, see pages 43-64.

The share and shareholders

For information about the company's ordinary shares and preference shares as well as information on ownership structure, see pages 40-42.

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	1,227,699,412
Net profit for the year	76,989,321
Total	1,304,688,733
The board proposes that the amount be distributed as follows:	
Dividend 5.00 SEK/ordinary share	286,789,280
Dividend 2.00 SEK/preference share	76,000,000
To be carried forward	941,899,453
Total	1,304,688,733

As of the end of the accounting period, the company has 54,607,856 registered ordinary shares and 38 000,000 registered preference shares. In February 2023 the number of ordinary shares increased by 2,750,000 in a new issue, which means that the number of ordinary shares ahead of the annual general meeting amounts to 57,357,856. Additional dividend as a result of the new issue amounts to 13,750,000 SEK And is included in the calculated amount above.

Multi-year summary

Key ratios	2022	2021	2020	2019	2018
Property-related ratios					
Number of properties at year-end	488	446	388	358	344
The properties' lettable area, tsqm	1,950	1,784	1,436	1,350	1,308
Property value, MSEK	19,805	17,335	12,582	11,402	10,496
Property value, SEK/sqm	10,156	9,717	8,762	8,446	8,024
Economic occupancy rate, %	94	93	93	93	93
Surplus ratio, %	74	74	75	71	70
Yield, %	6.1	6.4	6.9	6.7	6.6
Financial key ratios					
Return on equity, ordinary share, %	18.9	44.0	17.4	25.2	16.6
Return on equity, %	17.0	36.7	15.2	21.4	15.7
Return on equity, before tax, %	21.5	44.8	19.0	25.3	19.2
Return on equity from the profit from property management, %	10.7	12.0	12.9	13.2	12.8
Debt/equity ratio, x	1.6	1.5	1.6	1.6	1.9
Net debt to EBITDA ratio, x	9.7	10.3	9.6	9.4	9.7
Interest coverage ratio, x	2.8	3.3	3.4	3.5	3.3
Loan-to-value ratio, %	57.6	55.9	57.3	58.0	61.7
Equity/assets ratio, %	35.1	36.0	34.7	34.7	32.4
Average interest rate, %	4.18	2.53	2.73	2.76	2.60
Key ratios per ordinary share					
Number of ordinary shares at year-end, thousands	54,608	54,445	54,339	54,339	54,339
Weighted average number of ordinary shares, thousands	54,543	54,403	54,339	54,339	54,339
Equity, SEK	117.21	100.67	68.67	61.42	50.93
Long-term net asset value, SEK	133.17	118.64	80.47	70.36	57.81
Profit from property management, SEK	13.00	10.90	9.26	8.07	6.54
Profit after tax, SEK	21.04	35.82	11.12	13.60	8.04
Dividend, SEK	5.00 ¹⁾	4.30	3.60	3.40	3.00
Share price at year-end SEK	198.60	362.50	121.20	113.00	61.00
Key ratios per preference share					
Number of shares at year-end, thousands	38,000	38,000	27,950	24,850	21,736
Equity, SEK	32.00	32.00	32.00	32.00	32.00
Earnings, SEK	2.00	2.00	2.00	2.00	2.00
Dividend, SEK	2.00 ¹⁾	2.00	2.00	2.00	2.00
Share price at year-end SEK	24.80	33.95	32.80	36.50	31.90

1) Dividend proposed by the board.

For reconciliation of key ratios and definitions see pages 114-115.

Quarterly summary

Key ratios	2022	2022	2022	2022	2021	2021	2021	2021
	Fourth quarter Oct-Dec	Third quarter Jul-Sep	Second quarter Apr-Jun	First quarter Jan-Mar	Fourth quarter Oct-Dec	Third quarter Jul-Sep	Second quarter Apr-Jun	First quarter Jan-Mar
Property-related he ratios								
Number of properties at the end of the period	488	486	480	458	446	406	403	391
The properties' lettable area, tsqm	1,950	1,939	1,893	1,816	1,784	1,576	1,578	1,442
Property value, MSEK	19,805	19,651	19,213	17,862	17,335	14,413	14,065	13,021
Property value, SEK/sqm	10,156	10,135	10,150	9,836	9,717	9,145	8,913	9,030
Economic occupancy rate, %	94	94	94	93	93	93	93	93
Surplus ratio, %	75	79	75	66	74	80	76	65
Yield, %	6.1	6.2	6.2	6.3	6.4	6.6	6.7	6.7
Financial key ratios								
Return on equity, ordinary share, %	18.9	35.7	39.9	41.3	44.0	33.1	31.4	24.4
Return on equity, %	17.0	30.7	33.7	34.7	36.7	27.9	26.5	20.9
Return on equity, before tax, %	21.5	38.1	41.6	42.2	44.8	34.4	32.7	26.3
Return on equity from the profit from property management, %	10.7	11.3	11.5	11.6	12.0	12.5	12.6	12.7
Debt/equity ratio, x	1.6	1.6	1.6	1.5	1.5	1.4	1.5	1.5
Net debt to EBITDA ratio, x	9.7	10.8	10.9	10.4	10.3	9.5	9.7	9.5
Interest coverage ratio, x	2.4	2.9	3.2	3.1	3.3	3.4	3.3	3.0
Loan-to-value ratio, %	57.6	57.3	57.7	55.9	55.9	54.3	55.7	55.5
Equity/assets ratio, %	35.1	35.1	34.9	36.0	36.0	35.9	35.7	35.9
Average interest rate, %	4.18	3.53	2.72	2.51	2.53	2.72	2.69	2.74
Key ratios per ordinary share								
Number of shares at the end of the period, thousands	54,608	54,608	54,608	54,445	54,445	54,445	54,445	54,339
Weighted average number of shares, thousands	54,608	54,608	54,524	54,445	54,445	54,445	54,342	54,339
Equity, SEK	117.21	116.75	113.03	108.34	100.67	83.87	78.82	75.26
Long-term net asset value, SEK	133.17	132.10	128.74	124.33	118.64	98.26	92.60	88.10
Profit from property management, SEK	3.01	3.67	3.49	2.83	2.99	3.07	2.62	2.22
Profit after tax, SEK	0.45	3.66	9.27	7.66	16.77	5.02	7.44	6.59
Share price at the end of the period SEK	198.60	165.00	202.00	312.00	362.50	228.00	168.00	139.00
Key ratios per preference share								
Number of shares at the end of the period, thousands	38,000	38,000	38,000	38,000	38,000	35,000	35,000	27,950
Equity, SEK	32.00	31.50	31.00	32.50	32.00	31.50	31.00	32.50
Earnings, SEK	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	24.80	24.05	23.15	32.90	33.95	33.30	33.10	32.20

For reconciliation of key ratios and definitions see pages 114-115.

Structured risk management

The group's business activities are exposed to risks that can become significant to the company's future operations, results 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 risk. Below are the strategic risks associated with external events and factors in the outside world, operational risks related to the operating activities and quality

in internal procedures as well as financial risks concerning the company's supply of capital. The risk factors below relate to general risks which over an economic cycle could have an effect on NP3'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 contributes to 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	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. In addition, the high rate of diversification of tenants in the majority of sectors together with low dependency on a few major tenants contributes to limiting 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 tenant adaptations 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 and rental agreements.

Risk	Description of risk	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 the form of guarantees to the seller and the price is based on a market and location analysis for comparable properties combined with a valuation through discounted cash flows.	●	●
Risks in project investments for new construction and redevelopments	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, extensions or redevelopments 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	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	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 property 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	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 creditors 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 and cash flow, a proportion of the loans are tied to fixed interest rates, mainly through interest rate hedging instruments in the form of interest swaps.		
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 2022

Change, %	-15	-10	-5	0	5	10	15
Change in value, MSEK	-2,971	-1,981	-990	0	990	1,981	2,971
Loan-to-value ratio, %	67.2	63.6	60.5	57.6	55.0	52.6	50.4

Effect on interest coverage ratio in case of changed occupancy rate as of 31 Dec 2022

Change, %	-10	-5	0	5	10
Occupancy rate, %	85	89	94	99	ET
Interest coverage ratio, %	2.5	2.7	2.8	3.0	ET

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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 has increased over time and may pose a higher future risk to the company. 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	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 deems the risks to have increased and to possibly continue to increase over time. 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 property management in extreme weather conditions have been further developed and during 2023 NP3 is mapping out all the company's risks based on likelihood, impact, priority and development. Climate risks are analysed based on climate scenarios up to 2050. NP3 monitors and evaluates climate risks in the properties based on MSB's mapping of climate risks and SMHI's mapping of cloudburst investigations.	●	●
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. Environmental aspects are prioritised in all parts of the operations and the company follows the development with regard to legal regulations.	●	●

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	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 skills development. The company's staff get together regularly to share knowledge and experience. Employees are also offered to become shareholders in the company with our annual incentive programs and via a profit-sharing foundation.	●	●
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 could lead to uncertainty and wrong decisions by investors, which in turn can result in a negative effect on the price and increased equity risk premium. Risk that inadequate internal procedures and/or irregularities cause disruptions or damage to the operations.

Risk	Description of risk	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	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. Staff are trained continuously in managing IT-risks. *PWC - Nordic Cyber Crime Survey 2020	●	●

Conflicts of interest

Conflicts of interest is something that could affect NP3 and have an impact on the company's reputation and confidence. The risk of conflicts of interest must therefore be considered in each individual case.

Risk	Description of risk	Risk management	L	C
Conflicts of interest	A risk of conflict of interest can arise when board members, persons in the strategic and operational management and other employees in the company take on certain board assignments, invest in companies in which NP3 has invested, invest in companies that are competitors to NP3, mortgage their shareholdings in NP3 or acquire or dispose of shares in NP3.	The company has well established procedures and policies for managing conflicts of interest. Important policies include the company's Code of conduct. NP3 also has an insider policy that sets out what applies for trading the company's financial instruments, trading prohibition, markets abuse, etc. Matters regarding conflicts of interest are discussed continuously in the company's board meetings and in the company's management group. For employees the company has a procedure for documentation and approval of sideline jobs.	●	●

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

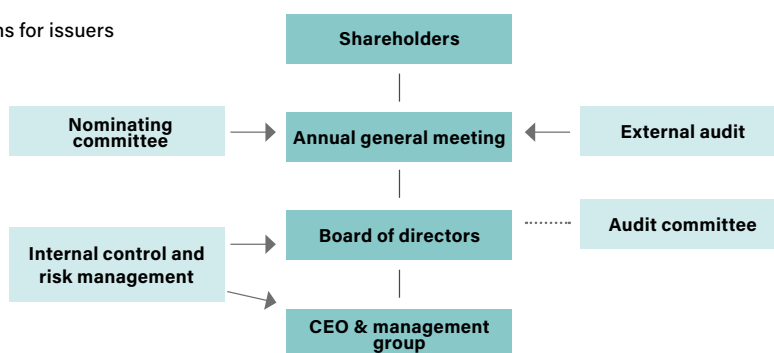
Corporate governance comprises various decision-making systems, through which the owners directly or indirectly govern the company. Governance, management and control of the company are shared between the board, CEO and other individuals in the company's management. Corporate governance is the framework 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
- Swedish Annual Accounts 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
- Information and IR policy, insider policy, sustainability policy, policy for business ethics, financial policy, valuation policy and IT-policy
- Processes for internal control and risk management



Articles of association

The company's name is NP3 Fastigheter AB (publ). The company has its domicile 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, www.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's opinion is that in all other respects, the company follows the code.

Shares and shareholders

NP3 has two classes of shares: ordinary 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 92,607,856, of which 54,607,856 were ordinary shares and 38,000,000 preference shares. Every ordinary 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 58,407,856 votes in total. As of the balance sheet date, the company had about 11,000 shareholders. Of the total share capital, 16 percent was owned by foreign investors. Of the total number of shareholders, 95 percent were private individuals whose holdings amounted to 16 percent of the total share capital. The remaining 5 percent of owners were legal entities whose holdings amounted to 84 percent of all shares. NP3 has no directly registered shareholder with holdings exceeding ten percent. The share capital amounts to 324,127,496 SEK, the shares have a quote value of 3.50 SEK each.

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

Preference shares entail preferential rights ahead of the ordinary 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 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 ordinary shares or other transfer of value according to chap. 17 § Swedish Companies Act is paid out to holders of ordinary shares. Amounts outstanding shall be projected by an annual interest rate of ten percent, whereby projection shall take place starting with the quarterly date when payout has fallen below 0.50 SEK. The 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 ordinary shares (for more information see Articles of association, which can be found on the company's homepage). Preference shares shall otherwise not carry any right to participate in the distributions.

There have been no own holdings of repurchased shares. Staff hold 471,147 warrants which is equivalent to 0.9 percent of the number of ordinary shares outstanding in the company, as of last December 2022. There are no further warrants, convertibles or equivalent securities that can lead to additional shares in the company.

General meeting

The company's highest decision-making body is the annual general meeting (ordinary 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 general meetings, the general meeting provides shareholders with the opportunity to govern via their decision-making rights. At the annual general meeting the board and 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 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 2022

The last annual general meeting took place on 4 May 2022 in Sundsvall. At the time of the annual general meeting, the total number of shares was 92,445,419 and the number of votes 58,245,419. At the general meeting, 50,131,880 shares and 43,509,622 votes were represented, equivalent to 54.2 percent of the total number of shares and 74.7 percent of the total number of votes. The annual general meeting adopted the accounting records for 2021 and discharged the board and CEO from liability for the management for the year 2021. The following decisions were taken at the annual general meeting on 4 May:

- Dividend of 4.30 SEK per ordinary share for the 2021 financial year with two separate payments of 2.15 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 360,000 SEK and to other board members at 180,000 SEK each. Remuneration to members of the audit committee shall amount to a further 200,000 SEK in total, to be distributed by the board between the members in the audit committee
- That the board shall consist of six board members and no alternate.
- Re-election of board members Lars Göran Bäckvall, Åsa Bergström, Anders Nilsson, Mia Bäckvall Juhlin and Nils Styf, as well as new election of Hans-Olov Blom. The board also decided to reelect Nils Styf as new chairman of the board.
- KPMG AB chosen as audit firm up to the end of the next annual general meeting where KPMG had announced that the authorised public accountant Peter Dahllöf had been appointed new auditor in charge.
- To approve the remuneration report for the 2021 financial year.
- Introduction of incentive programme 2022/2025 by means of an issue of max. 140,000 warrants of series 2022/2025, with the maximum number of ordinary shares to be added estimated to amount to max. 140,000, equivalent to approx. 0.3 percent of the total number of ordinary shares in the company, subject to full subscription and full utilisation of all warrants.
- Mandate for the board to up to the next annual general meeting decide on a new share issue for a total subscription settlement volume of 5,400,000 ordinary shares and 15,000 000 preference shares in order to be able to continuously adjust the company's capital requirements and thus allow it to contribute to a higher shareholder value, and to be able to offer shares to investors in connection with any property or company acquisitions.
- Authorising the CEO to make minor adjustments in the annual general meeting's decisions.
- Minutes from the annual general meeting on 4 May 2022 are available on the company's homepage.

Nominating committee ahead of the annual general meeting 2023

At NP3's annual general meeting on 4 May 2022, it was decided that the nominating committee ahead of the annual general meeting 2023 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 as of the last banking day in August 2022 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 and, after him passing, Åse Bäckvall, board deputy in Poularde AB,
- AB Sagax has appointed David Mindus, CEO AB Sagax,
- Länsförsäkringar Fondförvaltning AB has appointed Johannes Wingborg, responsible as owner, Länsförsäkringar Fondförvaltning,
- Nils Styf, chairman of the board for NP3.

As in October 2022 it was noted that the Fourth AP fund had increased its shareholdings since the nomination to the nominating committee and as a result of this made up the third largest owner-registered shareholder, Johannes Wingborg, who had represented Länsförsäkringar Fondförvaltning AB, made his position available. In accordance with the nominating committee's instructions, the Fourth AP fund was offered to appoint a new member to the nominating committee, and appointed as new member was Olof Nyström, senior portfolio manager at the Fourth AP fund. David Mindus has been appointed chairman of the nominating committee by the nominating committee.

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

The nominating committee shall further prepare and submit a proposal to the general meeting for principles for the composition of the nominating committee. The composition of the nominating committee shall be announced no later than six months before the annual general meeting. The nominating committee's term of office lasts until a new nominating committee has been appointed. The chairman in the nominating committee shall, unless the members agree otherwise, be the member who represents the largest shareholder by number of votes. The nominating 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 nominating 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 2022, the board consisted of six ordinary members with Nils Styf as chairman. 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 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 divestments or restructuring of the property portfolio.

Annual general meeting 2023

Ahead of the annual general meeting on 4 May 2023, the board proposes;

- a dividend of 5.00 SEK per ordinary 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 ordinary shares and/or preference shares. The authorization may not be used to a greater extent than that a total of 5,400,000 ordinary shares and 15,000,000 preference shares are issued.
- that the annual general meeting decides to introduce an incentive programme 2023/2026 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 nominating committee proposes:

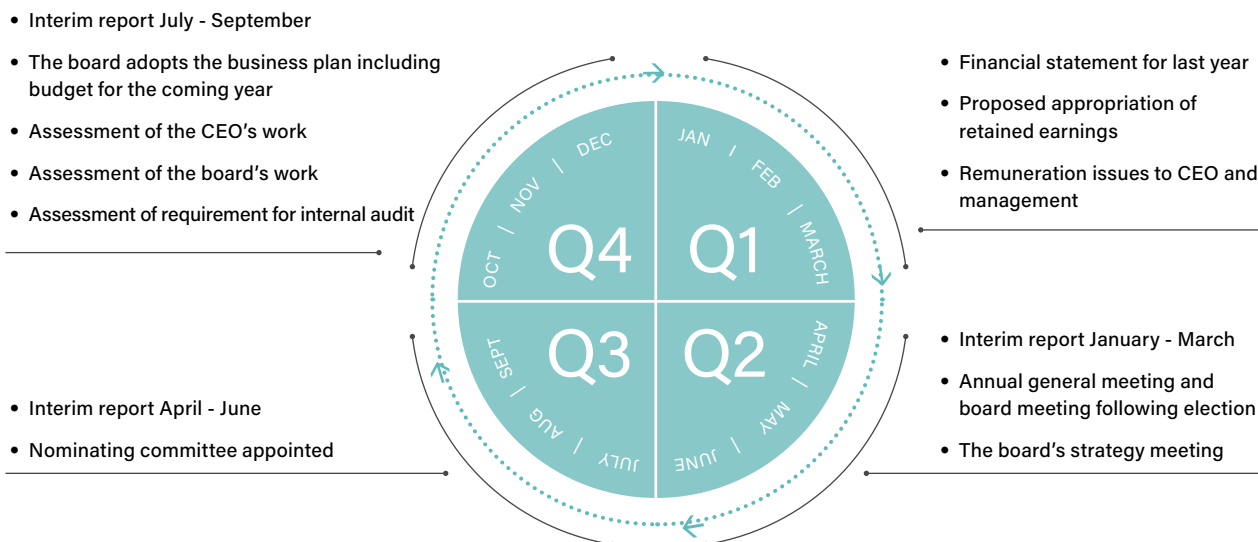
- Re-election of board members Åsa Bergström, Mia Bäckvall Juhlin, Anders Nilsson, Hans-Olov Blom and Nils Styf. The nominating committee proposes Nils Styf be reelected chairman of the board.
- that remuneration to board members is paid as follows: - chairman of the board: 375,000 SEK, - each of the other board members: 190,000 SEK -remuneration to the audit committee shall be paid at 210,000 SEK in total.

The proposed total remuneration to board members, incl. remuneration for committee work, thus amounts to 1,345,000 SEK (1,460,000).

- that the number of board members elected at the general meeting shall be 5 persons (6).
- 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 auditor in charge of the audit.
- that the general meeting decides to adopt a new "instruction regarding nominating committee" and a new nominating committee is appointed in accordance with this ahead of 2024's annual general meeting. The changes compared to the currently valid instruction relates primarily to changes in the composition of the nominating committee if there are changes in the list of owners after the record day of 31 August the year before the annual general meeting. The nominating committee's proposal can be found on the company's homepage.

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.



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 2022

NP3's board work during the year has been characterised by the growth the company has undergone, which has involved several acquisition discussions. The uncertain and volatile market climate with a high inflation rate and rising interest rates as a result has also characterised the board work during 2022 to a

large extent. 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 2022, the board has held 16 board meetings, of which one meeting following election. Of these, six were team meetings, six per capsulam and four physical meetings. During 2022, 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 the board as a whole shall 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 2022 were board members Åsa Bergström and Nils Styf. The audit committee shall perform the duties stated in chap. 8 49 b § Swedish Companies Act, which among other things involves:

- 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 general meeting 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.

Group management

The group management team at the start of 2022 consisted of CEO, CFO, COO and Head of property management. Every person in the management team has their own area of responsibility. In management team 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 initiatives. Great focus has also been put on the uncertain and volatile market climate, which has led to a high inflation rate and rising interest rates. The CEO is the lone board member in all wholly-owned subsidiaries 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.

As of 1 January 2023, the company's COO has left the management team and the company's head of property management has assumed the role as COO. After the end of the year, the management team thus consists of CEO, CFO and COO.

Guidelines for remuneration to senior executives

Guidelines for remuneration to senior executives cover the

members in the company's group management team, which for 2022 consisted 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 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 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. The provision for the profit-sharing trust is based on the company's annually set and achieved targets and must not exceed 35,000 SEK per year and employee. For 2022 the profit sharing foundation has had nine goals, of which two goals are sustainability-related. For the year, six out of nine goals have been fulfilled. The goals related to sustainability are fulfilled for the year.

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 a 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 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 2022

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 2023 essentially correspond to the guidelines that were adopted at the AGM in 2020, and the guidelines adopted at the AGM 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 2022 will be presented at the AGM in May 2023, and will also be available on the company's homepage, www.np3fastigheter.se. For the guidelines that applied during 2022, see also note 6.

Auditing

The auditor shall examine 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 2022 annual general meeting decided, in accordance with the nominating 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, where authorised public accountant Peter Dahllöf had been appointed new 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 financial 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. Work on developing the accounting department has continued during 2022. 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 reports 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 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 2022:

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.

IT-policy

NP3's IT policy aims to achieve a good level of information security in the NP3 group's net, equipment and external communications, and to ensure efficient and secure processes and procedures for operation and support of the IT environment.

Privacy Policy

NP3 processes personal data in accordance with GDPR and the company's privacy policy explains how personal information is collected and used. The policy also describes which rights apply to those whom the company has collected personal information about.

Valuation policy

The company assesses its 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.

Tax policy

NP3's tax policy aims to summarise how the company, partly through its own actions, partly by taking a standpoint with regard to stakeholders' actions, contributes to ensuring effective financing of society through public taxes and fees. Fundamental for the own tax management is that it shall be cost-effective and follow ethics and legal rules.

Alcohol and drug policy

The company's alcohol and drug policy shall promote an alcohol- and drug-free workplace, which shall provide a good and safe work environment in NP3.

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

Board of directors



ÅSA BERGSTRÖM

Board member since 2016.
Born 1964.

Master of Science 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 Svensk FastighetsFinansiering AB (publ).

Background:

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



HANS-OLOV BLOM

Board member since 2022.
Born 1966.

Educated at the Swedish Defence University (FHS).

Other commitments:

CEO in Ramudden Global AB. Chairman of the board in E-trafik i Sverige AB, WEWAB Trafiklösning AB, TMA-Centralen AB and board member in Westers Group TA AB.

Background:

Former officer in the army. Contractor and partner in a number of different companies. Has been involved in since 2005 and pushed Ramudden to become one of the world's largest company groups in the segment safety in environments with vehicle traffic.



MIA BÄCKVALL JUHLIN

Board member since 2019.
Born 1974.

Registered Psychologist and registered Psychotherapist, Lund University.

Other commitments:

Board member in Poularde AB.

Background:

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



LARS GÖRAN BÄCKVALL

Board member since 2010 until March 2023. Born in 1946, died in March 2023.

NP3's co-founder and board member Lars Göran Bäckvall has after a period of illness, died in March 2023. Lars Göran has with his many years of solid experience of the real estate business and his good entrepreneurship contributed with valuable knowledge and a strong commitment in the board.



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 Biometria, VOYD AB and Implementeringssystem i Sundsvall AB. Board member in Specialistläkarhuset AB, Eurocon Consulting AB (publ), Polskenet Invest AB and InCoax Networks AB (publ).

Background:

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



NILS STYF

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

Graduate Economist, 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 Bonava AB, Cibus Nordic Real Estate AB and 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.

Comments by the chairman

It is not possible to look back on the year that has passed without being horrified at how fragile the freedom and security we take for granted in Sweden is. The great cost for the turbulent outside world with a war of aggression and geopolitical conflicts is, of course, the human suffering it creates around the world. But by extension this also creates enormous costs to society and change the conditions in the markets where NP3 is active.

The board's work naturally becomes more challenging when we face new conditions and an uncertain future. The board's most important task during the year has been to support company management in managing both short-term and long-term risks, not least the refinancing risks and a changed interest environment. It's easy for the board to only fix its sight on what is within its general view. But it's precisely in these market conditions that it's important to raise your eyes and continue building on NP3's strengths, even if we don't know exactly what the future looks like.

NP3 has a relatively simple cash flow-oriented business model combined with an organisation with local roots and long experience in adding value to properties. NP3's business model is simple in theory but the company implements it better than anyone else. This provides a good foundation to stand on in an uncertain market and will create interesting business opportunities in the future.

I see it as one of the board's most important tasks going forward to together with company management and all competent staff manage the challenges we face but never to forget the long-term perspective.

In the past few days we were met by the tragic news that NP3s co-founder, board member and largest shareholder Lasse Bäckvall passed away after a period of illness. Lasse had a fantastic entrepreneurship and drive where he in the boardroom in an excellent way lifted the strategic gaze and focused on opportunities instead of challenges.

Despite a turbulent year the world will not end this time, either. There is much that suggests positive market conditions for NP3 in the future, not least the industrial ventures in north of Sweden, which are creating growth where NP3's strengths can enable continued value creation for our shareholders. If only we remember to raise our eyes exactly the way Lasse did on the board. I will do my best to ensure that the board does this going forward and builds on Lasse's vision for the company.

Nils Styf

Chairman of the board

Member	Elected	Resigned	Independent in relation to		Participation in total number of meetings		Fee, SEK	Shareholdings as of 31/12/2022	
			Major shareholders	The company	Board meetings	Audit committee meetings		Number of ordinary shares	Number of preference shares
Anders Nilsson	2011	-	Yes	Yes	15/16		180	153,500*	-
Hans-Olov Blom ¹⁾	2022	-	Yes	Yes	10/11		180	30,366*	-
Lars Göran Bäckvall	2010	-	No	Yes	16/16		180	14,179,726*	1,140,873*
Mia Bäckvall Juhlin	2019	-	No	Yes	16/16		180	44,909*	22,110*
Nils Styf (chrm.)	2019	-	Yes	Yes	16/16	4/4	460	58,940	-
Åsa Bergström	2016	-	Yes	Yes	16/16	4/4	280	11,000	700

1) Hans-Olov Blom was elected to the board at the annual general meeting in May 2022.

* Owns shares through companies.

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 31/12/2022.



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:

304,000 ordinary shares, 10,000 preference shares (private and via company) and 58,012 warrants.



MATTIAS LYXELL

Head of property management since 2018¹⁾.
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:

4,000 ordinary shares, 100 preference shares and 11,058 warrants.

1) As of 1 January 2023, the company's COO, Marie Selin, left the management group. The new COO for the company as of year-end is Head of property management Mattias Lyxell.

Other senior executives



MARKUS HÄGGBERG

Finance manager since 2020.
Born 1972.

Shareholdings in the company:

21,963 warrants.



JENS LENNEFELDT

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

Shareholdings in the company:

8,000 ordinary shares, 50 preference shares and 14,504 warrants.

**MARIE SELIN**

Chief Operating Officer (COO) since 2017⁹.
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:

36,000 ordinary shares and 33,656 warrants.

**HÅKAN WALLIN**

Financial manager (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:

20,243 ordinary shares and 28,157 warrants.

**MARIA PARINGER**

Business manager North since 2018.
Born 1974.

Shareholdings in the company:

1,286 ordinary shares and 9,071 warrants.

**ANNA WIRTÉN**

Head of accounting since 2015.
Born 1976.

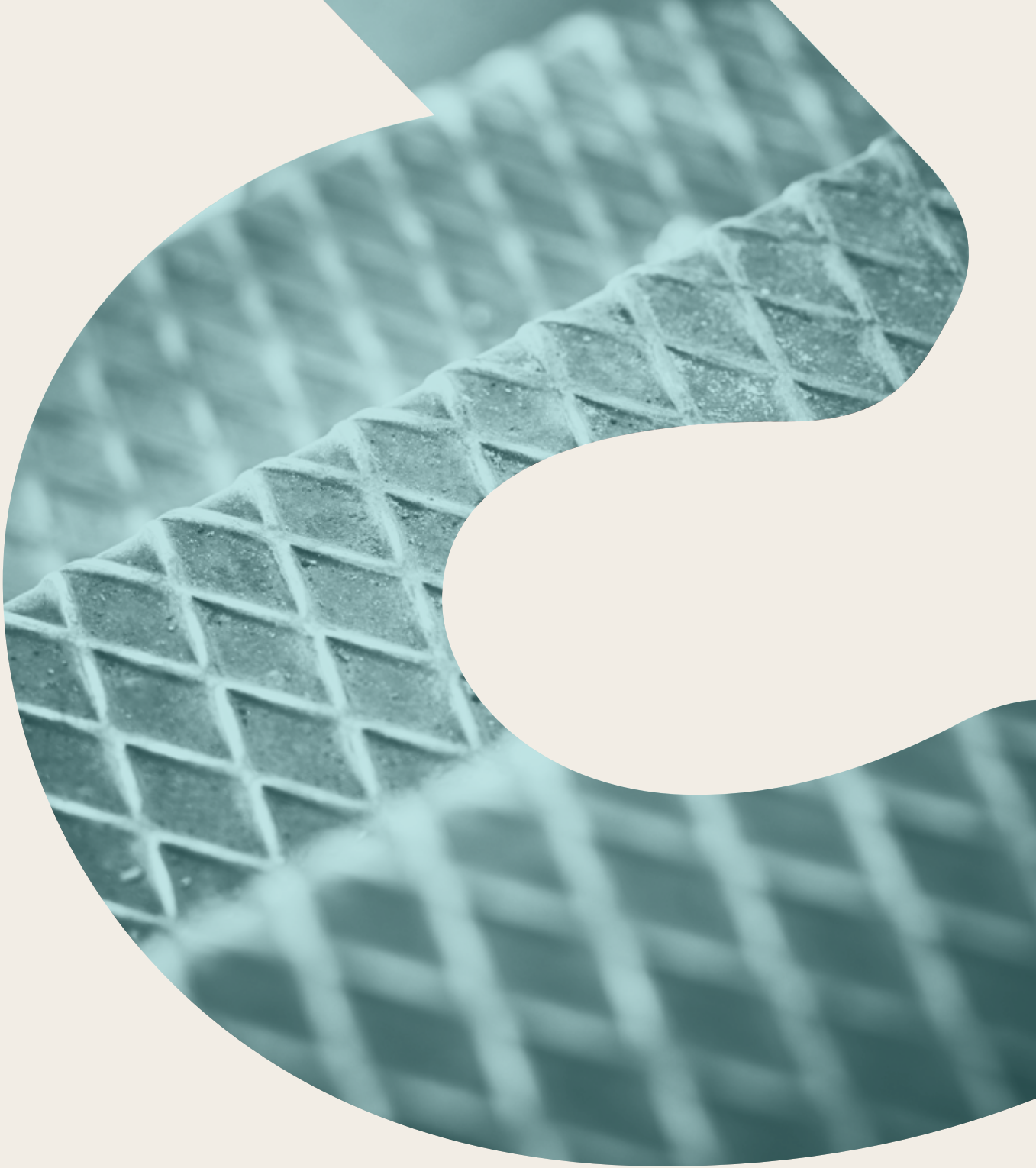
Shareholdings in the company:

7,800 ordinary shares and 12,551 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	2022	2021
Rental income	2, 3	1,551	1,238
Property costs	4	-362	-286
Property tax	4	-41	-39
Net operating income		1,149	912
Central administration	5, 6	-68	-57
Result from associated companies and joint ventures	7	151	158
- of which profit from property management		81	60
- of which changes in value of properties and financial instruments		108	138
- of which tax		-38	-40
Financial income	8	9	10
Financial expenses	9	-385	-264
Profit after financial items		855	759
- of which profit from property management		785	661
Changes in value of properties	10	341	1,642
Changes in value of financial instruments	11	378	64
Profit before tax		1,575	2,465
Current tax	12	-55	-44
Deferred tax	12	-276	-400
Profit for the year		1,244	2,020
Other comprehensive income		-	-
Total comprehensive income for the year		1,244	2,020
Comprehensive income relating to the parent company's shareholders		1,224	2,017
Comprehensive income relating to non-controlling interest		20	4
Profit after tax per ordinary share, SEK		21.04	35.82
Number of ordinary shares at year-end, thousands		54,608	54,445
Weighted average number of ordinary shares, thousands		54,543	54,403
The earnings per ordinary share have been calculated as follows:			
Comprehensive income for the year relating to the parent company's shareholders		1,224	2,017
Preference shares' preferential right to dividend for the year		-76	-68
Weighted average number of ordinary shares, thousands		54,543	54,403
Earnings per ordinary share, SEK		21.04	35.82
Earnings per ordinary share after dilution, SEK		20.83	35.40
Number of ordinary shares after dilution as a result of warrants outstanding		55,079	55,058

Comments on the consolidated statement of comprehensive income

Earnings

The profit from property management increased by 19 percent compared to the previous year and amounted to 785 MSEK (661). The increase in profit from property management was due mainly to a larger property portfolio, but also to a higher operating surplus from the existing property portfolio and a higher contribution from the company's associated companies and joint ventures. The profit from property management per ordinary share was equivalent to 13.00 SEK (10.90) and the profit from property management in relation to earnings amounted to 51 percent (53). The operating surplus for the period amounted to 1,149 MSEK (912), which corresponds to a surplus ratio of 74 percent (74).

Changes in value of properties affected the result by 341 MSEK (1,642), of which 316 MSEK (1,579) related to unrealised changes in value and 25 MSEK (63) related to realised changes in value. Changes in value of financial instruments amounted to 378 MSEK (64) and related primarily to unrealised changes in value of interest rate derivatives.

Profit after tax relating to the parent company's shareholders amounted to 1,224 MSEK (2,017), which was equivalent to 21.04 SEK per ordinary share (35.82). Holders' of preference shares preferential right to dividend for the period amounted to 76 MSEK (68).

Income and expenses

Rental income increased by 25 percent to 1,551 MSEK (1,238). Rental income has increased mainly as a result of property acquisitions and to some extent through lettings and investments in existing properties, which have led to higher rental income. In the existing property portfolio, revenue increased by 6 percent. Revenue comprised rental income of 1,419 MSEK (1,133) and service revenue 132 MSEK (105). Service revenue consisted primarily of costs passed on for heating, electricity and water as well as snow clearing.

Property costs for the period amounted to -362 MSEK (-286). The costs were distributed between property upkeep and operating expenses -312 MSEK (-234), repairs and maintenance -44 MSEK (-48) as well as anticipated and confirmed customer losses of -5 MSEK (-4). Property tax amounted to -41 MSEK (-39).

Central administration costs amounted to -68 MSEK (-57) and consisted mainly of group-wide costs.

NP3's investments in associated companies and joint ventures contributed positively to the company's profit from property management with 81 MSEK (60). The total share of profit for the period amounted to 151 MSEK (158).

Financial income amounted to 9 MSEK (10). Financial costs increased and amounted to -385 MSEK (-264), in part as a result of larger property portfolio, increased interest-bearing borrowings and a higher interest rate level. Apart from interest expenses, financial costs also included -29 MSEK (-24) in borrowing costs distributed over a period of time.

The average interest on the loan portfolio on the balance sheet date was 4.18 percent (2.53). The interest coverage ratio was 2.8x (3.3). For more information regarding the company's funding, see pages 22-26.

Seasonal variations

The surplus ratio varies during the year depending on seasonal variations. During the winter months, profit is affected mainly by costs relating to electricity, heating and snow removal being high. The contract structure is designed so that tenants are charged an evenly distributed preliminary fee continuously throughout the year, while the fee for consumption is expensed in step with the outcome which yields a lower surplus ratio during the winter months and a higher level during the summer months.

Tax

Current tax amounted to -55 MSEK (-44) and was calculated on the year'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 by tax depreciation, provisions to the tax allocation reserve and other adjustments for tax purposes.

Deferred tax amounted to -276 MSEK (-400) and consisted mainly of changes in temporary differences between market value and tax base on properties and changes in market value of financial instruments.

Consolidated statement of financial position

Amounts in MSEK	Note	31/12/2022	31/12/2021
Assets			
Fixed assets			
Properties	10	19,805	17,335
Leasehold rights	13	118	106
Participations in associated companies and joint ventures	17	1,064	724
Long-term receivables from associated companies and joint ventures	18	104	129
Derivatives	11, 23	376	-
Other fixed assets	14, 15	28	29
Total fixed assets		21,495	18,322
Current assets			
Current receivables	19	76	75
Prepaid costs and accrued income		70	48
Listed shares	11, 24	9	3
Cash and bank balances		204	269
Total current assets		359	395
Total assets		21,854	18,718
Equity and liabilities			
Equity	20	7,663	6,743
Long-term liabilities			
Deferred tax	21	1,248	969
Long-term interest-bearing borrowings	22	11,640	9,285
Long-term interest-bearing lease liabilities		118	106
Derivatives	11	-	9
Total long-term liabilities and provisions		13,007	10,369
Current liabilities			
Current interest-bearing borrowings	22	595	1,076
Other current liabilities	24	261	248
Accrued expenses and deferred income	25	329	282
Total current liabilities		1,185	1,606
Total equity and liabilities		21,854	18,718

Comments on the consolidated statement of financial position

The properties' value at the end of the year amounted to 19,805 MSEK (17,335), which is equivalent to an increase of 14 percent since the beginning of the year, explained by acquisitions, projects and changes in value.

Closing cash and cash equivalents were 204 MSEK (269). Equity has been affected by net profit for the year, new issues as well as dividends, and amounted to 7,663 MSEK (6,743).

Borrowing costs distributed over a period of time have reduced interest-bearing liabilities in the balance sheet by 42 MSEK. Long-term interest-bearing borrowings after adjustment for borrowing costs distributed over a period of time amounted

to 11,640 MSEK (9,285). Interest-bearing current liabilities after adjustment for borrowing costs distributed over a period of time amounted to 595 MSEK (1 076), of which 144 MSEK related to commercial paper loans, 214 MSEK related to current repayments over the next twelve months, 18 MSEK to repayment of promissory note liabilities and 219 MSEK related to the remaining part of bond maturity that was repaid in March 2023. On the balance sheet date, the company's interest rate derivatives had a positive value of 376 MSEK (-9).

For more information regarding the company's interest-bearing liabilities, see pages 22-26. The loan-to-value ratio amounted to 58 percent (56) and the equity/assets ratio to 35 percent (36). The company's net debt to EBITDA ratio on the balance sheet date was 9.7x (10.3).

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 01/01/2021	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
Transactions with non-controlling interests	-	-	-	-	33	33
Issue of ordinary shares for incentive programme	0	5	-	5	-	5
Comprehensive income for the year 2021	-	-	2,017	2,017	4	2,020
Equity 31/12/2021	324	2,334	4,041	6,698	46	6,743
Equity 01/01/2022	324	2,334	4,041	6,698	46	6,743
Dividend	-	-	-310	-310	-	-310
Incentive programme	-	3	-	3	-	3
Transactions with non-controlling interests	-	-	-	-	-20	-20
Issue of ordinary shares for incentive programme	1	3	-	3	-	3
Comprehensive income for the year 2022	-	-	1,224	1,224	20	1,244
Equity 31/12/2022	324	2,339	4,954	7,617	46	7,663

NP3's share capital consists of 54,607,856 ordinary shares and 38,000,000 preference shares. A new issue in February 2023 increase the number of ordinary shares by 2,750,000.

Consolidated statement of cash flows		
Amounts in MSEK	2022	2021
Current operations		
Profit from property management	785	661
Profit from property management from associated companies and joint ventures	-81	-60
Dividend from associated companies and joint ventures	45	34
Other items not included in the cash flow	-13	-8
Tax paid	-65	-33
Cash flow from operating activities before changes in working capital	671	595
Cash flow from changes in working capital		
Increase (-)/Decrease (+) in operating receivables	13	-57
Increase (+)/Decrease (-) in operating liabilities	39	34
Cash flow from operating activities	723	571
Investing activities		
Acquisition of properties, directly or via companies	-1,609	-2,946
Divestment of properties, directly or via companies	125	410
Investments in existing properties and other fixed assets	-377	-332
Investments in new construction projects	-265	-190
Investments in financial assets	-222	-201
Divestment of financial assets	-	17
Cash flow from investing activities	-2,348	-3,242
Financing activities		
New issue	3	323
Borrowings	6,982	7,410
Amortisation of borrowings	-5,114	-4,638
Dividend paid	-310	-260
Cash flow from financing activities	1,561	2,835
Cash flow for the year	-64	165
Cash and cash equivalents at beginning of the year	269	104
Cash and cash equivalents at the end of the year	204	269

Supplementary disclosures of cash flows - group		
Paid interest and dividends received	2022	2021
Interest received	5	1
Interest paid	-328	-232
Dividends received	45	34
Adjustment for other items not included in the cash flow		
Depreciation of assets	4	4
Other items	-17	-12
Total items not included in the cash flow	-13	-8
Acquisition of properties		
Acquired assets and liabilities:		
Properties	1,662	3,119
Operating receivables	9	16
Cash and bank balance	46	43
Provisions	-3	-3
Borrowings	-	-107
Operating liabilities	-558	-967
Purchase price	-1,156	-2,101
To be added: Settlement of existing liabilities	-508	-888
To be subtracted: Seller loan notes	9	-
Paid purchase price and settlement of liabilities	-1,655	-2,989
To be subtracted: Cash and bank balance in the acquired operations	46	43
Effect on cash and bank balance	-1,609	-2,946
Divestments of properties		
Sold assets and liabilities:		
Properties	125	542
Operating receivables	-	9
Cash and bank balance	-	33
Provisions	-	-2
Borrowings	-	-104
Operating liabilities	-	-129
Divestments price	125	353
To be added: Settlement of existing liabilities	-	102
To be subtracted: Seller loan note and non-cash issue	-	-12
Received purchase price including settlement of liabilities	125	444
To be subtracted: Cash and bank balance in the divested operations	-	-33
Effect on cash and bank balance	125	410

Comments on the consolidated statement of cash flows

Cash flow for the year from operating activities amounted to MSEK 723 (571). Acquisition of properties directly or via subsidiaries affected cash flow by -1,609 MSEK (-2,946) and divestment of properties contributed with 125 MSEK (410). Investment in existing properties amounted to -377 MSEK (-332), which mainly related to tenant adaptations. Investments in new construction during the year amounted to -265 MSEK (-190). Investments related to financial assets amounted to -222 MSEK (-201).

Cash flow from financing activities amounted to 1,561 MSEK (2,835) and is largely explained by net borrowing, which amounted to 1,868 MSEK (2,772). Altogether, liquid assets during the period changed by -64 MSEK (165), which resulted in cash and bank balance outstanding of 204 MSEK (269).

Reconciliation of liabilities relating to the financing activities – group**Amounts in MSEK**

			Changes not affecting cash flow			
			Acquisi-	Divestments	Change in fair	
	01/01/2021	Cash flow from financing activities	tions		value	31/12/2021
Non-current interest-bearing borrowings	7,404	1,877	107	-104	-	9,285
Current interest-bearing borrowings	181	895	-	-	-	1,076
Derivatives	73	-	-	-	-64	9
Total liabilities relating to the financing activities	7,658	2,772	107	-104	-64	10,370
	01/01/2022					31/12/2022
Non-current interest-bearing borrowings	9,285	2,349	6	-	-	11,640
Current interest-bearing borrowings	1,076	-481	-	-	-	595
Derivatives	9	-	-	-	-9	-
Total liabilities relating to the financing activities	10,370	1,868	6	-	-9	12,235

Income statement - parent company

Amounts in MSEK	Note	2022	2021
Net divestments		62	53
Other external costs	5	-57	-50
Personnel costs	6	-38	-32
Depreciation		-1	-1
Operating profit/loss		-34	-30
Profit/loss from financial items			
Interest income and similar income items	8	340	186
Interest expenses and similar profit/loss items	9	-307	-211
Other financial expenses	9	-25	-23
Profit/loss after financial items		-26	-78
Appropriations		113	92
Profit before tax		87	14
Tax on profit for the year	12	-10	-8
Profit/loss for the year*		77	6

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

Balance sheet - parent company

Amounts in MSEK	Note	31/12/2022	31/12/2021
Assets			
Fixed assets			
<i>Intangible assets</i>			
Software	14	6	4
<i>Tangible assets</i>			
Equipment	15	1	1
<i>Financial assets</i>			
Participations in group companies	16	667	656
Participations in associated companies and joint ventures	17	344	202
Non-current receivables from group companies		5,259	4,664
Non-current receivables from associated companies and joint ventures	18	-	45
Other financial assets		1	1
Total fixed assets		6,278	5,573
Current assets			
<i>Current receivables</i>			
Receivables from group companies		2,694	3,211
Other current receivables		11	10
Prepaid costs and accrued income		4	4
Total current receivables		2,709	3,225
Cash and cash balances		136	164
Total current assets		2,845	3,389
Total assets		9,123	8,962

Balance sheet - parent company, continued

Equity and liabilities		31/12/2022	31/12/2021
Equity	20		
<i>Restricted equity</i>			
Share capital		324	324
<i>Unrestricted equity</i>			
Share premium reserve		2,351	2,336
Retained earnings		-1,123	-819
Net profit for the year		77	6
Total non-restricted equity		1,305	1,523
Total equity		1,629	1,847
Untaxed reserves		20	2
Long-term liabilities to credit institutes			
Interest-bearing borrowings	22	6,891	6,020
Total long-term liabilities		6,891	6,020
Current liabilities			
Interest-bearing borrowings	22	474	994
Accounts payable		4	3
Other current liabilities		68	56
Accrued expenses and deferred income	25	38	40
Total current liabilities		584	1,093
Total equity and liabilities		9,123	8,962

Comment on the parent company

The parent company's revenue consists mainly of costs passed on to subsidiaries and financial revenue in form of dividends and interest income. Costs consist of central administration costs and financial costs such as interest and borrowing

costs distributed over a period of time. 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 borrowings.

Statement of changes in equity - parent company

Amounts in MSEK	Share capital	Share premium reserve	Other non-restricted equity
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
2022			
At beginning of year	324	2,336	-813
New issue	1	14	-
Dividend	-	-	-310
Profit/loss for the year*	-	-	77
At year-end	324	2,351	-1,046

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

Cash flow statement - parent company

Amounts in MSEK	2022	2021
Current operations		
Profit/loss after financial items	-26	-78
Adjustments for items not included in the cash flow	1	1
Tax paid	-3	-2
Cash flow from operating activities before changes in working capital	-28	-79
Cash flow from changes in working capital		
Increase (-)/Decrease (+) in operating receivables	-1	19
Increase (+)/Decrease (-) in operating liabilities	-35	-63
Cash flow from operating activities	-64	-123
Cash flow from investing activities	-19	-2,022
Financing activities		
New issue	15	329
Borrowings	3,709	5,280
Amortisation of borrowings	-3,359	-3,107
Dividend paid	-310	-260
Cash flow from financing activities	55	-2,242
Cash flow for the year	-28	97
Cash and cash equivalents at beginning of the year	164	67
Cash and cash equivalents at the end of the year	136	164

Supplementary disclosures cash flow statement - parent company

Amounts in MSEK	2022	2021
Paid interest and dividends received		
Interest received	323	181
Interest paid	-303	-207
Dividends received	7	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 cash balances	136	164
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Reconciliation of liabilities relating to the financing activities - parent company

Amounts in MSEK	01/01/2021	Cash flow from financing activities	31/12/2021
Non-current interest-bearing borrowings	4,738	1,282	6,020
Current interest-bearing borrowings	104	890	994
Total liabilities relating to the financing activities	4,842	2,172	7,014
	01/01/2022		31/12/2022
Non-current interest-bearing borrowings	6,020	871	6,891
Current interest-bearing borrowings	994	-520	474
Total liabilities relating to the financing activities	7,014	351	7,365

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 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 in 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 reports 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 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 percent 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 reports.

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 property 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 reports 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 as of 31 December 2022 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 divestments, 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 non-controlling interest is also disclosed separately.

Participations in associated companies and joint ventures

The fundamental principle is that a company is recorded as an associated company when NP3 holds min. 20 percent and max. 50 percent of the votes. The share of voting power for NP3's holdings in Fastighetsbolaget Emilshus AB is slightly lower than 20 percent but the holding is still recorded as an associated company as NP3 is deemed to have significant influence in Emilshus. 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 announced 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 property 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 divestments are recorded as a change in value and are equivalent to the difference between the divestments price received after deducting divestments 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 management and customer losses.

Central administration

Costs for central administration consist of costs for groupwide 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 reports 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 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 recorded 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 recorded 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 financial net is not affected by the fair value of the interest derivative contracts, which are instead 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 loss carryforwards 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 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. As all of NP3's properties are assessed as constituting investment properties the term is consistently "property" in reports and annual reports. The term properties includes buildings, land and land improvements, ongoing new construction, extension or redevelopment projects as well as building equipment.

Initially, properties are recorded at cost, which includes directly related expenses. Properties are then recorded in the consolidated statement of financial position 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 changes in value of 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 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 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 ordinary 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 financing activities' cash flows. Liquid assets refer to cash and cash equivalents.

New accounting principles

New standards that became effective in 2022

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 2022 have not had any notable effect on the group's financial reports.

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 2023 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 1,551 MSEK (1,238) for the financial year. Rental income consists of the rental value less the value of non-occupied areas during the year. Rental value refers to rental income received plus assessed market rent for areas not let. 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 2022, revenue consisted of rental income 1,419 MSEK (1,133) and service revenue 132 MSEK (105). In the existing property portfolio, revenue increased by 6%. 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 on the right.

Maturity structure	2022	2021
Due within 0-12 months	203	211
Due within 1-2 years	332	236
Due within 2-3 years	350	244
Due within 3-4 years	244	232
Due within 4-5 years	185	119
Due after more than 5 years	445	393
Vacancy, rental value	122	102
	1,880	1,538
Contracted future rental income	2022	2021
Contracted rental income year 1	1,555	1,225
Contracted rental income year 2	1,222	989
Contracted rental income year 3	873	745
Contracted rental income year 4	629	512
Contracted rental income year 5	445	393

The average remaining lease term at the end of 2022 was 4.0 years (4.1). The economic occupancy rate at the end of the year was 94 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, Skellefteå, Luleå and Middle Sweden. 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, financial net, 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 in the group	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Rental income and other revenue	346	290	223	182	235	183	162	149	191	159	177	72	222	208	103	84	-2	-2	1,656	1,324
Vacancy	-31	-24	-9	-11	-15	-13	-7	-9	-10	-9	-11	-2	-12	-11	-11	-7	-	-	-105	-86
Repairs and maintenance	-13	-13	-4	-7	-6	-6	-4	-6	-5	-6	-3	-3	-6	-5	-3	-2	-1	-	-44	-48
Property costs	-68	-56	-39	-29	-49	-29	-30	-28	-39	-31	-34	-14	-42	-37	-14	-9	1	-2	-312	-234
Property tax	-7	-5	-6	-5	-5	-5	-4	-4	-5	-6	-4	-3	-6	-7	-3	-3	-	-	-41	-39
Customer losses	-3	-2	-1	0	-2	0	0	0	0	0	0	0	0	-1	-1	-1	1	-	-5	-4
Net operating income	225	191	165	130	158	129	118	103	132	106	126	50	156	147	70	62	-1	-4	1,149	912
Central admin.	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-68	-57	-68	-57
Result from associated companies and joint ventures	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	151	158	151	158
Financial net	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-376	-254	-376	-254
Changes in value of properties	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	341	1,642	341	1,642
Changes in value of financial instruments	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	378	64	378	64
Tax	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-331	-444	-331	-444
Profit for the year	225	191	165	130	158	129	118	103	132	106	126	50	156	147	70	62	94	1,103	1,244	2,020
Surplus ratio, %	71	72	77	76	72	76	76	73	73	71	76	71	74	75	77	81			74	74
Number of properties	121	108	71	67	67	60	41	41	45	42	53	45	50	48	40	35			488	446
Lettable area, tsqm	406	362	264	255	339	313	159	133	212	205	235	199	217	214	120	104			1,950	1,784
Rental value	394	311	248	204	264	221	191	153	210	183	216	157	241	219	115	91			1,880	1,538
Economic occupancy rate, % ¹⁾	91	91	95	95	93	92	97	95	95	96	92	94	94	96	91	88			94	93
Property value	4,141	3,404	2,761	2,425	2,648	2,394	1,998	1,805	2,152	1,978	2,401	1,865	2,445	2,388	1,260	1,076			19,805	17,335

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 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 running 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	2022	2021
Property care-taking and operating expenses	-312	-234
Repair and maintenance costs	-44	-48
Customer losses	-5	-4
Total	-362	-286
Property tax	-41	-39

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 2022, the group's costs for central administration were divided between personnel costs -34 MSEK (-30), other administration costs -30 MSEK (-23) and depreciation -4 MSEK (-4).

Remuneration to auditors	2022	2021
KPMG		
Audit assignments	3,0	2,8
Audit in addition to the audit assignment	0,2	0,1
Other services	0,3	0,2
Total	3,5	3,1

The parent company's other external costs amounted to -57 MSEK (-50) and the parent company's personnel costs to -38 MSEK (-32). The parent company's external costs include costs for property administration, which in the group are allocated to property costs.

Note 6 Employees and personnel costs (TSEK)

Average number of employees	Group		Parent company	
	2022	2021	2022	2021
Men	36	31	32	29
Women	16	13	16	13
Total	52	44	48	42
Total number of employees at the end of the year	58	54	56	47

Gender distribution in the board and company management

At the end of 2022, the board in the parent company consisted of 6 persons (5) of which 2 women (2). During 2022 the company's group management consisted of 4 persons (4) of which 1 woman (1). The group management makes up the group's senior executives.

Remuneration principles for senior executives

For 2022, 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 trust, 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 2020-2023, 2021-2024 and 2022-2025. The warrants entitle to subscribe for new ordinary shares in July 2023, June 2024 and June 2025, 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 471,147 warrants with the right to subscribe for ordinary shares, equivalent to 0.9 percent of the number of ordinary shares outstanding. Of these, 94,492 were issued during 2022 with 18,864 bought by individuals in management. Employees have bought the warrants at fair value (market price). In 2022, the company issued 162,437 ordinary shares on occasion of the exercise of warrants. In addition, 69,913 warrants were repurchased on occasion of the incentive program 2019-2022 at the corresponding market value at the time of repurchase. An additional 4,009 warrants from other years were also repurchased in connection with employees ending their employment. The cost for the repurchase of the warrants amounted to 12 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 2020, 2021 and 2022. 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, COO and Head of property management 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 2022 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 (3). 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 0.01077 or 0.00679 percent (0.00911 or 0.00580).

Cont. Note 6 Employees and personnel costs (TSEK)

Salaries, other compensation and social security costs	Group		Parent company	
	2022	2021	2022	2021
Salaries fees and benefits				
Board fee as per specification	1,460	1,140	1,460	1,140
CEO				
Basic salary	2,832	2,700	2,832	2,700
Variable remuneration	675	675	675	675
Benefits	123	120	123	120
Other senior executives				
Basic salary	4,106	3,977	4,106	3,977
Variable remuneration	330	250	330	250
Benefits	221	238	221	238
Other employees	31,048	23,105	28,483	22,099
Total salaries, fees and benefits	40,795	32,205	38,230	31,199
Pension costs				
CEO	452	415	452	415
Other senior executives	1,469	1,547	1,469	1,547
Other employees	3,942	3,315	3,546	3,173
Total	5,863	5,277	5,467	5,135
Statutory social security costs including payroll tax				
CEO	1,250	1,141	1,250	1,141
Other senior executives	1,820	1,779	1,820	1,779
Other employees	11,197	8,692	10,386	8,309
Total	14,267	11,612	13,456	11,229

In addition to the reported costs in the tables above, total personnel costs include a cost for provision to a profit-sharing foundation, including special payroll tax, for the group and the parent company of 1,417 TSEK (2,369).

Board fee	Fee, board member		Fee, audit committee		Total	
	2022	2021	2022	2021	2022	2021
Åsa Bergström	180	165	100	75	280	240
Hans-Olov Blom	180	-	-	-	180	-
Mia Bäckvall Juhlin	180	165	-	-	180	165
Lars Göran Bäckvall	180	165	-	-	180	165
Anders Nilsson	180	165	-	-	180	165
Nils Styf (chrn.)	360	330	100	75	460	405
Total	1,260	990	200	150	1,460	1,140

Note 7 Result from associated companies and joint ventures

Group	2022	2021
Profit from property management		
Fastighetsbolaget Emilshus AB	35	26
Fastighetsaktiebolaget Ess-Sierra	32	30
Malabo Holding AB	2	1
Cibola Holding AB	11	2
Total	81	60
Changes in value		
Fastighetsbolaget Emilshus AB	58	93
Fastighetsaktiebolaget Ess-Sierra	49	38
Malabo Holding AB	1	1
Cibola Holding AB	-	5
Total	108	138
Tax		
Fastighetsbolaget Emilshus AB	-19	-24
Fastighetsaktiebolaget Ess-Sierra	-16	-14
Malabo Holding AB	-1	-1
Cibola Holding AB	-2	-2
Total	-38	-40

For Fastighetsbolaget Emilshus, NP3's share in profits for the fourth quarter is based on the earnings capacity that was presented in the company's quarterly report for January-September 2022. Estimated tax expense has been expected to amount to 20.6 percent of earnings capacity. Changes in value have been left unchanged as compared to the period January - September. Estimated share in profits for the full year amounted to 75 MSEK. If the share in profits had been based on Emilshus' actual result as of 31 December, the share in profits for the whole year would have amounted to 60 MSEK and the share of the profits from property management would have amounted to 34 MSEK.

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	2022	2021
Interest income, other	8	4
Profit from sale of listed shares	1	6
Total	9	10
Parent company		
Interest income, group companies	331	178
Interest income, other	1	-
Dividend listed shares and shares in associated companies	7	1
Profit from sale of listed shares	1	6
Total	340	186

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	2022	2021	Parent company	2022	2021
Interest expenses, interest rate derivatives	-8	-20	Interest expenses, group companies	-57	-31
Interest expenses, other	-345	-215	Interest expenses, interest rate derivatives	-8	-22
Financial expense site leasehold/leasing	-3	-3	Interest expenses, other	-242	-158
Other financial expenses	-29	-26	Other financial expenses	-25	-23
Total	-385	-264	Total	-332	-234

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 via the income statement. The unrealised change in value is not recorded in the net financial net, but in a separate row in the income statement, see note 11.

Ground rent for 2022 amounted to 3 MSEK (3). 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 2022, NP3 had 48 (43) 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 Properties

Property value distributed by property type and business area:

	Retail		Industrial		Logistics		Offices		Other		Total	
31 December	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Sundsvall	863	774	1,696	1,233	477	443	448	431	657	523	4,141	3,404
Gävle	445	417	1,443	1,301	319	219	304	269	250	220	2,761	2,425
Dalarna	505	505	1,511	1,321	496	384	88	82	48	102	2,648	2,394
Luleå	1,296	1,274	761	732	386	380	-	-	1	1	2,445	2,388
Umeå	744	702	807	708	36	38	390	375	176	156	2,152	1,978
Skellefteå	230	230	1,353	1,137	34	32	201	96	583	369	2,401	1,865
Östersund	551	472	620	484	47	45	482	537	298	267	1,998	1,805
Middle Sweden	233	165	869	763	-	-	121	112	37	36	1,260	1,076
Total	4,869	4,538	9,059	7,680	1,795	1,541	2,032	1,902	2,049	1,674	19,805	17,335

Change in value properties	2022	2021
Opening value	17,335	12,582
Acquisition of properties	1,662	3,131
Investments in existing properties	377	332
of which capitalised interest expenses	4	1
Investments in new construction projects	265	190
of which capitalised interest expenses	6	2
Divestment of properties	-176	-542
Realised change in value	25	63
Unrealised change in value	316	1,579
Closing value	19,805	17,335

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 changes in value of properties. Unrealised changes in value for the year relating to properties that remain on the balance sheet at the end of the year amount to 286 MSEK.

Change by property type for the year	Retail		Industrial		Logistics		Offices		Other		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Opening value	4,538	3,928	7,680	4,667	1,541	1,315	1,902	1,531	1,674	1,139	17,335	12,582
Acquisition of properties	141	121	978	2,234	196	-	132	285	215	491	1,662	3,131
Investments in existing properties	65	125	152	116	23	6	56	60	81	25	377	332
Investments in new construction projects	69	13	143	140	43	-	-	-	10	37	265	190
Divestment of properties	-45	-28	-63	-100	-7	-	-57	-154	-3	-260	-176	-542
Realised change in value	10	4	14	28	-	-	3	10	-1	21	25	63
Unrealised change in value	91	375	156	595	-	220	-4	170	73	221	316	1,579
Closing value	4,869	4,538	9,059	7,680	1,795	1,541	2,032	1,902	2,049	1,674	19,805	17,335

Cont. Note 10 Properties

Property valuation

The company's properties are valued at assessed 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 divestments comparison method and yield-based method in form of discounting future estimated cash flow. When using the local divestments 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 5-20 years. The cash flow is based on actual rents and normalised operating and maintenance cost, on the basis of an assessment in line with market conditions. At the end of the term of the respective contract rents that deviate from the assessed market rent are adjusted to correspond to market levels. 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 2023 is 4 percent, and 2 percent for the following years, and the average discount rate that has been used is 9.27 percent for five-year calculations and 9.06 for ten-year calculations.

During the fourth quarter of 2022, 99 percent of the property value was assessed 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 assessments during 2022 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 19,805 MSEK (17,335) on the reporting date. During the year, investments were made for a total of 2,304 MSEK (3,653), of which 377 MSEK (332) related to investments in existing properties, 265 MSEK (190) related to new construction projects and 1,662 MSEK (3,131) related to new acquisitions. Valuation for the period shows a positive unrealised change in value of 316 MSEK (1,579) and a realised change in value of 25 MSEK (63). 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 108 (286) MSEK in addition to what has been recorded in the balance sheet.

Input for valuation 31/12/2022 distributed by property category	Yield requirement	Rental value, SEK/sqm	Property costs, SEK/sqm	Initial Vacancy rate
Retail	6.74%	1,138	258	4.6%
Industrial	6.80%	835	223	8.7%
Logistics	6.34%	936	210	4.6%
Offices	6.61%	1,195	317	8.8%
Other	6.66%	1,062	251	10.9%
Total weighted average	6.71%	954	239	7.6%

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 2022, MSEK	Change +/-	Impact on profit before tax
Market value property	5%	+/-990
Yield requirement	0.25%	-728/+786
Rental income	80 SEK/sqm	+/-156
Property costs	20 SEK/sqm	-/+39
Vacancy rate	1%	-/+19

Note 11 Changes in value of 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 385 MSEK. The market value of the derivative portfolio amounted to 376 MSEK (-9). 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 -7 MSEK (1). The accounted value of the shareholdings amounted to 9 MSEK as of 31 December.

	2022	2021
Unrealised change in value interest rate derivatives	385	63
Unrealised change in value listed shares	-7	1
Total	378	64

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 divestments 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 properties.

Group	2022	2021
Current tax		
Current tax for the year	-51	-44
Tax relating to previous years	-4	-
	-55	-44
Deferred tax		
Deferred tax relating to properties	-153	-346
Deferred tax relating to derivatives	-79	-13
Deferred tax relating to loss carryforwards	-1	-1
Deferred tax relating to other temporary differences	-	-2
Deferred tax relating to untaxed reserves	-43	-38
	-276	-400
Total tax charged to profit for the year	-331	-444

Reconciliation effective tax group	2022	2021
Profit before tax	1,575	2,465
Tax according to current tax rate, 20.6%	-324	-508
Result from participations in associated companies and joint ventures	31	32
Effect of interest cap rules	-22	-14
Divestment of properties	9	30
Non-deductible costs	-12	-
Effect of deductible but not accounted costs	-	1
Use of previous non-capitalised loss carryforwards	-	1
Tax relating to previous years	-4	-
Other tax adjustments, net	-9	13
Total	-331	-444

Parent company	2022	2021
Current tax	-10	-8
Total tax charged to profit for the year	-10	-8

There is no deferred tax in the parent company

Reconciliation effective tax parent company	2022	2021
Profit before tax	87	14
Tax according to current tax rate, 20.6%	-18	-3
Effect of interest cap rules	6	-6
Effect of non-taxable income	1	-
Effect of deductible but not accounted costs	-	1
Tax relating to previous years	1	-
Total	-10	-8

Note 13 Leasehold rights

At the end of the year, NP3 had 48 properties (43) granted site leaseholds and commitments concerning leasing of cars, office machinery and office space.

Group	2022	2021	2022	2021	2022	2021
	Site leaseholds		Other lease contracts		Total	
Beginning of year	98	78	8	5	106	83
Additional	10	20	7	5	17	25
Outgoing	-	0	-3	-	-3	0
Depreciation	-	-	-2	-2	-2	-2
Value at year-end	108	98	10	8	118	106

The annual cost for site leasehold fees is accounted as a financial expense. For 2022, the cost amounted to -3 MSEK (-3).

Note 14 Software

Parent company	2022	2021
Accumulated acquisition values:		
At beginning of year	6	4
Investments for the year	2	2
	9	6
Accumulated depreciation according to plan:		
At beginning of year	-2	-1
Depreciation for the year according to plan	-1	-1
	-3	-2
Recorded residual value at year-end	6	4

Note 15 Equipment

Group	2022	2021
Accumulated acquisition values:		
At beginning of year	37	36
New acquisitions	1	1
	37	37
Accumulated depreciation according to plan:		
At beginning of year	-27	-25
Depreciation for the year according to plan	-1	-2
	-28	-27
Recorded value at year-end	9	10
Parent company (TSEK)	2022	2021
Accumulated acquisition values:		
At beginning of year	1,836	1,684
New acquisitions	566	152
Divestments/Disposals	-	-
	2,402	1,836
Accumulated depreciation according to plan:		
At beginning of year	-1,272	-962
Divestments/Disposals	-	-
Depreciation for the year according to plan	-312	-310
	-1,584	-1,272
Recorded value at year-end	818	564

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.	Pro-portion of equity	Book value 2022	Book value 2021
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
NP2 Förvaltning AB	556720-7187	100	8,949	8,949
NP3 Fastigheter Holding AB	559317-7628	100	57	57
NP3 Fastigheter Holding 2 AB	559344-2634	100	784	25
NP3 Förvaltning AB	556827-8666	100	68,622	68,622
NP3 Projekt AB	556977-9027	100	10,255	2,755
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
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	1,300	300
NP15 Förvaltning AB	559334-3097	100	1,559	59
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			667,091	656,333

Note 17 Participations in associated companies and joint ventures

	Group		Parent company	
	2022	2021	2022	2021
Opening value	724	456	202	135
Acquisitions/investments	234	144	142	67
Share in profits	151	158	-	-
Dividend	-45	-34	-	-
Closing value	1,064	724	344	202

Associated companies and joint ventures	Corp. ID no.	Domicile and head office	Participating interest, %	Voting right, %	Reported value	
					2022	2021
Fastighetsbolaget Emilshus AB	559164-8752	Vetlanda	17.8	19.3	557	346
Fastighetsaktiebolaget Ess-Sierra	559235-3667	Stockholm	50.0	50.0	321	293
Malabo Holding AB	559311-6964	Sundsvall	50.0	50.0	15	13
Cibola Holding AB	556998-1268	Sundsvall	31.6	31.6	99	71
Fastighets AB Jämtägaren	559226-2900	Östersund	50.0	50.0	73	-
Total					1,064	724

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		Fastighets AB Jämtägaren	
Income statement	2022	2021	2022	2021	2022	2021 ¹⁾	2022	2021 ²⁾	2022 ³⁾	2021
Rental income	454	280	93	89	15	6	178	31	-	-
Profit from property management	182	131	65	59	4	2	36	8	0	-
Net profit for the year	311	469	130	109	3	4	30	19	0	-

Statement on financial position

Properties	7,111	4,827	1,610	1,429	218	140	683	487	169	-
Other fixed assets	139	13	-	-	-	-	10	20	-	-
Current assets	274	147	38	25	7	15	33	32	8	-
Total assets	7,524	4,987	1,648	1,454	225	155	726	539	177	-
Equity	3,007	1,848	645	589	29	26	315	223	145	-
Interest-bearing liabilities	4,104	2,839	869	786	185	122	380	272	-	-
Other liabilities	413	300	134	79	11	7	31	44	32	-
Total equity and liabilities	7,524	4,987	1,648	1,454	225	155	726	539	177	-

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

2) Cibola Holding AB reports to NP3 with a lag of one quarter. The result for 2021 relates to the period 1 Jun-30 Sep.

3) Fastighets AB Jämtägaren is recorded as a joint venture since 2022, as it has been assessed that NP3 has no controlling influence in the company. Previously, the holding was consolidated as a subsidiary. In Fastighets AB Jämtägaren a joint project is run together with Jämtkraft AB to construct their head office and operating centre in Östersund.

Note 18 Receivables from associated companies and joint ventures

Receivables from associated companies and joint ventures for the group relate to receivables from Fastighetsaktiebolaget Ess-Sierra AB, 9 MSEK and Malabo Holding AB, 95 MSEK. The receivables bear interest at market terms.

Note 19 Current receivables

Group	2022	2021	Provision for expected credit losses	2022	2021
Aged receivables			Provision at beginning of year	13	14
Current receivables not due and due up to 30 days	70	74	Provisions for the year	10	11
Accounts receivable due 30-60 days	2	2	Reversed provisions	-5	-9
Accounts receivable due 60-90 days	1	1	Realised losses	-8	-3
Accounts receivable due >90 days	13	11	Closing balance	10	13
Provision for expected credit losses	-10	-13			
Total	76	75			

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 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 ordinary shares issued as of 31 December was 54,607,856. This was 162,437 more than at the beginning of the year due to the new issue of ordinary shares that was carried out as a result of the company's second warrants programme expiring in June 2022. In addition to the ordinary shares, there are 38,000,000 preference shares, which is the same number as at the beginning of the year. 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 ordinary 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 possess 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

Relates to accumulated profits generated in the group.

Incentive programme

The company issued 94,492 warrants to employees during the year, with an option to subscribe for shares in the parent company in June 2025. The subscription price will be set as the share price on issuance of the options in June 2022 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 2025. 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 ordinary share, equivalent to the average volume-weighted price at Nasdaq Stockholm during a period in June 2022.

The programme has resulted in somewhat higher personnel costs regarding subsidies in order to finance part of some employees' purchase price. Individuals in group management have bought 18,864 options. From comparable incentive programs for the years 2020-2023 and 2021-2024, respectively, there are 376,655 warrants outstanding. In total there are thus 471,147 warrants outstanding for 6 MSEK, equivalent to 0.9 percent of the number of ordinary 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 2022, a new issue of 162,437 ordinary shares was carried out on occasion of the exercise of warrants under the incentive programme 2019-2022. The remainder of the warrants for the 2019-2022 programme, 69,913, were repurchased by NP3 for 12 MSEK, which corresponds to the market value at the time of repurchase. Furthermore, an additional 4,009 warrants have been repurchased as staff have ended their employment.

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 2022 financial year amounts to 5.00 SEK/ordinary share and 2.00 SEK/preference share, 363 MSEK in total. This amount includes dividend on the 2,750,000 ordinary shares that were added in the new issue in February 2023. The amount is recorded as a liability only once the annual general meeting has decided on dividend.

Net asset value per ordinary share

Calculation of long-term net asset value per ordinary share is done by equity relating to the parent company's holders of ordinary shares being adjusted for items that do not involve payout in the near term. In NP3's case this means that equity according to the balance sheet shall be adjusted by the value for derivatives and deferred tax liability.

	2022		2021	
	MSEK	SEK/ ordinary share	MSEK	SEK/ ordinary share
Net asset value				
Equity acc. to balance sheet	7,663	140.32	6,743	123.86
Deduction for non-controlling interest	-46	-0.84	-46	-0.85
Deduction for preference share capital	-1,216	-22.27	-1,216	-22.33
Add-back derivatives	-376	-6.89	9	0.17
Add-back deferred tax	1,248	22.85	969	17.80
Long-term net asset value, SEK/ordinary share	7,272	133.17	6,459	118.64

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 financing operations whose objective is through efficient management to contribute to the company's ability 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.

The table below shows the distribution of warrants for various categories of employees at the beginning and end of 2022.

Warrants	Warrants outstanding at beginning of year	Redeemed warrants during the year	Warrants issued during the year	Warrants outstanding at end of year
CEO	83,578	-33,808	8,242	58,012
Other senior executives	104,598	-42,349	10,622	72,871
Other employees	424,838	-160,202	75,628	340,264
Total	613,014	-236,359	94,492	471,147

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 loss carryforwards that are assessed as being utilisable in the future. Loss carryforwards consist of the year's and previous year's tax losses, which are carried over to the next year and utilised by offsetting them against future tax profits. Remaining loss carryforwards are calculated at 29 MSEK.

Group	2022	2021
<i>Deferred tax asset</i>		
Deferred tax relating to derivative instruments	77	-2
Deferred tax relating to loss carryforwards	-6	-7
<i>Deferred tax liability</i>		
Deferred tax relating to properties	1,002	846
Deferred tax relating to other temporary differences	3	3
Deferred tax relating to untaxed reserves	172	129
Total deferred tax	1,248	969

Change of deferred tax for the year

	Temporary difference property	Derivatives	Loss carryforwards	Other temporary differences	Untaxed reserves
Deferred tax					
As of 1 January 2021	500	-16	-8	1	91
Recorded through the income statement	347	14	1	2	36
Acquisition/sale of property	-1	-	-	-	2
31 December 2021	846	-2	-7	3	129
As of 1 January 2022	846	-2	-7	3	129
Recorded through the income statement	153	79	1	-	43
Acquisition/sale of property	3	-	-	-	-
31 December 2022	1,002	77	-6	3	172

Note 22 Interest-bearing liabilities

The group's interest-bearing liabilities at year-end amounted to 12,353 MSEK (10,467) including interest-bearing liabilities relating to leasehold rights pursuant to IFRS 16, which amounted to 118 MSEK (106). The interest-bearing borrowings excluding liabilities relating to leasehold rights amounted to 12,235 MSEK (10,361), of which bank funding 9,769 MSEK (7,172), commercial paper loans 145 MSEK (900), bond loans 2,319 MSEK (2,300), other interest-bearing liabilities 44 MSEK (42) and borrowing costs distributed over a period of time which reduced the interest-bearing liabilities by 42 MSEK (53).

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, %	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
31 Dec												
-12 months	1,403	1,196	4.23	1.33	219	-	6.50	-	1,622	1,196	13	12
1-2 years	2,183	571	3.90	2.00	1,700	600	5.65	3.90	3,883	1,171	32	11
2-3 years	2,065	1,956	4.06	1.96	400	700	9.09	3.79	2,465	2,656	20	26
3-4 years	3,573	881	4.16	1.97	-	1,000	-	3.15	3,573	1,881	29	18
4-5 years	639	3,414	3.71	1.91	-	-	-	-	639	3,414	5	33
5-10 years	50	54	4.32	2.08	-	-	-	-	50	54	0	1
Total resp. average	9,914	8,072	4.06	1.85	2,319	2,300	6.33	3.54	12,233	10,372	100	100

1) Commercial papers for 145 MSEK are included in secured loans with due date within 12 months for the year 2022. For the year 2021, the amount for commercial papers was 900 MSEK.

Cont. Note 22 Interest-bearing liabilities

Fixed interest profile in bank and bond loans

	Derivatives, MSEK		Capital, MSEK		Average interest rate, %		Proportion, %	
	2022	2021	2022	2021	2022	2021	2022	2021
31 Dec								
-12 months	-3,825	-3,725	8,408	6,609	5.54	3.54	69	64
1-2 years	-	200	0	238	0	0.59	0	2
2-3 years	200	500	200	500	0.29	0.69	2	5
3-4 years	500	725	500	725	0.58	1.43	4	7
4-5 years	400	500	400	500	0.42	0.58	3	5
5-10 years	2,725	1,800	2,725	1,800	1.48	0.59	22	17
Total resp. average	0	0	12,233	10,372	4.18	2.53	100	100

Payment flows - future interest payments

	Credits	Derivatives	Total payments
-12 months	-523	39	-484
1-2 years	-375	39	-337
2-3 years	-238	37	-201
3-4 years	-87	32	-55
4-5 years	-10	27	17
5- years	-28	44	16
Total	-1,262	218	-1,043

Reported above are future liquidity flows related to interest payments attributable to the existing credit and derivative portfolio as of the end of the accounting period. For the variable part related to credits and interest rate derivatives, Stibor has been used across the entire term as they were listed at the end of the accounting period. The flows for the interest rate derivatives relate to interest paid, (the derivatives' fixed part) less interest received (the derivatives' variable part). With the above assumptions the total liability to pay for agreed credits and interest rate derivatives amounted to 1,043 MSEK in total over the remaining terms.

In addition to the financial liabilities whose undiscounted cash flows are presented in the tables above, the group possesses 48 site leasehold agreements (43) whose annual site leasehold fees total 3 MSEK

Maturity structure other interest-bearing liabilities, group

	2022	2021
-12 months	42	9
1-2 years	-	31
5- years	2	2
Total	44	42
Maturity date other financial instruments, group	2022	2021
Accounts payable, within 30 days	97	101

undiscounted (3). 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.

The parent company's interest-bearing liabilities amounted to 7,365 MSEK (7,014), of which 6,891 MSEK (6,020) are long-term and 474 MSEK (994) are current. The liabilities consisted of bank financing of 4,934 MSEK (3,859), bond loans of 2,319 MSEK (2,300), commercial paper loans of 145 MSEK (900) and borrowing costs distributed over a period of time that have reduced interest-bearing liabilities by 33 MSEK (45).

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 changes in market rates and remaining term. For valuation method see note 11, change in value of financial instruments. At year-end there were 18 interest rate derivative contracts comprising 3,825 MSEK. Maturity dates and market value at the end of the accounting period can be seen from the following table.

Settlement date	Amount	Fair value
2025	200	16
2026	500	42
2027	400	46
2028	1,025	89
2029	1,300	119
2030	200	31
2031	200	33
Total	3,825	376

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 in the company are bank-, commercial papers- and bond loans, vendor loans, accrued interest and certain operating liabilities such as account payable. The financial assets in the company are listed shares, liquid assets, rent receivables, interest rate derivatives 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 creditors 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 68-72.

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 84 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 decided 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	
	2022	2021	2022	2021	2022	2021
Non-current receivables	118	144				
Derivatives (pos)			376			
Rent receivables	13	6				
Other receivables	63	69				
Prepaid costs	70	48				
Listed shares			9	3		
Cash and bank balances	204	269				
Derivatives (neg)			-	9		
Interest-bearing liabilities					12,353	10,467
Accounts payable					97	101
Other liabilities					164	147
Accrued expenses and deferred income					329	282

Financial instruments such as rent 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 interest lock-in period, meaning that the accumulated acquisition value well matches the fair value.

Note 25 Accrued expenses and deferred income

	Group		Parent company	
	2022	2021	2022	2021
Prepaid rents	224	198	-	-
Accrued interest costs	59	34	28	29
Other	46	50	10	11
	329	282	38	40

Note 26 Pledged assets and contingent liabilities

Pledged assets for liabilities	Group		Parent company	
	2022	2021	2022	2021
Property mortgages	10,517	8,679	-	-
Shares in subsidiaries	1,757	1,554	58	58
Total	12,274	10,233	58	58

Contingent liabilities				
Surety for the benefit of group companies	-	-	9,914	8,072

Note 27 Group information

Of the parent company's total purchases and divestments, measured in SEK, 3 percent (3) of purchases and 98 percent (100) of divestments 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, as well as group management and funding services, to the subsidiaries.

Note 28 Transactions with related parties

No significant transactions with related parties were carried out 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

In mid-February, a directed new share issue of 2,750,000 ordinary shares was carried out at a price of 230 SEK per share. This provided the company with 632.5 MSEK, which boosts the balance sheet and provides increased flexibility ahead of the loans falling due and provides an opportunity to make value-creating investments in existing properties and new production projects and to act on attractive acquisition opportunities. The new share issue was substantially

oversubscribed and means that the number of shares in the company increases from 92,607,856 shares to 95,357,856 shares, distributed into 57,357,856 ordinary shares and 38,000,000 preference shares. The company's share capital increases from 324,127,496 SEK to 333,752,496 SEK. The new share issue results in dilution of 2.9 percent of the shares and 4.5 percent of the votes in relation to the total number of shares outstanding, or votes after the new share issue, respectively.

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)
Retained earnings	1,227,699,412
Net profit for the year	76,989,321
Total	1,304,688,733

The board proposes that the amount be distributed as follows:

Dividend 5.00 SEK/ordinary share	286,789,280
Dividend 2.00 SEK/preference share	76,000,000
To be carried forward	941,899,453
Total	1,304,688,733

As of the balance sheet date, the company has 54,607,856 registered ordinary shares and 38,000,000 registered preference shares. In February 2023 the number of ordinary shares increased by 2,750,000 in a new issue, which means that the number of ordinary shares ahead of the annual general meeting amounts to 57,357,856. Additional dividend as a result of the new issue amounts to 13,750,000 SEK and is included in the amount calculated above.

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 ordinary 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 ordinary shares and preference shares will amount to max. 50,250,000 SEK, of which max. 20,250,000 SEK relate to additional ordinary shares and max. 30,000,000 SEK relate to additional preference shares. Including all possibly additional preference shares and ordinary shares, the total proposed dividend as above amounts to a total of 413,039,280 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 1,244 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 third 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 20 percent of the company's equity and 5 percent of the group's equity as of the balance sheet date. The company's loan-to-value ratio and interest coverage ratio, respectively, in 2022 was 58 percent or 2.8x. 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. Additional equity as a result of the new issue in February 2023 amounts to 617,778,177 SEK. 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 a § Swedish Annual Accounts Act. The valuation has shown a surplus value of 300 MSEK after tax at year-end, which has increased equity by the same amount.

2023, 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 115.

MSEK	2022 Jan-Dec	2021 Jan-Dec
Interest-bearing liabilities	12,235	10,361
Current investments	-9	-3
Cash and bank balances	-204	-269
Net debt	12,022	10,089
Profit after tax, relating to shareholders in the parent company	1,224	2,017
Deduction holders of preference shares' preferential right to dividend	-76	-68
Profit after tax reduced by holders of preference shares' preferential right to dividend	1,148	1,949
Average number of ordinary shares, thousands	54,543	54,403
Profit after tax, SEK/ordinary share	21.04	35.82
Rental income	1,551	1,238
Net operating income	1,149	912
Surplus ratio, %	74	74
Net operating income, rolling 12 months	1,149	912
Average fair value property portfolio	18,773	14,283
Yield, %	6.1	6.4
Profit after tax, rolling 12 months	1,244	2,020
Average total equity	7,315	5,507
Return on equity, %	17.0	36.7
Profit after tax, relating to shareholders in the parent company, rolling 12 months	1,224	2,017
Deduction holders of preference shares' preferential right to dividend	-76	-68
Average equity after settlement of preference capital and holdings without controlling influence	6,066	4,432
Return on equity, ordinary share, %	18.9	44.0
Profit before tax, rolling 12 months	1,575	2,465
Average total equity	7,315	5,507
Return on equity, before tax, %	21.5	44.8
Profit from property management, rolling 12 months	785	661
Average total equity	7,315	5,507
Return on equity from the profit from property management, %	10.7	12.0
Net debt	12,022	10,089
Equity according to financial position	7,663	6,743
Debt/equity ratio, x	1.6	1.5

MSEK	2022 Jan-Dec	2021 Jan-Dec
Net debt	12,022	10,089
Operating surplus, future-orientated 12 months acc. to earnings capacity	1,298	1,034
Central administration expenses, future-orientated 12 months	-61	-55
Adjusted net operating income	1,237	979
Net debt to EBITDA ratio, x	9.7	10.3
Profit for the year before tax	1,575	2,465
Add-back changes in value	-719	-1,706
Add-back financial expenses	385	264
Add-back result from associated companies and joint ventures, excl. dividend	-151	-158
Adjusted profit before tax	1,090	865
Interest coverage ratio, x	2.8	3.3
Net debt	12,022	10,089
Fair value property portfolio	19,805	17,335
Participations in associated companies and joint ventures	1,064	724
Loan-to-value ratio, %	57.6	55.9
Equity according to financial position	7,663	6,743
Balance sheet total	21,854	18,718
Equity/assets ratio, %	35.1	36.0
Equity according to financial position	7,663	6,743
Deduction preference capital	-1,216	-1,216
Deduction non-controlling interest	-46	-46
Number of shares at year-end, thousands	54,608	54,445
Equity, SEK/ordinary share	117.21	100.67
Equity according to financial position	7,663	6,743
Deduction preference capital	-1,216	-1,216
Deduction holdings without controlling influence	-46	-46
Add-back derivatives	-376	9
Add-back deferred tax	1,248	969
Number of shares at year-end, thousands	54,608	54,445
Long-term net asset value, SEK/ordinary share	133.17	118.64
Profit from property management	785	661
Deduction holders of preference shares' preferential right to dividend	-76	-68
Average number of ordinary shares, thousands	54,543	54,403
Profit from property management, SEK/ordinary share	13.00	10.90

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, ordinary 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 equity, 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/ordinary share

Equity relating to the parent company's shareholders after settlement of preference capital in relation to the number of ordinary 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 in both group and associated companies as well as joint ventures.

Profit from property management, SEK/ordinary 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 ordinary shares.

Average interest rate

Weighted interest on interest-bearing liabilities (excluding lease liabilities) 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 decreased by rent discounts.

Rental value

Rental income on current agreements with addition for assessed market rent for vacant areas 12 months ahead from the balance sheet date.

Long-term net asset value, SEK/ordinary share

Recorded equity, reduced with preference capital and non-controlling interest, with add-back of derivatives and deferred tax, in relation to the number of ordinary 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 divestments 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 liabilities, excluding liability rights of use, with deduction for cash and bank balances and current investments.

Preference capital

Number of preference shares multiplied by equity per preference share.

Profit after tax, SEK/ordinary share

Profit after tax for the period 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 ordinary shares.

Interest coverage ratio

Profit before tax before 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 forward-looking net operating income decreased by central administration costs.

Debt/equity ratio

Net debt in relation to equity on the balance sheet date.

Equity/assets ratio

Equity as a percentage of the balance sheet total.

Accrued properties

Agreed property value reduced by tax rebate for accrued properties during the period.

Occupancy rate by area

Contracted area as a percentage of total 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.

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, 4 April 2023

Åsa Bergström
Member

Hans-Olov Blom
Member

Mia Bäckvall Juhlin
Member

Anders Nilsson
Member

Nils Styf
Chairman

Andreas Wahlén
CEO

Our auditor's report was submitted on 5 April 2023

Peter Dahllöf
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 for the year 2022, except for the corporate governance statement on pages 73-83 and the sustainability report on pages 43-64. The annual accounts and consolidated accounts of the company are included on pages 40-116 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 2022 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 2022 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 73-83 and sustainability report on pages 43-64. 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 95-98 and 102-103 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 19 805 as per 31 December 2022, which represents 90% of to the Groups total assets.

The fair value of Investment properties as per 31 December 2022 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 tested 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 11 Investment properties page 95-98 and 102-103 in the annual report and consolidated accounts for detailed information and description of the matter.

Description of key audit matter

During 2022, the Group has invested in properties for a total of 2 304 MSEK, of which 1 662 MSEK is related to acquisitions. Divestments have been carried out of properties with a book value of 176 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 1-39, 43-64 and 73-83. 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 for the year 2022 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 organisation 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 for year 2022.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report 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 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.

Misstatements 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 validation that the Esef report has been prepared in a valid XHTML format 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 consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 73-83 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 43-64, 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 by the general meeting of the shareholders on the 4th May 2022. KPMG AB or auditors operating at KPMG AB have been the company's auditor since 2022.

Stockholm 5 april 2023

KPMG AB

Peter Dahllöf
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	64	Kompaniet 5	Kompanivägen 12	Sundsvall	Industrial	1,345
2	Sköns Prästbord 2:3	Timmervägen 6	Sundsvall	Logistics	12,686	65	Tuna-Ängom 1:74	Stationsvägen 4	Sundsvall	Industrial	1,327
3	Huggsta 1:160	Johannedalsvägen 65	Sundsvall	Industrial	12,049	66	Granlo 3:335	Linköpingsvägen 3	Sundsvall	Industrial	1,279
4	Birsta 12:2	Birstavägen 1	Sundsvall	Industrial	7,984	67	Berge 2:6	Lärlingsgatan 13A	Sundsvall	Industrial	1,195
5	Sköns Prästbord 1:50	N. Förmansvägen 17	Sundsvall	Retail	6,296	68	Sköns Prästbord 2:6	Timmervägen 6A	Sundsvall	Logistics	1,153
6	Ljusta 3:10	Gesällvägen 20	Sundsvall	Industrial	6,289	69	Sköns Prästbord 1:88	Lärlingsvägen 7	Sundsvall	Industrial	1,135
7	Vandringsmannen 1	Gärdevägen 3	Sundsvall	Offices	6,081	70	Slagan 6	Axvägen 16	Sundsvall	Industrial	1,131
8	Sköns Prästbord 1:53	Lärlingsvägen 1	Sundsvall	Industrial	5,694	71	Luftvärnet 1	Regementsvägen 9	Sundsvall	Offices	1,093
9	Sköns Prästbord 1:54	Skråvägen 2	Sundsvall	Logistics	5,598	72	Huggsta 1:167	Johannedalsvägen 67	Sundsvall	Industrial	1,020
10	Vandringsmannen 5	Gärdevägen 5A-C, G	Sundsvall	Offices	5,385	73	Sköns Prästbord 1:82	Arbetsledarvägen 6	Sundsvall	Industrial	992
11	Gärde 1:26	Krossvägen 11	Sundsvall	Logistics	4,983	74	Rosenborg 6	Kolvägen 22	Sundsvall	Retail	988
12	Geten 2	Fridhemsgatan 122	Sundsvall	Offices	4,604	75	Rosenborg 1	Kolvägen 20	Sundsvall	Retail	926
13	Nacksta 5:28	Bultgatan 20 A-C	Sundsvall	Industrial	4,430	76	Sköns Prästbord 1:68	Södra Förmansvägen 7	Sundsvall	Industrial	750
14	Vandringsmannen 2	Gärdevägen 1	Sundsvall	Industrial	4,240	77	Rosenborg 2	Kolvägen 14	Sundsvall	Industrial	656
15	Dingersjö 3:58	Njurundavägen 103	Sundsvall	Industrial	4,012	78	Kvissle 1:124	Njurundavägen 105	Sundsvall	Industrial	533
16	Skönsmon 2:100	Kontorsvägen 4	Sundsvall	Retail	4,000	79	Staben 6	Granmodalsvägen 22	Sundsvall	Industrial	500
17	Klökan 1:17	Lagbasvägen 1	Sundsvall	Industrial	3,974	80	Granlo 3:369	Linköpingsvägen 5	Sundsvall	Industrial	455
18	Vandringsmannen 6	Gärdevägen 9-11	Sundsvall	Industrial	3,865	81	Huggsta 1:173	Johannedalsv. 65A	Sundsvall	Industrial	383
19	Ljusta 7:8	Antennvägen 12-18	Sundsvall	Retail	3,822	82	Bergsåker 5:12	Västra vägen 158	Sundsvall	Land	-
20	Ljusta 7:9	Antennvägen 43	Sundsvall	Retail	3,822	83	Bergsåker 5:18	Västra vägen 158	Sundsvall	Land	-
21	Målås 4:6	N. Förmansvägen 18	Sundsvall	Logistics	3,800	84	Granlo 3:391	Lindköpingsvägen 8	Sundsvall	Land	-
22	Sköns Prästbord 1:14	Gesällvägen 4	Sundsvall	Retail	3,738	85	Lillhällom 1:165	Tvåspannsvägen 6	Sundsvall	Land	-
23	Högom 3:172	Bergsgatan 122	Sundsvall	Retail	3,716	86	Ljusta 7:3	Antennvägen 24	Sundsvall	Land	-
24	Högom 3:179	Mejselvägen 11	Sundsvall	Industrial	3,608	87	Högom 3:16	Mejselvägen 13	Sundsvall	Land	-
25	Sköns Prästbord 1:71	Gesällvägen 7B	Sundsvall	Logistics	3,565	88	Högom 3:218	Mejselvägen 14	Sundsvall	Land	-
26	Laboratoriet 2	Kontorsvägen 9	Sundsvall	Logistics	3,425	89	Sköns Prästbord 1:100	Arbetsledarvägen	Sundsvall	Other	-
27	Slagan 4	Axvägen 6	Sundsvall	Industrial	3,311	Härnösand					
28	Högom 3:217	Mejselvägen 14	Sundsvall	Retail	3,245		Nässland 4:1	Nässland 120	Härnösand	Industrial	3,288
29	Målås 3:20	Birstavägen 21	Sundsvall	Industrial	3,234		Yrkesskolan 4	Gånsviksvägen 4	Härnösand	Offices	3,195
30	Linjeförmannen 7	Bäckebovägen 12	Sundsvall	Industrial	3,198		Saltvik 8:12	Saltviksvägen 9	Härnösand	Industrial	1,550
31	Sköns Prästbord 1:96	Klökanvägen 10	Sundsvall	Industrial	2,990		Saltvik 8:17	Saltviksvägen 7	Härnösand	Retail	1,439
32	Sköns Prästbord 1:65	N. Förmansvägen 20	Sundsvall	Industrial	2,898		Saltvik 8:22	Verkstadsvägen 10	Härnösand	Industrial	1,307
33	Baggen 7	Enhörningsvägen 22	Sundsvall	Retail	2,788		Ångbåten 6	Varvsallén 3	Härnösand	Logistics	508
34	Berge 2:4	Skråvägen 3	Sundsvall	Industrial	2,785	Timrå					
35	Målås 4:3	Förmansvägen 15	Sundsvall	Industrial	2,768	1	Vivstamon 1:32	Per Uddéns Väg 17, 20	Timrå	Industrial	7,873
36	Baggen 3	Enhörningsvägen 24	Sundsvall	Logistics	2,715	2	Vivstamon 1:16	Svetsarvägen 4	Timrå	Industrial	6,953
37	Sköns Prästbord 1:47	S. Förmansvägen 4	Sundsvall	Industrial	2,667	3	Vivstamon 1:53	Per Uddéns Väg 13	Timrå	Industrial	6,646
38	Sköns Prästbord 2:7	Timmervägen 6B	Sundsvall	Logistics	2,635	4	Vivstamon 1:37, 1:38	Terminalvägen 4	Timrå	Retail	6,187
39	Vandringsmannen 3	Gärdevägen 7	Sundsvall	Offices	2,538	5	Vivstamon 1:62	Terminalvägen 10-16	Timrå	Offices	5,177
40	Sköns Prästbord 2:5	Timmervägen 8	Sundsvall	Industrial	2,506	6	Vivsta 13:84	Årvältsvägen 10	Timrå	Other	4,509
41	Nolby 7:142	Svartviksvägen 10-12	Sundsvall	Industrial	2,459	7	Vivstamon 1:86	Årvältsvägen 14	Timrå	Industrial	3,472
42	Baggen 6	Hovgatan 6	Sundsvall	Industrial	2,456	8	Vivstamon 1:27	Kabelvägen 5	Timrå	Industrial	3,415
43	Högom 3:155	Montörvägen 10	Sundsvall	Industrial	2,424	9	Vivstamon 1:21	Kabelvägen 1	Timrå	Industrial	3,411
44	Valknytt 4	Norra Vägen 25	Sundsvall	Retail	2,420	10	Norrberge 1:116	Midlandavägen	Timrå	Offices	3,260
45	Plikthuggaren 1,2 + 6	Björneborgsgatan 25	Sundsvall	Other	2,397	11	Vivstamon 1:17	Terminalvägen 20-24	Timrå	Other	2,856
46	Nacksta 5:19	Bergsgatan 118	Sundsvall	Retail	2,349	12	Vivstamon 1:63	Terminalvägen 30	Timrå	Retail	2,088
47	Vävscheden 6	Norra vägen 34	Sundsvall	Offices	2,307	13	Vivstamon 1:51	Terminalvägen 13	Timrå	Industrial	1,989
48	Sköns Prästbord 1:91	N. Förmansvägen 24	Sundsvall	Retail	1,993	14	Vivstamon 1:35	Terminalvägen 6	Timrå	Industrial	1,745
49	Sköns Prästbord 1:59	Arbetsledarvägen 14	Sundsvall	Industrial	1,988	15	Vivstamon 1:54	Svarvarvägen 8	Timrå	Industrial	1,650
50	Ljusta 1:11	Gesällvägen 7C	Sundsvall	Retail	1,956	16	Norrberge 1:113	Midlandavägen 14	Timrå	Offices	725
51	Vandringsmannen 4	Gärdevägen 5	Sundsvall	Offices	1,863	Sollefteå					
52	Sköns Prästbord 1:62	Lärlingsvägen 2-4	Sundsvall	Retail	1,844		Hågesta 3:115	Hågesta	Sollefteå	Other	45,985
53	Rosenborg 4	Kolvägen 14 B	Sundsvall	Offices	1,800		Örren 6	Kungsgatan 10	Sollefteå	Offices	4,317
54	Slagan 10	Axvägen 14	Sundsvall	Industrial	1,800		Hågesta 3:128	Hågesta 4	Sollefteå	Other	2,953
55	Vävscheden 9	Norra vägen 40	Sundsvall	Retail	1,765		Tröskan 1 & 3	Gamla vägen 3	Sollefteå	Other	796
56	Geten 1	Hovgatan 1	Sundsvall	Industrial	1,721		Färgaren 8	Strömgatan 3	Sollefteå	Land	-
57	Sköns Prästbord 1:94	Lärlingsvägen 6	Sundsvall	Retail	1,686	Others					
58	Vävscheden 5	Norra vägen 32	Sundsvall	Retail	1,668		Fiskja 15:2	Aspåsvägen 14	Kramfors	Industrial	17,100
59	Granlo 3:373	Linköpingsvägen 7-9	Sundsvall	Offices	1,542		Norrången 6:1	Norra Industrivägen 4	Hudiksvall	Industrial	3,546
60	Lillhällom 1:162	Tvåspannsvägen 6	Sundsvall	Industrial	1,463		Furulund 6:1	Kungsgatan 51	Hudiksvall	Retail	2,993
61	Sköns Prästbord 1:67	S. Förmansvägen 5A	Sundsvall	Retail	1,447		Rösta 13:1	Strömsbruksvägen 2	Nordanstig	Industrial	329
62	Högom 3:198	Mejselvägen 6-12	Sundsvall	Industrial	1,395						
63	Plutonen 1	Plutonsvägen 13	Sundsvall	Industrial	1,345						

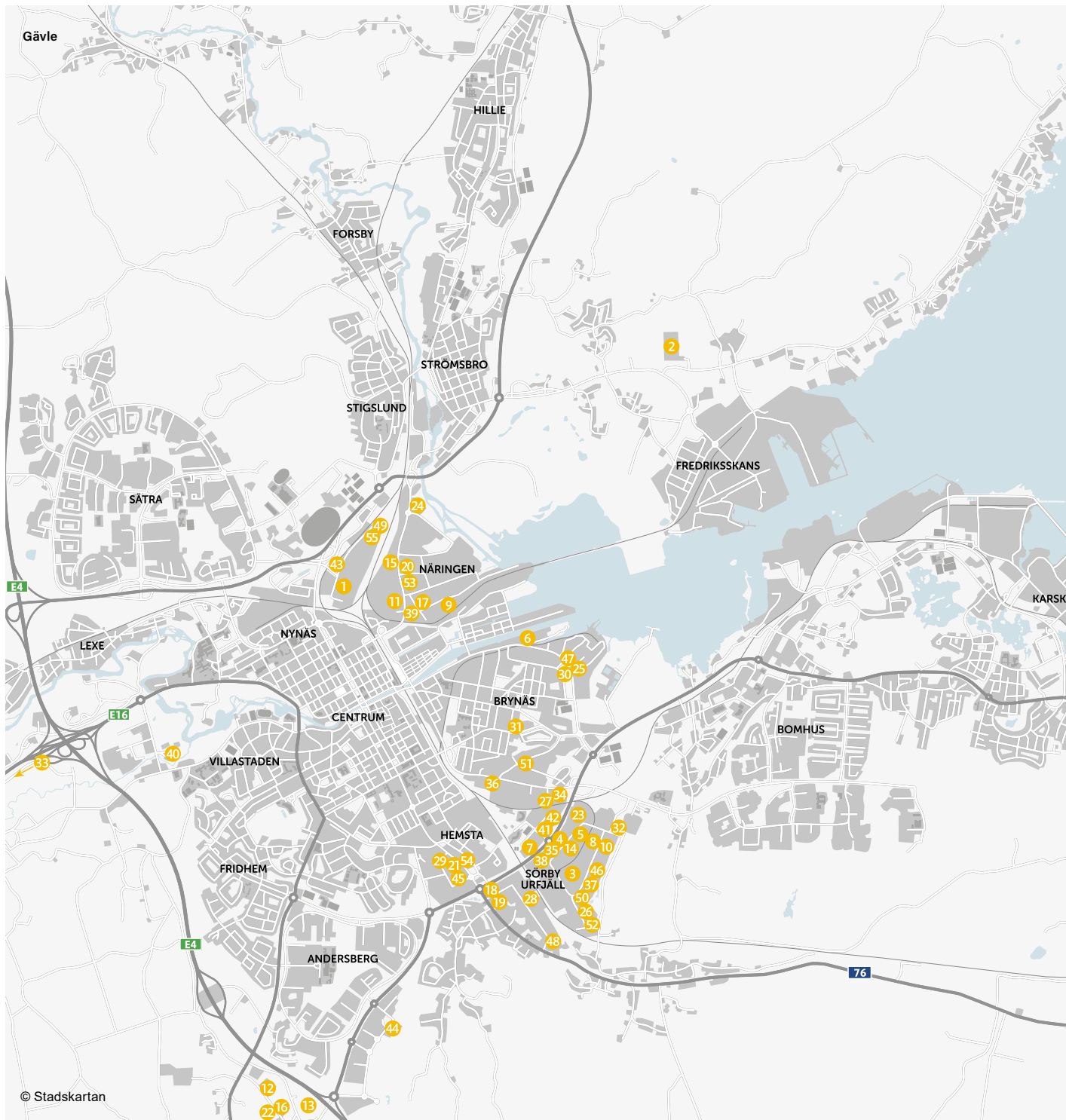


Property register

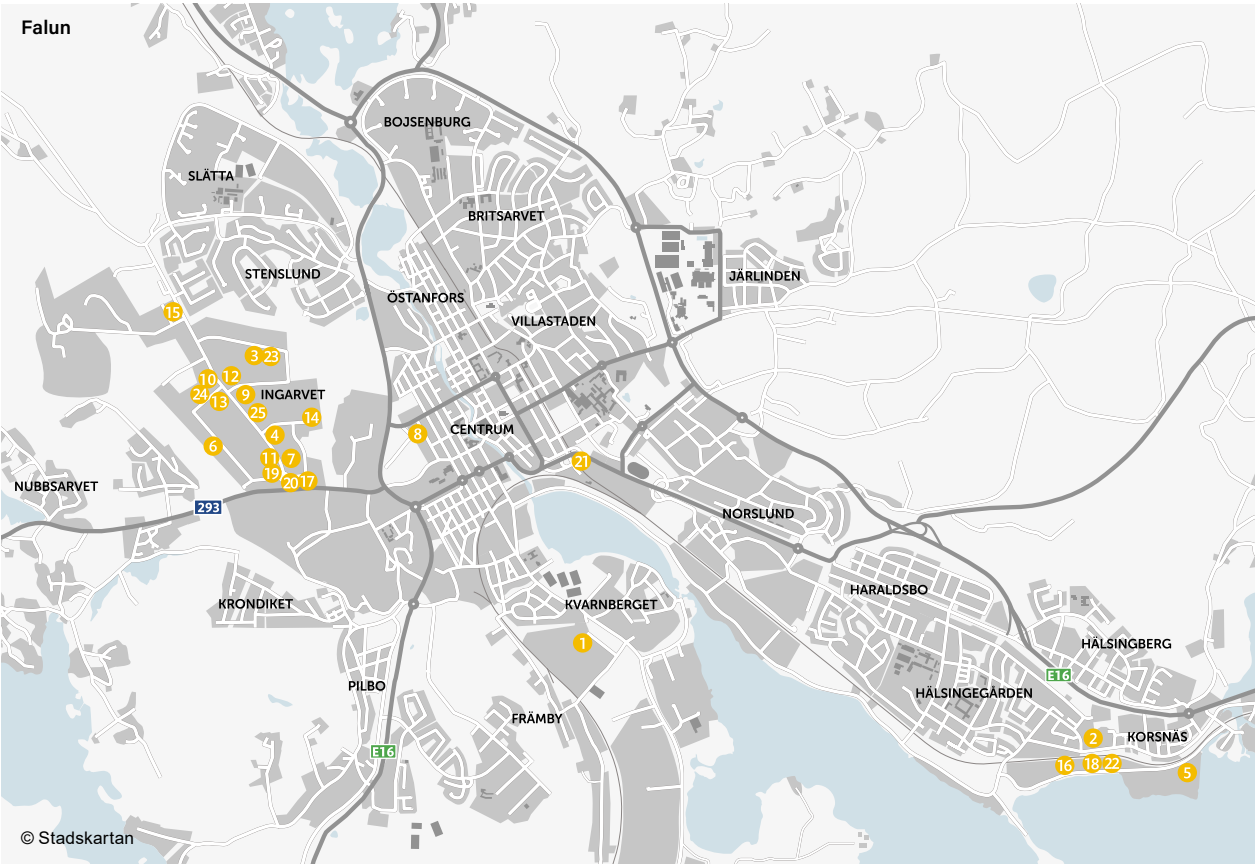
Business area Gävle

No.	Property	Address	Municipality	Category	Area
Gävle					
1	Näringen 5:15	Lötångsgatan	Gävle	Industrial	25,000
2	Fredriksskans 15:16	Bönavägen 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	Industrial	10,172
5	Sörby Urfjäll 29:1	Utmarksvägen 4	Gävle	Logistics	9,992
6	Brynäs 86:1	Södra Skeppsbron 35	Gävle	Retail	7,680
7	Sörby Urfjäll 27:2	Rälskatan 2-4	Gävle	Industrial	6,811
8	Sörby Urfjäll 37:1	Utmarksvägen 6	Gävle	Offices	6,773
9	Näringen 16:6	Kanalvägen 4-10	Gävle	Industrial	6,679
10	Sörby Urfjäll 36:4	Utmarksvägen 15	Gävle	Industrial	6,238
11	Näringen 8:5	Strömsbrovägen 19	Gävle	Industrial	5,945
12	Andersberg 14:46	Ersbogatan 14	Gävle	Logistics	5,750
13	Andersberg 14:43	Ersbogatan 4	Gävle	Industrial	5,211
14	Sörby Urfjäll 29:4	Utmarksvägen 2	Gävle	Logistics	5,198
15	Näringen 8:3	Strömsbrovägen 23	Gävle	Retail	4,954
16	Andersberg 14:42	Ersbogatan 12	Gävle	Industrial	4,797
17	Näringen 14:4	Kanalvägen 1-3	Gävle	Offices	4,693
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	4,452
21	Hemsta 12:6	Södra Kungsvägen 14	Gävle	Retail	3,863
22	Andersberg 14:36	Katrineborgsgatan 10	Gävle	Logistics	3,829
23	Sörby Urfjäll 30:4	Utmarksvägen 5-7	Gävle	Industrial	3,486
24	Näringen 25:1, 25:2	Strömmavägen 1	Gävle	Retail	3,461
25	Brynäs 34:8	Atlasgatan 11	Gävle	Industrial	3,448
26	Järvsta 63:3	Utgjordsvägen 9	Gävle	Industrial	3,094
27	Sörby Urfjäll 38:5	Elektrikergatan 6	Gävle	Retail	3,088
28	Hemlingby 20:7	Kryddstigen 23	Gävle	Industrial	3,054
29	Hemsta 12:16	Skolgången 18-20	Gävle	Offices	3,009
30	Brynäs 32:3	Riggargatan 15	Gävle	Other	2,575
31	Brynäs 63:6, 63:7	Kaserngatan 107	Gävle	Other	2,508
32	Sörby Urfjäll 36:5	Blomsterängsvägen 3	Gävle	Industrial	2,500
33	Nybo 3:43	Valbovägen 177	Gävle	Industrial	2,451
34	Sörby Urfjäll 38:1	Elektrikergatan 3	Gävle	Industrial	2,350
35	Sörby Urfjäll 28:3	Utmarksvägen 35	Gävle	Industrial	2,199
36	Sörby Urfjäll 8:12	Upplandsgatan 6	Gävle	Offices	2,118
37	Sörby Urfjäll 34:5	Utmarksvägen 23	Gävle	Industrial	1,999
38	Sörby Urfjäll 28:6	Utmarksvägen 37	Gävle	Offices	1,990
39	Näringen 13:11	Förrådsgatan 7	Gävle	Industrial	1,975
40	Kungsbäck 4:6	Regementsvägen 29	Gävle	Offices	1,962
41	Sörby Urfjäll 26:1	Växelgatan 2	Gävle	Retail	1,760
42	Sörby Urfjäll 26:2	Rälskatan 10	Gävle	Industrial	1,564

No.	Property	Address	Municipality	Category	Area
43	Näringen 6:4	Lötångsgatan 13	Gävle	Industrial	1,520
44	Hemlingby 49:30	Ingenjörsgatan 18	Gävle	Industrial	1,500
45	Hemsta 12:21	Skolgången 6	Gävle	Retail	1,455
46	Sörby Urfjäll 36:2	Utmarksvägen 19	Gävle	Industrial	1,280
47	Brynäs 34:12	Atlasgatan 7	Gävle	Industrial	1,145
48	Hemlingby 20:16	Kryddstigen 41	Gävle	Industrial	965
49	Näringen 3:3	Lötångsgatan 20	Gävle	Industrial	954
50	Sörby Urfjäll 34:4	Utmarksvägen 25	Gävle	Industrial	927
51	Sörby Urfjäll 4:2	Industrigatan 8	Gävle	Industrial	785
52	Järvsta 63:4	Utgjordsvägen 13	Gävle	Industrial	760
53	Näringen 12:2	Snäppvägen 4	Gävle	Industrial	602
54	Hemsta 17:23	Ryningsgatan 10	Gävle	Other	390
55	Näringen 3:4	Lötångsgatan 22	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	Västra Stationsgatan 8	Bollnäs	Offices	3,140
	Säversta 4:101	Skidvägen 7-9	Bollnäs	Industrial	2,244
	Säversta 7:117	Myrgränd 1	Bollnäs	Industrial	1,783
	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
	Knapermusvreten 7	Högbovägen 49	Sandviken	Industrial	824
	Tuna 3:1		Sandviken	Land	0
Söderhamn					
	Tönnebro 1:5	Tönnebro 115, 125	Söderhamn	Other	2,674
	Brädgården 3:12	Arend Stykes Väg 11	Söderhamn	Industrial	2,314
	Vråken 8	Brädgårdsgatan 6	Söderhamn	Offices	1,950

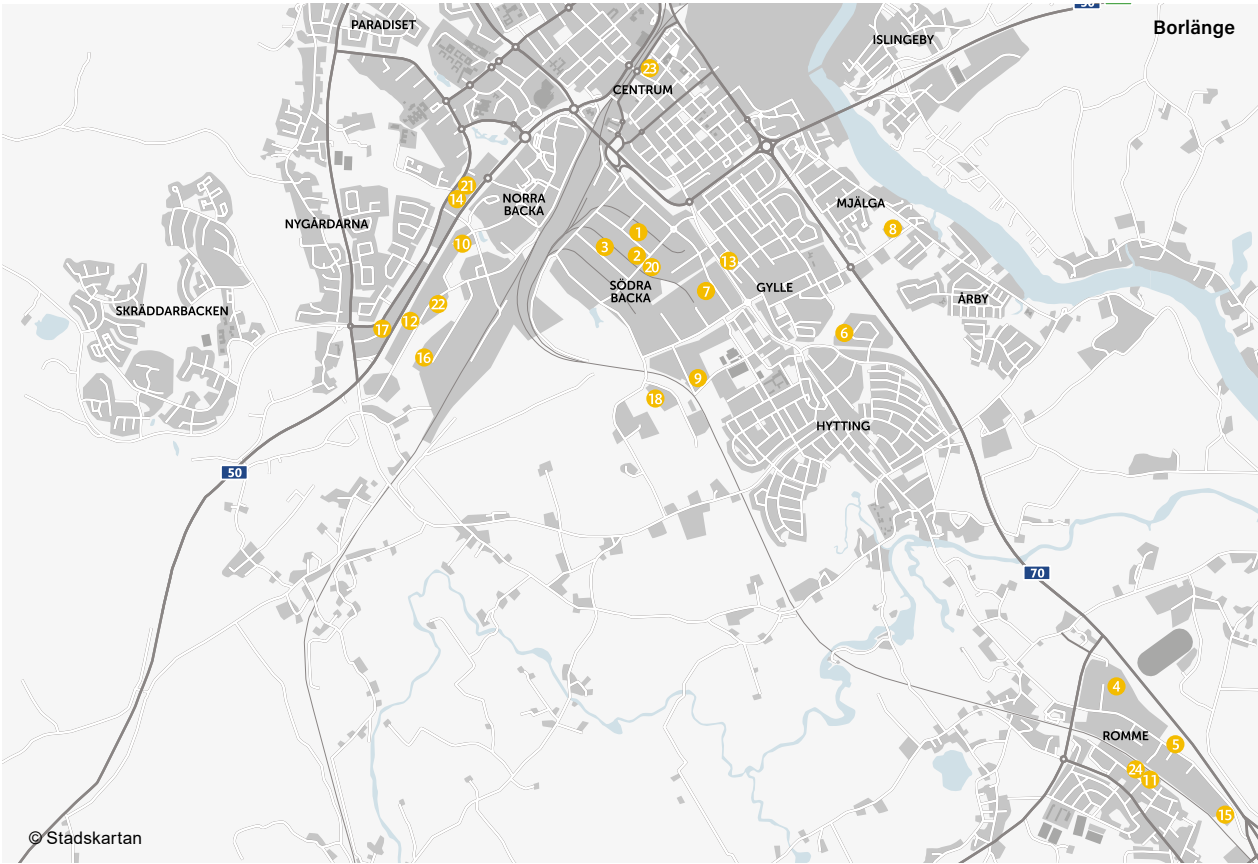


Property register



Business area Dalarna

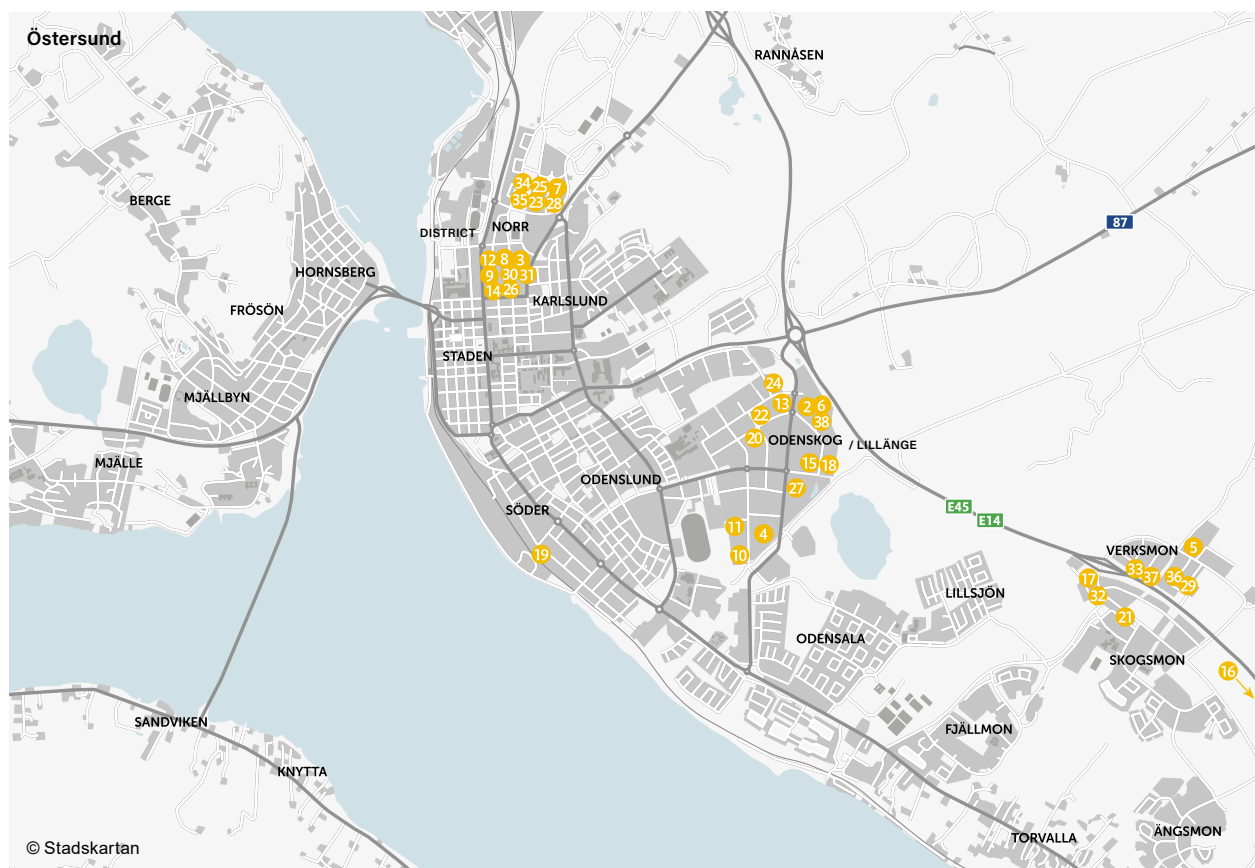
No. Property	Address	Municipality	Category	Area	No. Property	Address	Municipality	Category	Area		
Falun											
1	Främby 1:56	Främbyvägen 6	Falun	Industrial	61,581	24	Falun 8:7	Tullkammaregatan 2	Falun	Offices	756
2	Hälsinggården 1:427	Löväsvägen 26	Falun	Logistics	10,800	25	Hälsinggården 1:499	Roxnäsvägen 4	Falun	Offices	730
3	Ingarvsskogen 10	Västermalmsv. 13	Falun	Industrial	9,641	26	Ingarvsskogen 7	Västermalmsv. 11 A	Falun	Offices	729
4	Ingarvsmyren 3 & 4	Ingarvsvägen 6	Falun	Industrial	8,540	27	Lunsta 5	Matsarvsvägen 19	Falun	Offices	450
5	Korsnäs 3:7	Roxnäsvägen 13	Falun	Industrial	8,240	28	Ingarvsmon 4	Ingarvsvägen	Falun	Other	0
6	Riset 4	Matsarvsvägen 7	Falun	Industrial	6,912						
7	Ingarvsmyren 1	Ingarvsvägen 2	Falun	Retail	6,285						
8	Hyttberget 3	Yxhammargatan 5-7	Falun	Retail	4,507						
9	Ingarvsbacken 1	Västermalmsvägen 2-4	Falun	Retail	4,223						
10	Ingarvsbacken 6	Västermalmsvägen 10	Falun	Industrial	3,756						
11	Lunsta 4	Ingarvsvägen 13	Falun	Retail	3,432						
12	Skyfallet 20	Ingarvsvägen 1	Falun	Retail	3,324						
13	Ingarvsbacken 2	Västermalmsvägen 2	Falun	Industrial	3,190						
14	Ingarvsskogen 4	Västermalmsvägen 1	Falun	Industrial	2,784						
15	Västra Tullen 3	Matsarvsvägen 16	Falun	Retail	2,533						
16	Vägverket 2	Zettergrens väg 14	Falun	Retail	2,415						
17	Tviksta 1	Skyfallsvägen 2	Falun	Offices	2,122						
18	Hälsinggården 1:68	Roxnäsvägen 10	Falun	Industrial	1,487						
19	Hyttberget 2	Yxhammargatan 3	Falun	Industrial	1,256						
20	Ryckepungen 2	Ryckepungsvägen 3	Falun	Retail	1,184						
21	Hälsinggården 1:498	Roxnäsvägen 6	Falun	Offices	990						
22	Skyfallet 18	Ryckepungsvägen 4	Falun	Industrial	870						
23	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 Moskovsgv. 27	Leksand	Industrial	1,051
4	Buskåker 4:13	Tunavägen 277 B	Borlänge	Industrial	11,895	Mora				
5	Norr Romme 8:42	Tunavägen 284	Borlänge	Industrial	7,069	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	Bänken 1	Gyllehemsvägen 35	Borlänge	Industrial	4,962	Utmeland 47:34	Örjasvägen 11	Mora	Logistics	4,820
9	Grepén 1	Mejselgatan 9	Borlänge	Logistics	3,925	Östnor 107:6	Landsvägen 11A-D, 19	Mora	Industrial	4,667
10	Lantmästaren 3 + 4	Ritargatan 4	Borlänge	Other	3,791	Noret 52:43	Skålmyrsvägen 41-45	Mora	Retail	4,027
11	Buskåker 3:13	Kvarngatan 13	Borlänge	Industrial	3,658	Utmeland 89:256	Mossvägen 1	Mora	Industrial	3,766
12	Teknikern 2	Gjutaregatan 40	Borlänge	Retail	3,418	Stranden 55:4	Tingsnäs v. 21A-B	Mora	Industrial	3,456
13	Separatören 2	Källstigen 1	Borlänge	Retail	3,318	Noret 159:7	Tallvägen 7	Mora	Industrial	1,320
14	Sotaren 2	Nygårdsvägen 13	Borlänge	Retail	2,889	Others				
15	Sör Romme 1:17	Tunavägen 300	Borlänge	Logistics	2,420	Daldansen 3	Skolvägen 3	Ludvika	Industrial	3,356
16	Pinnpojken 3 + 4	Planerargatan 12-14	Borlänge	Industrial	2,286	Bävern 13	Bäverstigen 6	Smedjebacken	Industrial	1,999
17	Kalkylatorn 7	Projektgatan 7	Borlänge	Retail	2,190	Hulån 55:7	Hulån 56	Vansbro	Industrial	1,951
18	Kolvagnen 5	Lagergatan 4	Borlänge	Retail	1,985					
19	Kolbotten 2	Kolargatan 3	Borlänge	Industrial	1,561					
20	Släggan 2	Mästargatan 7	Borlänge	Offices	1,550					
21	Nygårdarna 14:202	Nygårdsvägen 11	Borlänge	Industrial	1,493					
22	Ingenjören 1	Gjutaregatan 37	Borlänge	Industrial	877					
23	Turisten 1	Sveagatan 1	Borlänge	Offices	355					
24	Buskåker 3:17	Kvarngatan 14	Borlänge	Land	0					

Property register



Business area Östersund

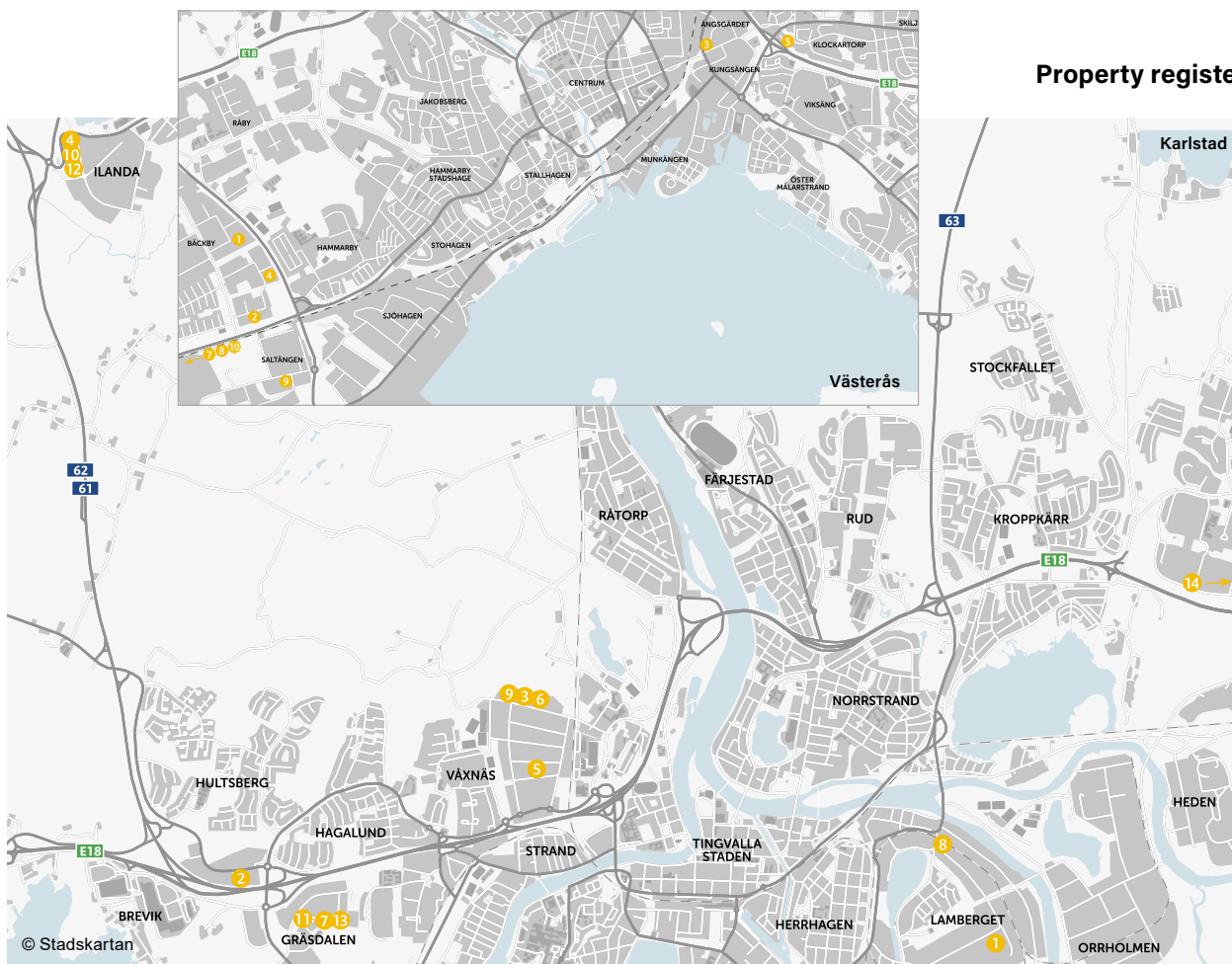
No.	Property	Address	Municipality	Category	Area
Östersund					
1	Lokomotivet 2	Kännåsvägen 13	Östersund	Industrial	23,435
2	Ångvälden 5	Chaufförvägen 27	Östersund	Retail	12,548
3	Lugnet 7	Armégränd 3-7	Östersund	Offices	11,326
4	Hejaren 5	Hagvägen 30	Östersund	Industrial	11,075
5	Timmerlasset 1	Hägnvägen 15	Östersund	Industrial	9,235
6	Ångvälden 7	Chaufförvägen 27	Östersund	Retail	8,167
7	Lastbilen 1	Arenavägen 4	Östersund	Industrial	7,769
8	Fältjägaren 6	Infanterigatan 16	Östersund	Offices	6,943
9	Fältjägaren 3	Kaserngatan 13	Östersund	Other	5,603
10	Svarven 6	Odenskogsvägen 42	Östersund	Industrial	5,527
11	Svarven 10	Odenskogsvägen 36A	Östersund	Industrial	5,328
12	Fältjägaren 4	Kaserngatan 5	Östersund	Other	5,169
13	Trucken 16	Chaufförvägen 25	Östersund	Logistics	4,720
14	Fältjägaren 2	Kaserngatan 17	Östersund	Offices	4,469
15	Släpvagnen 6	Chaufförvägen 28	Östersund	Retail	4,014
16	Brunflo-Ånge 3:1	Centrumvägen 55	Brunflo	Industrial	3,834
17	Motorsågen 3	Kolarevägen 8	Östersund	Industrial	2,856
18	Snöslungan 8	Chaufförvägen 33	Östersund	Retail	2,492
19	Lången 7	Bangårdsgatan 30	Östersund	Industrial	2,135
20	Traktorn 1	Vallvägen 6	Östersund	Retail	2,025
21	Busken 1	Splintvägen 5	Östersund	Offices	2,012
22	Trucken 7	Chaufförvägen 17	Östersund	Industrial	1,925

No.	Property	Address	Municipality	Category	Area
23	Hjultraktorn 1	Arenavägen 3	Östersund	Offices	1,864
24	Nyckelpigan 4	Inspektörsvägen 19	Östersund	Offices	1,585
25	Hjultraktorn 2	Arenavägen 9, 15	Östersund	Offices	1,516
26	Fältjägaren 1	Kanslihusgränd 2	Östersund	Offices	1,466
27	Bandsågen 11	Hagvägen 17	Östersund	Industrial	1,305
28	Lastbilen 2	Arenavägen 2	Östersund	Retail	1,296
29	Virkesmätaren 7	Störvägen 9	Östersund	Industrial	1,281
30	Lugnet 11	Infanterigatan 21	Östersund	Offices	1,020
31	Fältjägaren 11	Kanslihusgränd 5	Östersund	Offices	950
32	Motorsågen 2	Kolarevägen 2	Östersund	Industrial	935
33	Flottaren 1 + 3	Plankvägen 4	Östersund	Industrial	660
34	Hjultraktorn 4	Arenavägen 5	Östersund	Land	-
35	Hjultraktorn 5	Arenavägen 1	Östersund	Land	-
36	Virkesmätaren 6	Störvägen 9	Östersund	Land	-
37	Flottaren 4	Plankvägen 8	Östersund	Land	-
38	Ångvälden 4	Speditörvägen 3	Östersund	Land	-

Others

Namn 3:1	Myrviksvägen 22	Berg	Industrial	1,042
Kånkback 1:246	Kånkback 106	Ragunda	Industrial	1,027
Så 2:91		Åre	Land	-

Property register

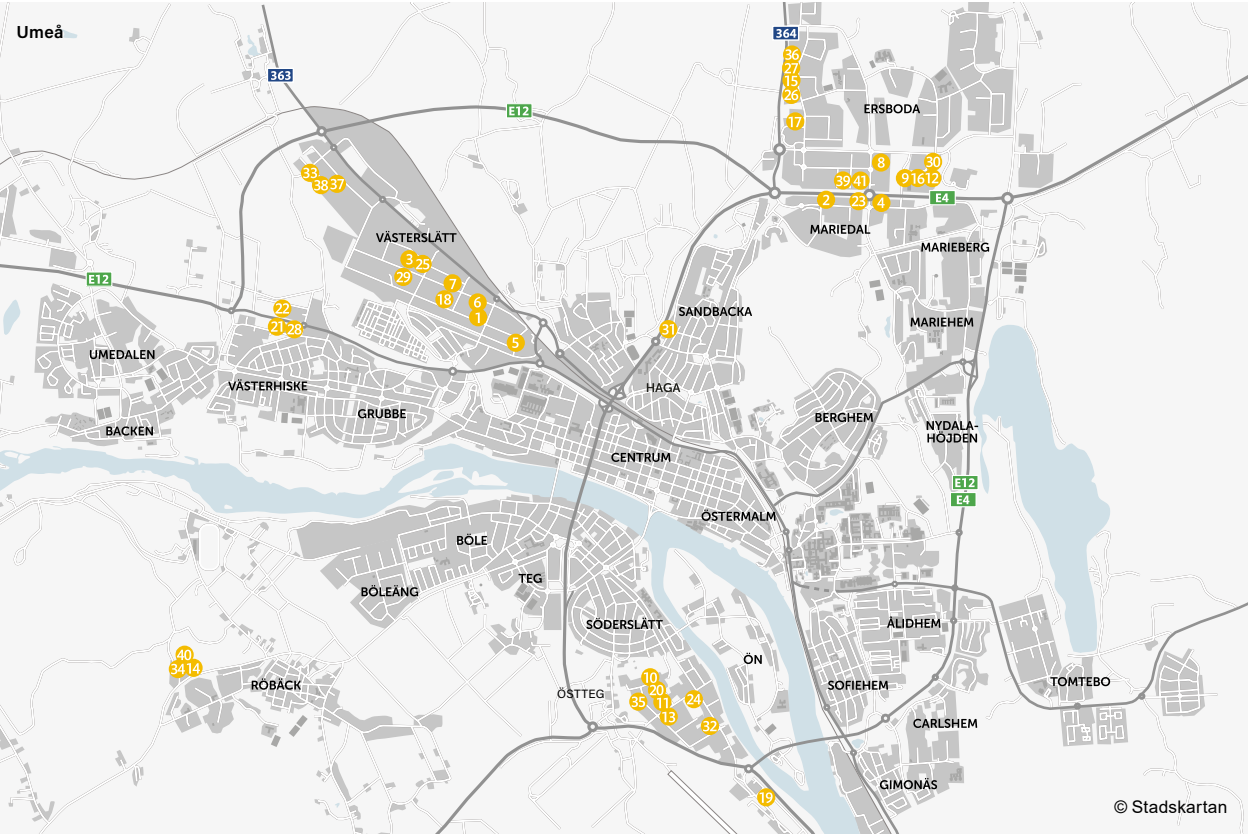


Business area Middle Sweden

No. Property	Address	Municipality	Category	Area
Karlstad				
1 Stådet 2	Gjuterigatan 38 A-D	Karlstad	Industrial	19,599
2 Planeraren 9	Körkarlvägen 1-3	Karlstad	Industrial	8,627
3 Ratten 15	Säterivägen 20A	Karlstad	Offices	2,429
4 Ilanda 1:47	Fjärrviksvägen 2A	Karlstad	Industrial	2,153
5 Spärren 2	Spärrgatan 7	Karlstad	Industrial	1,954
6 Ratten 10	Säterivägen 18	Karlstad	Offices	1,825
7 Gräsmattan 7	Frögatan 14	Karlstad	Industrial	1,785
8 Hammaren 1	Gjuterigatan 1	Karlstad	Industrial	1,644
9 Ratten 13	Säterivägen 20	Karlstad	Offices	1,630
10 Ilanda 1:37	Fjärrviksvägen 2	Karlstad	Industrial	1,326
11 Grässträet 1	Gräsdalsgatan 4	Karlstad	Offices	1,309
12 Ilanda 1:54	Fjärrviksvägen 2B, 4A	Karlstad	Industrial	1,192
13 Gräsmattan 8	Frögatan 16	Karlstad	Industrial	1,000
14 Busterud 1:160	Bråtebäcksvägen 22	Karlstad	Industrial	911
Västerås				
1 Härdsmedet 1	Ånghammargatan 6-8	Västerås	Industrial	11,999
2 Hjulsmeden 4	Gjutjärnsgatan 4	Västerås	Retail	4,017
3 Sägklingen 9	Pilgatan 19	Västerås	Industrial	3,580
4 Blåsterugnen 3	Kokillgatan 9	Västerås	Industrial	2,475
5 Fanjunkaren 2	Klockartorpsgatan 16	Västerås	Other	2,411
6 Viveln 8	Fältnätargatan 16	Västerås	Industrial	1,428

No. Property	Address	Municipality	Category	Area
7 Krogen 1	Långängskrogen 7	Västerås	Industrial	1,286
8 Vårdshuset 2	Gilltunavägen 4	Västerås	Industrial	1,130
9 Munkboängen 4	Saltängsvägen 27	Västerås	Industrial	1,081
10 Krogen 2	Långängskrogen 9	Västerås	Industrial	360
Others				
Hissmontören 2	Klerkgatan 18	Örebro	Industrial	10,331
Vägskalet 15 + 16	Rönnngatan 2-6	Katrineholm	Industrial	5,636
Hallstahammar-Nibble 1:140	Cementvägen 4	Hallstahammar	Industrial	4,414
Hedkärr 1:24	Herrestads Torp 354	Uddevalla	Retail	4,000
Guldet 1	Södra Metallvägen 1	Skövde	Retail	3,373
Ormbunken 8	Industrigatan 9	Mariestad	Retail	3,271
Odonet 1	Moränvägen 2	Motala	Retail	2,479
Neutronen 4	Argongatan 83	Örebro	Industrial	1,697
Generatoren 2	Turbinvägen 5	Motala	Industrial	1,564
Halla-Stenbacken 1:102	Fossumsbergsv. 1	Uddevalla	Industrial	1,518
Nollplanet 8	Fabriksgratan 7	Eskilstuna	Industrial	1,251
Draken 19	Hangarvägen 11	Karlskoga	Industrial	799
Lindeshyttan 5:5	Fotbollsgatan 16	Lindesberg	Industrial	789
Silvret 2	Kromgatan 5	Kristinehamn	Industrial	639
Svårdet 5	Gasverksvägen 3A	Nyköping	Industrial	600
Terminalen 10	Magasinsvägen 5	Karlskoga	Land	0

Property register



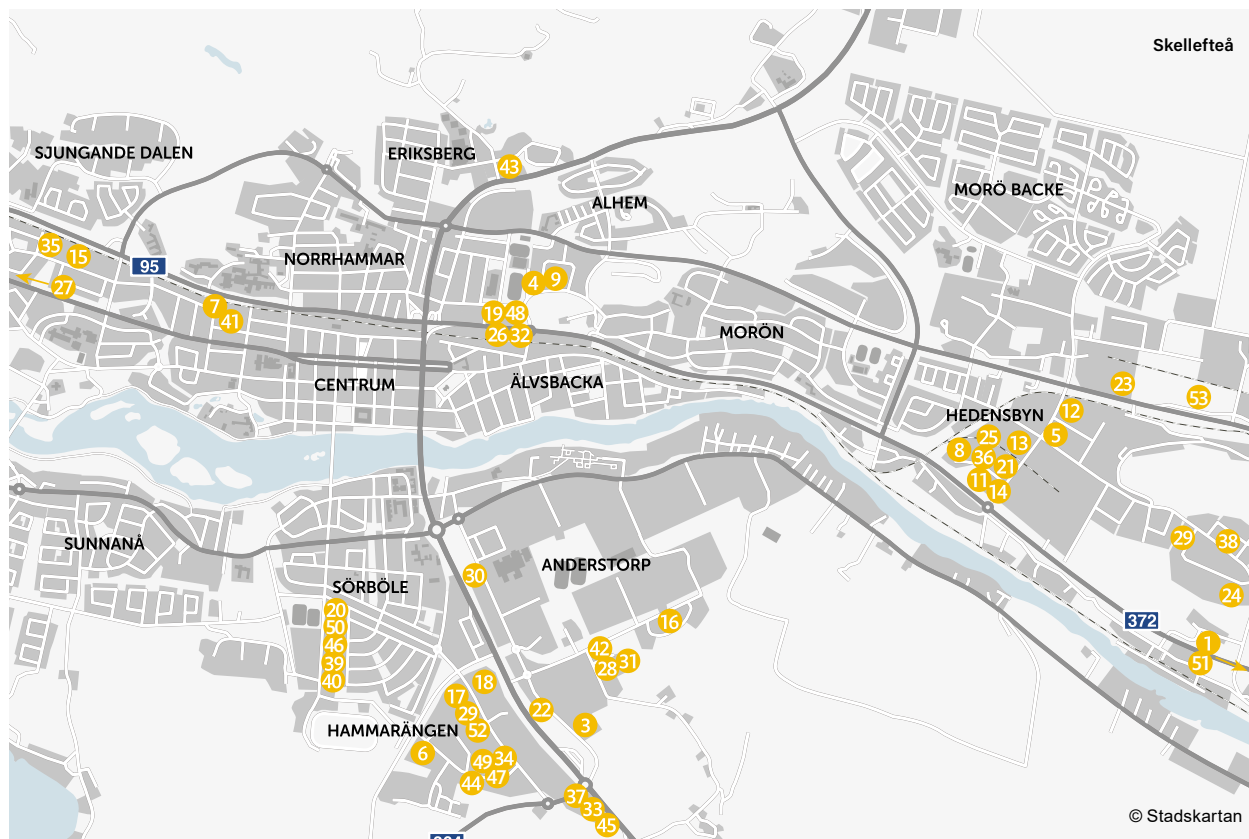
Business area Umeå

No.	Property	Address	Municipality	Category	Area
Umeå					
1	Vevstaken 9	Spårvägen 10	Umeå	Retail	11,421
2	Björnjägaren 3	Björnvägen 7	Umeå	Retail	11,292
3	Ledningen 1	Strömvägen 3-5	Umeå	Other	9,926
4	Huggormen 1	Björnvägen 15-17	Umeå	Offices	8,531
5	Rälsbussen 5	Industrivägen 2	Umeå	Industrial	7,671
6	Generatoren 7	Förrådevägen 11-15	Umeå	Retail	6,939
7	Rälen 3	Förrådevägen 12	Umeå	Industrial	5,498
8	Laven 2	Formvägen 16	Umeå	Offices	5,219
9	Cementgjuteriet 1	Bruksvägen 15	Umeå	Retail	5,200
10	Schablonen 6	Läringsgatan 10-14	Umeå	Industrial	5,127
11	Matrisen 6	Läringsgatan 1	Umeå	Offices	4,669
12	Cementgjuteriet 5	Bruksvägen 7	Umeå	Retail	4,635
13	Cisternen 26	Maskingatan 7-9	Umeå	Offices	4,599
14	Röbäck 30:94	Täktvägen 4	Umeå	Industrial	4,487
15	Kedjan 8	Gräddvägen 15A	Umeå	Other	4,328
16	Cementgjuteriet 6	Bruksvägen 7	Umeå	Retail	4,116
17	Länken 2 + 3	Gräddvägen 3	Umeå	Retail	3,574
18	Pumpen 2	Spårvägen 18	Umeå	Industrial	3,371
19	Flygaren 1 + 3	Flygplatsvägen 19	Umeå	Offices	3,155
20	Matrisen 2	Läringsgatan 9	Umeå	Retail	2,850
21	Kronoskogen 2	Kronoskogsvägen 8-10	Umeå	Industrial	2,760
22	Rödbergsmynan 8	Spinnvägn 15	Umeå	Retail	2,641
23	Björnjägaren 2	Björnvägen 11B	Umeå	Retail	2,461
24	Maskinen 1	Maskingatan 1	Umeå	Offices	2,430

No.	Property	Address	Municipality	Category	Area
25	Ledningen 2	Strömvägen 1	Umeå	Industrial	2,083
26	Kedjan 5	Gräddvägen 13	Umeå	Logistics	2,068
27	Kedjan 7	Gräddvägen 15B	Umeå	Other	2,058
28	Kronoskogen 3	Kronoskogsvägen 2-6	Umeå	Industrial	1,829
29	Spänningen 5	Förrådevägen 23	Umeå	Retail	1,687
30	Bruket 2	Bruksvägen 3	Umeå	Industrial	1,680
31	Ledet 1	Sandbackavägen 1	Umeå	Retail	1,562
32	Maskinen 7	Läringsgatan 41	Umeå	Industrial	1,506
33	Mätaren 1	Kabelvägen 1	Umeå	Industrial	1,500
34	Röbäck 30:95	Täktvägen 2	Umeå	Industrial	1,450
35	Schablonen 3	Läringsgatan 20	Umeå	Offices	1,409
36	Kedjan 6	Gräddvägen 15C	Umeå	Retail	1,360
37	Grubbe 9:55	Mätarvägen 11B	Umeå	Logistics	1,200
38	Grubbe 9:48	Kabelvägen 1A	Umeå	Logistics	899
39	Singeln 17	Formvägen 10	Umeå	Offices	857
40	Röbäck 30:113	Täktvägen 6	Umeå	Industrial	849
41	Singeln 18	Formvägen 10DD	Umeå	Offices	515

Örnsköldsvik

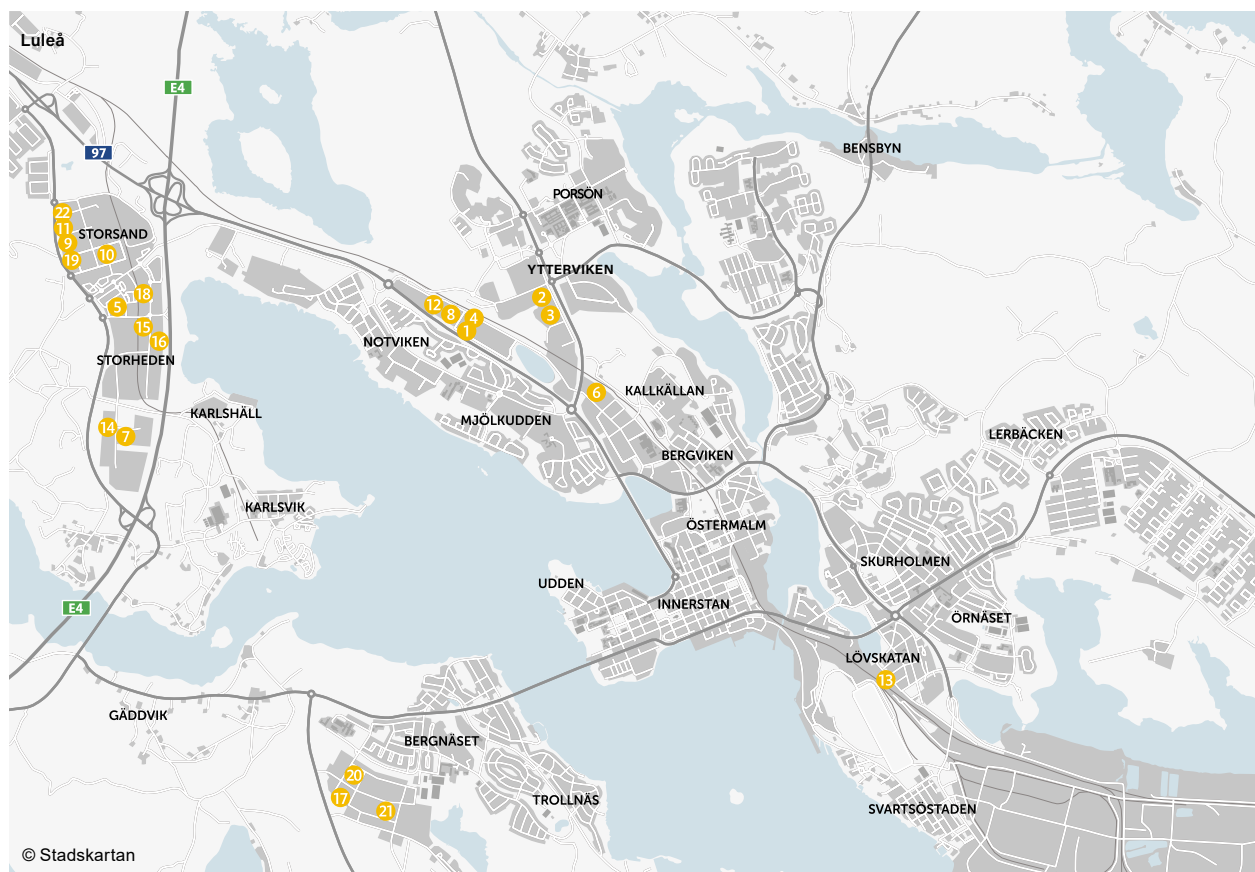
Norrlungängar 2:144	Björnavägen 41 A	Örnsköldsvik	Industrial	49,223
Själlevads PB 1:131	Kavelvägen 17	Örnsköldsvik	Industrial	7,974
Främmerhörnäs 2:4	Krossvägen 10	Örnsköldsvik	Industrial	2,001
Norrlungängar 2:45	Björnavägen 47-50	Örnsköldsvik	Other	900
Anundsjö-Näs 5:40	Köpmangatan 3	Örnsköldsvik	Industrial	784



Business area Skellefteå

No.	Property	Address	Municipality	Category	Area	No.	Property	Address	Municipality	Category	Area
Skellefteå						28	Utköraren 1	Nålvvägen 3	Skellefteå	Industrial	2,283
1	Profilen	Näsuddsvägen 10-14	Skellefteå	Industrial	20,730	29	Rikthyveln 3	Hyvelgatan 1	Skellefteå	Industrial	2,232
2	Morö Backe 1:3	Serviceg. 5, 6, 13 + 19	Skellefteå	Industrial	20,679	30	Operatören 1	Gymnasievägen 4	Skellefteå	Retail	2,110
3	Sömmerskan 3	Gymnasievägen 24	Skellefteå	Other	17,117	31	Utköraren 2	Filtergränd 4	Skellefteå	Industrial	2,030
4	Industrien 9	Mullbergsvägen 11	Skellefteå	Other	16,224	32	Sture 13	N. Järnvägsgränd 64	Skellefteå	Industrial	2,009
5	Hallen 13	Svedjevägen 8	Skellefteå	Industrial	13,135	33	Släpvagnen 3	Tjarnvägen 38	Skellefteå	Retail	1,822
6	Sörböle 2:81	Verkstadsvägen 2	Skellefteå	Industrial	12,262	34	Motorn 8	Tjarnvägen 26	Skellefteå	Industrial	1,795
7	Merkurius 5	Industrivägen 2	Skellefteå	Other	11,894	35	Nybruket 4	Industrivägen 44	Skellefteå	Industrial	1,657
8	Lagret 8	Lagergatan 1	Skellefteå	Offices	7,664	36	Lagret 6	Lagergatan 3B	Skellefteå	Industrial	1,500
9	Förrådet 12	Maskinvägen 13	Skellefteå	Industrial	7,071	37	Släpvagnen 1	Tjarnvägen 36	Skellefteå	Retail	1,486
10	Flamman 1	Nöppelbergsvägen 16	Skellefteå	Retail	6,625	38	Gradsågen 2 + 3	Risbergsgatan 81	Skellefteå	Industrial	1,459
11	Rondellen 3	Svedjevägen 1	Skellefteå	Offices	6,065	39	Älggräset 1	Brogatan 33	Skellefteå	Offices	1,426
12	Hallen 7	Svedjevägen 10	Skellefteå	Industrial	5,990	40	Älggräset 4	Brogatan 39	Skellefteå	Industrial	1,217
13	Kontoret 5	Svedjevägen 5	Skellefteå	Industrial	5,886	41	Merkurius 2	Vretgatan 3	Skellefteå	Other	1,134
14	Borrmaskinen 5	Svedjevägen 1	Skellefteå	Industrial	5,400	42	Filtret 2	Filtergränd 3	Skellefteå	Industrial	1,131
15	Nybruket 5	Industrivägen 38-42	Skellefteå	Industrial	4,734	43	Ringan 4	Mossgränd 32	Skellefteå	Other	1,112
16	Företagaren 3	Företagsvägen 34	Skellefteå	Industrial	4,722	44	Muttern 3	Verkstadsvägen 14	Skellefteå	Industrial	1,077
17	Motorn 1	Tjarnvägen 2	Skellefteå	Retail	4,631	45	Släpvagnen 2	Tjarnvägen 40	Skellefteå	Retail	1,012
18	Karossen 1	Tjarnvägen 1B	Skellefteå	Retail	4,326	46	Älggräset 2	Brogatan 35	Skellefteå	Industrial	989
19	Bielke 6	Norrbölegatan 66	Skellefteå	Logistics	3,862	47	Motorn 11	Verkstadsvägen 11	Skellefteå	Industrial	850
20	Porsen 2	Brogatan 29	Skellefteå	Industrial	3,514	48	Bielke 3	Norrbölegatan 68	Skellefteå	Other	560
21	Lagret 2	Svedjevägen 3	Skellefteå	Industrial	3,172	49	Motorn 9	Verkstadsvägen 15	Skellefteå	Offices	545
22	Rondellen 2	Gymnasievägen 18	Skellefteå	Industrial	3,101	50	Älggräset 3	Brogatan 37	Skellefteå	Industrial	241
23	Transistorn 3	Torsgatan 101	Skellefteå	Industrial	2,981	51	Sågverket 4	Brädgårdsvägen 15	Skellefteå	Industrial	165
24	Rikthyveln 1	Hyvelgatan 15	Skellefteå	Industrial	2,876	52	Motorn 2	Tjarnvägen 4	Skellefteå	Land	-
25	Lagret 7	Lagergatan 3D	Skellefteå	Industrial	2,813	53	Transistorn 6	Transportgatan 7	Skellefteå	Land	-
26	Sture 12	N. Järnvägsgr. 60-62	Skellefteå	Industrial	2,736						
27	Charkuteriet 5	Plastvägen 6	Skellefteå	Industrial	2,668						

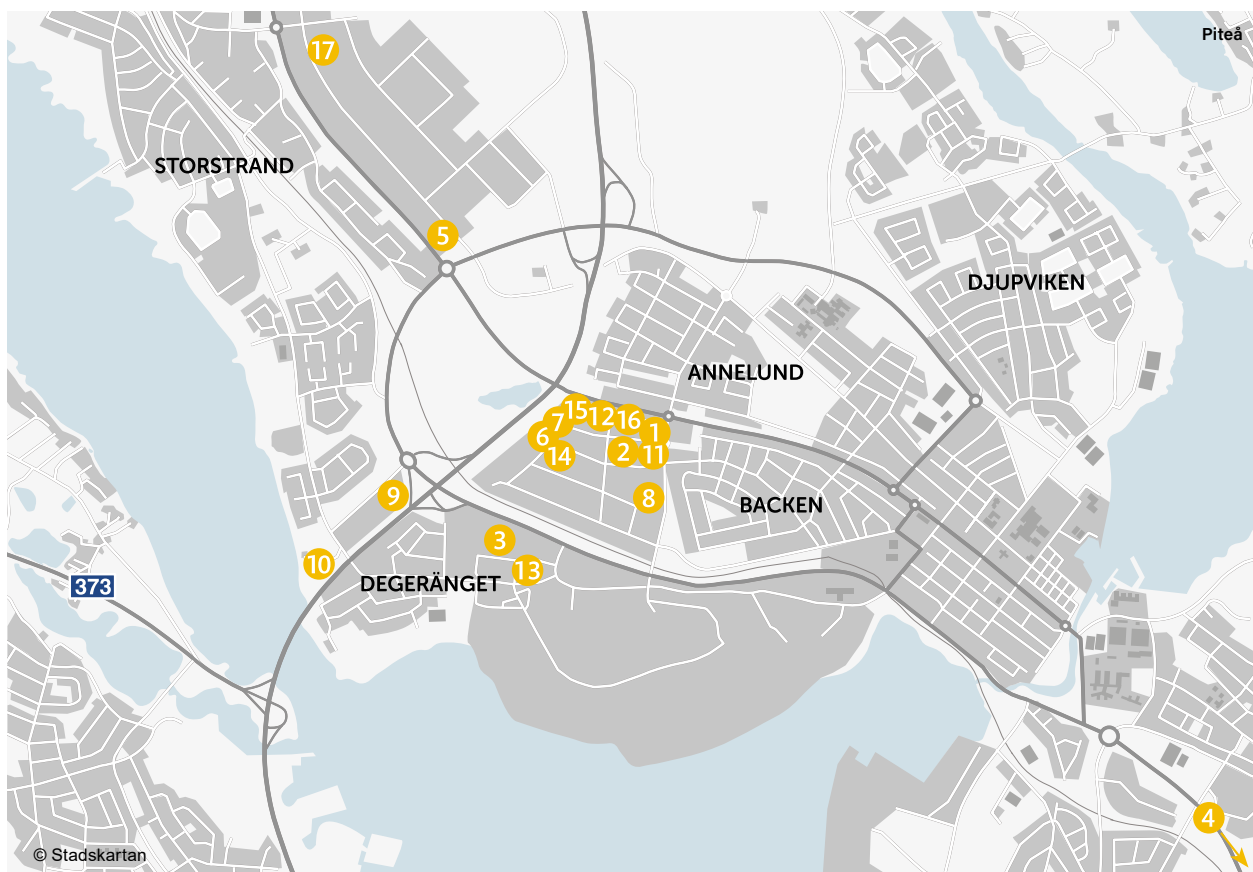
Property register



Business area Luleå

No. Property	Address	Municipality	Category	Area
Luleå				
1 Skotet 8	Spantgatan 14	Luleå	Retail	18,262
2 Räfsan 4	Depåvägen 2	Luleå	Logistics	18,251
3 Räfsan 5	Depåvägen 4C-G	Luleå	Industrial	8,850
4 Skotet 1	Banvägen 11A-B	Luleå	Industrial	7,936
5 Storheden 1:81	Cementvägen 8	Luleå	Logistics	6,330
6 Ödlan 6	Ödlegatan 6	Luleå	Retail	5,202
7 Storheden 2:10	Krossvägen 4	Luleå	Industrial	4,890
8 Notviken 4:48	Banvägen 13	Luleå	Retail	4,543
9 Storheden 1:26	Handelsvägen 3C	Luleå	Industrial	2,994
10 Storheden 1:5	Besiktningstv. 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 Storheden 1:43	Betongvägen 7A	Luleå	Industrial	1,500
17 Bergnäset 3:51	Upplagsvägen 3-5	Luleå	Logistics	1,495
18 Storheden 1:55	Betongvägen 10	Luleå	Retail	1,085
19 Storheden 1:33	Besiktningstv. 9	Luleå	Industrial	890
20 Bergnäset 3:6 + 3:7	Industrivägen 19-20	Luleå	Industrial	789
21 Bergnäset 3:38 + 3:39	Fabriksvägen 4-6	Luleå	Industrial	750
22 Storheden 1:25	Handelsvägen 7	Luleå	Land	-

No. Property	Address	Municipality	Category	Area
Gällivare				
Gällivare 12:334	Vouskojärviv. 11-23	Gällivare	Industrial	16,606
Gällivare 15:336	Energiplan 3	Gällivare	Retail	8,023
Gällivare 12:573	Treenighetens Väg 1	Gällivare	Retail	3,437
Gällivare 57:22	Metallvägen 4	Gällivare	Industrial	1,221



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	Välten 8	Österleden 4-24	Kiruna	Retail	16,513
2 Stadsön 8:9	Fläktgatan 9	Piteå	Retail	6,883	Björka 2	Hästskovägen 4A-D	Haparanda	Retail	8,100
3 Stadsön 6:23	Oktanvägen 6	Piteå	Retail	5,130	Norrmalm 6	Lillgatan 4 A-C	Haparanda	Retail	2,963
4 Pitholm 47:59	Traversvägen 7	Piteå	Industrial	4,500	Uven 13	Ugglegatan 11	Boden	Industrial	1,910
5 Öjebyn 33:222	Hammarvägen 32	Piteå	Logistics	4,390	Höken 3	Sturegatan 14	Boden	Retail	1,730
6 Stadsön 8:34	Fläktgatan 24	Piteå	Retail	3,551	Släpvgägen 10	Forvägen 29-31	Kiruna	Industrial	1,198
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 Klubbgården 2:4	Servicegatan 2	Piteå	Industrial	716					
18 Öjebyn 11:42	Hammarvägen 11 A-B	Piteå	Industrial	464					

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Västra Kajvägen 4, 941 38 Piteå

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