



QUARTIERS TIERS

P R O P E R T I E S

**YEAR-END REPORT
JANUARY TO DECEMBER 2020**

Quartiers Properties AB (publ)
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info@quartiersproperties.se
www.quartiersproperties.se

SUMMARY OF THE PERIOD

- Net sales amounted to SEK 55.8 (93.377) million, of which the second half of the year accounted for sales of SEK 27.664 (36.989) million, compared with the seasonally weak first quarter 2020 sales of SEK 25.644 million, which were only partially affected by the coronavirus. This shows the positive potential in the company that can be realised once the pandemic is over. Sales from the sale of properties decreased by SEK 44.975 million compared with 2019, which can partly be attributed to the fact that the 22byQuartiers project was completed in 2019. Due to the coronavirus, the company was also forced to postpone the launch of Ocean View, which consists of construction rights for 60 newly produced apartments. Sales from the operator business amounted to SEK 32.643 (25.245) million, which corresponds to an increase of SEK 7.398 million. The development should be viewed in the context of the fact that the company's hotel and restaurant operations have been completely or partially shut down since mid-March due to COVID-19. The company's sales of properties were also hit hard, with four of a total of six sales being completed during the first quarter, i.e. before the outbreak of COVID-19.
- Operating profit/loss totalled SEK -48.667 (-26.449) million, of which the second half of the year accounted for SEK -22.425 (-26.659) million. Operating profit/loss before depreciation (EBITDA) totalled SEK -29.975 (-14.823) million, of which the second half of the year accounted for SEK -14.350 (-17.447) million.
- Post-tax earnings amounted to SEK -67.604 (-37.443) million, of which the second half of the year accounted for SEK -37.470 (-33.677) million.
- According to an external property valuation, the value of the property portfolio amounted to the equivalent of SEK 751.162 (843.999) million. Adjusted for divested properties and exchange rate fluctuations, this equates to a decrease in value of 4.1%. This confirms the quality of the company's property portfolio, the value of which has not been significantly affected by COVID-19.
- Earnings per share was SEK -1.44 (-0.82).
- Shareholders' equity on 31 December 2020 was SEK 281.761 (334.712) million.
- The company's net asset value on 31 December 2020 was SEK 318.461 (400.019) million, which equates to SEK 6.15 (8.26) per share.

SIGNIFICANT EVENTS DURING THE SECOND HALF OF THE YEAR

- On 15 July, the company entered into a financing agreement with the global investment bank Alantra and Desalkiv Portfolios L.L.C regarding refinancing of the company's investment loans. Please also see the press release published on 15 July 2020.
- In September, 3,291,624 preference shares were redeemed, which means that these were cancelled and a corresponding number of ordinary shares were issued together with 6,583,248 warrants. The warrants were issued free of charge.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE PERIOD

- New, stricter coronavirus restrictions were introduced in Marbella at the end of January, which forced all non-essential operations to close temporarily. Boho Club therefore closed temporarily and the majority of the staff were placed on furlough (ERTE) with state aid, in the same way as before. It is expected that Boho Club will reopen in mid-March 2021.

QUARTIERS IN BRIEF

Quartiers Properties is a Swedish-owned property company listed on Nasdaq First North in Stockholm. The company's business is geographically focused on Spain. Quartiers mainly invests in properties aimed at an affluent international target group.

Quartiers is the only publicly listed property company in Sweden whose entire business is geographically focused on Spain. The company is active in two main segments: property refinement and property development.

The company benefits from its Nordic background, with expertise in design and customer service that generates value in its property portfolio. Its products are created with a focus on a discerning Scandinavian target group, which contributes to the high quality of the projects and ensures an attractiveness that also appeals to numerous nationalities, including the local Spanish population.

In the area of property refinement, the company invests in underperforming properties with the aim of increasing the property's net operating income and stabilising the property's cash flow – thus increasing its value. The company also runs an operator business comprising hotel and restaurant management, primarily aimed at supporting the creation of value in the two main segments: property development and property refinement.

Despite the strict restrictions imposed in Spain, Quartiers has still managed to keep the operations running to a certain extent. Sanitary measures to protect

both personnel and guests have been implemented effectively at both Boho Club and the company's apartment hotel in Benahavis.

Quartiers is active in the premium segment and exposed to the tourism sector in particular, which has been affected very negatively by the travel restrictions resulting from COVID-19. The tourism industry in Marbella has historically shown a strong ability to return quickly after short-term disruptions to demand. In this crisis, which is not a financial crisis but a health crisis, strong stimulus packages and an expansionary monetary policy have helped the value of assets to continue to rise. This is evident not least in the Swedish housing market and stock market. Assuming a continued strong demand to travel in the northern European premium market, and an easing of the current travel restrictions, there are good conditions for an unusually strong summer and autumn for hotels, restaurants and property sales on the Costa del Sol in Spain.

On 31 December 2021, the Group had 68 employees, all of whom were based in Spain and 29 of whom were partially or fully on the 'ERTE' furlough scheme in accordance with the support measures launched by the Spanish government. The number of employees in the Group has decreased by just over 30% compared with the figure on 31 December 2019, as a result of COVID-19.



Some of the staff at Boho Club in Marbella, where one of the measures implemented is that all staff wear face masks.

SUMMARY OF GROUP KEY PERFORMANCE INDICATORS

SUMMARY OF KEY PERFORMANCE INDICATORS

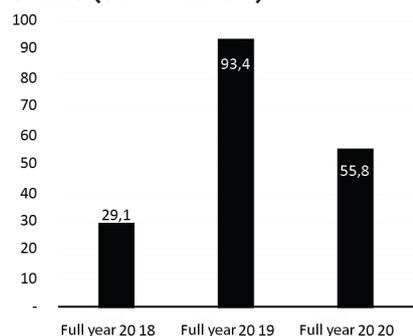
As a result of COVID-19, the company's sales revenues and financial results in 2020 have been lower than what would probably otherwise have been a strong first year with full operation of Boho Club and continued sales of apartments. During the year, the company has taken out new loans, which has increased the company's loan to value (LTV) from 34.7% to 39.9%. The company's net asset value per ordinary share decreased by 25.0% during the year, from SEK 8.20 to SEK 6.15. The change is a result of the decrease in the value of the company's properties, accumulated dividends on the company's preference shares, and the profit/loss for the year, which was negatively affected by COVID-19.

On 31 December 2020, the company's share price was SEK 9.50 per ordinary share, which corresponds to an increase of 242% compared to half way through the year, shortly after the outbreak of COVID-19.

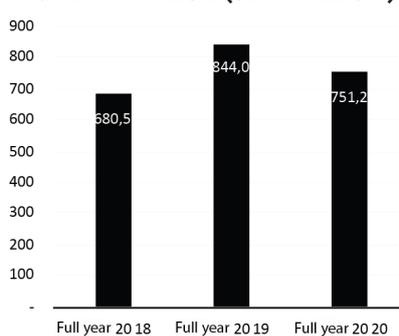


Apartment for sale in the Hacienda Collection project - More information available at: www.haciendacollection.es

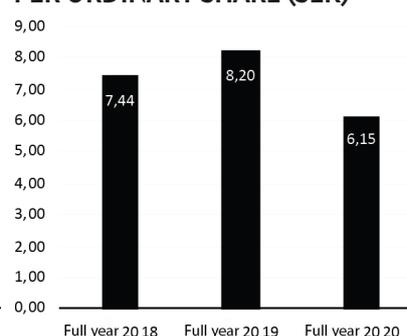
SALES (SEK MILLION)



PROPERTY VALUE (SEK MILLION)



NET ASSET VALUE PER ORDINARY SHARE (SEK)



Key performance indicators (SEK thousand)	31.12.2020 (Full year)	30.06.2020 (Half-year)	31.12.2019 (Full year)	31.12.2018 (Full year)
Sales revenues	55,800	28,136	93,377	29,098
Operating profit/loss, EBITDA	-29,975	-15,625	-14,823	-22,312*
Property values**	751,162	783,006	843,999	680,460
Interest-bearing liabilities	314,736	276,287	292,657	207,139
Loan to value (LTV)	39.64%	32.03%	34.68%	30.44%
Equity/assets ratio – carrying amount	43%	49%	48%	57%
Equity/assets ratio – property market value	67%	66%	69%	70%
Number of employees (Group)	68	71	105	8
Net asset value per ordinary share***	6.15	6.72	8.20	7.44
Equity per share	5.44	6.89	6.91	9.51
Share price per ordinary share	9.50	2.78	5.10	6.54
Market capitalisation – ordinary shares	491,668	134,727	246,977	316,947

*Excluding unrealised changes in value.

** 31.12.2020: According to the valuation conducted in January 2021 by Savills Aguirre Newman in accordance with RICS (Royal Institution of Chartered Surveyors).

*** Equity adjusted for market valuation of the property portfolio after tax, and taking into account preference shareholders' share of equity.

MESSAGE FROM THE CEO

In December 2019 we had the pleasure of welcoming our first hotel guests to Boho Club. In the annual accounts, we could also note that during the year we had sold all the apartments in the 22byQuartiers project. In January and February, we completed further apartment sales in the Hacienda Collection project. The year started strongly and I personally sat in negotiations with banks to refinance Boho Club and thus free up cash flow and repay short-term loans that we had used to complete the renovation of Boho Club. We looked forward to 2020 as the year when our crown jewel Boho Club would establish itself in earnest and contribute positive cash flow to the business, and when our financing costs would be drastically reduced through our far-reaching refinancing plans. Everything looked good and I was pleased with the excellent timing of the refinancing. But timing would, however, turn out to be easier said than done.

When news of the coronavirus first appeared, not many people thought it would become a major problem. In Spain, the government allowed a large demonstration with thousands of people on the streets of Madrid. That turned out to be really bad timing and may have been a contributing factor to Madrid and Spain hitting the news as one of the most badly affected countries in the world. And for us, considering that we work in one of the most affected sectors in the world, this has meant a complete restructuring of the business, ranging from preparations for the summer and refinancing discussions to immediate crisis management and the temporary shutdown of our business operations. In this context, it was not a huge shock that the banks became cautious and withdrew from all ongoing financing discussions relating to hotels and restaurants.

Almost a year later, we still get daily news about new coronavirus-related infections and deaths as a result of this terrible virus. At the same time, many people, including myself, now instead choose to focus on the vaccination statistics. In this regard one of our main markets, the UK, is leading the way regarding showing how quickly the population can be vaccinated. We expect to see a gradual effect of the vaccination programme, with the domestic Spanish market leading the recovery initially.

The coronavirus pandemic has taught us a lot. Not least, it has forced companies and individuals to think in new directions and find new ways to sell and market their products and services. During the year, we have made many operational processes more efficient, which benefits us in both the short term and the long term regarding lower personnel costs and better cost optimisation. Despite the challenges, we have also continued to generate revenue. One example of this is our investment in staycations and that we have significantly improved our lunch sales in Boho restaurant compared to autumn 2019. The fact that we both own and run the businesses in our properties has proven to be a strength, because it has made it possible for us to act quickly and reorganise the businesses when conditions have changed.

We have seen and continue to see during the coronavirus pandemic how many hotel property owners are being forced to sell their hotels at discounted prices due to lost revenue. Our innovative efforts and the fact that last summer, despite the extreme conditions, we succeeded in getting a loan to strengthen our liquidity, have meant that we, in contrast to many others, have not been forced to sell assets with associated resulting heavy losses. Even if the loan is expensive, it has been valuable to us given the circumstances.

If 2021 is as we believe and hope it will be, there will be good opportunities for a very strong summer. The climate in Marbella is one of the most attractive in Europe, and Marbella as a brand continues to grow in popularity. When we talk to real estate agencies on the coast, the majority state that among their customers there is a great desire to come to the Costa del Sol on a combined holiday and shopping trip, to buy real estate, as soon as it becomes possible.

Trends tend to accelerate when everyday life is disrupted by unpredictable external shocks such as the coronavirus. More and more companies are planning to not only allow, but also to a large extent to encourage remote working even when the pandemic is over. This is something that I've talked about for a long time and which will most probably finally make a big breakthrough in 2021, with new concepts such as workations. Time is money, and the timing would naturally have been much better if 2020 had turned out as we originally planned.

But as everything does not always turn out as planned, we are now ready to welcome Europe's travel-hungry and holiday-hungry premium segments to buy, rent and socialise at our properties in Marbella.



Marcus Johansson Prakt, CEO Quartiers Properties

OUR PROJECTS

SUMMARY OF PROJECTS

Quartiers' business operations consist of the development and running of properties. The holdings consist of seven different projects in various phases. The portfolio consists of both earning properties with further upside value potential, as well as plots and apartments for sale.

In March 2020, Quartiers chose to temporarily pause its current investment projects in order to save cash and instead focus on the part of the business that consists of running hotels and restaurants. This was done to ensure fixed costs could be covered to the greatest possible extent, as this part of the business does not require investments in the same way as, for example, the construction of apartments and houses.

Interest in the Spanish real estate market is still assessed as being very high. Quartiers' target group in the premium segment has continued to have good purchasing power and has in many cases benefited from low interest rates and rising asset prices in other markets, particularly in the Swedish property market. The opportunity to work remotely and growing concepts such as workations are also expected to lead to increased travel and more property purchases in the region.



BOHO CLUB

Award-winning and exclusive hotel and restaurant project on Marbella's Golden Mile. The restaurant has been recommended in the Michelin Guide, and the hotel has received several awards for its distinctive design. The hotel has 30 rooms, with 2-4 beds in each room. Both the hotel and the restaurant have been forced to stay closed at certain times during 2020. Despite that, the business managed to generate sales of SEK 23.9 million. EBITDA for the project in 2020 was SEK -7.0 million.

Work is underway on a new local development plan, which is expected to significantly increase the number of construction rights on the property and enable further development.



OCEAN VIEW

Apartment project in Benahavís with approximately 10,000 construction rights to develop 60 new apartments. The project launch was scheduled for autumn 2020, but was postponed due to COVID-19. Quartiers intends to launch the project as soon as the market conditions and access to bank financing for property development projects improve.



COMPLETED VILLA FOR SALE IN NUEVA ANDALUCIA

This luxury residence, located in exclusive Nueva Andalucia, has recently been completed and is now for sale. The villa has both sea and golf views and is being marketed by the estate agency Maiti Homes. Please contact Maiti Homes to book a viewing.

Email: info@maitihomes.com
Tel.: +34 684 38 54 86



HACIENDA COLLECTION

Apartments for sale in the Hacienda Collection, which is a gated residential area situated at the foot of the Sierra de Las Nieves mountain range. The area offers stunning views of the Mediterranean and majestic mountains. In addition to the spacious private outdoor area, the property also has a large, lush communal garden and four outdoor pools.

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

Email: sales@quartiersproperties.com

Tel.: +34 633 094 628

Website: www.haciendacollection.es



RESIDENTIAL PLOTS IN LOS FLAMINGOS

Two residential plots in the exclusive Los Flamings area in Benahavís municipality. The plots have sizes of 1,583 and 1,360 square metres. The largest of them is currently for sale. Both plots can be developed immediately using a quick and easy licensing process. Please contact the Quartiers sales team for more information.

Email: sales@quartiersproperties.com

Tel.: +34 633 094 628



QUARTIERS MARBELLA APARTMENTS

Generously dimensioned and tastefully furnished apartments for short-term and long-term rentals. The apartments have both sea and golf views. The project is located in a peaceful part of Benahavís, only 15 minutes from Marbella.

The business generated sales of SEK 8.8 million and EBITDA of SEK -2.6 million in 2020.

Website: www.quartiersmarbella.com



CENTRO FORESTAL SUECO

This 13,730 square-metre property is located next to Boho Club and is less than two minutes' walk from the beach in Marbella. Quartiers is planning to develop this plot into an exclusive gated community with houses and/or apartments.

Work is underway on a new local development plan, which is expected to significantly increase the number of construction rights on the property and enable further development.

COMMENTS ON THE PERIOD

Profit/loss, balance sheet and cash flow items relate to the period January–December 2020. The comparison items in brackets relate to the corresponding period in the previous year.

This report has been prepared in accordance with IAS 34 – Interim Financial Reporting. See the 2019 Annual Report for complete details of the accounting principles.

INCOME AND COSTS

Quartiers' net sales amounted to SEK 55.8 (93.377) million. Revenues from the sale of properties decreased by SEK 44.975 million, which can partly be attributed to the fact that the 22byQuartiers project was completed in 2019. Revenues from the operator business increased by SEK 7.398 million. The seasonally weak first quarter accounted for about 46% of sales in 2020. The company's hotel and restaurant operations have been completely or partially shut down since mid-March due to COVID-19. The company's sales of properties were also hit hard, with four of a total of six sales being completed during the first quarter.

Operating expenses amounted to SEK 66.729 (56.253) million and other operating income and expenses to SEK -14.001 (-7.869) million. Other operating income and expenses include costs for central administration of SEK -12.215 (-10.546) million, write-downs of assets and receivables of SEK -9.150 million. The profit/loss also includes income from the revaluation of debt of SEK +7.648 million. The revaluation of debt refers to part of the purchase price for the properties called Centro Forestal Sueco and Boho Club, the payment of which is subject to conditions that have not been met. At the time of publication of this report, however, there is a disputed interpretation of the relevant clause, which is why not the entire purchase price of SEK 14.158 million has been recognised as income.

Two of the company's Spanish subsidiaries have received state aid within the framework of the ERTE furlough programme, which has reduced staff costs.

The profit/loss from financial items was SEK -21.823 (-13.140) million. Financing costs have been capitalised and expensed over the term of the loan. The expensed part for 2020 amounts to SEK -1.352 million and is included in the profit/loss from financial items.

PROFIT

Gross profit totalled SEK -34.666 (-18.580) million. The gross profit includes profit from the sale of properties of SEK -0.580 (12.428) million. The properties sold during 2020 are in the operating properties segment and have previously been reported at fair value with a total value adjustment of SEK 11.603 million. In 2019, the majority of these sales referred to project properties reported at acquisition value.

The operating profit was SEK -48.667 (-26.449) million. Operating profit includes depreciation and impairment on properties and other property, plant and equipment of SEK

-18.692 (-11.625) million, of which SEK -3 (0) million relates to impairment.

Income after tax was SEK -67.604 (-37.443) million.

CASH FLOW AND FINANCIAL POSITION

The equity/assets ratio at the end of the financial year was 43% (48%). The Group's interest-bearing liabilities amounted to SEK 314.736 (278.554) million. Interest-bearing liabilities are reported with deductions for capitalised financing costs of SEK 8.111 (0) million. The loan to value increased from 35% to 40%. The Group's cash and cash equivalents amounted to SEK 16.959 (6.874) million.

The company believes that the operating profit, together with cash flow from the sale of apartments with low LTV in Benahavis and the plots in Los Flamingos, will exceed the company's financial expenses and repayments of interest-bearing liabilities over the next 12–18 months.

Cash flow from operating activities amounted to SEK -60.693 (19.702) million. The cash flow in 2019 included cash flow from the sale of project properties of SEK 61.855 million.

Cash flow from investment activities amounted to SEK 8.410 (-87.927) million. The cash flow in 2020 includes cash flow from the sale of operating properties of SEK 20.992 (2.932) million.

The cash flow from investment activities was SEK 61.922 (65.456) million. The cash flow includes cash flow from a new share issue of SEK 25.043 (0) million. The net cash flow from borrowing amounted to SEK 41.709 (72.439) million. Since the dividend for the first quarter, no dividend has been paid on the preference shares.

In July 2020, the company entered into a loan agreement with a fund controlled by D. E. Shaw & Co, and with Alantra Debt Solutions, S.L regarding the raising of a loan totalling EUR 17 million. The term of the loan is up to 48 months. Interest on the loan will be 12.5 percent for the first 24 months, plus taxes and charges. Interest for the remainder of the loan period could be higher if 3-month EURIBOR exceeds 0.0 percent. For the first 24 months of the loan, under certain conditions, Quartiers Properties is entitled to forego payment of part of the interest in exchange for this instead being capitalised. The loan is secured through, among other things, a pledge on shares in subsidiaries and certain properties. Under the terms and conditions of the loan, no dividend may be paid on the company's shares (ordinary or preference shares) over the term of the loan. The purpose of the loan was to refinance existing debt in the Group and put in place the necessary working capital.

Following the refinancing, the company's interest-bearing liabilities consist solely of loans with Banco Santander and BBVA, lease liabilities and the investment loan of SEK 176.4 million.

COMMENTS ON THE PERIOD

PROPERTIES

Operating properties consisted of a hotel property and 92 apartments that are being rented out under the company's own management as an apartment hotel. Investments in operating properties during the period amounted to SEK 8.683 (74.006) million. The investment mainly relates to the Boho Club project.

During the period, investments in project properties amounted to SEK 5.748 (6.954) million. The investments mainly relate to the villa project in Nueva Andalucía in Marbella.

As of 31 December, 13 apartments in the Hacienda portfolio were reclassified with a book value of SEK 40.318 million from operating properties to project properties. The reclassification was made because the apartments are in the process of being sold and the purpose of the holding has thus changed. The apartments remain in the rental business and the property management segment for the time being.

SHARES

Quartiers Properties has two outstanding share classes, in the form of ordinary shares and a series of preference shares. The ordinary and preference shares in Quartiers Properties have been traded on Nasdaq First North Stockholm since 21 June 2017. The market value of the company's ordinary shares on 31 December 2020 totalled SEK 491.7 million, based on a closing price for the share of SEK 9.50.

Preference shares take precedence over ordinary shares for an annual dividend corresponding to SEK 0.96 per share, with payment made quarterly. The most recent dividend took place in connection with the first quarter. The company has been prevented from paying dividends since then, as described above. Unpaid dividends are accumulated and included in the preferential amount that the preference shares have over the ordinary shares.

TEN LARGEST SHAREHOLDERS - 31 DECEMBER 2020

#	Shareholder	Ordinary shares	Preference shares	Capital	Votes
1	Egonomics AB	10,043,340	-	17.16%	19.16%
2	Fastighets Aktiebolag Bränneröd	6,276,388	-	10.72%	11.97%
3	House of K Investment AB	5,602,616	-	9.57%	10.69%
4	LMK Companies & Foundation	4,575,000	1,580,000	10.52%	9.03%
5	Rocet AB	4,141,200	-	7.08%	7.90%
6	Bernt Lundberg Fastigheter Lund AB	2,236,500	-	3.82%	4.27%
7	Mats Invest AB	2,074,800	-	3.55%	3.96%
8	Bosmac Invest AB	2,000,000	4,109	3.42%	3.82%
9	Jörns Bullmarknad AB	1,377,000	-	2.35%	2.63%
10	Leif Edlund	1,333,334	66,666	2.39%	2.56%
	Other	13,427,676	5,119,093	29.42%	24.01%
	Total	51,754,520	6,769,868	100.00%	100.00%

In July, it was decided to initiate an exchange offer, which meant that preference shareholders were given the opportunity to exchange one preference share for one ordinary share and two warrants. In September, the exchange offer ended with an acceptance rate of 32.7%, so 3,291,624 preference shares were cancelled and the corresponding number of ordinary shares, as well as 6,583,248 warrants, were issued.

WARRANTS

As of 31 December, a total of 3,291,624 Series 3, 2020/2021 warrants and 3,291,624 Series 4, 2020/2022 warrants had been issued. Each warrant in the exchange offer entitles the holder to subscribe for one newly issued ordinary share in the company. The warrants can be used to subscribe for ordinary shares during the period from 17 August 2021 to 31 August 2021 (for Series 3 warrants) and from 17 March 2022 to 31 March 2022 (for Series 4 warrants). The warrants entitle holders to subscribe for new ordinary shares at whichever is higher of the value of (i) 75 percent of the volume-weighted average price according to Nasdaq First North's official list of prices for the shares for a period of 10 trading days immediately prior to (and excluding) 13 August 2021 and 15 March 2022, respectively, and (ii) SEK 3.50.

PARENT COMPANY

The Parent Company's net sales during the financial year amounted to SEK 10.944 (2.587) million and the profit after financial items amounted to SEK -5.363 (-3.370) million. The Parent Company's net financial debt was SEK 180.237 (16.317) million. Equity totalled SEK 276.379 (257.368) million.

SIGNIFICANT EVENTS DURING THE FINANCIAL YEAR

- COVID-19 has resulted in a complete or partial closure of the company's hotel and restaurant operations for 9 months.
- On 15 July, the company entered into a financing agreement with the global investment bank Alantra and Desalkiv Portfolios L.L.C regarding refinancing of the company's investment loans. Please also see the press release published on 15 July 2020.
- In September, 3,291,624 preference shares were redeemed, which means that these were cancelled and a corresponding number of ordinary shares were issued together with 6,583,248 warrants.

SIGNIFICANT EVENTS OCCURRING AFTER THE END OF THE PERIOD

- New, stricter coronavirus restrictions were introduced in Marbella at the end of January, which forced all non-essential operations to close temporarily. Boho Club therefore closed temporarily and the majority of the staff were placed on furlough (ERTE) with state aid, in the same way as before. It is expected that Boho Club will reopen in mid-March 2021.

RELATED-PARTY TRANSACTIONS

No related-party transactions took place during the period.

RISKS AND UNCERTAINTIES

Quartiers Properties is exposed to risks and uncertainties as a result of its business operations. For information about the Group's risks and uncertainties, please see the 2019 Annual Report. The description contained in that report remains relevant.

AUDITOR

PwC is the company's auditor. Henrik Boman is the authorised public accountant. This Year-End Report has not been subject to examination by the company's auditor.

NEXT REPORTING DATE AND FINANCIAL CALENDAR

The quarterly report for the first quarter of 2021 will be provided on 6 May 2021. The rest of the financial calendar is as follows, now that the Board of Directors has decided that Quartiers will switch to quarterly reporting from the first quarter of 2021.

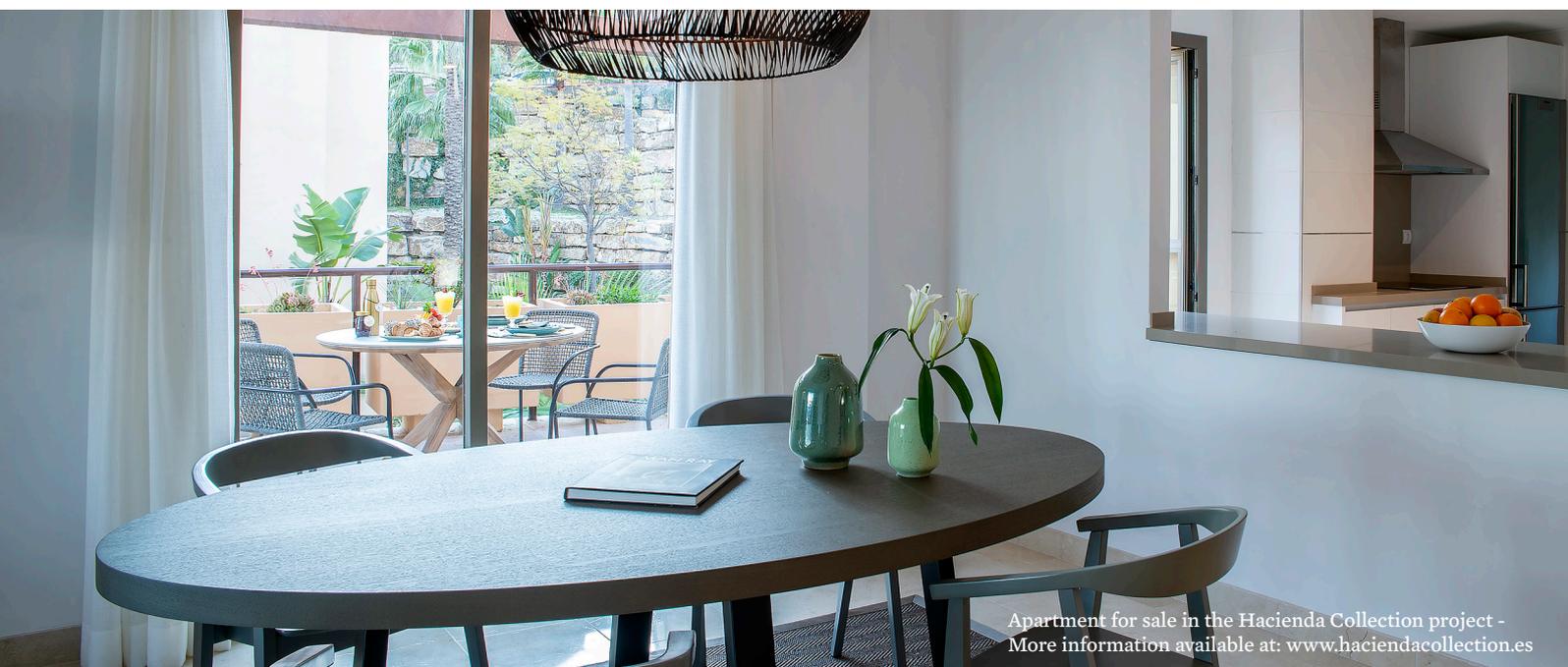
- Quarterly report January to March 2021:
6 May 2021
- Publication of 2020 Annual Report:
7 May 2021
- Annual General Meeting 2021:
4 June 2021
- Quarterly report April to June 2021:
16 July 2021
- Quarterly report July to September 2021:
4 November 2021
- Quarterly report October to December 2021:
25 February 2022

CERTIFICATION BY THE BOARD OF DIRECTORS AND CEO

The Board of Directors and Chief Executive Officer certify that this half-year report provides a true and fair overview of the Parent Company and Group's operations, position and earnings and describes significant risks and uncertainties faced by the Parent Company and Group companies.

Stockholm, 26 February 2021

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





FINANCIAL INFORMATION

Boho Garden Picnic – a new concept that will be launched in summer 2021

SUMMARY OF THE CONSOLIDATED INCOME STATEMENT

Amounts are stated in SEK thousand	01.07.2020 31.12.2020	01.07.2019 31.12.2019	01.01.2020 31.12.2020	01.01.2019 31.12.2019
Divestment of properties	6,498	18,899	23,157	68,132
Revenue, operator business	21,166	18,090	32,643	25,245
Total net sales	27,664	36,989	55,800	93,377
Cost of properties sold	-6,817	-18,354	-23,737	-55,704
Running costs	-32,905	-41,775	-66,729	-56,253
Total operating expenses	-39,722	-60,129	-90,466	-111,957
Gross profit	-12,058	-23,140	-34,666	-18,580
Other operating income and expenses	-10,367	-3,519	-14,001	-7,869
Operating profit/loss	-22,425	-26,659	-48,667	-26,449
- of which EBITDA	-14,350	-17,447	-29,975	-14,823
Profit/loss from financial items	-15,789	-7,784	-21,823	-13,140
Profit/loss before tax	-41,215	-34,443	-70,490	-39,589
Income tax	744	766	2,886	2,146
PROFIT/LOSS FOR THE PERIOD	-40,471	-33,677	-67,604	-37,443
Attributable to:				
Parent Company's shareholders	-40,471	-37,709	-64,220	-32,778
Non-controlling interests	0	4,032	-3,384	-4,665
	-40,471	-33,677	-67,604	-37,443
Basic earnings per ordinary share, SEK	-0.53	-0.56	-1.44	-0.82
Diluted earnings per ordinary share, SEK	-0.53	-0.56	-1.44	-0.82

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Amounts are stated in SEK thousand	01.07.2020 31.12.2020	01.07.2019 31.12.2019	01.01.2020 31.12.2020	01.01.2019 31.12.2019
Profit/loss for the year	-40,471	-33,677	-67,604	-37,443
Other comprehensive income				
Items that have been or may be transferred to profit/loss for the year				
Translation differences regarding foreign operations	-15,836	-10,704	-14,211	5,966
Comprehensive income for the year	-56,306	-44,374	-81,815	-31,477
Attributable TO:				
Parent Company shareholders	-56,306	-47,332	-78,431	-26,812
Non-controlling interests	0	2,958	-3,384	-4,665
	-56,306	-44,374	-81,815	-31,477

SUMMARY OF THE CONSOLIDATED BALANCE SHEET

Amounts are stated in SEK thousand	31.12.2020	31.12.2019
ASSETS		
Operating properties	446,724	532,617
Equipment, tools and fixtures and fittings	15,577	16,846
Interests in joint ventures/associates	0	478
Project properties	147,187	111,938
Financial assets measured at fair value	37	12
Current assets	27,252	31,294
Cash and cash equivalents	16,959	6,874
TOTAL ASSETS	653,736	700,089
EQUITY AND LIABILITIES		
Shareholders' equity attributable to Parent Company shareholders	281,761	335,818
Shareholders' equity attributable to non-controlling interests	0	-1,106
Deferred tax liabilities	41,002	45,443
Interest-bearing liabilities	314,736	278,554
Trade payables	4,601	9,306
Other liabilities	10,656	30,880
Accrued expenses and deferred income	980	1,194
TOTAL EQUITY AND LIABILITIES	653,736	700,089

CONSOLIDATED CHANGES IN EQUITY

Amounts are stated in SEK thousand	Equity attributable to		
	Parent Company's owners	Non-controlling interests	Total shareholders' equity
Shareholders' equity on 01.01.2019	373,172	0	373,172
Profit/loss for the period	-32,778	-4,665	-37,443
Translation differences	5,966	0	5,966
Transactions with minority shareholders	-3,559	3,559	0
Dividend paid, preference shares	-6,983	0	-6,983
Closing balance on 31.12.2019	335,818	-1,106	334,712
Opening balance on 01.01.2020	335,818	-1,106	334,712
Profit/loss for the period	-64,220	-3,384	-67,604
Translation differences	-14,211	0	-14,211
New share issue	25,043	0	25,043
Transactions with minority shareholders	0	4,490	4,490
Dividend paid, preference shares	-669	0	-669
Closing balance on 31.12.2020	281,761	0	281,761

CONSOLIDATED CASH FLOW STATEMENT

Amounts are stated in SEK thousand	01.07.2020 31.12.2020	01.07.2019 31.12.2019	01.01.2020 31.12.2020	01.01.2019 31.12.2019
<i>Cash flow from operating activities</i>				
Operating profit/loss	-25,426	-34,968	-48,667	-26,449
Of which profit/loss from divestment of properties	319	545	580	-12,428
Of which attributable to minority	-6,768		-3,384	4,665
Depreciation, amortisation and impairment	11,075	9,052	18,691	11,464
Share in earnings of associates	-528	-2,179	284	-2,677
Other non-cash items	3,865	-5,521	1,352	0
Interest income and similar profit/loss items	-174	581	159	732
Interest paid (attributable to financing activities)	-8,128	-8,364	-14,495	-13,872
Cash flow from operating activities before changes in working capital	-25,765	-40,854	-45,480	-38,565
<i>Changes in working capital</i>				
Sale of project properties	0	23,513	0	61,855
Investments in project properties	-4,161	-290	-5,748	-6,954
Change in other inventories	618	-783	165	-783
Change in operating receivables and liabilities	-1,619	24,201	-9,630	4,149
Total change in working capital	-6,398	46,641	-15,213	58,267
Cash flow from operating activities	-32,163	5,787	-60,693	19,702
<i>Cash flow from investing activities</i>				
Divestment of operating properties	6,000	2,932	20,992	2,932
Reduction in non-current financial assets	5	-708	5	511
Acquisitions and investments in operating properties	-3,497	-52,555	-8,683	-74,006
Investments in plant and equipment	-1,346	-10,596	-3,904	-17,364
Cash flow from investing activities	1,162	-60,927	8,410	-87,927
<i>Cash flow from financing activities</i>				
New share issue	0	0	25,043	0
Borrowings raised	173,542	45,266	185,620	123,399
Loan repayments	-118,724	-27,970	-134,448	-50,960
Other capitalised financing costs	-9,463	0	-9,463	0
Dividend paid to preference shareholders	0	-3,491	-4,830	-6,983
Cash flow from financing activities	45,355	13,805	61,922	65,456
Cash flow for the period	14,354	-41,335	9,639	-2,769
Cash and cash equivalents at start of period	2,162	47,593	6,874	8,422
Exchange rate differences in cash and cash equivalents	443	616	446	1,221
Cash and cash equivalents at end of period	16,959	6,874	16,959	6,874

CONDENSED PARENT COMPANY FIGURES

Income statement (amounts are stated in SEK thousand)	01.07.2020 31.12.2020	01.07.2019 31.12.2019	01.01.2020 31.12.2020	01.01.2019 31.12.2019
Operating revenue	9,244	1,355	10,944	2,587
Operating expenses	-13,659	-3,893	-16,761	-5,928
Operating profit/loss	-4,415	-2,537	-5,817	-3,340
Profit/loss from financial items	-1,034	-926	454	-29
Profit/loss before tax	-5,449	-3,464	-5,363	-3,370
Profit/loss for the period	-5,449	-3,464	-5,363	-3,370

Comments on the income statement

The Parent Company's statement of comprehensive income is consistent with the profit/loss for the period. The Parent Company's operations mainly consist of managing the Parent Company's investments in subsidiaries, as well as financing activities. Operating revenue relates primarily to the invoicing of services to subsidiaries, and to a lesser extent to the invoicing of services to external companies. Revenues during the second half of 2020 include re-invoiced financing costs, which have been expensed in the Parent Company.

Balance sheet (amounts are stated in SEK thousand)	31.12.2020	31.12.2019
ASSETS		
Property, plant and equipment	49	1,153
Holdings in Group companies	281,600	246,526
Non-current receivables from Group companies	171,226	25,714
Other non-current receivables and investments	900	200
Current assets	4,269	10,174
Cash and cash equivalents	1,759	1,828
Total assets	459,802	285,595
EQUITY AND LIABILITIES		
Shareholders' equity	276,379	257,368
Non-current liabilities	181,996	18,145
Current liabilities	1,428	10,082
Total shareholders' equity and liabilities	459,802	285,595

SUPPLEMENTARY DISCLOSURES

SEGMENT REPORTING

All revenue and non-current assets are attributable to Spain. No customers account for more than 10% of revenues.

	Property management	Property development	Group items and eliminations	Total	Property management	Property development	Group items and eliminations	Total
	01.01.2020 to 31.12.2020				01.01.2019 to 31.12.2019			
Sale of properties	23,157	0	0	23,157	3,187	64,945	0	68,132
Operator revenues	32,643	0	0	32,643	25,245	0	0	25,245
Other income	55,800	0	0	55,800	0	0	0	0
Cost of properties sold	-23,737	0	0	-23,737	-3,474	-52,230	0	-55,704
Depreciation, amortisation and impairment	-15,692	-3,000	0	-18,692	-11,625	0	0	-11,625
Running costs	-42,244	-8,793	0	-51,037	-39,280	-5,348	0	-44,628
Total operating expenses	-81,673	-11,793	0	-93,466	-54,379	-57,578	0	-111,957
Gross profit	-25,873	-11,793	0	-37,666	-25,947	7,367	0	-18,580
Other income and expenses	0	0	-11,001	-11,001	0	0	-10,546	-10,546
Operating profit/loss	-25,873	-11,793	-11,001	-48,667	0	0	0	-29,126
ASSETS								
Properties	487,042	106,869	0	593,911	532,617	111,938	0	644,555

INTEREST-BEARING LIABILITIES

	31.12.2020	31.12.2019
Non-current		
Property loans	106,423	150,731
Lease liability	2,061	3,497
Purchase consideration liability	0	4,449
Investment loans	180,482	95,216
Capitalised set-up cost and related taxes and loan fees	-5,407	0
Total non-current interest-bearing liabilities	283,559	253,893
Current		
Property loans	10,959	17,779
Lease liability	2,315	2,433
Interest-bearing liability, purchase price	0	4,449
Investment loans	20,608	0
Capitalised set-up fee	-2,704	0
Total current interest-bearing liabilities	31,177	24,661
Total interest-bearing liabilities	314,736	278,554

PLEGDED ASSETS

	31.12.2020	31.12.2019
For liabilities to credit institutions		
Property mortgages	465,417	252,599
Total	252,599	252,599
Other pledged collateral		
Pledged shares in subsidiaries	276,217	40,946



QUARTIERS TIERS

P R O P E R T I E S

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