



corem

Year-end Report Q4 2021

2022-02-24

Corem Property Group

Corem is one of the leading commercial real estate companies in the Nordic region, with a focus on urban and growth regions.

Following a successful bid on Klöver, Corem's property portfolio has expanded significantly during 2021.

As of 31 December 2021, the portfolio contained 518 properties with an aggregated market value of SEK 83 billion.

The portfolio is geographically well focused and managed through locally based, in-house property management. In close dialogue with customers, we help create solutions that contribute to efficiency, profitability and mutual growth.

Corem's shares are listed on Nasdaq Stockholm Large Cap. Bonds are listed on Nasdaq Stockholm.

Properties
for the
future

518

Properties

83,084

Property value, SEKm

3,479

Lettable area, tsq.m.

4,957

Rental value, SEKm

90

Economic occupancy
rate in the investment
portfolio, %

29.60

NAV per ordinary share of
Class A/B, SEK

CAFE & BOUTIQUE

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January – December 2021

*Klövern is a subsidiary of Corem
from 15 June 2021.*

- Income increased to SEK 2,805 million (894).
- Net operating income increased to SEK 1,894 million (668).
- Profit from property management increased to SEK 1,178 million (420).
- Net letting amounted to SEK 129 million, of which SEK 98 million in the fourth quarter.
- Investments in new constructions, extensions and refurbishments amounted to SEK 1,771 million. Project development, including development of building rights, contributed with increases in value of properties of SEK 661 million. The total changes in value of properties amounted to SEK 3,432 million (759).
- Changes in value of financial investments amounted to SEK 870 million (–1,042).
- Net profit increased to SEK 4,495 million (–108), corresponding to SEK 5.52 (–0.52) per ordinary share of Class A and B.
- The value of the investment properties amounted to SEK 83,084 million (14,002).
- Net asset value (NAV) per ordinary share of Class A and B amounted to SEK 29.60 (22.22).
- The Board of Directors is proposing a dividend of SEK 0.40 (0.65) per ordinary share of Class A and B, to be paid in four instalments of SEK 0.10.
- The Board of Directors is proposing a dividend of SEK 20.00 per ordinary share of Class D and preference share, to be paid in four instalments of SEK 5.00.

CAFE & BOUTIQUE

Property portfolio

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gate

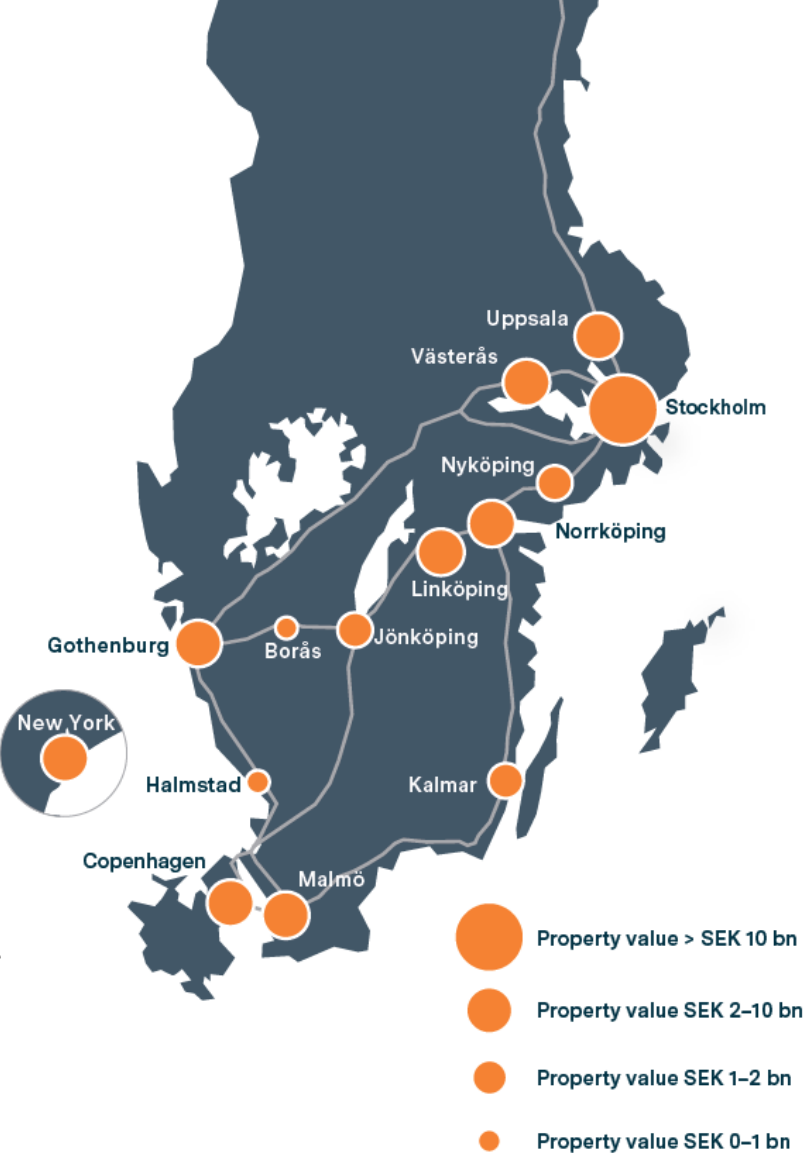
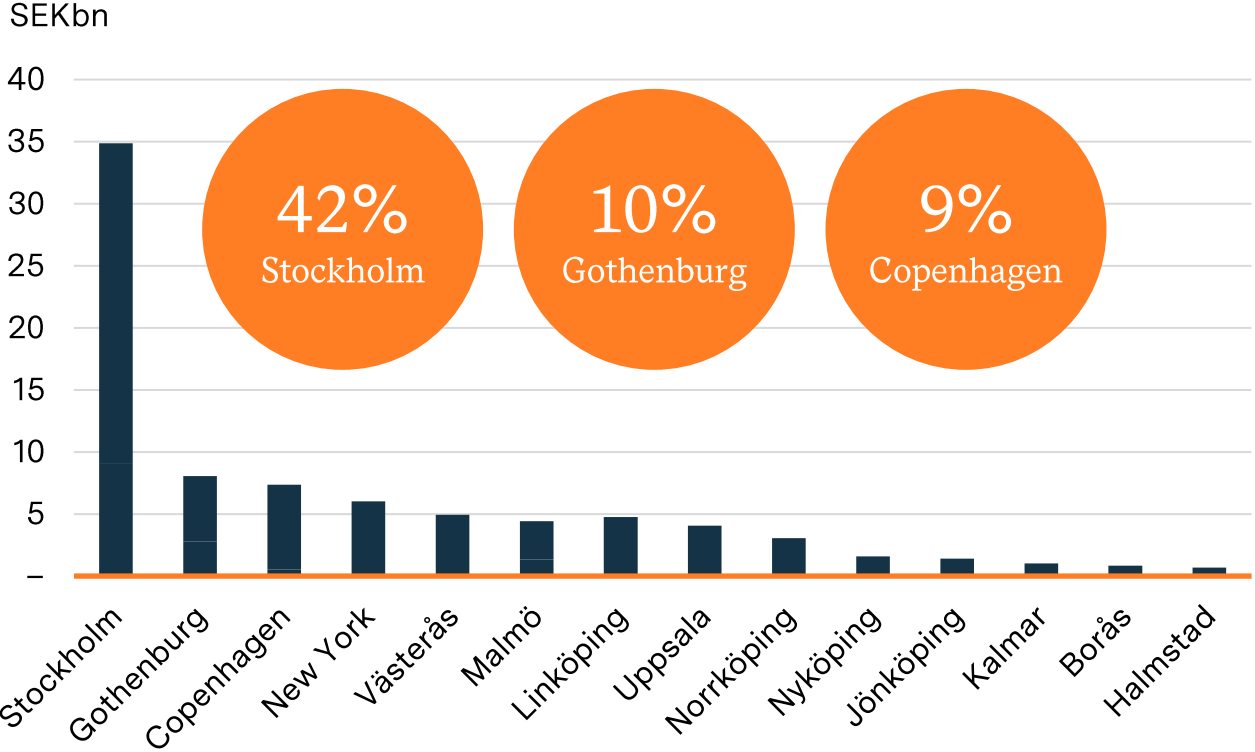
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Swedbank
SWEDEN

ENSTÄMNING

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A portfolio focused on *major cities and growth regions*



Stockholm 1,160 tsq.m.



Gothenburg 440 tsq.m.



Copenhagen 160 tsq.m.



New York



Västerås 290 tsq.m.



Malmö 320 tsq.m.



Linköping 290 tsq.m.



Uppsala 130 tsq.m.



Norrköping 200 tsq.m.



Nyköping 110 tsq.m.



Jönköping 95 tsq.m.

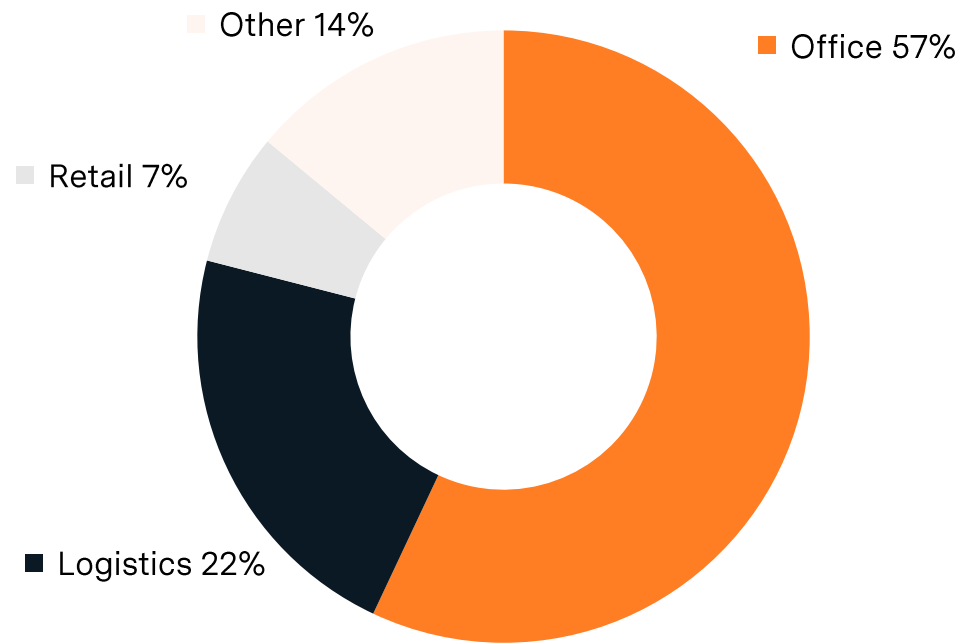


Kalmar 100 tsq.m.

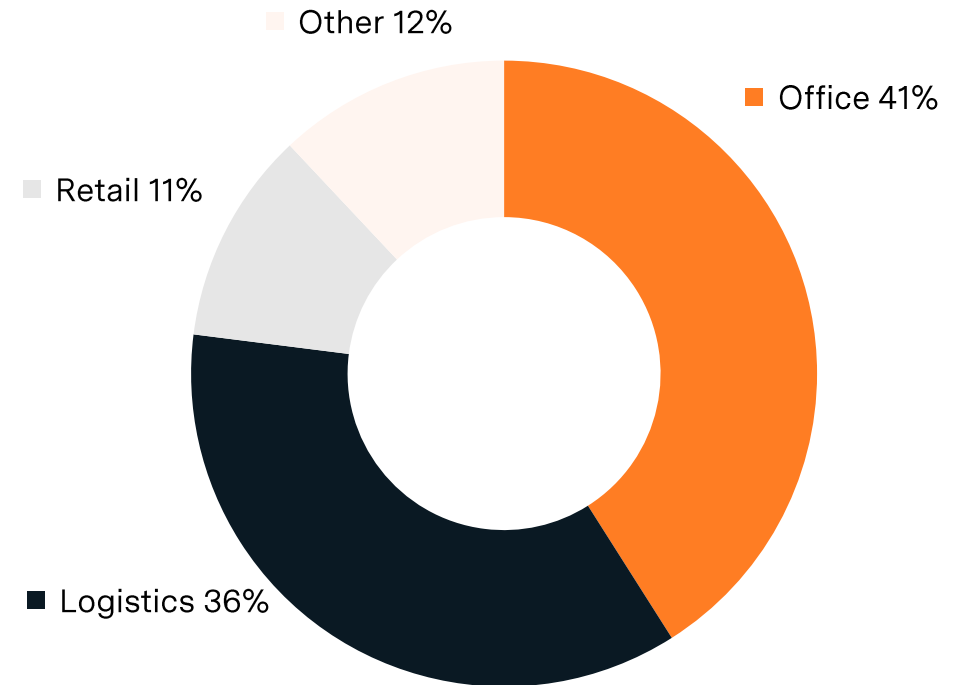


Property types that complement each other

PROPERTY VALUE BY PROPERTY TYPE



LETTABLE AREA BY TYPE



4,300

No. of tenants

4,957

Rental value, SEKm

CONTRACT MATURITY

SEKm

2 000

1 800

1 600

1 400

1 200

1 000

800

600

400

200

0

2022

2023

2024

2025-

3.7

Average remaining
lease term, years

1,425

Rental value,
SEK per sq.m.

90

Economic occupancy rate
in the investment portfolio, %

CAFE & BOUTIQUE

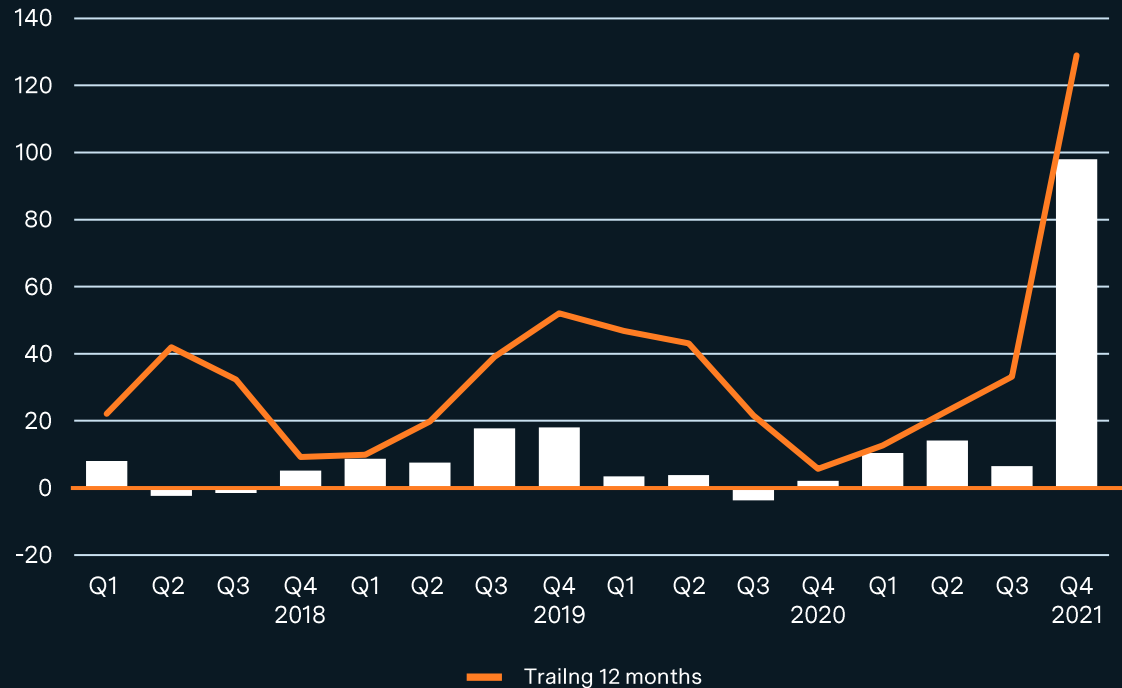
Attractive customer mix



Net letting

The Net letting totalled SEK 98 million for the quarter and SEK 129 million for 2021 *

*Net letting within Klöver is included from the start of the third quarter 2021



Recent *larger* lettings



1245 Broadway, Manhattan, New York. Lease signed with A24 Films for approximately 3,800 sq.m. In total, seven floors of the new building are now leased. First tenants are planned to move in during May 2022.



Arlandastad, Stockholm. Construction of approx. 3,600 sq.m. of warehouse premises for Statens försvarshistoriska Museum.



Örebro Entré. Lease of approx. 2,600 sq.m. signed with Trafikverket (the Swedish Transport Administration), for phase 2 of the project Örebro Entré.



28&7, Manhattan, New York. Lease signed for approx. 600 sq.m. of office space. This is the first signed lease within this project.

Transactions



Business acquisition of Klöver



Acquisition of Klöver

By merging Corem and Klöver we have created one of the Nordic region's leading commercial real estate companies, with a focus on metropolitan areas and growth regions.

The combined company has a broad customer offering, a continued focus on long-term, sustainable ownership, continuous development and refinement of its portfolio, as well as urban development.

- Balanced property portfolio with property types that complement each other.
- Geographically concentrated portfolio, in attractive locations in metropolitan areas and growth regions.
- Solid base in property management.
- In-house project development adds growth- and return potential.
- Broadened customer- and product offering.
- Property management with in-house locally based staff provides closeness to the customers and extensive market knowledge.
- Increased financial stability and strength as well as reduced financing costs.

Klöver is subsidiary of
Corem from 15 June 2021.

2,458

LETTABLE AREA
KLÖVERN, T.SQ.M.

342

NO OF INVESTMENT
PROPERTIES
KLÖVERN

+ 9

NO OF CURRENT
ASSET PROPERTIES,
KLÖVERN

61,557

VALUE OF INVESTMENT
PROPERTIES,
KLÖVERN, SEKm

+ 1,746

VALUE OF CURRENT
ASSET PROPERTIES,
KLÖVERN, SEKm

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Property transactions 2021

Q	Type	City	Property	Category	Lettable area, sq.m.
Q1	Acquisition	Jönköping	Hedenstorp 1:99	Logistics	4,033
Q1	Acquisition	Stockholm	Kalvsvik 16:20	Logistics	6,224
Q2	Acquisition	Stockholm	Märsta 21:48	Office/Project	864
Q2	Divestment	Stockholm	Instrumentet 13 & 18	Logistics	-5,646
Q3	Acquisition	Stockholm	Rosersberg 11:15	Land	-
Q3	Acquisition	Malmö	Flygbasen 2	Office, Logistics	1,821
Q4	Divestment	Malmö	Svedala 306:9	Logistics	-17,490
Q4	Divestment	Stockholm	Ekplantan 1	Office	-2,600
Net, transactions					- 12,794

5

NET, NO OF PROPERTIES
ACQUIRED 2021,
(EXCL. KLÖVERN)

-12.8

NET LETTABLE AREA
ACQUIRED, TSQ.M.
(EXCL. KLÖVERN)

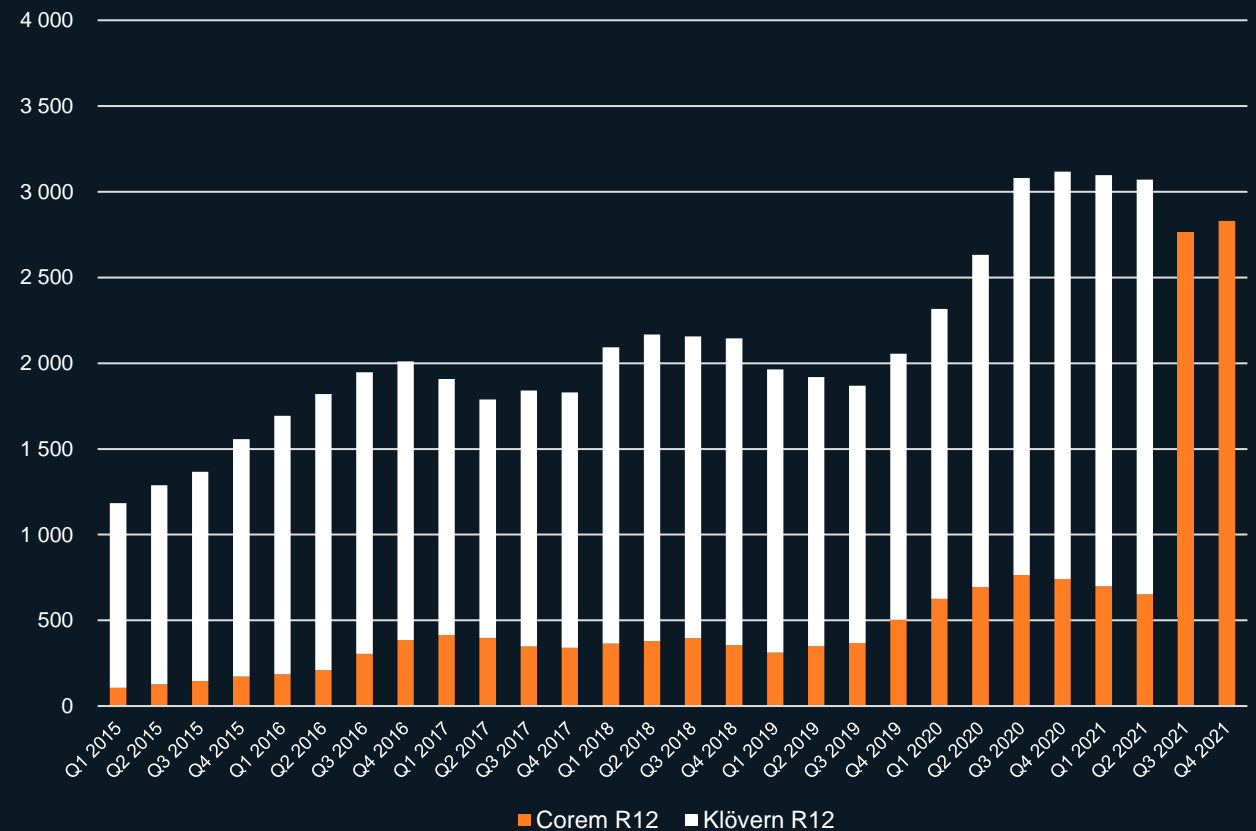


Property development

Value adding property development

- Makes it possible to meet changing market trends as well as customer needs.
- Through the acquisition of Klöver, the project development portfolio – containing both ongoing and planned projects – has increased significantly.
- Several extensive urban development projects are ongoing, among others in Kista/Stockholm, Uppsala and Västerås

Investments, trailing 12 months



Projects completed during 2021



Backa, Gothenburg. New construction of Pro Stop Backa, a specialist retail area in Gothenburg, where K-Bygg, Elektroskandia, Wangeskogs, Würth and Din Bil have moved in.



Veddesta 2:79, Järfälla, Stockholm. New construction of an environmentally profiled three-storey warehouse and refurbishment for MTAB in Veddesta, Stockholm

Largest ongoing commercial projects

City	Property	Description	Sq.m.	Estimated investment, SEKm	Accrued investment, SEKm	Increase in rental value, SEKm	Completion
New York	1245 Broadway	New construction office	16,700	1,417	1,023	181	2022 Q4
New York	28&7	New construction office	9,100	770	561	87	2022 Q4
Örebro	Olaus Petri 3:234	New construction/renovation for Scandic Hotels, stage 1	8,638	292	249	22	2022 Q2
Stockholm	Orgelpipan 4	Renovation office	4,240	256	99	17	2023 Q1
Uppsala	Fyrislund 6:6	Laboratory, stage 1	3,097	159	37	11	2022 Q4
Örebro	Olaus Petri 3:234	New construction/renovation for Trafikverket, stage 2	10,318	128	8	6	2023 Q4
Gothenburg	Mejramen 1	New construction office for Kollmorgen Automation	3,519	85	79	7	2022 Q1
Halmstad	Halmstad 2:28	New construction/renovation for Försäkringskassan	2,790	84	51	7	2022 Q1
Norrköping	Stålet 3	New construction for Bravida	3,295	72	38	5	2023 Q1
Norrköping	Kondensatorn 1	Renovation for Every Padel	3,794	55	45	5	2022 Q1
Total			65,491	3,318	2,190	348	



A detailed architectural rendering of a modern urban street scene. The scene is set in a city with contemporary buildings featuring geometric patterns and cantilevered balconies. The street is paved with a brick pattern and is populated with diverse people: some are walking, some are riding bicycles, and others are sitting at outdoor cafe tables. The lighting is soft, suggesting a late afternoon or early evening setting. The overall atmosphere is one of a vibrant, pedestrian-friendly urban environment.

Urban development



Stockholm, Kista



Stockholm, Söderstaden

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Uppsala Business Park

An architectural rendering of a modern residential development. The scene is set in a park-like area with a paved path and a grassy field. In the foreground, a woman with long hair is seen from behind, standing on the path and looking towards the buildings. To her right, a group of children is playing a game of soccer on the grass. The background features several multi-story apartment buildings with a mix of brick and light-colored panels, large windows, and balconies. The sky is filled with birds in flight, and the overall atmosphere is bright and lively.

Residential *development*

Ongoing residential projects

City, place	Project name	No of units	Sold units	Share, sold, %	Gross area sq.m.	Net area sq.m.	Sales start, year	Estimated completion, year
Stockholm, Sundbyberg	Rio	173	172	99	11,700	8,700	2017	2021
Stockholm, Nacka	Nacka Strand K1	60	28	47	5,000	3,700	2021	2022
Total		233	200	86	16,700	12,400		

TOBIN PROPERTIES



Nacka Strand 1A, Stockholm. Ongoing residential project with sales start Q4 2021.

Extensive *potential* for *future* residential projects

- Planned residential projects in Stockholm, Västerås, Nyköping, Uppsala, and Gothenburg.
- There may be room for development of more than 13,000 residential units within the existing portfolio.
- In November, Corem and ALM Equity signed a letter of intent to investigate the conditions for creating a joint company, whose purpose is to develop efficient and climate-smart rental housing for own management. The joint company is planned to include both existing investment properties and building rights for future development of an estimated 24,000 homes.



Västerås, Kv Sigurd

A low-angle, black and white photograph of a brick building. The building's facade, composed of light-colored bricks, rises steeply from the bottom right towards the top center. To the left, the dense foliage of trees frames the scene, with a bright sunburst effect emanating from behind the leaves in the upper left quadrant. The sky is a uniform, dark grey, providing a high-contrast background for the building and the sunburst.

Sustainability



A leader in sustainable property management

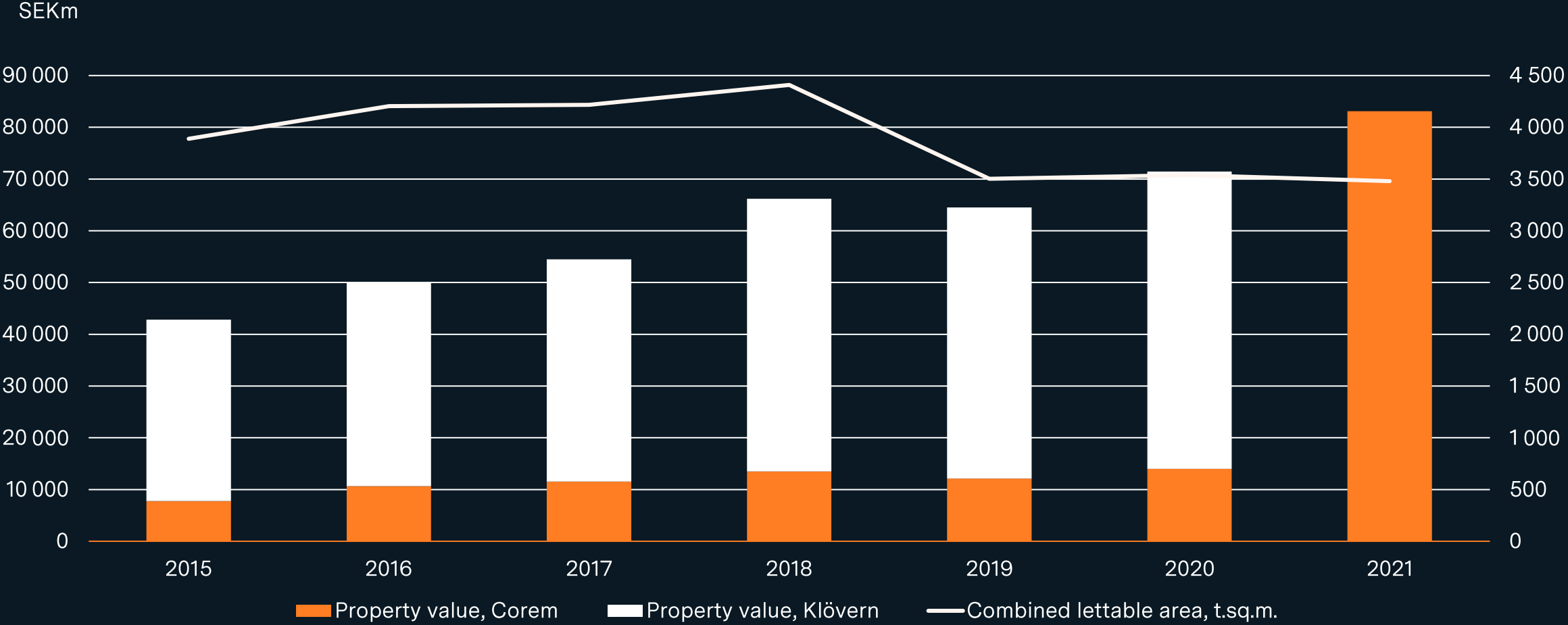
Corem’s new long-term sustainability goals include:

- All energy used in Corem's operations shall be fossil-free by 2030.
- Corem shall be climate neutral throughout the value chain by 2035.
- The share of green and sustainability related financing as well as green income should in the long term constitute as large a share as possible.



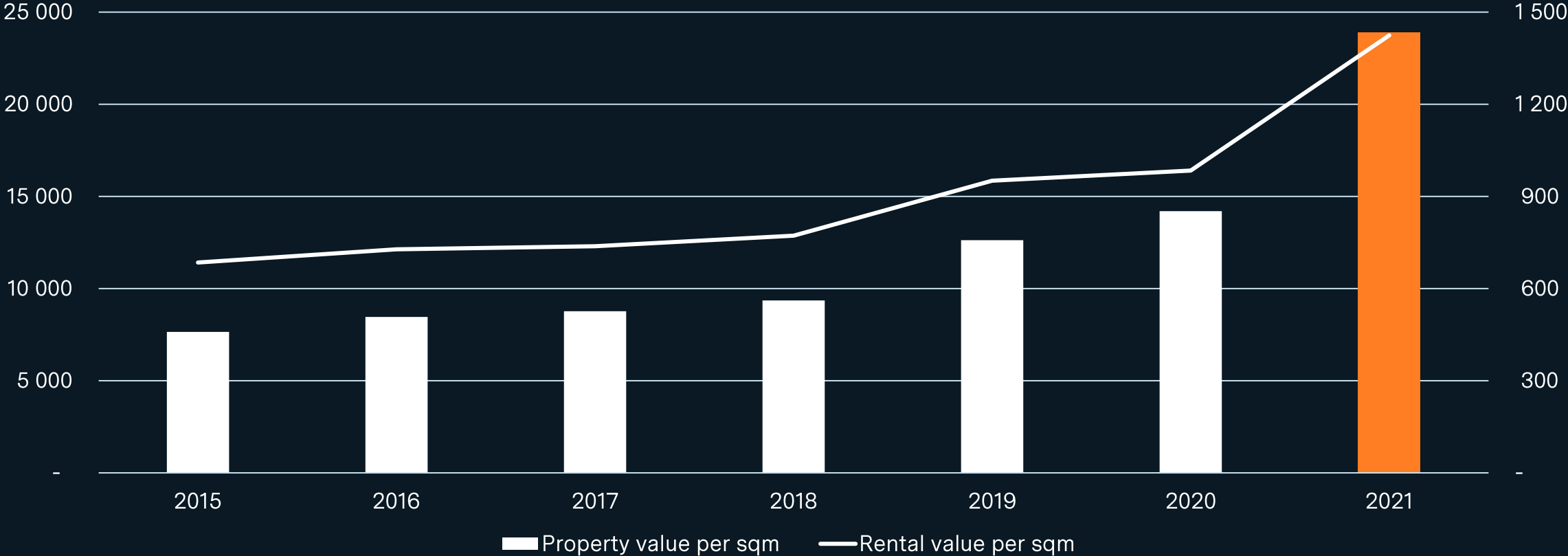
*Key ratios
and financing*

Property value and lettable area

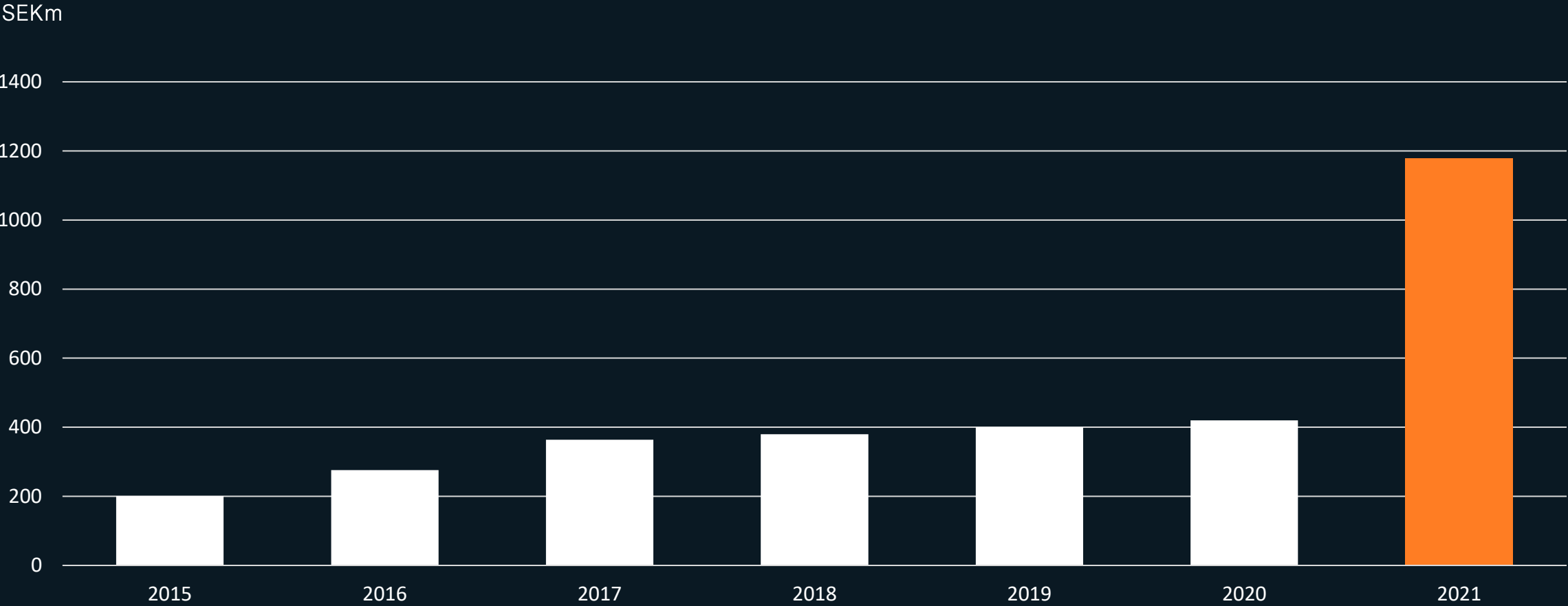


Property value and Rental value, per sq.m.

SEK/Sq.m.



Profit from *property management*

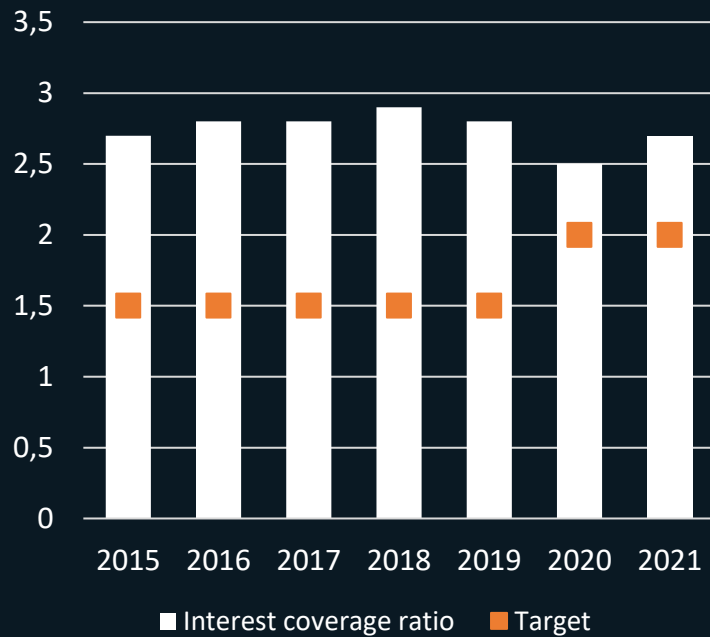


Financing

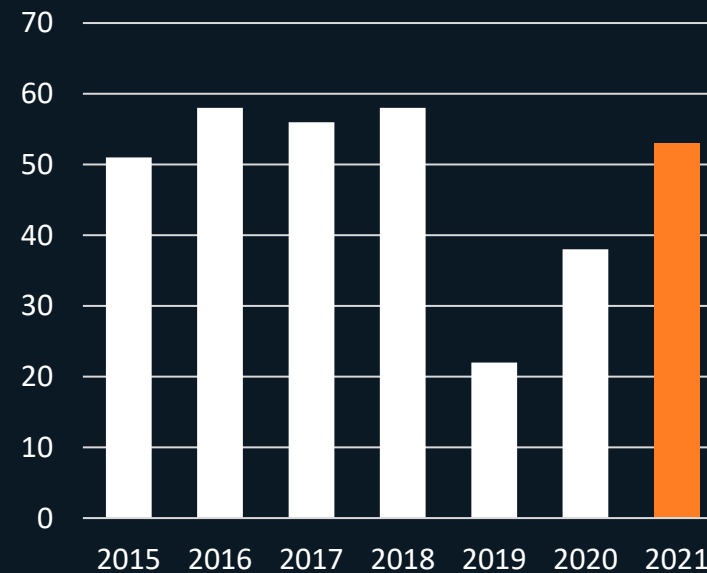


BBB-
STABLE OUTLOOK

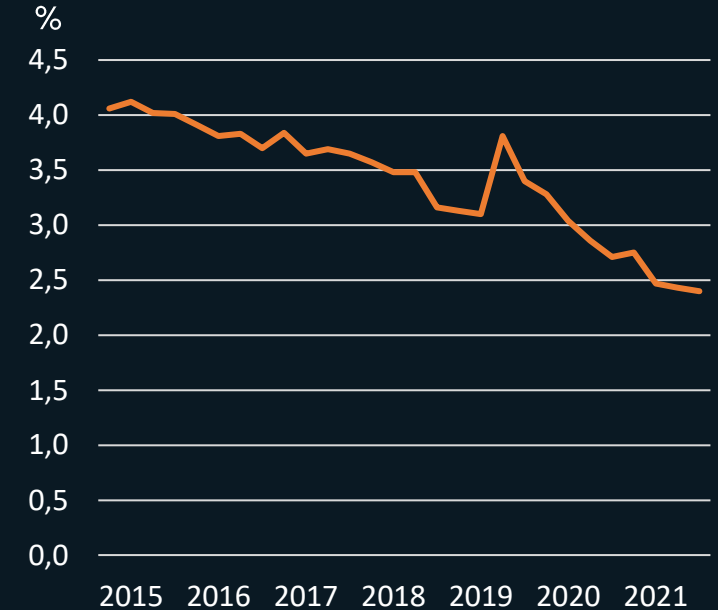
INTEREST COVERAGE RATIO



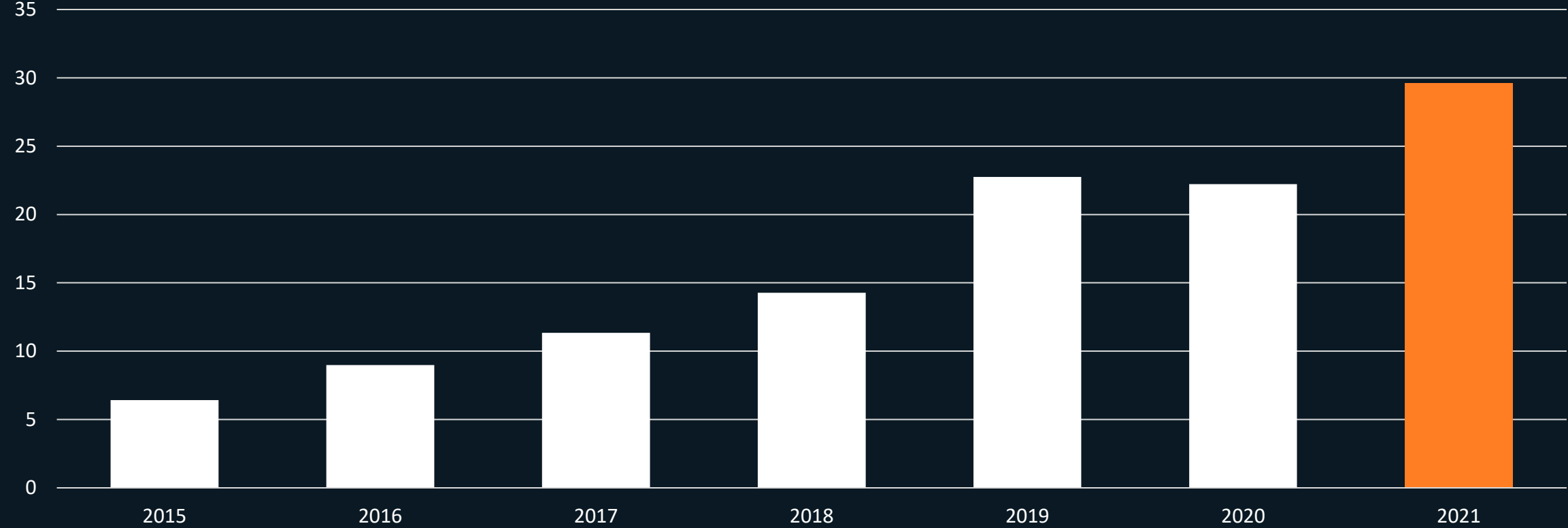
LTV



AVERAGE INTEREST RATE



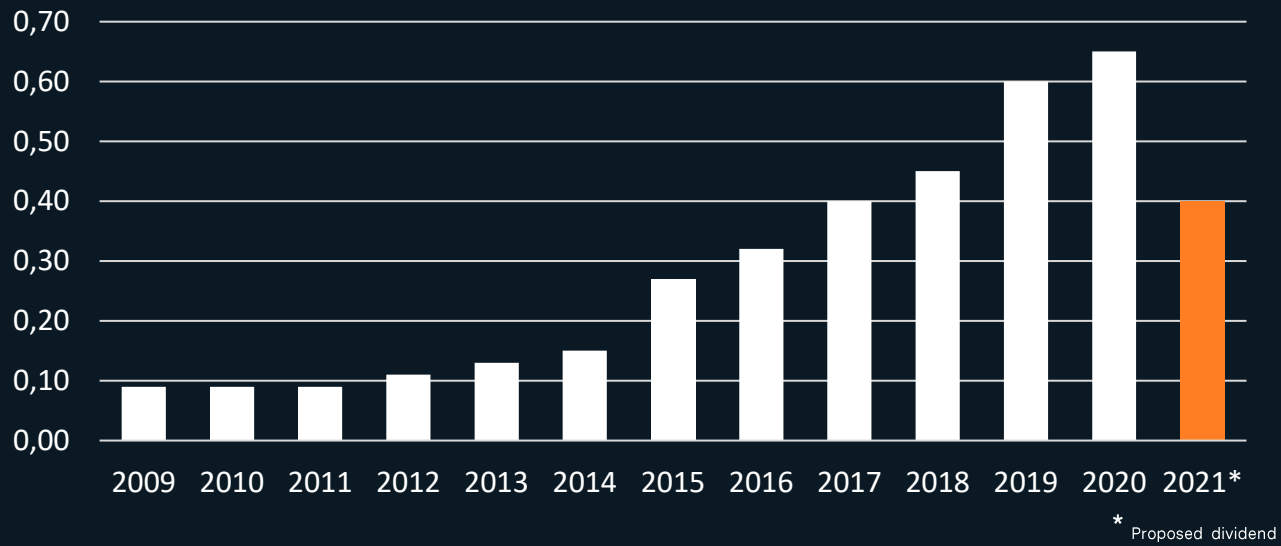
Net Asset Value (NAV) per ordinary share Class A and B



Shares

Listed on Nasdaq Stockholm (Large Cap) with four classes of shares: ordinary shares Class A, Class B, Class D and Preference shares.

DIVIDEND PER ORDINARY SHARE CLASS A AND B



46 706
NO OF SHAREHOLDERS
31 DEC 2021

42.9
MARKET CAP, SEKbn



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