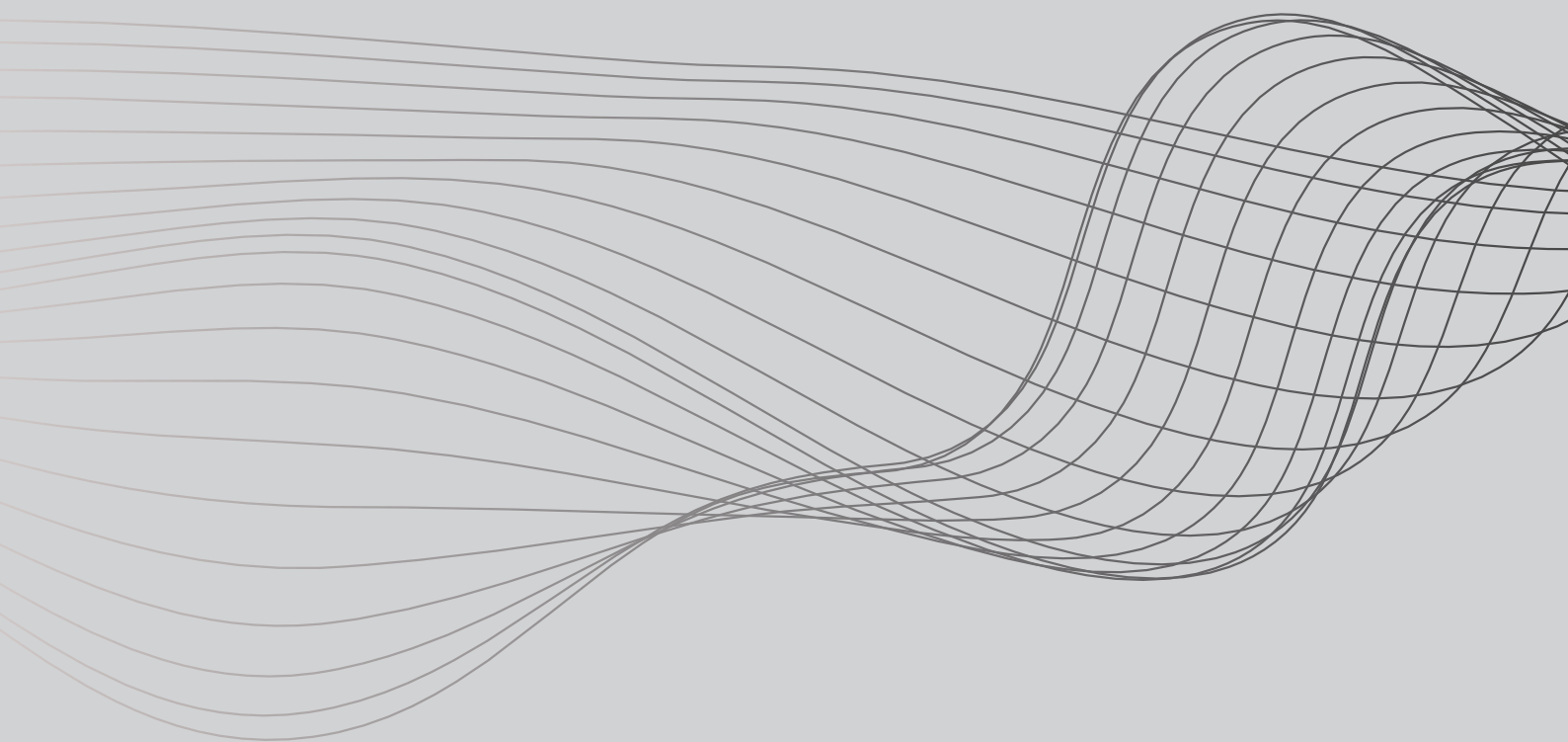


# Interim Report January–March 2022



Properties for *the future*.

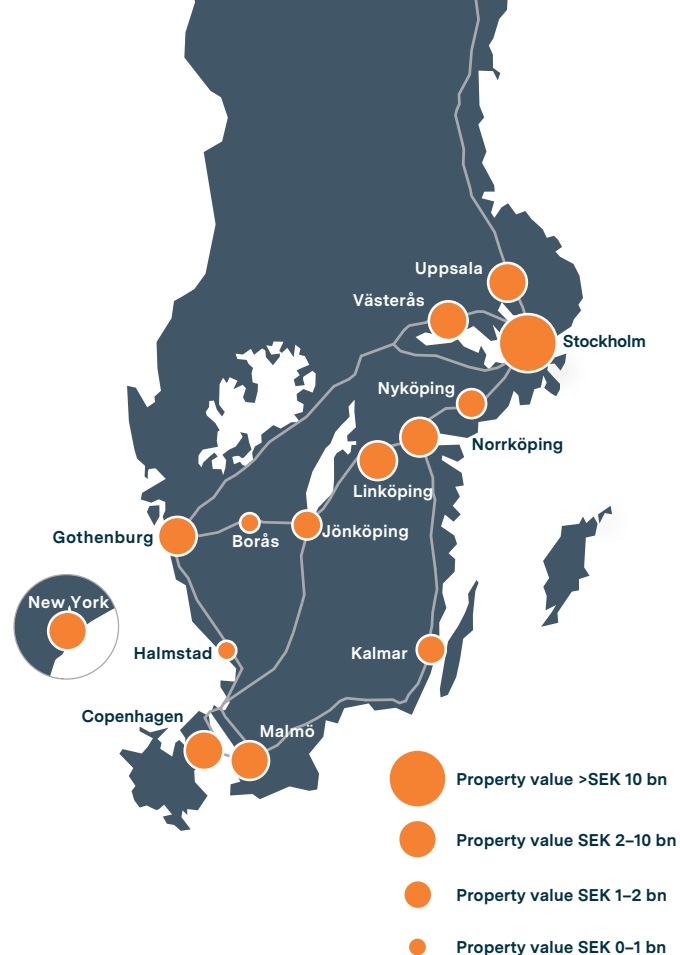
corem 

# Corem Property Group (publ)

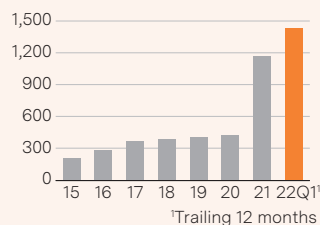
Corem is one of the Nordic region's leading commercial real estate companies with a focus on metropolitan areas and growth regions.

Corem owns 507 investment properties with 3,411 thousand sq.m. of lettable area and a value of SEK 83,869 million.

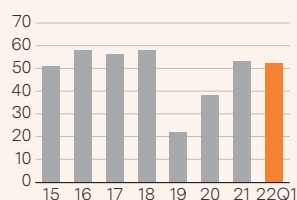
Corem has a broad customer offering with a focus on long-term sustainable ownership, management, refinement and urban development. The portfolio is geographically well concentrated with in-house locally based property management.



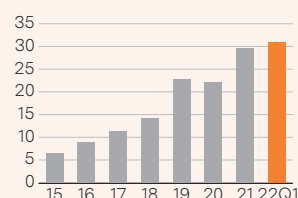
PROFIT FROM PROPERTY MANAGEMENT, SEKm



LOAN TO VALUE, %



NET ASSET VALUE (NAV) PER ORDINARY SHARE A/B, SEK

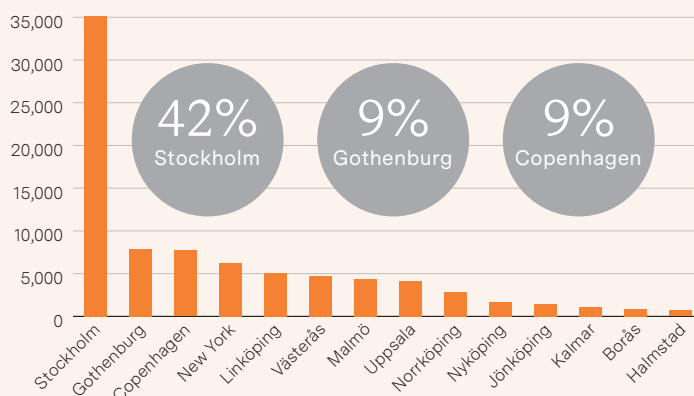


PROPERTY VALUE BY TYPE OF PROPERTY, %



■ Office 59  
■ Logistics 22  
■ Retail 6  
■ Other 13

PROPERTY VALUE BY CITY, SEKm



# January–March 2022

*Klövern is consolidated in Corem from 15 June 2021.*

- Income increased to SEK 1,099 million (258).
- Net operating income increased to SEK 727 million (184).
- Net financial items amounted to SEK –271 million (–18), of which dividends from shareholdings accounted for SEK 0 million (53).
- Profit from property management increased to SEK 409 million (157).
- Investments in new constructions, extensions and refurbishments amounted to SEK 442 million. Project development, including development of building rights, contributed with increases in value of properties of SEK 327 million. The total changes in value of properties amounted to SEK 1,082 million (481) and the value of the investment properties amounted to SEK 83,869 million on 31 March.
- Changes in value of derivatives amounted to SEK 720 million (83).
- Net profit increased to SEK 1,736 million (409), corresponding to SEK 1.47 (1.14) per ordinary share of Class A and B.
- Net asset value (NAV) per ordinary share of Class A and B amounted to SEK 30.97.

## IMPORTANT EVENTS

- In January, Corem issued unsecured green bonds for SEK 2,350 million with a floating interest rate of 3 months STIBOR plus 275 basis points. At the same time, unsecured bonds at a nominal amount of SEK 1,898 million with floating interest rate of 3 months STIBOR plus 400 basis points were repurchased.
- In February, Corem and ALM Equity announced that a contract had been signed to establish a joint company, whose purpose is to develop space-efficient and climate-smart rental housing for own management. To the joint company, Corem will divest properties and residential building rights with a total market value of SEK 5.4 billion.
- On 3 March, it was announced that Corem will start a programme to repurchase its own shares. During the month of March shares were repurchased for SEK 50 million.
- On 28 March, Corem made an offer to all preference shareholders in Corem to exchange their preference shares for newly issued ordinary shares of Class D. The exchange offer means that Corem offers 1.12 ordinary shares of Class D for each preference share that is redeemed. The exchange offer is conditional upon a decision at Corem's annual general meeting on 27 April. On 26 April, it was announced that the board of directors, due to prevailing market conditions, proposes that the AGM does not vote in accordance with the previously submitted proposal for the exchange offer.
- In April, a previously agreed upon 15-year lease contract in New York to A24 Films was expanded from approximately 3,800 sq.m. to a bit more than 4,500 sq.m.

4,972

Rental value,  
SEKm

83,869

Investment properties.  
SEKm

409

Profit from property  
management, SEKm

30.97

NAV per ordinary share  
of Class A/B, SEK

	2022 3 months Jan–Mar	2021 3 months Jan–Mar	2021 12 months Jan–Dec	2021/2022 Rolling 12 months Apr–Mar
Income, SEKm	1,099	258	2,805	3,646
Net operating income, SEKm	727	184	1,894	2,437
Profit from property management, SEKm	409	157	1,178	1,430
Net profit, SEKm	1,736	409	4,495	5,822
Earnings per ordinary share of Class A and B, SEK	1.47	1.14	5.52	5.72
Net asset value (NAV) per ordinary share of Class A and B, SEK	30.97	23.54	29.60	30.97
Economic occupancy rate, %	89	93	89	89
Operating margin, %	66	71	68	67
Adjusted equity ratio, %	44	48	43	44
Interest coverage ratio	2.6	3.3	2.7	2.6
Loan-to-value ratio, %	52	38	53	52

See page 23 and corem.se for definitions of key figures

# A stable beginning to 2022 for the new Corem

During the first quarter of the year the effects of the pandemic have subsided, with a continued return to offices, while there has been a serious deterioration in the geopolitical situation with the war in Ukraine. For Corem, integration of Klövern has proceeded completely according to plan at the same time as our two core activities property management and project development are moving ahead in a stable way. I am happy to note that we have started the year with a continued good development of earnings, a strong increase in value in the property portfolio and a net asset value (NAV) which has improved to SEK 30.97 per share.

## Good earnings development and many new lease contracts

During the quarter, profit from property management increased by 161 per cent to SEK 409 million. After a continued strong value development in the property portfolio, net earnings per share increased by 29 per cent. The net asset value (NAV) per ordinary share of Class A and B improved to SEK 30.97, an increase of 5 per cent during the quarter and 32 per cent during the last 12 months.

Activity on the office rental market continued to be high and the same applies to demand for city logistics. After record-high net letting in the fourth quarter of 2021, net letting for the first quarter of 2022 amounted to SEK 0 million, mainly due to a handful of previously expected terminations. During the past 12-month period, net letting amounted to SEK 119 million.

In all, 399 new and renegotiated lease contracts were signed during the quarter, which contributed to net letting by SEK 117 million. These include a 7-year lease with Epishine for around 1,200 sq.m. in Malmö and a 5-year lease with Dynamic Code for around 3,300 sq.m. in Linköping. It is gratifying that letting work, an essential part of our core business, is showing good results.

## An environment marked by the geopolitical situation

Due to the rapidly changing geopolitical situation, we now have an extra focus on the macroeconomic effects that may follow, primarily as regards interest rates and inflation. Corem works continuously and in an unchanged way to limit the interest rate risk by interest rate swaps and caps, where the effect of large interest rate rises is limited by the interest rate caps. At the end of the quarter, 68 per cent of the interest-bearing liabilities were interest rate hedged or at a fixed rate.

Rising inflation, for energy and raw materials among other products, also creates some uncertainty. The rise in inflation during 2021 has at the same time a positive effect on Corem's rental income for 2022 as 84 per cent of our Swedish lease contracts are indexed in relation to October's consumer price index (CPI), which rose by 2.8 per cent. This means a positive effect on rental income of around SEK 90 million in 2022.

## Concentration of the property portfolio

Through the acquisition of Klövern, Corem's building rights portfolio has markedly grown. We see large future values here and opportunities to realise these. As a step in this work, Corem and ALM Equity signed a contract during the first quarter to establish a joint company with the purpose of developing around 24,000 space-efficient and climate-smart rental housing units for own management. For Corem, the transaction means that properties and residential building rights with a total market value of SEK 5.4 billion are planned to be transferred to the joint company. The properties to be transferred during the second quarter have a lettable area of approximately 123,000 sq.m and an economic occupancy rate of 84 per cent. Through the transaction, Corem's portfolio will be focused to an even greater extent on management and letting of commercial premises.

As part of the geographical and segment-related concentration of Corem's commercial portfolio, 12 properties have been divested and handed over for SEK 977 million during the first quarter.

## Continued focus on value-creating project development

A number of exciting projects are in process in Sweden and abroad. During the first quarter, 5 new large projects have been started, among other places in Nacka after an 11-year lease contract was signed with Bilja and in Arlandastad after a 15-year contract was signed with Statens Försvarshistoriska Museer at the end of 2021. In central Stockholm, work is also in process to modernize the office property on Klarabergsgatan close to the Central Station.

Our two largest new construction projects in process are two high-quality office buildings in attractive locations in Manhattan which have now reached exterior completion but where interior tenant customization will continue throughout 2022. Letting work is in process and at the start of the second quarter, a previously agreed lease contract with A24 Films was expanded to include an additional floor, which means that they will rent over 4,500 sq.m. within the framework of the 15-year lease when they move in later this year.

## Sustainable financing

In addition to an ongoing great focus throughout all of our activities on sustainable urban development and reduced energy consumption, green financing is continuing to grow in importance. In January, we issued green bonds for SEK 2.35 billion with a floating interest rate of 3 months Stibor plus 275 basis points. This was done to refinance bonds, issued by Klövern, with a floating rate of 3 months Stibor plus 400 basis points.

We are working in a focused way towards the goal of complementing the Scope rating of BBB- with an additional investment grade rating from one of three large rating agencies at the latest during 2023. This means that we always need to give priority to the most profitable and value-creating transactions in combination with cost-efficient financing. For the second quarter in a row we managed to reduce the loan-to-value ratio, this time by one additional percentage point to 52 percent.

I am looking forward to a continued eventful and successful 2022 where we together in the new Corem further develop and optimize the property portfolio with an unchanged focus on local property management close to the customer.

Eva Landén, CEO

Stockholm 27 April 2022





## COREM + KLÖVERN

By combining Corem's portfolio of properties for city logistics and Klöver's broad property portfolio with the emphasis on offices, one of the Nordic region's leading commercial real estate companies has been created.

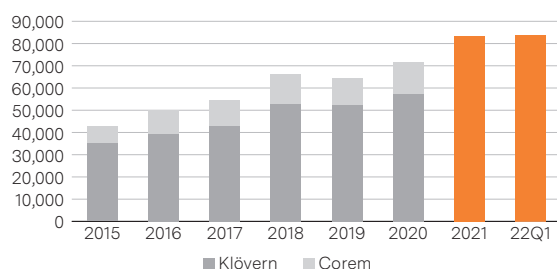
Together, the companies have a broader customer offering, a continuous focus on long-term sustainable ownership, property management, continuous refinement and urban development.

- Balanced property portfolio with property types which complement each other.
- Geographically concentrated portfolio in attractive locations in metropolitan areas and growth regions.
- Solid base in property management and in-house project development adding growth and return potential.
- Continuous development to adapt to changing customer and market needs and add value.
- Property management with own local staff gives closeness to the customer and extensive market knowledge.
- Increased financial stability and strength and reduced financing expenses.

## TIMELINE FOR THE TAKEOVER OFFER

- On 29 March 2021, Corem submitted a public takeover offer to the shareholders of Klöver.
- An initial acceptance period ran from 14 May to 11 June 2021, after which Corem controlled 89.1 per cent of the outstanding share capital and 90.8 per cent of the outstanding votes.
- When the outcome of the initial acceptance period was announced, the Offer was declared unconditional, and the acceptance period extended to 23 June 2021.
- At the end of the extended acceptance period, Corem controlled 95.0 per cent of the outstanding share capital and 94.5 per cent of the outstanding votes. The acceptance period for the offer was extended to 18 August 2021.
- Klöver's shares were delisted from Nasdaq Stockholm. with the last day of trading 20 July 2021. On 21 July 2021, Corem's shares were moved from Nasdaq Mid Cap to Nasdaq Large Cap.
- After the extended acceptance period, which ended on 18 August 2021, Corem owned 98.5 per cent of the outstanding share capital and controlled 97.7 per cent of the outstanding votes. The acceptance period was not extended.
- Compulsory acquisition has been initiated in order to acquire the remaining shares. The process of compulsory acquisition is ongoing.

## INVESTMENT PROPERTIES, FAIR VALUE, SEKm



**83,869**  
Investment properties.  
SEKm

# Income, expenses and profit

Income statement items are compared with the corresponding time period last year. Balance sheet items refer to the position at the end of the period and are compared with the preceding year-end. The quarter and the period refer to January–March. From the first quarter of 2022 Corem's operations in residential development are not reported on a separate line in the income statement as the operations are of a limited size.

## INCOME

Income increased to SEK 1,099 million (258) during the first quarter of the year. The increase is attributable to the acquisition of Klövern. Income for a comparable portfolio, excluding a SEK 15 million insurance indemnity in the first quarter of 2021, increased by 4 per cent.

## EXPENSES

Property costs amounted to SEK 372 million (74).

Central administration costs amounted to SEK 47 million (9). The increase is mainly attributable to the acquisition of Klövern.

## EARNINGS

Net operating income amounted to SEK 727 million (184). The operating margin amounted to 66 per cent (71). In a comparable portfolio, net operating income, excluding a SEK 15 million insurance indemnity in the first quarter of 2021, increased by 10 per cent.

Profit from property management amounted to SEK 409 million (157).

## NET FINANCIAL ITEMS

Net financial items amounted to SEK –271 million (–18). Financial income amounted to SEK 5 million (53), of which SEK 0 million (53) was dividends from shareholdings. Financial expenses amounted to SEK 276 million (71), of which SEK 17 million (3) was site leasehold expenses (interest expense for leasing liability).

At the end of the quarter, the average interest rate was 2.4 per cent (2.4).

See page 13 for further information.

## CHANGES IN VALUE

### Properties

The changes in value of Corem's investment properties amounted during the quarter to SEK 1,082 million (481), of which unrealized changes in value amounted to SEK 1,060 million and realized changes in value amounted to SEK 22 million.

### Financial investments

Changes in value of financial investments totalled SEK –101 million (–191). See page 14 for further information.

### Derivatives

Changes in value of derivatives amounted to SEK 720 million (83). The value of derivatives is affected by changes in long-term market interest rates.

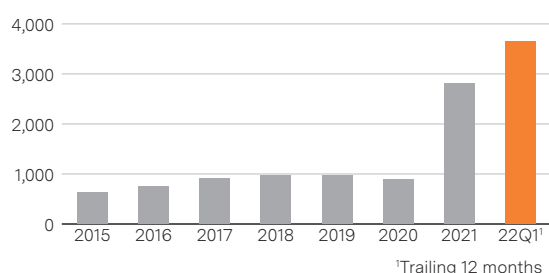
## TAXES

Deferred tax for the first quarter amounted to SEK –316 million (–121) and current tax to SEK –6 million (0).

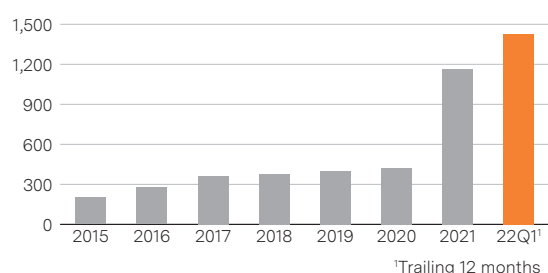
## OTHER COMPREHENSIVE INCOME

Other comprehensive income amounted to SEK 124 million (5) during the quarter. The item mainly refers to translation differences.

INCOME, SEKm



PROFIT FROM PROPERTY MANAGEMENT, SEKm





# The property portfolio

## PROPERTY VALUE

On 31 March 2022, Corem's property portfolio consisted of 507 investment properties with a total lettable area of 3,411 thousand sq.m. and a market value of SEK 83,869 million (83,084), as well as 1 property classified as current assets.

## CHANGES IN VALUE

The changes in value of Corem's investment properties amounted during the quarter to SEK 1,082 million (481), of which unrealized changes in value amounted to SEK 1,060 million and realized changes in value to SEK 22 million. The changes in value are mainly attributable to reduced yield requirements and renegotiations. On average, Corem's properties at 31 March 2022, have been valued at a yield requirement of 5.0 per cent (5.1).

Corem values all properties every quarter, of which 20 to 30 per cent are normally valued externally. Every property in the portfolio is valued externally once a year. During the quarter, Cushman & Wakefield, Newsec and Savills have been used as valuation agencies. Corem obtains continuous market information from external valuation agencies as support for the internal valuation. See Corem's annual report for 2021 for a detailed description of the valuation principles.

## TRANSACTIONS

### Property transactions

During the first quarter of 2022, 12 properties with a total lettable area of 73,980 sq.m. were divested and handed over. On 25 January 2022, transfer of possession took place of land which constituted a part of Fyrislund 6:6 in Uppsala. During January and February, transfer of

possession took place of seven retail properties in Borås, Norrköping and Västerås. In February, transfer of possession took place of the site leasehold to Nickeln 2 in Hallstahammar.

On 31 March 2022, contracts were signed to sell the site leaseholds to the properties Brandnåvan 1, Brandnåvan 2 and Svedjenåvan 4 in Malmö for a total underlying property value of SEK 51 million. The properties consist of two undeveloped sites and a completely vacant property with a lettable area of 3,094 sq.m.

### Future transactions in conjunction with the establishment of a joint company with ALM Equity

During the first quarter 2022, Corem and ALM Equity signed a contract to establish a joint company, the purpose of which will be to develop space-efficient and climate-smart rental housing for own management. Corem is planning for transfer of possession of 36 properties to the joint company, of which 25 during the second quarter.

For Corem, the transaction entails that properties with a total market value of approximately SEK 5.4 billion will be transferred. The properties to be transferred during the second quarter have a lettable area of approximately 123,000 sq.m. and an economic occupancy rate as at 31 March 2022 of 84 per cent. At a later stage, Corem will also, to the joint company, transfer residential building rights in among others Stockholm and Uppsala when local zoning plans for housing are received.

The ownership structure of the joint company will, after a non-cash issue, preliminarily be approximately 51 per cent for Corem and approximately 49 per cent for ALM Equity.

## INVESTMENT PROPERTIES: NUMBER, LETTABLE AREA, FAIR VALUE

	Q1 2022			2021
	No.	sq.m.	SEKm	SEKm
Total on 1 January	518	3,478,659	83,084	14,002
Business combination, Klöver	—	—	—	61,557
Acquisitions	—	—	—	292
Investments in construction, extensions and refurbishment	—	6,469	442	1,771
Divestments	-11	-73,980	-955	-296
Reclassification of properties classified as current assets	—	—	—	1,930
Property regulation	—	—	—	0
Changes in value, unrealised	—	—	1,060	3,421
Currency conversion	—	—	238	407
<b>Total at the end of the period</b>	<b>507</b>	<b>3,411,148</b>	<b>83,869</b>	<b>83,084</b>

## PROPERTY TRANSACTIONS, TRANSFER OF POSSESSION Q1 2022

Property	City	Municipality	Property category	Lettable area, sq.m.	
				Acquisition	Divestment
Part of Fyrislund 6:6	Uppsala	Uppsala	Land	—	0
Termiten 1	Borås	Borås	Retail	—	14,676
Järnet 5	Norrköping	Norrköping	Retail	—	14,975
Köpmannen 5	Västerås	Västerås	Retail	—	16,742
Bromsen 3 & 4 and Spindlarna 13 & 14	Borås	Borås	Retail	—	22,732
Nickeln 2	Hallstahammar	Hallstahammar	Industry	—	1,761
Brandnåvan 1 & 2, Svedjenåvan 4	Malmö	Malmö	Office, industry, land	—	3,094
<b>TOTAL SQ.M.</b>					<b>73,980</b>



One of Corem's zoning plans enables a 29-story building on the property Isafjord 1 which would be a new landmark in Kista, Stockholm.

#### PLANNED TRANSACTIONS IN CONJUNCTION WITH ESTABLISHMENT OF A COMPANY WITH ALM EQUITY, TRANSFER OF POSSESSION Q2 2022

Property	City	Municipality	Property category	Lettable area, sq.m.	Economic occupancy rate, %
Verkstaden 11	Västerås	Västerås	Warehouse/logistics	20,659	97
Isafjord 1	Kista	Stockholm	Education/health care/other	0	100
Skaftå 1	Kista	Stockholm	Education/health care/other	0	97
Kryssen 3, 4	Västerås	Västerås	Warehouse/logistics	18,510	76
Regattan 46	Västerås	Västerås	Warehouse/logistics	10,865	84
Oboisten 2	Linköping	Linköping	Warehouse/logistics	9,634	84
Antennen 5–6	Linköping	Linköping	Warehouse/logistics	2,076	100
Antennen 9	Linköping	Linköping	Warehouse/logistics	5,260	99
Antennen 15–16, 23–24	Linköping	Linköping	Office	11,501	85
Ackordet 10	Linköping	Linköping	Retail	4,372	93
Startboxen 3	Stockholm	Solna	Office	19,033	71
Spelhamnen 1:7	Nyköping	Nyköping	Warehouse/logistics	6,003	12
Sicklaön 13:138	Stockholm	Nacka	Education/health care/other	0	0
Sicklaön 369:33	Stockholm	Nacka	Office	6,655	100
Sicklaön 369:39	Stockholm	Nacka	Education/health care/other	0	0
Orminge 1:59	Stockholm	Nacka	Education/health care/other	1,026	100
Marievik 22	Stockholm	Stockholm	Office	4,447	100
Marievik 29	Stockholm	Stockholm	Education/health care/other	0	0
Slaktaren 12	Stockholm	Sundbyberg	Education/health care/other	2,690	100
Bävern 2	Stockholm	Tyresö	Education/health care/other	0	0
<b>Total</b>				<b>122,731</b>	<b>84</b>



## TENANTS AND THE LEASE PORTFOLIO

On 31 March 2022, the annual contract value amounted to SEK 4,414 million (4,402), while the rental value amounted to SEK 4,972 million (4,957). The economic occupancy rate was 89 per cent (89). 34 per cent of the contracted rent falls due in 2026 or later. In all, the average remaining contract period was 3.7 years (3.7).

### Net letting

Net letting amounted to SEK 0 million (10) during the first quarter and SEK 119 million (13) during the past four quarters. In all, lettings and renegotiations amounted to SEK 117 million during the quarter, where 44 per cent were new tenants and the remaining letting to existing tenants.

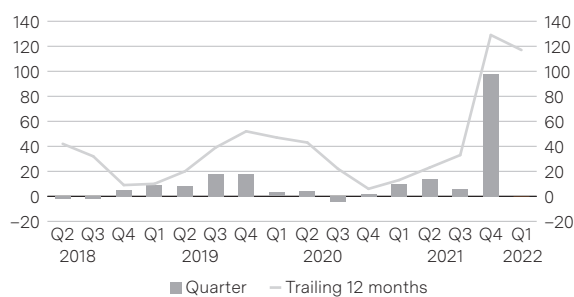
### Major lettings

During the first quarter of the year, a number of large leases have been signed. In Kista, a 10-year lease has been signed for around 2,100 sq.m. Moving-in is planned to take place in Q4 2022.

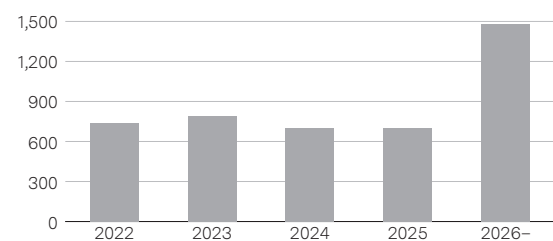
In Linköping, a 5-year lease has been signed with Dynamic Code for 3,332 sq.m. Moving-in is planned to take place in Q4 2022.

In Linköping, a 7-year lease has been signed with Epishine for 1,200 sq.m. Moving-in is planned to take place in Q2 2023.

NET LETTING, SEKm



CONTRACT STRUCTURE, SEKm



Orgelpipan 4, Stockholm

The property Orgelpipan 4, Stockholm. Ongoing project named Klarabergsgatan. Expected to be completed during the second quarter of 2023.

## PROJECT DEVELOPMENT

Investments often take place in connection with new lettings and in order to customize and modernize premises and thus increase the rental value. Project activity makes it possible to meet tenants' changed requirements and create added value in the property portfolio, both as regards commercial properties and housing. A number of urban development projects are in process, among others in Uppsala Business Park and Västerås and in Kista and Söderstaden in Stockholm.

### Commercial projects

During the first quarter, SEK 442 million (128) has been invested in the property portfolio for new construction, extension and refurbishments.

On 31 March 2022, the remaining investment volume of projects in process amounted to SEK 2,765 million. Project development, including development of building rights, contributed to increases in value of properties of SEK 327 million during the first quarter.

At the end of the quarter, in total 12 projects with an estimated investment each exceeding SEK 50 million were ongoing. These projects encompass in total 93,489 sq.m. with an estimated aggregate investment of SEK 3,451 million. The two largest individual projects are the new production of two high quality office buildings in Manhattan in New York.

The projects are named 1245 Broadway and 28&7 and both buildings have now reached exterior completion. Letting work is in process and interior tenant customization will continue throughout 2022.

The project portfolio also includes a number of planned commercial projects. There are large planned projects in Uppsala, New York, Stockholm and Gothenburg, among other places. The planned projects in New York are the new construction of offices at 417 Park Avenue and 118 10th Avenue, encompassing 33,000 sq.m. and 13,200 sq.m. respectively. In Uppsala, a further two stages are being planned at the property Fyrislund 6:6 for 3,100 sq.m. of laboratories and 10,000 sq.m. of offices/production facilities. In Gothenburg, a number of large refurbishments and new constructions are planned during the next few years, including in the development area Fiskhamnen.

### Residential development projects

Corem and ALM Equity's jointly-owned company will have a building rights portfolio consisting of approximately 65 projects with a combined potential for approximately 24,000 housing units. Geographically, the greater part of the projects will be in the Stockholm area and the remainder chiefly in Mälardalen.

Corem will continue to engage in some residential development projects but to a limited extent and mainly associated with large urban development projects, e.g. in Västerås, where housing is a considerable part of the urban development.

Currently, Corem's only ongoing residential project is Nacka Strand K1 which comprises of 60 apartments. The phased sale of apartments started in October 2021. After in total 41 apartments were sold in the fourth quarter of 2021 and the first quarter of 2022, only 19 apartments remain with sales being planned to start during the second quarter of 2022.

## COREM'S LARGEST COMMERCIAL PROJECTS IN PROCESS

City	Property	Description	sq.m.	Estimated investment, SEKm	Accrued investment, SEKm	Increase, rental value, SEKm	Completion, year/quarter
New York	1245 Broadway	New construction, office premises	16,700	1,451	1,085	187	22Q4
New York	28&7	New construction, office premises	9,100	789	594	89	22Q4
Stockholm	Orgelpipan 4	Refurbishment, office premises	4,240	257	120	17	23Q1
Uppsala	Fyrislund 6:6	New construction, offices and laboratory	3,097	159	52	11	22Q4
Stockholm	Sicklaön 356:1	Refurbishment for Bilja	10,942	145	3	11	24Q1
Stockholm	Nattskiftet 12 & 14	New construction, garage and refurbishment, office premises	17,099	138	31	6	23Q1
Örebro	Olaus Petri 3:234	Refurbishment and extension and office premises for Trafikverket	10,318	135	9	6	23Q4
Gothenburg	Backa 25:1	New construction and refurbishment	9,542	102	6	8	23Q3
Halmstad	Halmstad 2:28	New construction for Försäkringskassan	2,790	84	61	7	22Q2
Norrköping	Stålet 3	New construction for Bravida	3,295	72	52	5	23Q1
Borås	Skruven 3	New construction for Dagab and logistics premises	3,936	68	8	5	23Q1
Stockholm	Märsta 21:46-47	New construction for Statens Försvarshistoriska Museer	2,430	51	4	3	23Q1
TOTAL			93,489	3,451	2,025	355	

## COREM'S RESIDENTIAL PROJECTS IN PROCESS

City	Location	Project name	No. of housing units	Housing units sold	Share of sold, %	Gross area, sq.m.	Area, sq.m.	Sales start, year	Expected to be completed, year
Stockholm	Nacka	K1 Nacka Strand	60	41	68	5,000	3,700	2021	2023
TOTAL			60	41	68	5,000	3,700		





**Fyrislund 6:6, Uppsala**  
Ongoing project under the name Research Hub, in Uppsala Business Park. Estimated to be completed during the fourth quarter of 2022.



**Skruven 3, Borås** Pro Stop, phase 3B. Ongoing project for approximately 4,000 sq.m. of warehouse and retail space. Estimated to be completed during the first quarter of 2023.



**Kondensatorn 1, Norrköping**  
Project completed during the first quarter of 2022.



**Sicklaön 356:1, Stockholm**  
Ongoing project. Estimated to be completed during the first quarter of 2024.



**28&7, New York**  
Ongoing project. Estimated to be completed during the fourth quarter of 2022.



**K1, Nacka strand, Stockholm**  
Ongoing residential project. Estimated to be completed during the third quarter of 2023.



**Örebro Entré, Örebro**  
Ongoing project. The first phase was completed during the first quarter of 2022 and the second phase is estimated to be completed during the fourth quarter of 2023.

## DISTRIBUTION PER GEOGRAPHICAL AREA

Corem's property portfolio and operating activities are divided into geographical and business-focused regions. The operations in Sweden are divided into Region Stockholm, Region Stockholm Logistics, Region West and Region East. Region Stockholm consists of the business units Stockholm North, Stockholm South, Västerås and Uppsala. Region Stockholm Logistics consists of the business units Stockholm

South Logistics, Stockholm Centre Logistics and Stockholm North Logistics. Region West consists of the business units Gothenburg, Malmö, Halmstad, Gothenburg Logistics and Malmö Logistics. Region East consists of the business units Nyköping, Norrköping, Linköping, Kalmar and Jönköping. The international operations are divided into Copenhagen, which is a separate business unit, and New York.

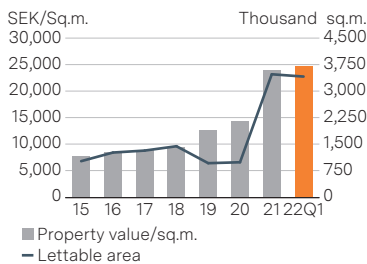
## INCOME STATEMENT ITEMS AND INVESTMENTS PER GEOGRAPHIC AREA

	Income, SEKm		Property costs, SEKm		Net operating income, SEKm		Operating margin, %		Investments, SEKm	
	2022 Jan-Mar	2021 Jan-Mar	2022 Jan-Mar	2021 Jan-Mar	2022 Jan-Mar	2021 Jan-Mar	2022 Jan-Mar	2021 Jan-Mar	2022 Jan-Mar	2021 Jan-Mar
Region Stockholm	441	—	-175	—	266	—	60	—	156	—
Region Stockholm Logistics	148	141	-47	-46	101	95	68	67	37	53
Region East	215	32	-75	-8	140	24	65	75	83	6
Region West	219	79	-73	-19	147	60	67	76	55	50
International – Copenhagen	75	6	-2	-1	72	5	96	83	1	19
International – New York	1	—	0	—	1	—	—	—	110	—
<b>Total</b>	<b>1,099</b>	<b>258</b>	<b>-372</b>	<b>-74</b>	<b>727</b>	<b>184</b>	<b>66</b>	<b>71</b>	<b>442</b>	<b>128</b>
Investment portfolio	1,045	—	-342	—	703	—	67	—	269	—
Development portfolio	54	—	-30	—	24	—	44	—	173	—
<b>Total</b>	<b>1,099</b>	<b>258</b>	<b>-372</b>	<b>-74</b>	<b>727</b>	<b>184</b>	<b>66</b>	<b>71</b>	<b>442</b>	<b>128</b>

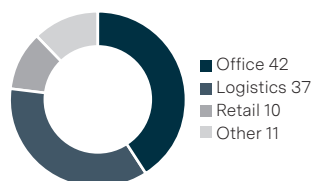
## KEY FIGURES PER GEOGRAPHIC AREA

	No. of properties		Fair value, SEKm		Rental value, SEKm		Economic occupancy rate, %		Lettable area, 000 sq.m.	
	2022 31 March	2021 31 March	2022 31 March	2021 31 March	2022 31 March	2021 31 March	2022 31 March	2021 31 March	2022 31 March	2021 31 March
Region Stockholm	126	—	35,034	—	2,117	—	86	—	1,110	—
Region Stockholm Logistics	94	95	9,183	8,367	629	577	94	94	475	463
Region East	139	28	12,673	2,018	969	142	90	92	855	165
Region West	133	44	12,981	3,995	968	279	88	91	811	348
International – Copenhagen	10	2	7,718	431	289	23	98	100	160	36
International – New York	5	—	6,280	—	0	—	0	—	0	—
<b>Total</b>	<b>507</b>	<b>169</b>	<b>83,869</b>	<b>14,811</b>	<b>4,972</b>	<b>1,021</b>	<b>89</b>	<b>93</b>	<b>3,411</b>	<b>1,012</b>
Investment portfolio	442	—	69,847	—	4,636	—	90	—	3,188	—
Development portfolio	65	—	14,022	—	336	—	68	—	223	—
<b>Total</b>	<b>507</b>	<b>169</b>	<b>83,869</b>	<b>14,811</b>	<b>4,972</b>	<b>1,021</b>	<b>89</b>	<b>93</b>	<b>3,411</b>	<b>1,012</b>

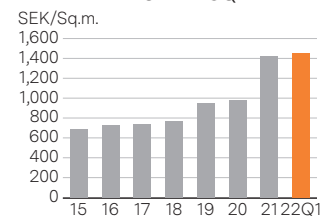
### PROPERTY VALUE BY SQ.M. AND LETTABLE AREA



### LETTABLE AREA BY TYPE, %



### RENTAL VALUE BY SQ.M.



# Financing

## INTEREST-BEARING LIABILITIES

On 31 March 2022, the interest-bearing liabilities amounted to SEK 46,828 million (46,738). Accrued borrowing overheads amounted to SEK 181 million (174), meaning interest-bearing liabilities in the balance sheet of SEK 46,647 million (46,564).

Corem's interest-bearing liabilities are mainly secured by mortgage deeds and/or shares in subsidiaries. Unsecured interest-bearing liabilities consist of commercial paper and unsecured bonds, SEK 2,400 million (2,322) and SEK 11,567 million (11,558) respectively at the end of the quarter.

The average period of tied-up capital amounted to 3.5 years (3.8). The loan-to-value ratio amounted to 52 per cent (53).

## INTEREST-BEARING NET LIABILITIES

SEKm	2022 31 Mar	2021 31 Dec
Interest-bearing liabilities	46,647	46,564
Adjustment, accrued borrowing overheads	181	174
Interest-bearing assets	-84	-86
Long-term shareholdings	-2,163	-2,263
Current investments	—	—
Cash and cash equivalents	-987	-571
Interest-bearing net liability	43,594	43,818

## Bonds

At the end of the quarter, the Group had SEK 11,567 million in outstanding listed bond loans, maturing in 2022 to 2025. There is an unsecured Medium Term Note-programme (MTN) with a framework of SEK 10,000 million, where SEK 5,550 million has been issued. There is also a secured MTN programme with a framework amounting to SEK

10,000 million, within which no bonds were issued as at 31 March 2022.

## INTEREST MATURITY STRUCTURE

On 31 March 2022, the average interest rate of the loan portfolio was 2.4 per cent (2.4). To limit the interest rate risk, there are interest rate swaps and interest rate caps, where the effects of larger increases in interest rates are limited through interest rate caps. At the end of the quarter, Corem had interest rate swaps for a nominal value of SEK 8,890 million (8,890) and interest rate caps for SEK 21,939 million (23,539). Together with fixed interest loans, this means that 68 per cent (72) of the interest-bearing liabilities were hedged. As of 31 March 2022, the net market value of the interest rate derivative portfolio was SEK 635 million (-86). Change in value of derivatives amounted to SEK 720 million (83) during the quarter.

The average fixed interest period amounted at the end of the quarter to 2.5 years (2.6), taking derivatives into account.

The interest coverage ratio amounted to 2.6 (3.3) during the quarter.

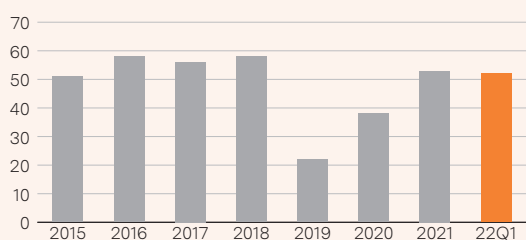
## LIQUID FUNDS

On 31 March 2022, liquid funds amounted to SEK 987 million (571). In addition, there were unutilized credit facilities of SEK 6,144 million (4,719). Interest-bearing net liabilities amounted to SEK 43,594 million (43,818).

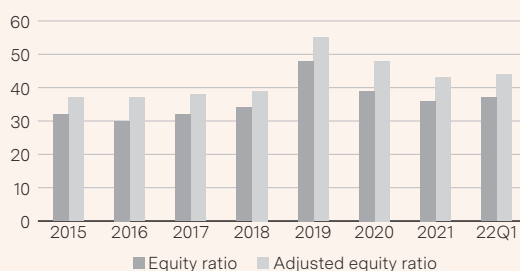
## EQUITY, NET ASSET VALUE AND EQUITY RATIO

At the end of the quarter, the Group's equity, attributable to the parent company's shareholders, amounted to SEK 35,119 million (33,342), of which SEK 1,300 million refers to hybrid bonds. Equity amounted to SEK 25.63 (23.94) per ordinary share of Class A and B, SEK 289.59 (289.59) per ordinary share of Class D and SEK 312.72 (312.72) per

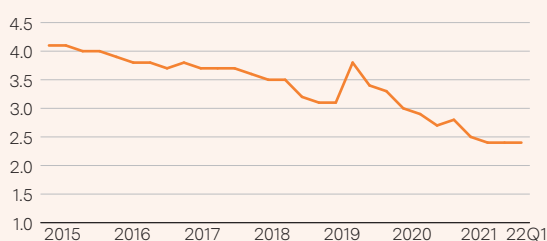
LOAN TO VALUE, %



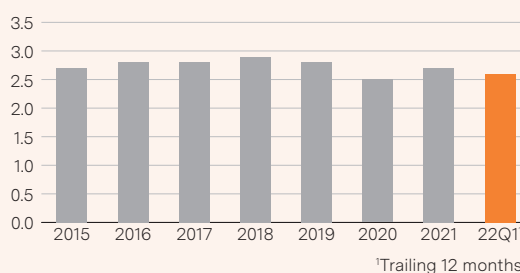
EQUITY RATIO AND ADJUSTED EQUITY RATIO, %



AVERAGE INTEREST RATE, %



INTEREST COVERAGE RATIO



<sup>1</sup>Trailing 12 months



preference share. The net asset value (NAV) per ordinary share of Class A and B amounted to SEK 30.97 (29.60).

At the end of the quarter, the adjusted equity ratio was 44 per cent (43) and the equity ratio 37 per cent (36). For further information about changes in equity, see page 20.

## SHAREHOLDINGS

Since 2019, Corem owns shares in the real estate company Castellum which is listed on Nasdaq Stockholm. On 31 March 2022, the holding amounted to 8,880,000 shares. The market value amounted at the same time to SEK 2,072 million, based on a share price of SEK 233.30. The acquisition value amounts to SEK 192.03 per share. Corem also

owns 639,425 shares in Everysport Media Group, which is listed on Spotlight Stock Market. The market value amounted to SEK 18 million on 31 March 2022.

In addition, unlisted shares at a value of SEK 73 million are included in the balance sheet's line *Financial assets valued at fair value*.

## CASH FLOW

The Group's cash flow from operating activities, before change in working capital, amounted during the quarter to SEK 409 million (168).

Cash flow from investing activities amounted to SEK 444 million (–519) and cash flow from financing activities to SEK –197 million (334).

## FIXED INTEREST AND TIED-UP CAPITAL

Maturity year	Fixed interest	Tied-up capital			
	Loan volume, SEKm	Contract volume, SEKm	Utilised, SEKm	Of which outstanding bonds, SEKm	Not utilised, SEKm
Variable *	37,105	—	—	—	—
2022	100	12,344	10,122	400	2,222
2023	121	13,762	12,040	2,933	1,722
2024	627	8,958	8,258	5,534	700
2025	490	9,044	9,044	2,700	—
2026	—	1,570	70	—	1,500
Later	8,385	7,294	7,294	—	—
<b>Total</b>	<b>46,828</b>	<b>52,972</b>	<b>46,828</b>	<b>11,567</b>	<b>6,144</b>

\*SEK 21,939 million of Floating volume is covered by interest-rate caps.



Söderstaden is one of the City of Stockholm's largest and most interesting development areas with the aim of creating southern Stockholm's strongest workplace hub and a destination with focus on food, culture, entertainment and sports. Söderstaden consists of the Globen area, the Meatpacking District and Gullmarsplan.

# The share and shareholders

Corem Property Group is listed on Nasdaq Stockholm Large Cap with four classes of shares: ordinary shares of Class A, ordinary shares of Class B, ordinary shares of Class D and preference shares.

On 31 March 2022, Corem had a total of 1,137,283,281 shares, of which 93,730,797 ordinary shares of Class A, 1,023,591,380 ordinary shares of Class B, 7,545,809 ordinary shares of Class D and 12,415,295 preference shares. An ordinary share of Class A entitles the holder to one vote, while an ordinary share of Class B, an ordinary share of Class D and a preference share entitles the holder to a tenth of a vote each.

## REPURCHASE OF OWN SHARES

During the first quarter, Corem has repurchased 1,560,450 ordinary shares of Class B and 42,000 ordinary shares of Class D. As at 31 March 2022, Corem held a total of 2,913,825 repurchased ordinary shares of Class A, 31,191,000 repurchased ordinary shares of Class B and 42,000 repurchased ordinary shares of Class D. The shares have been repurchased at an average price of SEK 8.80 per ordinary share of Class A, SEK 19.52 per ordinary share of Class B and SEK 297.85 per ordinary share of Class D.

## CONVERSION OF CLASS A ORDINARY SHARES

During February 2022, requests were made for conversion of a total of 11,812 ordinary shares of Class A, which were converted to ordinary shares of Class B in March 2022.

## EXCHANGE OFFER TO PREFERENCE SHAREHOLDERS

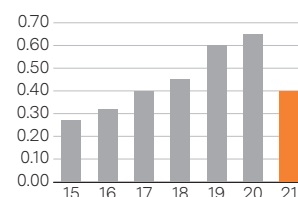
On 28 March 2022, Corem made an offer to all preference shareholders in Corem to exchange their preference shares for newly issued ordinary shares of Class D. The exchange offer means that Corem offers 1.12 ordinary shares of Class D for each preference share that is redeemed. The exchange offer is conditional upon a decision at Corem's annual general meeting on 27 April. On 26 April, it was announced that the board of directors, due to prevailing market conditions, proposes that the AGM does not vote in accordance with the previously submitted proposal for the exchange offer.



1245 Broadway, New York.

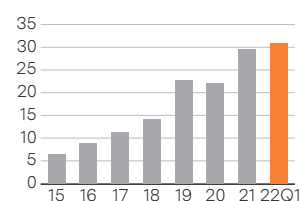
SHARE FACTS, 31 MARCH 2022	
Market capitalisation	SEK 33.6bn
Market place	Nasdaq Stockholm, Large Cap
LEI no.	213800CHXQQD7TSS1T59
No. of shareholders	45,382
<b>Ordinary share, Class A</b>	
No. of shares	93,730,797
Closing price	SEK 24.80
ISIN	SE0010714279
<b>Ordinary share Class B</b>	
No. of shares	1,023,591,380
Closing price	SEK 24.50
ISIN	SE0010714287
<b>Ordinary share Class D</b>	
No. of shares	7,545,809
Closing price	SEK 291.50
ISIN	SE0015961594
<b>Preference share</b>	
No. of shares	12,415,295
Closing price	SEK 320.00
ISIN	SE0010714311

## DIVIDEND PER ORDINARY SHARE A/B, SEK



1) Proposed dividend

## NET ASSET VALUE (NAV) PER ORDINARY SHARE A/B, SEK



## COREM'S LARGEST SHAREHOLDERS AS AT 31 MARCH 2022

Shareholder	Ordinary shares of Class A, thousands	Ordinary shares of Class B, thousands	Ordinary shares of Class D, thousands	Preference shares, thousands	Share of capital, %	Share of votes, %
Rutger Arnhult via companies	35,415	348,084	3,127	—	34.00	36.73
Gårdarike	39,490	118,128	57	26	13.87	26.72
Handelsbanken funds	—	74,632	4	—	6.56	3.89
Länsförsäkringar fondförvaltning	—	63,766	—	—	5.61	3.32
Swedbank Robur fonder	1,593	27,851	—	—	2.59	2.28
State Street Bank & Trust Co	—	39,616	0	167	3.50	2.07
JP Morgan Chase Bank N.A.	—	25,720	—	219	2.28	1.35
CBNY Norges Bank	595	13,849	118	46	1.28	1.04
Prior & Nilsson	—	15,532	—	—	1.37	0.81
Fredrik Rapp privately and via company	750	7,500	—	—	0.73	0.78
Livförsäkringsbolaget Skandia, Ömsesidigt	694	5,256	—	0	0.52	0.64
Patrik Tillman privately and via company	571	5,714	77	—	0.56	0.60
SEB Life International	1,100	—	—	—	0.10	0.57
Invus Investment AB	410	6,043	—	—	0.57	0.53
BNY Mellon SA/NV	0	9,529	0	68	0.84	0.50
Other shareholders	10,199	231,180	4,121	11,890	22.63	18.18
<b>TOTAL OUTSTANDING SHARES</b>	<b>90,817</b>	<b>992,400</b>	<b>7,504</b>	<b>12,415</b>	<b>97.00</b>	<b>100.00</b>
Repurchased shares <sup>1)</sup>	2,914	31,191	42	—	3.00	—
<b>TOTAL REGISTERED SHARES</b>	<b>93,731</b>	<b>1,023,591</b>	<b>7,546</b>	<b>12,415</b>	<b>100.00</b>	<b>100.00</b>

Due to routines at Ålandsbanken, Banque Internationale à Luxembourg and Union Bancaire Privée, the banks have been registered in Euroclear's share register as owners of part of their customers' Corem shares. Corem considers that the above table provides a correct picture of the company's 15 largest owners.

1) Repurchased own shares do not confer voting rights or rights to dividend.

## Other information

### ACCOUNTING POLICIES

This interim report is for the Group prepared in compliance with the Annual Accounts Act and IAS 34 Interim Financial Reporting and for the Parent Company in compliance with the Annual Accounts Act and RFR 2 Accounting for legal entities. In the Group, the properties are valued in compliance with Level 3 in the IFRS valuation hierarchy.

The fair value of financial instruments in the Group reported at accrued acquisition value agrees essentially with the reported value. The same applies to the Parent Company with the exception of the holding in Castellum where fair values are those reported for the Group. No changes of the categorization of financial instruments have taken place during the period. Financial assets valued at fair value are valued in accordance with Level 1 of the valuation hierarchy. Derivatives are valued in accordance with Level 2 of the valuation hierarchy. No new or changed standards or interpretations from IASB have had any impact on the interim report and the accounting policies applied are those described in Note 1 of Corem's Annual Report for 2021.

Rounding differences may arise in the report.

### DEFINITIONS

In this interim report a number of financial key ratios and measures are presented which are not defined by IFRS. Corem believes these key ratios and measures provide valuable supplementary information to investors and the Company's management in analysing the Com-

pany's operations. Because not all companies calculate financial key ratios and measures in the same way these are not always comparable. On the Company's website, the definitions of selected key ratios and measures are presented, as well as an appendix showing the calculation of such key figures that are not directly identifiable from the financial reports.

### SUSTAINABILITY

Sustainability is an important part of Corem's business and is integrated in the daily operations. It encompasses social, ecological and economic sustainability and is focused on the areas Good business partner and long-term value development, Attractive employer, Reduced climate impact and Sustainable and living city.

Corem's Board of Directors has established a number of new long-term sustainability goals following the consolidation of Klövern, including:

- 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 shall in the long term constitute as large a share as possible.

The overall goal is to ensure an attractive property portfolio which creates long-term sustainable value without a negative impact on people or the environment.



## EMPLOYEES

Locally based property management with own staff, in order to achieve closeness to customers and in-depth market knowledge is an integral part of Corem's strategy. Corem's head office is located in Stockholm.

On 31 March 2022, the Corem group had 347 employees (368). 46 per cent of the employees were women.

## RISKS

Corem works according to a continuous process to identify significant risks which may affect the Company's financial position and earnings. The main risks are value changes of properties, the state of the economy and market conditions, project operations, property transactions, changed laws and regulations, financing, listed holdings, employees, business ethics and IT security.

For more information on identified risks, see Corem's Annual Report 2021.

## DISPUTES

Corem has no ongoing disputes which can have a significant profit impact.

## TRANSACTIONS WITH RELATED PARTIES

Intra-group services and transactions with related parties are charged at market prices and on commercial terms. Intra-group services consist of administrative services and charging of group interest rates.

Transactions with Wästbygg amounted to SEK 2 million (27) during the quarter. Wästbygg is controlled by Corem's main owner Rutger Arnhult. The Corem group also has a lease contract with Wästbygg with an annual contract value of SEK 2 million.

Corem has a lease contract with the M2 Group, which is controlled by Rutger Arnhult, with an annual contract value of SEK 1 million.

In addition, during the period the Corem Group has purchased legal services from the law firm Walthon Advokater in which the Chairman of the Board Patrik Essehorn is a partner.

## KLÖVERN

Klövern is consolidated in Corem since 15 June 2021. As of 31 March 2022, Corem's ownership amounted to 98.6 per cent of the outstanding share capital and around 97.9 per cent of the outstanding votes in Klövern. Compulsory redemption has been called for in order to acquire the remaining shares. The redemption process is ongoing.

## TOBIN PROPERTIES

The housing developer Tobin Properties is consolidated in Klövern since 4 April 2018. In June 2019, Klövern called for compulsory redemption in Tobin Properties. An arbitration award in the redemption process was announced on 8 December 2021. The arbitration award has attained legal force in March 2022. The redemption amount stipulated by the arbitral panel, together with interest, of SEK 10.10 per share has been paid and the minority shareholders' shares have been transferred. The total number of shares concerned amount to 7,627,547, entailing a total redemption amount of SEK 77 million.

## ANNUAL GENERAL MEETING 2022

Corem Property Group AB's (publ) annual general meeting will be held on 27 April 2022.

## DIVIDEND

The Board of Directors proposes a dividend for the 2021 financial year of SEK 0.40 (0.65) per ordinary share of Class A and Class B, and SEK 20.00 per ordinary share of Class D and preference share. It is proposed that the dividend for the ordinary shares of Class A and Class B be paid in four instalments, each of SEK 0.10 and that the dividend for ordinary shares of Class D and preference shares be paid in four instalments, each of SEK 5.00. It is proposed that the record date for dividend on ordinary shares of Class A, B, D and preference shares be the last banking day in the respective calendar quarter with the expected payment three banking days thereafter.

## EVENTS AFTER THE END OF THE PERIOD

In April, a previously agreed 15-year lease in New York to A24 Films was expanded from around 3,800 sq.m. to over 4,500 sq.m.

In April, Corem issued unsecured bonds for SEK 250 million with maturity in April 2024.

On 28 March, Corem made an offer to all preference shareholders in Corem to exchange their preference shares for newly issued ordinary shares of Class D. The exchange offer is conditional upon a decision at Corem's annual general meeting on 27 April. On 26 April, it was announced that the board of directors, due to prevailing market conditions, proposes that the AGM does not vote in accordance with the previously submitted proposal for the exchange offer.

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Stockholm, 27 April 2022

The Board of Directors of Corem Property Group AB (publ)

This report has not been subject to a review by the Company's auditors.

# The Consolidated Income Statement *in brief*

SEKm	2022 3 months Jan–Mar	2021 3 months Jan–Mar	2021 12 months Jan–Dec	2021/2022 Rolling 12 months Apr–Mar
Income	1,099	258	2,805	3,646
Property costs	–372	–74	–911	–1,209
<b>Net operating income</b>	<b>727</b>	<b>184</b>	<b>1,894</b>	<b>2,437</b>
Central administration	–47	–9	–116	–154
Acquisition costs	—	—	–21	–21
Net financial items	–271	–18	–579	–832
<b>Profit from property management</b>	<b>409</b>	<b>157</b>	<b>1,178</b>	<b>1,430</b>
Earnings, residential development	—	—	–36	–36
<b>Net profit, residential development</b>	<b>—</b>	<b>—</b>	<b>–36</b>	<b>–36</b>
Share of earnings in associated companies	3	—	3	6
Value changes, properties	1,082	481	3,432	4,033
Value changes, financial investments	–101	–191	870	960
Value changes, derivatives	720	83	256	893
Impairment, goodwill	–55	—	–21	–76
<b>Profit before tax</b>	<b>2,058</b>	<b>530</b>	<b>5,682</b>	<b>7,210</b>
Tax	–322	–121	–1,187	–1,388
<b>Net profit for the period</b>	<b>1,736</b>	<b>409</b>	<b>4,495</b>	<b>5,822</b>
<i>Net profit for the year attributable to:</i>				
Parent Company shareholders	1,709	409	4,408	5,708
Holdings without controlling influence	27	—	87	114
	<b>1,736</b>	<b>409</b>	<b>4,495</b>	<b>5,822</b>
<b>Other comprehensive income</b>				
<i>Items that can be referred to net profit for the year</i>				
Translation differences, etc.	124	5	295	414
<b>Comprehensive income for the period</b>	<b>1,860</b>	<b>414</b>	<b>4,790</b>	<b>6,236</b>
<i>Comprehensive income attributable to:</i>				
Parent Company shareholders	1,833	414	4,699	6,118
Holdings without controlling influence	27	—	91	118
	<b>1,860</b>	<b>414</b>	<b>4,790</b>	<b>6,236</b>
<b>Earnings per share</b>				
Earnings per ordinary share of Class A and B, SEK	1.47	1.14	5.52	5.72
<b>No. of outstanding shares, thousands</b>				
Ordinary shares A and B, at the end of period	1,083,217	343,195	1,084,778	1,083,217
Ordinary shares A and B, average number	1,084,500	343,195	740,815	923,603
Ordinary shares D, at end of period	7,504	—	7,546	7,504
Preference shares, at end of period	12,415	3,600	12,415	12,415

No dilution effect exists as there are no potential shares (for example, convertibles).



# Consolidated Balance Sheet *in brief*

SEKm	2022 31 Mar	2021 31 Mar	2021 31 Dec
<b>ASSETS</b>			
<b>Non-current assets</b>			
Goodwill	3,004	—	3,059
Investment properties	83,869	14,811	83,084
Right-of-use assets	990	218	1,000
Shares in associated companies	475	—	472
Financial assets valued at fair value	2,163	4,355	2,263
Derivatives	759	—	251
Other non-current assets	216	7	153
<b>Total non-current assets</b>	<b>91,476</b>	<b>19,391</b>	<b>90,282</b>
<b>Current assets</b>			
Properties classified as current assets	81	—	63
Other current assets	1,113	117	1,320
Cash and cash equivalents	987	42	571
<b>Total current assets</b>	<b>2,181</b>	<b>159</b>	<b>1,954</b>
<b>TOTAL ASSETS</b>	<b>93,657</b>	<b>19,550</b>	<b>92,236</b>
<b>EQUITY AND LIABILITIES</b>			
Equity attributable to parent company shareholders	35,119	7,691	33,342
Equity attributable to holdings without controlling influence	515	—	596
<b>Total shareholders' equity</b>	<b>35,634</b>	<b>7,691</b>	<b>33,938</b>
<b>Long-term liabilities</b>			
Interest-bearing long-term liabilities	33,199	6,162	32,016
Long-term leasing liabilities	990	218	1,000
Deferred tax liability	8,444	920	8,127
Derivatives	124	372	337
Other long-term liabilities	9	7	67
<b>Total long-term liabilities</b>	<b>42,766</b>	<b>7,679</b>	<b>41,547</b>
<b>Current liabilities</b>			
Interest-bearing current liabilities	13,448	3,792	14,548
Other current liabilities	1,809	388	2,203
<b>Total current liabilities</b>	<b>15,257</b>	<b>4,180</b>	<b>16,751</b>
<b>Total liabilities</b>	<b>58,023</b>	<b>11,859</b>	<b>58,298</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>93,657</b>	<b>19,550</b>	<b>92,236</b>

## Consolidated statement of cash flow *in brief*

SEKm	2022 3 months Jan-Mar	2021 3 months Jan-Mar	2021 12 months Jan-Dec	2021/2022 Rolling 12 months Apr-Mar
<b>Operating activities</b>				
Net operating income, including residential development	727	184	1,858	2,401
Central administration including acquisition costs	-47	-9	-137	-175
Depreciation, etc.	7	0	0	7
Interest received, dividend etc.	2	53	110	59
Interest paid, etc.	-259	-57	-638	-840
Interest expense, lease contracts attributable to site leasehold contracts	-17	-3	-41	-55
Income tax paid	-4	0	-3	-7
<b>Cash flow before changes in working capital</b>	<b>409</b>	<b>168</b>	<b>1,149</b>	<b>1,390</b>
Change in properties classified as current assets	-17	—	-189	-206
Change in current receivables	29	-13	-16	26
Change in current liabilities	-245	57	246	-56
<b>Cash flow from operating activities</b>	<b>176</b>	<b>212</b>	<b>1,190</b>	<b>1,154</b>
<b>Investing activities</b>				
Investments in new construction, extensions and refurbishment	-442	-128	-1,771	-2,085
Acquisition of properties	—	-192	-292	-100
Divestment of properties	977	—	263	1,240
Acquired cash and cash equivalents, business combination	—	—	870	870
Acquisition of long-term shareholdings	—	-199	-249	-50
Acquisition holdings without controlling influence	-86	—	-25	-111
Change in other non-current assets	-5	0	250	245
<b>Cash flow from investing activities</b>	<b>444</b>	<b>-519</b>	<b>-954</b>	<b>9</b>
<b>Financing activities</b>				
Dividend paid to parent company shareholders	-103	-18	-468	-553
Hybrid bonds	-19	—	-39	-58
Repurchase of own shares	-50	—	—	-50
Issue costs	—	—	-23	-23
Loans raised	6,332	1,143	6,834	12,023
Amortised loans	-6,357	-791	-5,987	-11,553
<b>Cash flow from financing activities</b>	<b>-197</b>	<b>334</b>	<b>317</b>	<b>-214</b>
<b>Cash flow for the period</b>	<b>423</b>	<b>27</b>	<b>553</b>	<b>949</b>
Cash and cash equivalents at beginning of period	571	15	15	42
Exchange rate difference in cash and cash equivalents	-7	—	3	-4
<b>Cash and cash equivalents at end of period</b>	<b>987</b>	<b>42</b>	<b>571</b>	<b>987</b>

## Consolidated change in equity *in brief*

SEKm	Parent Company shareholders	Holdings without controlling influence	Total
<b>Opening equity, 01.01.2021</b>	<b>7,277</b>	<b>—</b>	<b>7,277</b>
Comprehensive income for the period	4,699	91	4,790
Issue in kind	20,723	—	20,723
Dividend to shareholders	-618	—	-618
Hybrid bonds, net	1,261	—	1,261
Issue costs including tax effect	-18	—	-18
Change in holding without controlling influence	18	505	523
<b>Equity, 31.12.2021</b>	<b>33,342</b>	<b>596</b>	<b>33,938</b>
Comprehensive income for the period	1,833	27	1,860
Repurchase of own shares	-50	—	-50
Hybrid bonds	-19	—	-19
Change in holding without controlling influence	13	-108	-95
<b>Equity, 31.03.2022</b>	<b>35,119</b>	<b>515</b>	<b>35,634</b>

## Parent Company Income Statement *in brief*

SEKm	2022 3 months Jan-Mar	2021 3 months Jan-Mar	2021 12 months Jan-Dec
Net sales	135	23	98
Cost of services sold	-88	-14	-61
<b>Gross profit</b>	<b>47</b>	<b>9</b>	<b>37</b>
Central administration	-47	-9	-43
<b>Operating profit</b>	<b>0</b>	<b>0</b>	<b>-6</b>
Interest income and similar income statement items	126	69	996
Interest expense and similar income statement items	-67	-24	-120
<b>Profit before tax</b>	<b>59</b>	<b>45</b>	<b>870</b>
Tax	4	-5	-9
<b>Net Profit for the period</b>	<b>63</b>	<b>40</b>	<b>861</b>

The parent company does not have any items in other comprehensive income.

## Parent Company Balance Sheet *in brief*

SEKm	2022 31 Mar	2021 31 Mar	2021 31 Dec
<b>ASSETS</b>			
Other intangible non-current assets	3	3	3
Machinery and equipment	8	1	0
Shares in group companies	22,197	432	22,188
Other financial non-current assets	1,706	2,545	1,706
Receivables from group companies	9,381	3,421	3,906
Deferred tax receivable	10	5	6
Other current receivables	21	38	9
Cash and cash equivalents	132	54	28
<b>TOTAL ASSETS</b>	<b>33,458</b>	<b>6,499</b>	<b>27,846</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	23,730	2,809	23,717
Interest-bearing liabilities	9,500	3,634	3,882
Non-interest-bearing liabilities	228	56	247
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>33,458</b>	<b>6,499</b>	<b>27,846</b>

# Key figures

	2022-03-31 3 months Jan–Mar	2021-03-31 3 months Jan–Mar	2021-12-31 12 months Jan–Dec	2020-12-31 12 months Jan–Dec
<b>Property-related</b>				
Fair value of investment properties, SEKm	83,869	14,811	83,084	14,002
Yield requirement, valuation, %	5.0	5.4	5.1	5.5
Rental value, SEKm	4,972	1,021	4,957	970
Lettable area, sq.m.	3,411,148	1,011,925	3,478,659	985,887
Economic occupancy rate, %	89	93	89	93
Area-based occupancy rate, %	82	90	83	91
Operating margin, %	66	71	68	75
No. of investment properties	507	169	518	167
Average remaining lease contract period, years	3.7	4.3	3.7	4.4
<b>Financial</b>				
Return on equity, %	20.0	21.8	21.7	–1.4
Adjusted equity ratio, %	44	48	43	48
Equity ratio, %	37	39	36	39
Interest-bearing net liability, SEKm	43,594	5,583	43,818	5,258
Loan-to-value ratio, %	52	38	53	38
Loan-to-value ratio, properties, %	38	43	38	46
Interest coverage ratio	2.6	3.3	2.7	2.5
Average interest rate, %	2.4	2.8	2.4	2.7
Average period of fixed interest, years	2.5	2.5	2.6	2.7
Average period of tied-up capital, years	3.5	1.8	3.8	1.9
<b>Share-related</b>				
Profit from property management per ordinary share A and B, SEK	0.27	0.40	1.16	1.01
Earnings per ordinary share, A and B, SEK	1.47	1.14	5.52	–0.52
Net asset value (NAV) per ordinary share A and B, SEK	30.97	23.54	29.60	22.22
Equity per ordinary share A and B, SEK	25.63	19.77	23.94	18.56
Equity per ordinary share D, SEK	289.59	—	289.59	—
Equity per preference share, SEK	312.72	251.67	312.72	251.67
Dividend per ordinary share, A and B, SEK	—	—	0.40 <sup>1</sup>	0.65
Dividend per ordinary share D, SEK	—	—	20.00 <sup>1</sup>	20.00
Dividend per preference share, SEK	—	—	20.00 <sup>1</sup>	20.00
Share price ordinary share A, SEK	24.80	18.65	32.60	18.80
Share price ordinary share B, SEK	24.50	18.65	32.65	18.80
Share price ordinary share D, SEK	291.50	—	316.00	—
Share price preference share, SEK	320.00	318.00	324.00	320.00
<b>No. of shares, thousands</b>				
Number of outstanding ordinary shares A and B	1,083,217	343,195	1,084,778	343,195
Average number of outstanding ordinary shares A and B	1,084,500	343,195	740,815	343,429
Number of outstanding ordinary shares D	7,504	—	7,546	—
Number of outstanding preference shares	12,415	3,600	12,415	3,600

1) Proposed dividend

# Definitions

A number of financial key ratios and measures are presented in the report which are not defined according to IFRS. Corem considers that these key ratios and measures provide valuable supplementary information to investors and the company management when analysing the company's business activities. As not all companies calculate financial key ratios and measures in the same way, these are not always comparable. Definitions of selected key ratios and measures are presented below. The definitions are also shown on Corem's website ([www.corem.se/sv/investerare/definitioner/](http://www.corem.se/sv/investerare/definitioner/)). For the key ratios that are not directly identifiable from the financial statements there is a complementary calculation appendix on the website.

## Adjusted equity ratio

Equity<sup>2</sup>, adjusted for the value of derivatives including tax, repurchased shares, (based on the share price at the end of respective period) and reported deferred tax properties, less goodwill attributable to deferred tax, as well as load deferred tax of 5 per cent attributable to the difference between the properties' fair value and residual value for tax purposes, as a per centage of total assets adjusted for goodwill attributable to deferred tax and rights of use assets.

## Annual contract value

Rent including supplements and index on an annual basis.

## Average period of fixed interest

Average remaining period of fixed interest on interest-bearing liabilities and derivatives.

## Average period of tied-up capital

Average remaining term of interest-bearing liabilities.

## Average interest rate

Average borrowing rate for interest-bearing liabilities and derivatives.

## Central administration

Central administration costs consist of costs for group management and group-wide functions.

## Comparable portfolio

The properties included in the portfolio during the whole of the reporting period and during the whole of the comparison period as well as adjustments for revenue and costs of a one-off nature, for example, early redemption of rental income and rental losses.

## Development portfolio

Properties where conversion or extension projects are in progress or planned, which lead to a higher standard or changed use of premises.

## Earnings per ordinary share of class A and B

Net profit after deduction of dividend on preference shares and ordinary shares of class D and interest on hybrid bonds, in relation to the average number of outstanding ordinary shares of class A and B.

## Equity per ordinary share of class A and B

Equity<sup>2</sup> after deduction of equity attributable to preference shares and ordinary shares of class D and hybrid bonds, in relation to the number of outstanding ordinary shares of class A and B.

## Equity per ordinary share of class D

The ordinary share of class D's average issue price.

## Equity per preference share

The preference share's average issue price.

## Equity ratio

Equity<sup>2</sup> as a per centage of total assets.

## Interest-bearing liabilities

Current and long term interest-bearing liabilities, as well as activated and capitalized borrowing costs.

## Interest-bearing net debt

The net of interest-bearing provisions and liabilities, less financial assets including liquid funds.

## Interest coverage ratio

Profit from property management plus share of associated companies' profit from property management, and profit from residential development excluding financial expenses<sup>1</sup>, divided by financial expenses<sup>1</sup>.

## Investment portfolio

Properties currently being actively managed.

## Investment properties

The term investment properties in the balance sheet includes the investment portfolio as well as the development portfolio.

## Lettable area

Total area available for letting.

## Loan to value (LTV)

Interest-bearing liabilities after deduction for the market value of listed shareholding and liquid funds, in relation to the fair value of the properties.

## Loan to value (LTV), properties

Interest-bearing liabilities with collateral in properties, in relation to the fair value of the properties at the end of the period.

## NAV (Net Asset Value) per ordinary share of class A and B

Equity<sup>2</sup>, after deduction of equity attributable to preference shares and ordinary shares of class D, hybrid bonds and goodwill attributable to deferred tax, adding back derivatives and deferred tax liability, in relation to the number of outstanding ordinary shares of class A and B.

## Net letting

Annual rent for the tenancy agreements entered into during the period, reduced for terminated tenancy agreements and bankruptcies.

## Net operating income

Income minus property costs.

## Occupancy rate, area

Rented area divided by total lettable area.

## Occupancy rate, economic

Annual contracted rent divided by rental value.

## Outstanding ordinary shares

Registered shares, after deduction of repurchased shares.

## Profit from property management

Net operating income, central administration and net financial income.

## Profit from property management per ordinary share of class A and B

Profit from property management after deduction of dividend on preference shares and ordinary shares of class D and interest on hybrid bonds in relation to the average number of outstanding ordinary shares of class A and B.

## Properties classified as current assets

Properties with ongoing production of tenant-owned apartments or which are intended for future tenant-owned production.

## Realized changes in value, properties

Realized property sales after deductions for the properties' most recently reported fair value and overheads at sale.

## Rental value

Annual contract value with a supplement for assessed rent of vacant premises.

## Return on equity

Net profit on an annual basis, as a per centage of average equity<sup>2</sup> during the period.

## Required yield

The required return on the residual value of property valuations.

## Operating margin

Net operating income as a percentage of income.

## Total number of shares

Registered shares, including repurchased shares.

## Unrealized changes in value, properties

Change in fair value excluding acquisitions, divestments, investments, and currency conversion.

*1 Excluding site leasehold fees*

*2 Equity attributable to the Parent Company's shareholders.*



# Calendar

## FINANCIAL REPORTS AND ANNUAL GENERAL MEETING

Annual General Meeting 2022	27 April 2022
Interim Report, January–June 2022	13 July 2022
Interim Report January–September 2022	25 October 2022

## DIVIDEND: PROPOSED RECORD DATES AND EXPECTED PAYMENT DATES

Record date for dividend to holders of ordinary shares of Class A, B, D and preference shares	30 June 2022
Expected date for dividend to holders of ordinary shares of Class A, B, D and preference shares	5 July 2022
Record date for dividend to holders of ordinary shares of Class A, B, D and preference shares	30 September 2022
Expected date for dividend to holders of ordinary shares of Class A, B, D and preference shares	5 October 2022
Record date for dividend to holders of ordinary shares of Class A, B, D and preference shares	30 December 2022
Expected date for dividend to holders of ordinary shares of Class A, B, D and preference shares	4 January 2023
Record date for dividend to holders of ordinary shares of Class A, B, D and preference shares	31 March 2023
Expected date for dividend to holders of ordinary shares of Class A, B, D and preference shares	5 April 2023

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Properties for *the future*.