

A low-angle, upward-looking photograph of modern, multi-story buildings with a grid-like facade of windows and balconies. The sky is a dark, overcast grey. In the foreground, several thin, wavy orange lines sweep across the frame from left to right, creating a sense of motion and design.

corem }

Interim Report Q1 2023

28 April 2023

Corem Property Group

Corem is a leading commercial real estate company, focusing on urban and growth regions.

In close dialogue with customers, we aim to create solutions that contribute to efficiency, profitability and mutual growth.

The portfolio is geographically well focused and managed through locally based, in-house property management.

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



Corem 31 March 2023

424

Properties

75,109

Property value, SEKm

5.3

Average yield, %

3,035

Lettable area, tsq.m.

5,087

Rental value, SEKm

25.52

NAV per ordinary share of
Class A/B, SEK

January – March 2023 summary

1,172

Income, SEKm

356

Profit from property
management, SEKm

56

LTV, %

-1,505

Changes in value
of properties, SEKm

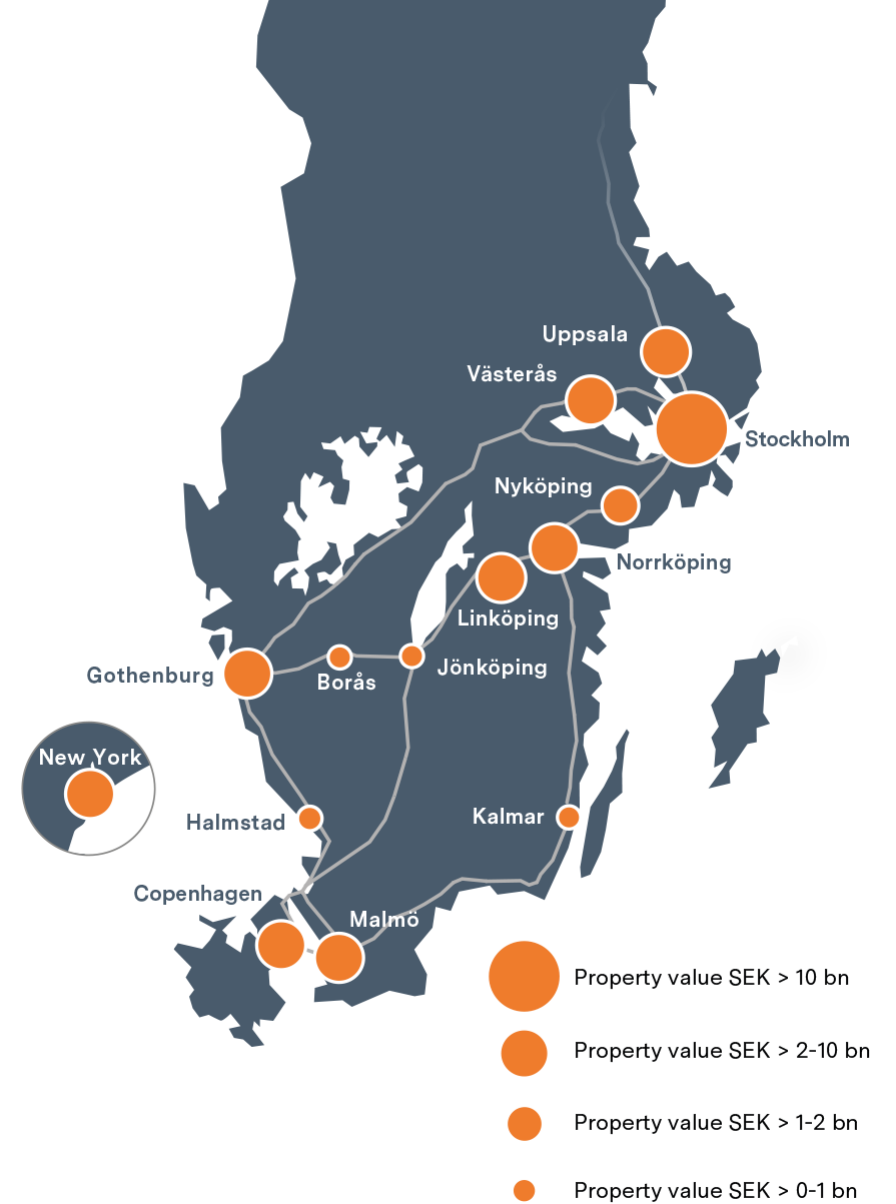
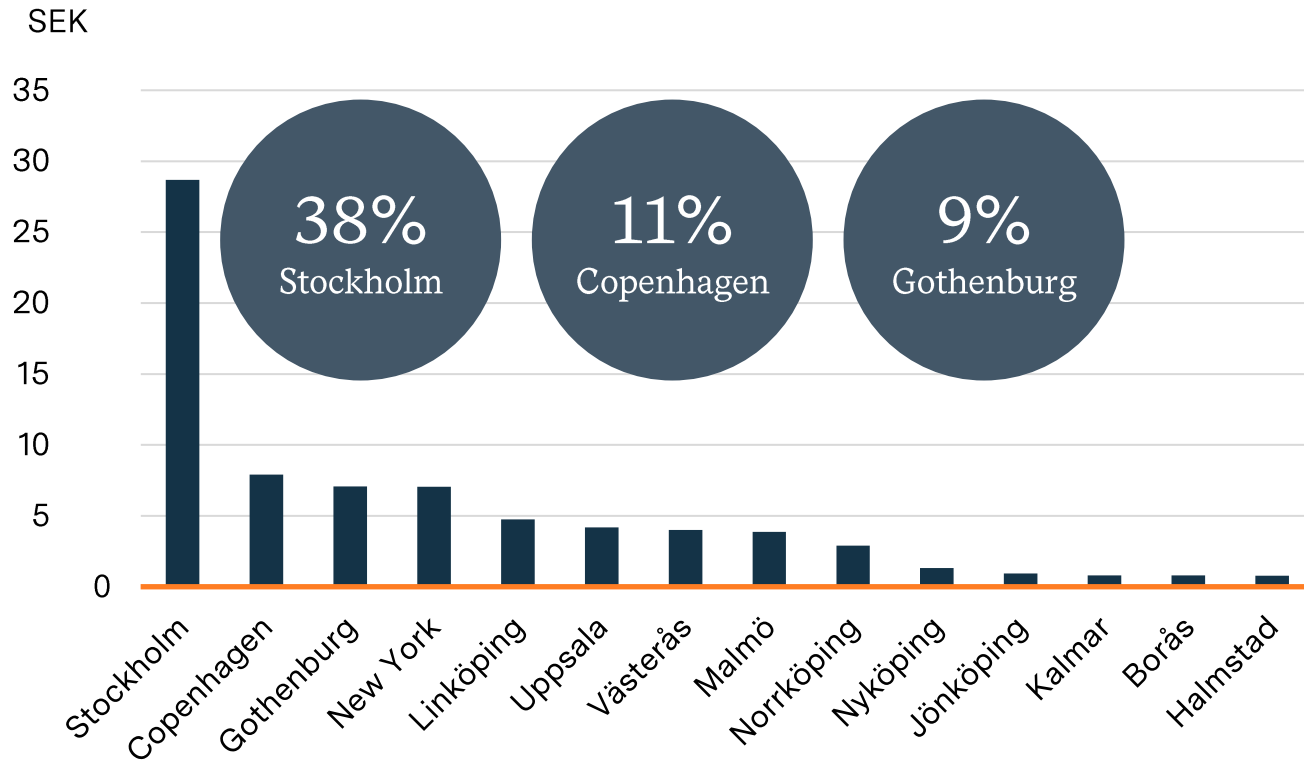
89

Economic
occupancy rate, %

2.3

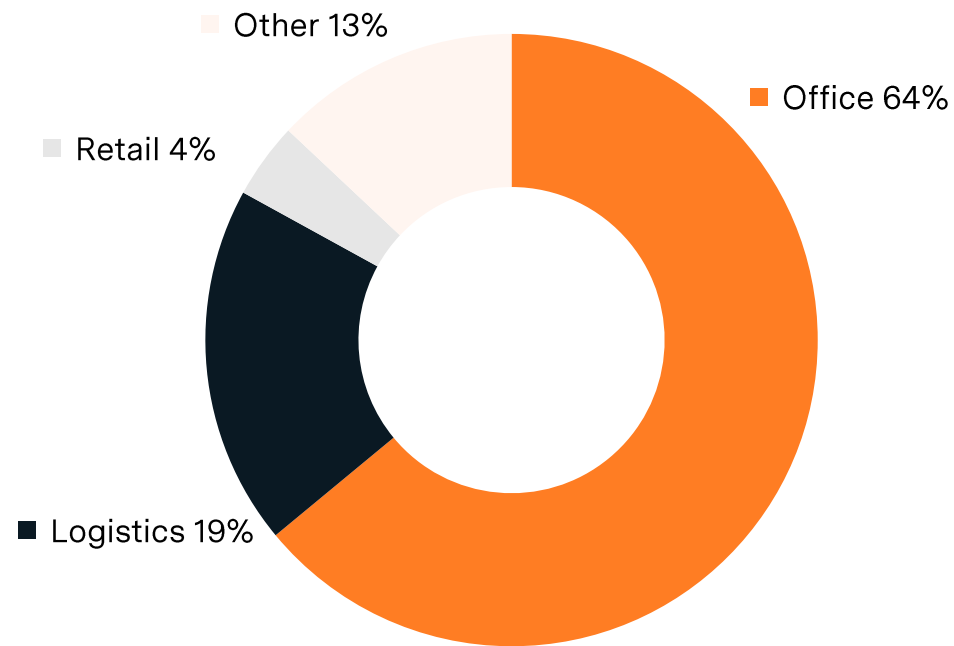
ICR, R12

A portfolio of commercial properties focused to attractive locations in *major cities and growth regions*

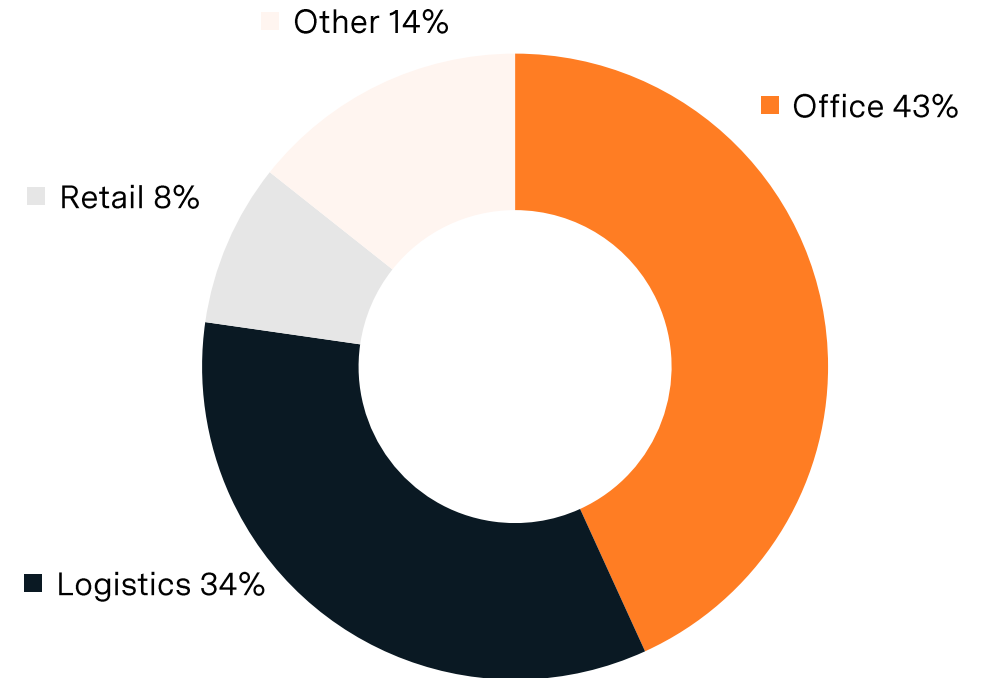


Property types that complement each other

**PROPERTY VALUE
BY PROPERTY TYPE**



**LETTABLE AREA
BY TYPE**



Attractive customer mix

VOLVO



ERICSSON

Baxter



postnord

instabox

CODAN



martin&servera

Swedbank



WÜRTH GROUP

HORNBACH

PILKINGTON

Attendo

NOVARTIS



BEVEGO

ahlsell

Region Östergötland



Linköpings universitet

CBS COPENHAGEN BUSINESS SCHOOL
HANDELSHØJSKOLEN

coop

ICA

SAMSUNG

TELIE2

swedol



billa

Thinkita

Polisen

SAINT-GOBAIN

DAGAB

DSV

corem

3,800

No. of tenants

6,700

No. of leases

5,087

Rental value, SEKm

1,676

Rental value,
SEK per sq.m.

91

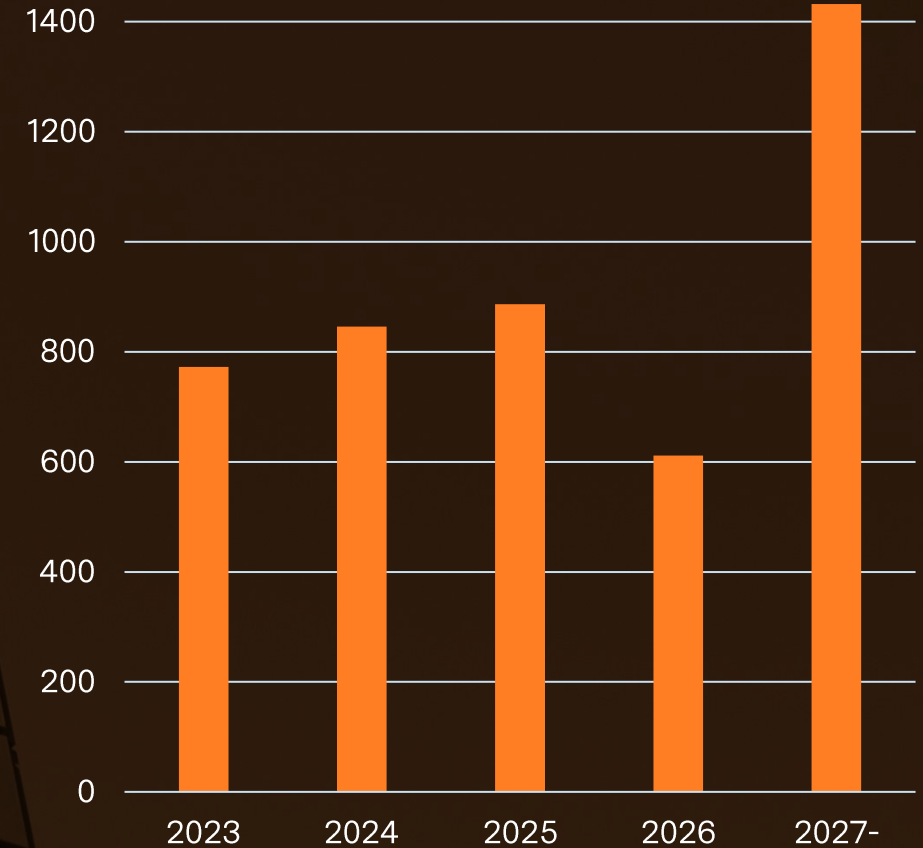
Economic occupancy
rate in the investment
portfolio, %

3.8

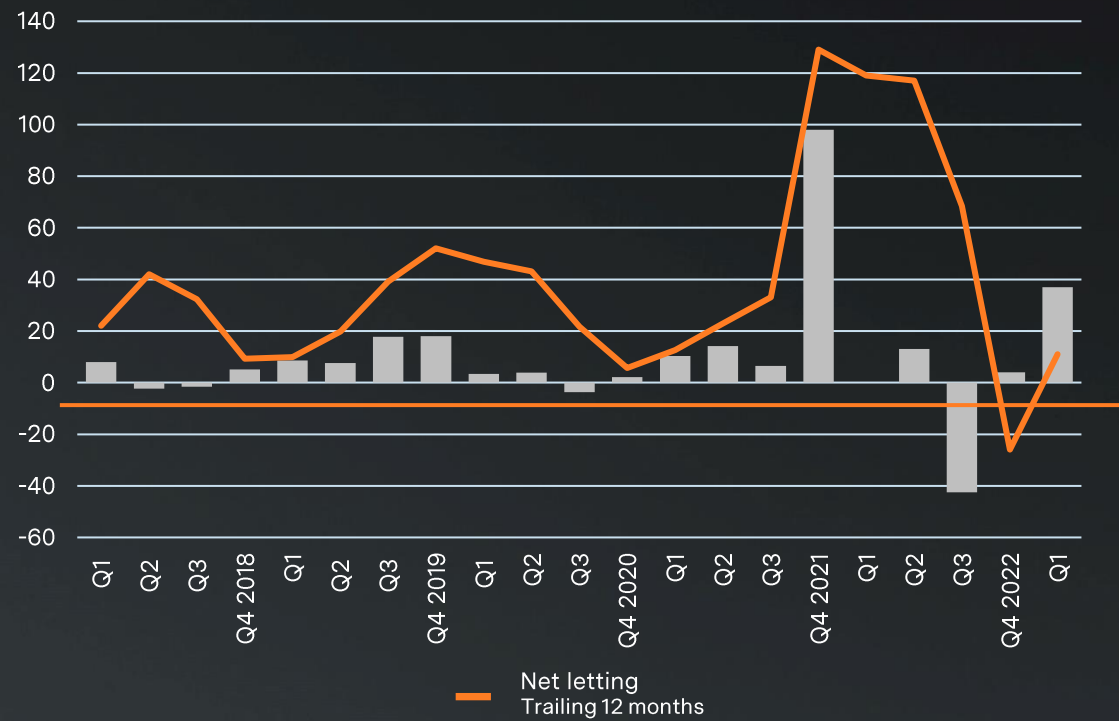
Average remaining
lease term, years

CONTRACT MATURITY

SEKm

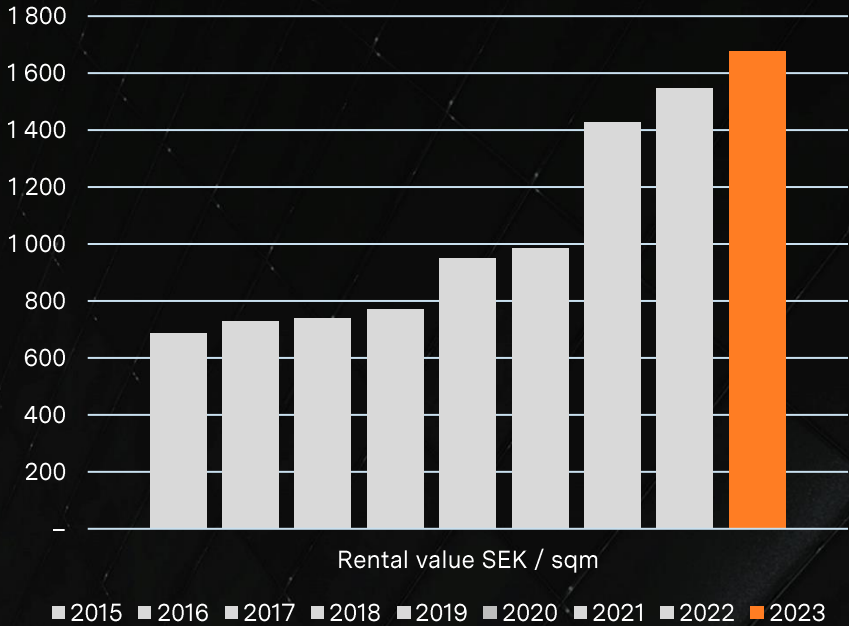


Net letting



110

New lettings and renegotiations during Q1, SEKm



Selection of recent *lettings signed*

A number of large lease contracts signed

New York

- 6-year lease of approx. 1,600 sq.m signed with marketing agency R/GA. Moved in Q1.
- 5-year lease of approx. 600 sq.m signed with skincare company Peachy. Move-in planned Q4 2023.

Stockholm

- 6-year lease of office space signed with Swedish central bank Riksbanken in project property Orgelpipan 4 on Klarabergsvägen. Move-in planned for Q4 2023.

Örebro

- 3-year lease of 1,500 sq.m. signed with consultancy firm WSP in project property Örebro Entré. Move-in planned for Q2 2024.



Orgelpipan 4 – 6-year lease agreement signed with Riksbanken in Q1 2023

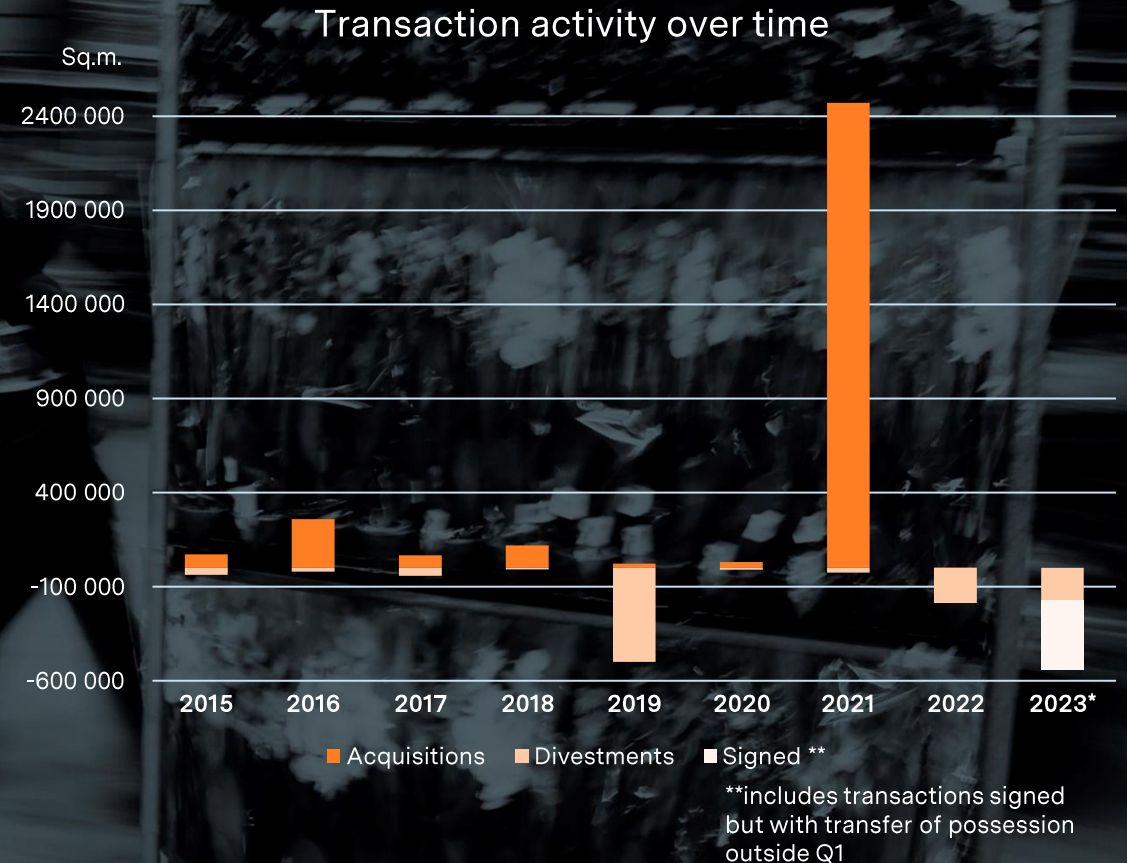
Property *transactions*

Transactions are an integral part of Corem's business model, providing means to focus, improve, and adapt the portfolio to market conditions

Divestments to concentrate portfolio, geographically and regarding property types

Continued focus on divestments in 2023 to strengthen balance sheet with focus on long-term sustainable financing

34 properties divested in Q1, totaling SEK 2,488 million



Klövern AB

– LOI with potential, additional strong owner

In April, Corem Property Group and co-owners of Kövern, ALM Equity and Broskeppet Bostad, signed letter of intent with international investor to divest 25 percent of the shares in Klöver at a value of approximately SEK 1,350 million

New investor to invest up to SEK 3,000 million in new issues in Klöver to fund construction of planned project. And in that case will come to own just over 51 percent of the shares in Klöver

Agreement enables completion of Klöver's project portfolio of approximately 24,000 homes and secures ambition to become one of Sweden's largest housing companies

The agreement is planned to be concluded in the second quarter of 2023.

The holding is reported as holdings in associated companies.

Marievik 22 i Stockholm in Stockholm was one of the properties transferred during the second quarter 2022 to the newly established housing company Klöver.



Property *development*

Ensures our properties can meet future needs and demands, maintaining the attractiveness of the portfolio over time.

- Adapting to customer needs, enabling letting at attractive terms
- Increases energy efficiency and technical standard
- Includes urban development projects in Stockholm (Kista and Söderstaden), Uppsala and Västerås

Project intensity currently lowered due to current market conditions. Focus on most profitable projects and completion of ongoing projects

10

ongoing larger investment projects, of SEK >50 million

4,050

estimated total investment, SEKm

415

increase in rental value, SEKm

1,086

remaining investment, SEKm

Ten largest projects

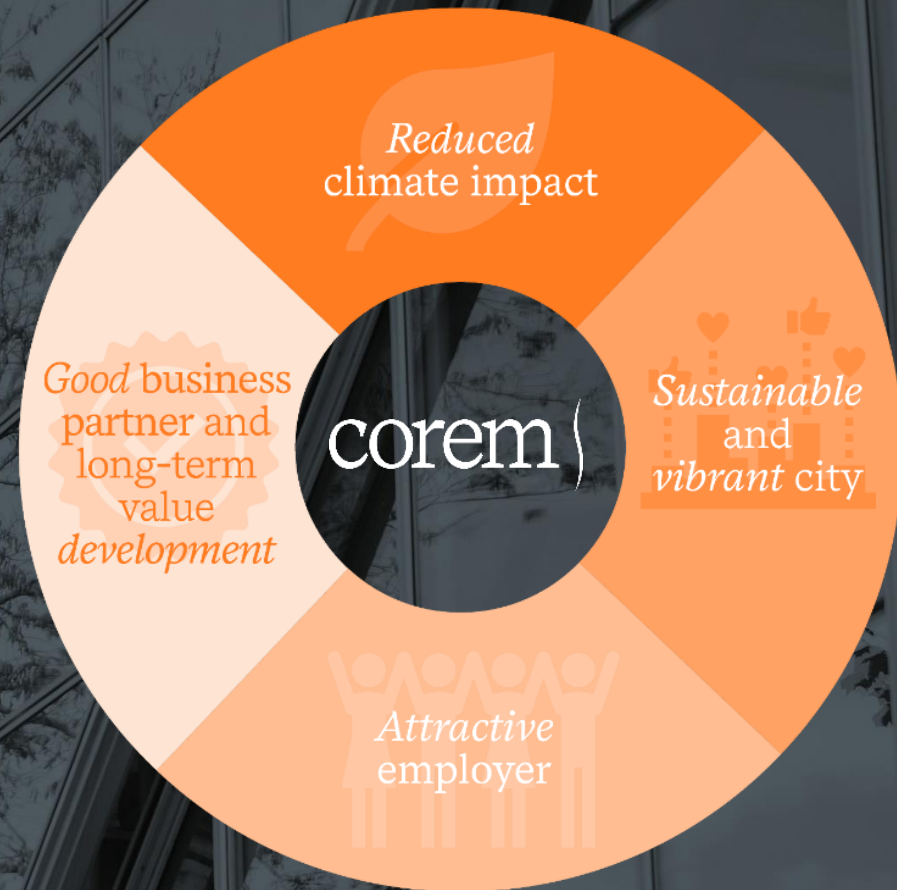
A leader in sustainable property management

Corem's long-term sustainability goals:

- 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 - to constitute as large a share as possible

Key achievements

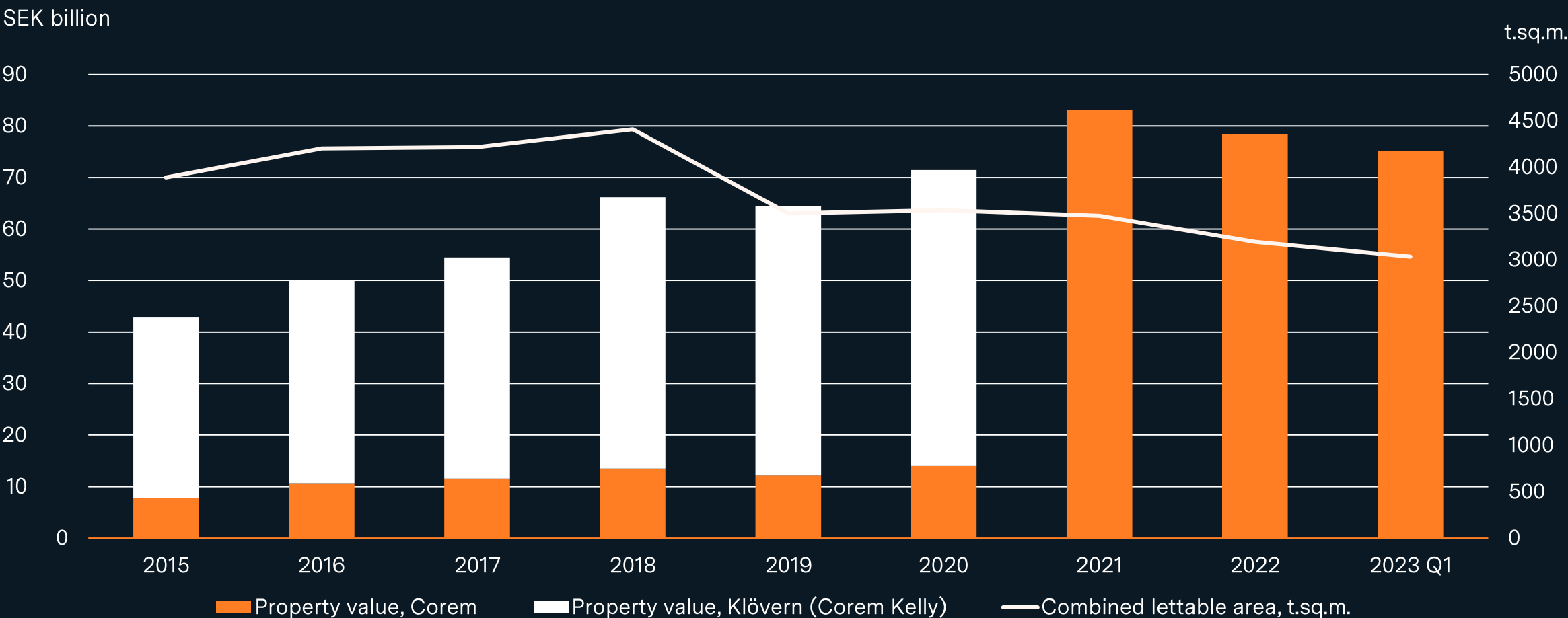
- Energy consumption reduced by 10 percent during 2022, from 87 to 78 kWh/sqm.



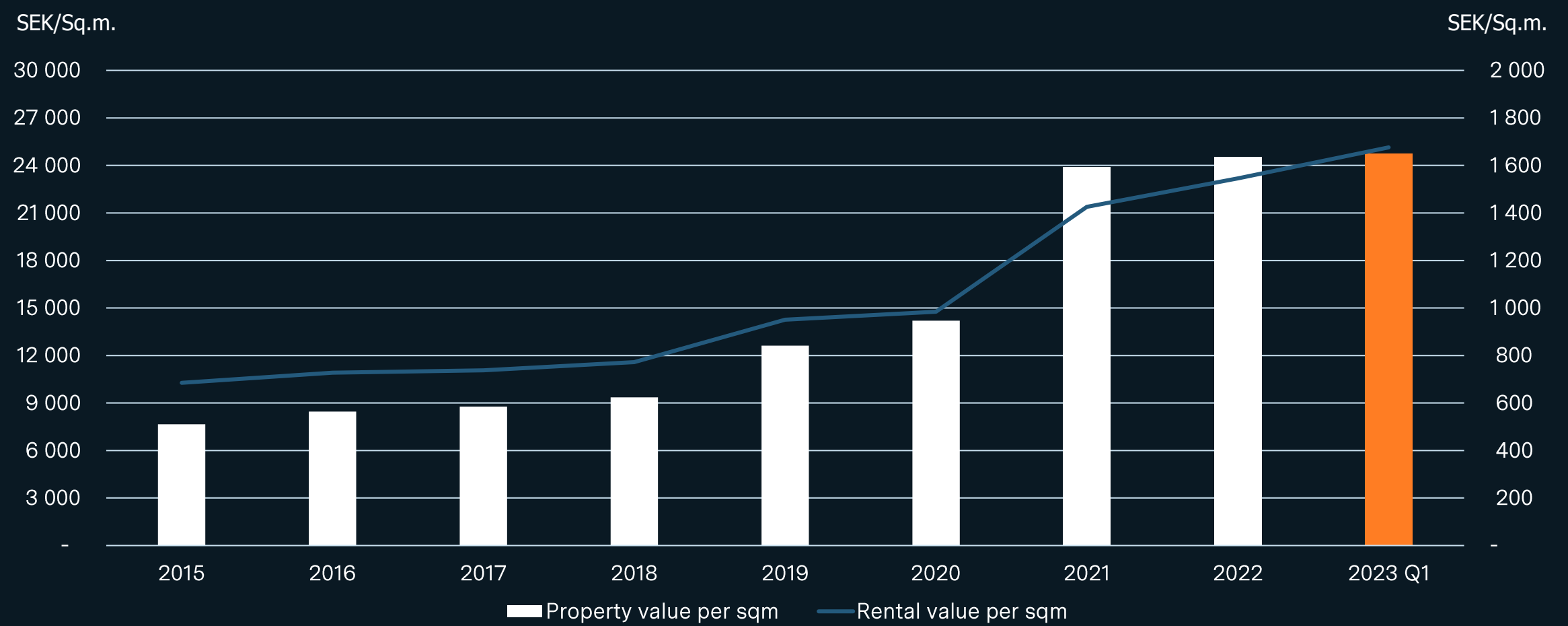


Key ratios and financing

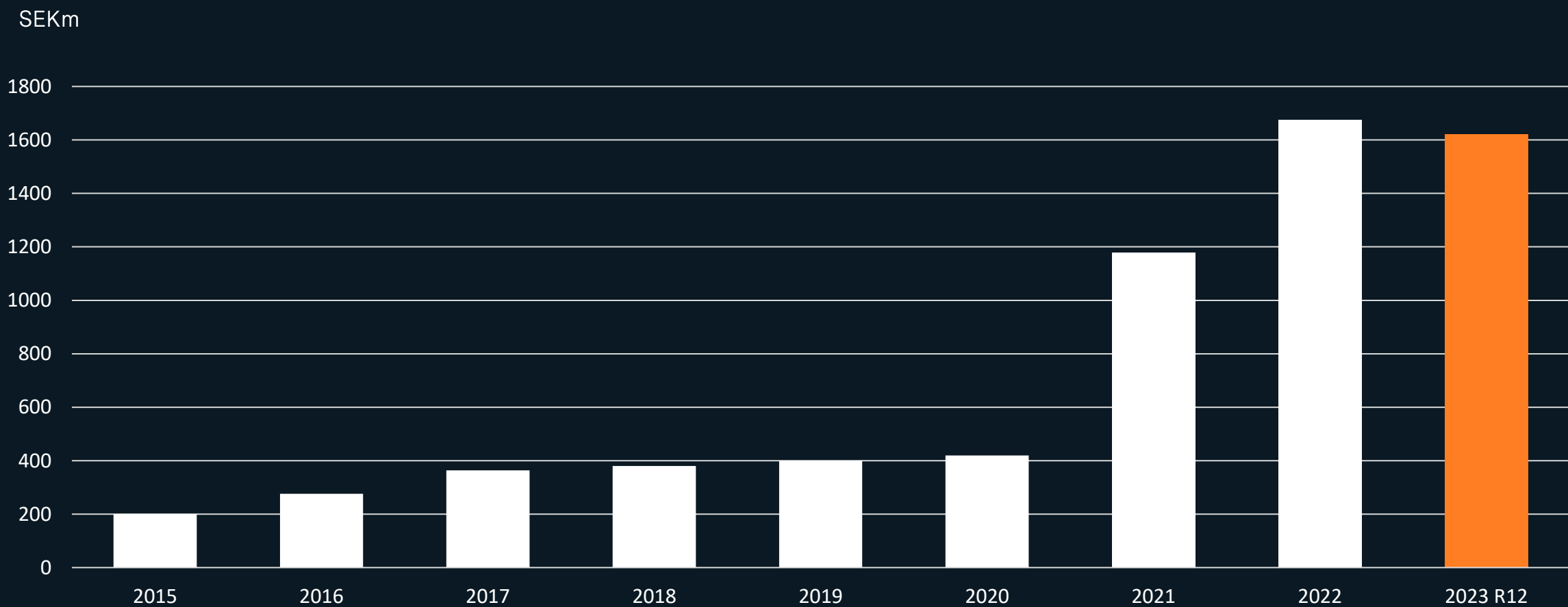
Property value and Lettable area



Property value and Rental value, per sq.m.

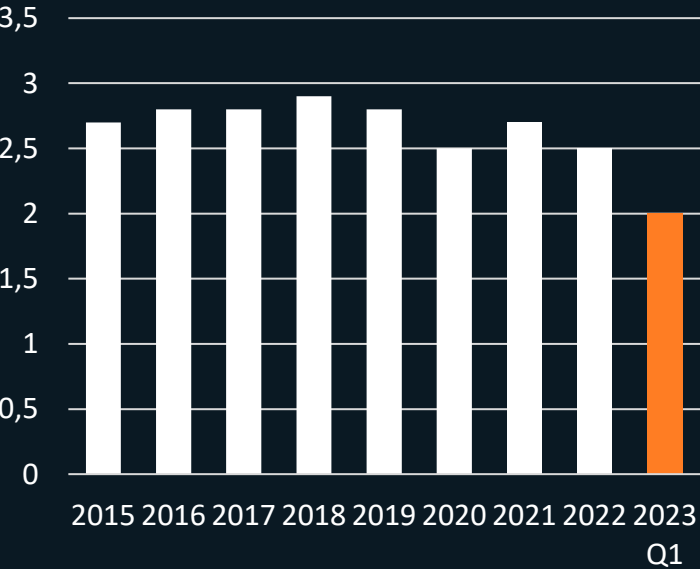


Profit from property management

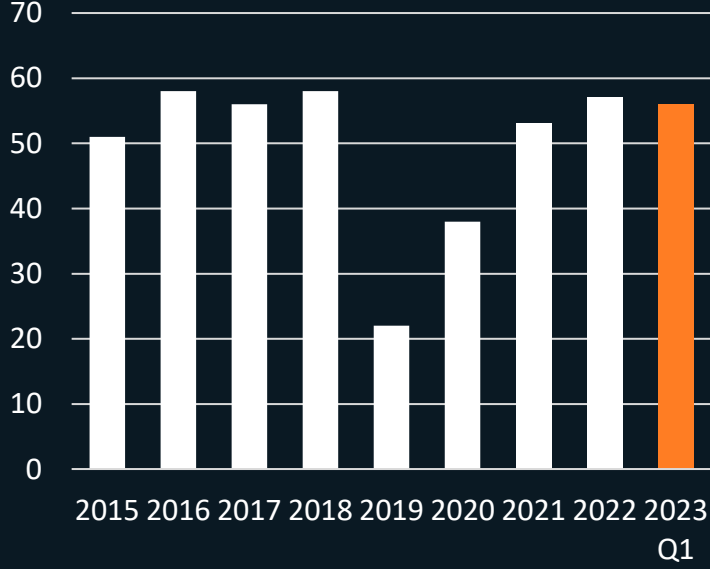


Financing

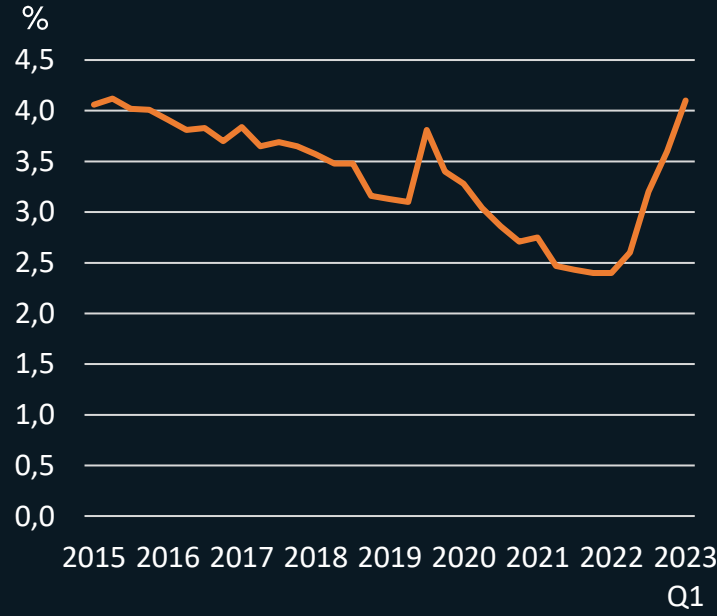
INTEREST COVERAGE RATIO



LTV %



AVERAGE INTEREST RATE



Financing 31 March

Interest-bearing liabilities: SEK 44,464 million

LTV: 56 percent

Equity ratio: 35 percent

Average debt maturity term: 3.2 years

Average fixed interest term: 2.1 years

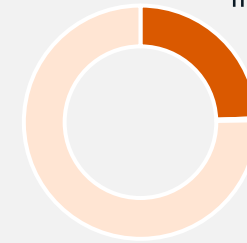
Average interest rate: 4.1

Interest Coverage Ratio: Q1 of 2.0 and R12 of 2.3

Bond loan of SEK 484 million redeemed

56

LTV, %



■ Bonds
■ Certificates
■ Bank loans

2.3

ICR, R12

35

Equity ratio, %

3.2

Average debt maturity
term, years

2.1

Average fixed
interest term, years

Indication of future financial position

Proactive transaction activities during 2022 showing effect.

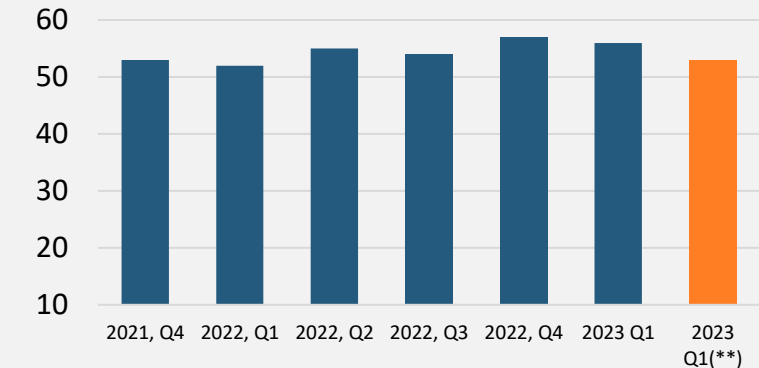
Holding in Castellum divested.

Reduced debt as well as financial risk.

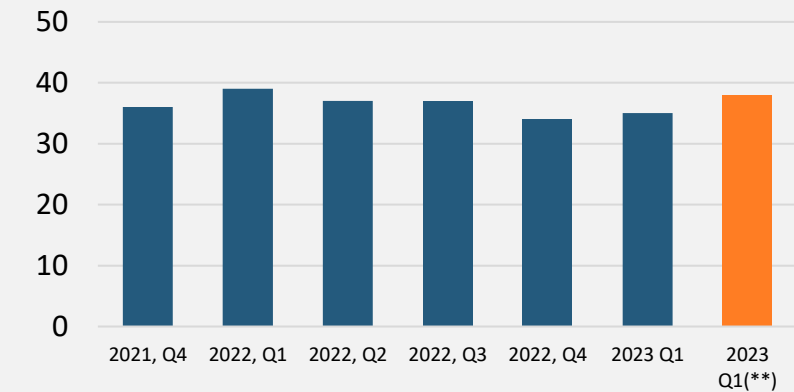
Redemption of all bonds with maturity in 2023 has been secured.

**Indication of financial position is based on Q1, with adjustment for major divestments during April 2023; ie property portfolio of 40 properties to Blackstone and portfolio of 10 properties in Kalmar.

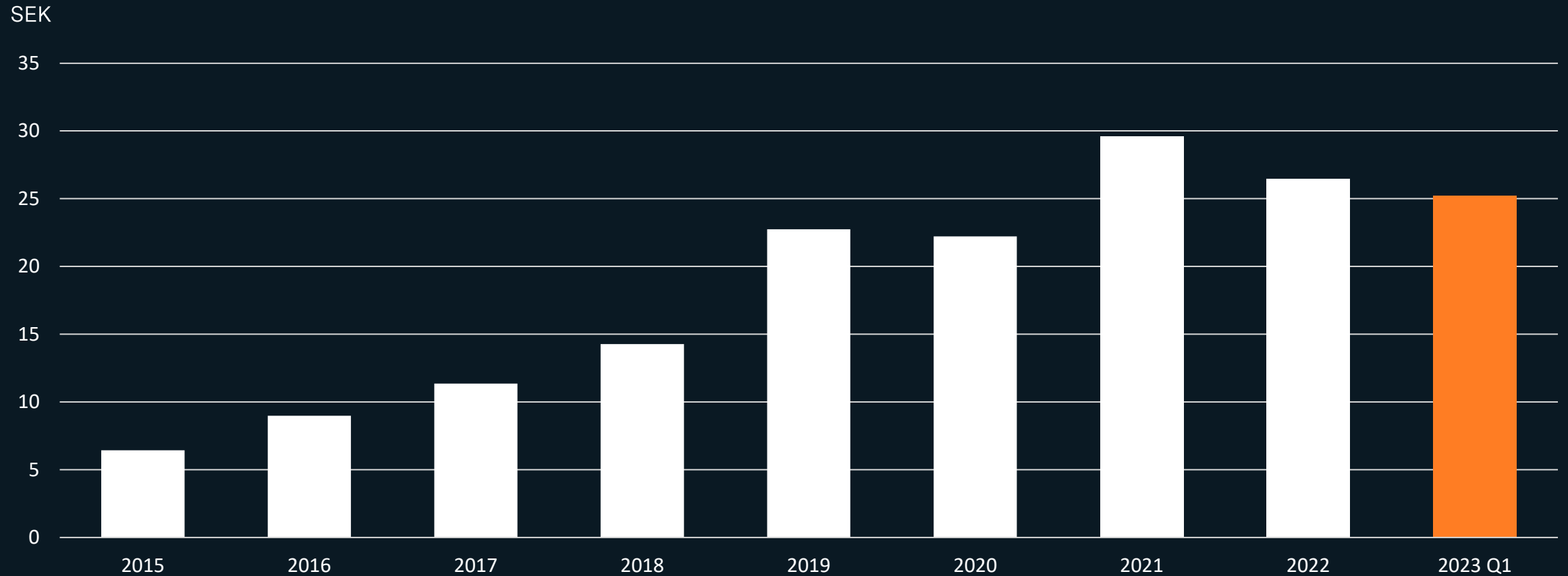
LTV, %



Equity ratio



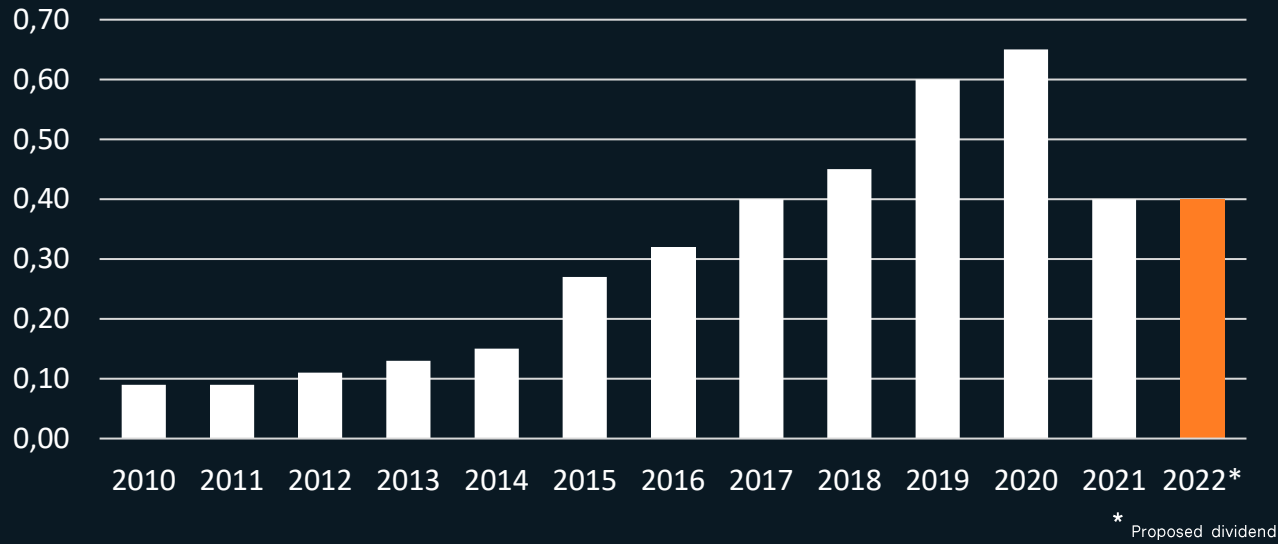
Net Asset Value (NAV) per ordinary share Class A and B



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



48,317

NO OF SHAREHOLDERS

31 March 2023

12.0

MARKET CAP, SEKbn

Focus and future *outlook*

- Strong underlying business model and organisation
- Attractive property portfolio – well positioned also for changing markets
- Divestments to build financial strength
- Well functioning letting and property management
- Decrease in new investment project volume
- Stable finances with alternatives for managing rising interest levels and volatile bond market

Questions

corem

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