



corem

Interim Report Q2 2023

14 July 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.



January – June 2023 summary

2,221

Income, SEKm

710

Profit from property
management, SEKm

55

LTV, %

12

NOI increase,
comparable
portfolio, %

-2,911

Changes in value
of properties, SEKm

90

Economic occupancy
rate in the investment
portfolio, %

2.1

ICR, R12

Corem 30 June 2023

366

Properties

69,906

Property value, SEKm

5.4

Average yield, %

2,651

Lettable area, tsq.m.

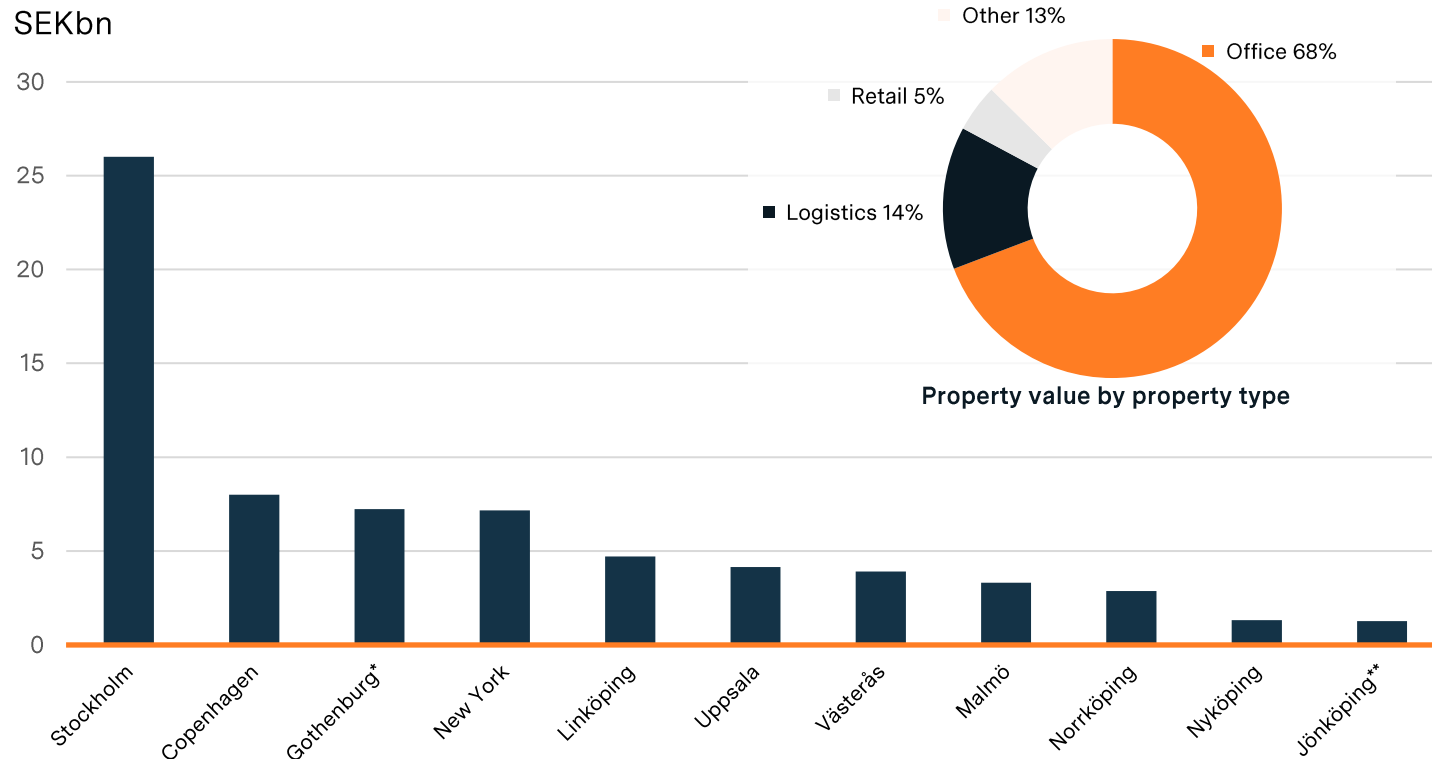
4,662

Rental value, SEKm

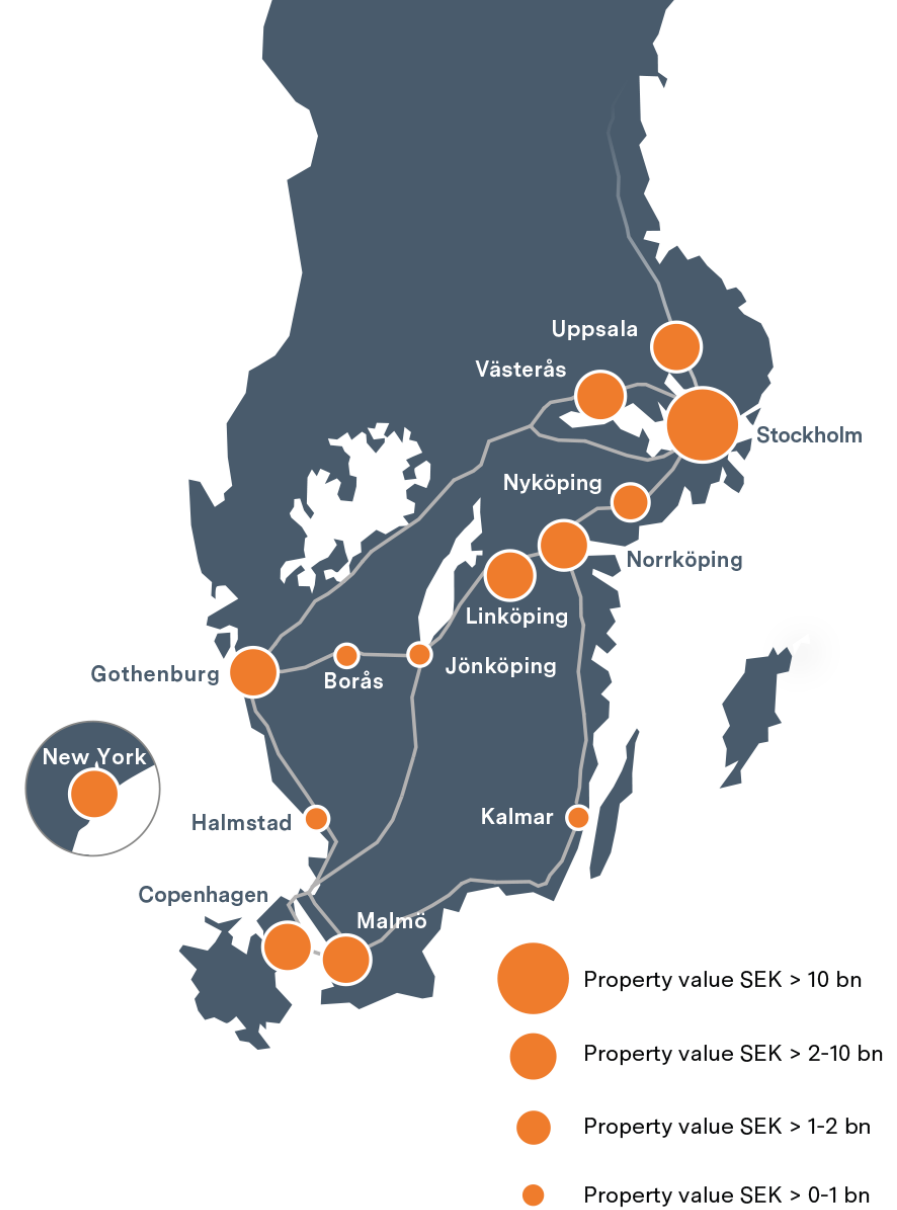
22.95

NAV per ordinary share of
Class A/B, SEK

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



*incl. Borås and Halmstad **incl. Kalmar



3,400

No. of tenants

6,100

No. of leases

4,662

Rental value, SEKm

1,759

Rental value,
SEK per sq.m.

90

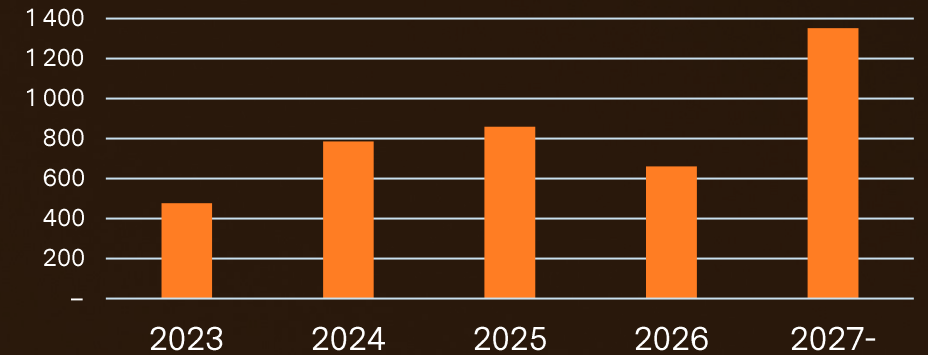
Economic occupancy
rate in the investment
portfolio, %

3.7

Average remaining
lease term, years

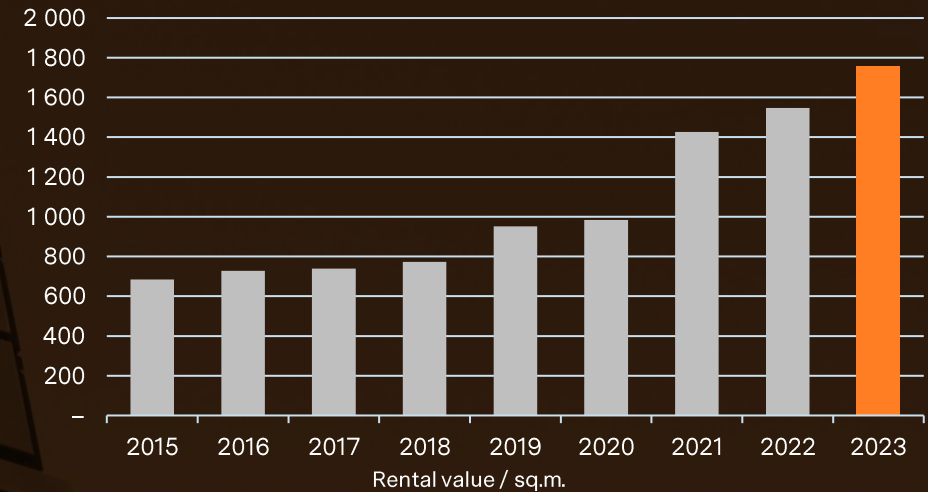
CONTRACT MATURITY

SEKm



RENTAL VALUE

SEK



Attractive customer mix

VOLVO



ERICSSON

Baxter



instabox

CODAN



martin&servera



HORNBAACH

ahlsell



Attendo

NOVARTIS

BEVEGO



coop

ICA

SAMSUNG

TELE2

swedol



bilka

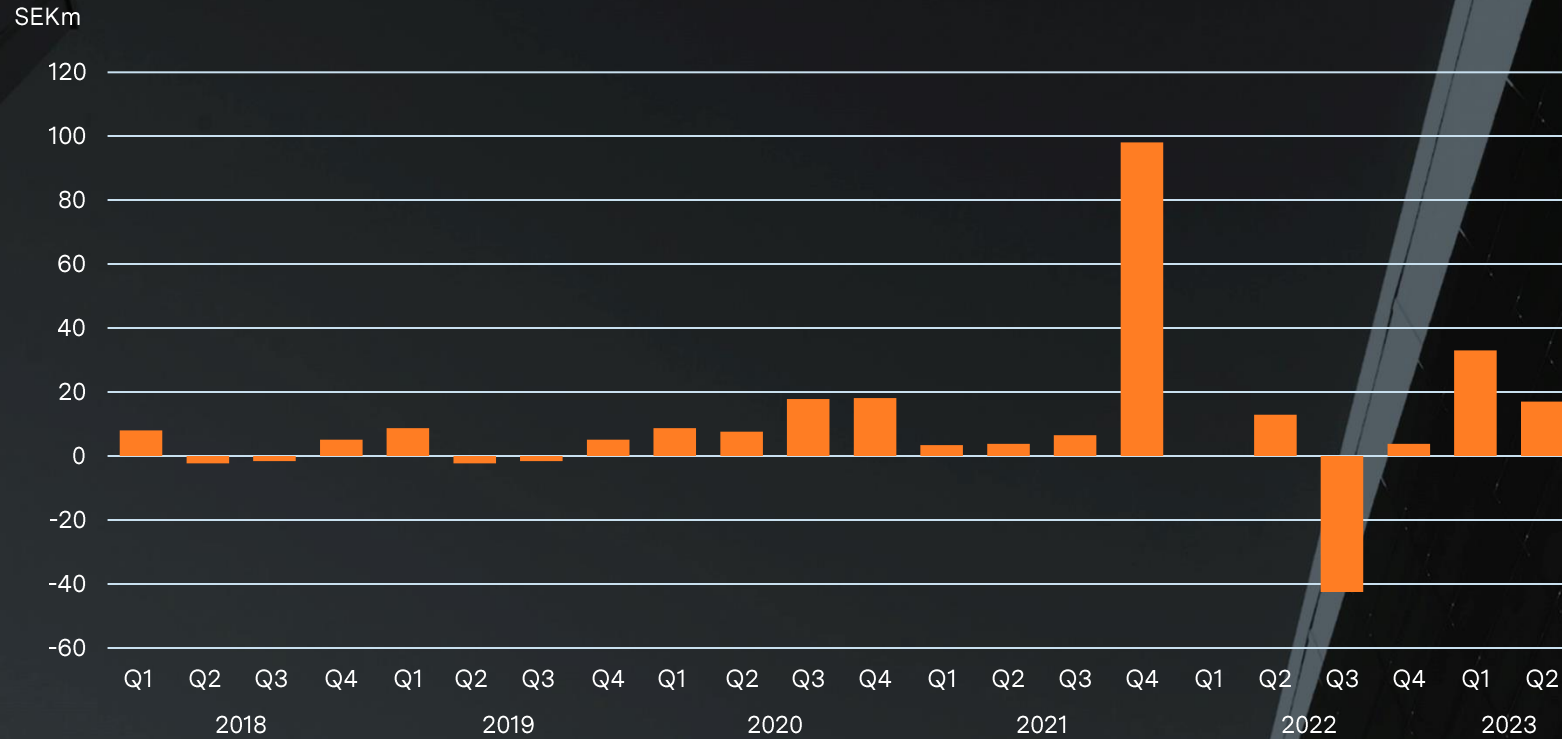
Makita



DAGAB

corem

Net letting



259 SEKm
New lettings and
renegotiations during 2023

Selection of recent *lettings signed*

493

No. of lettings
signed in 2023

New York

- 6-year lease of 1,600 sq.m. with marketing agency R/GA. Moved in Q1 2023
- 5-year lease of 600 sq.m. with skincare company Peachy. Move-in Q4 2023
- 5-year lease of 605 sq.m. with tech company. Move-in Q1 2024
- 15-year lease of 190 sq.m. with Patis Bakery. Move-in Q1 2024

Stockholm

- 6-year lease with Riksbanken in Orgelpipan 4 on Klarabergsgatan. Move-in Q4 2023
- 10-year lease of 2,400 sq.m. with refrigerated last mile delivery company Gordon in Västberga. Moved in Q2 2023
- 3-year lease of 1,300 sq.m. with tech company Accurate Nordic in Kista Gate. Move-in Q3 2023
- 5-year lease of 730 sq.m. with restaurant Niklas and Friends in Orgelpipan 4 on Klarabergsgatan. Move-in Q4 2023
- 6-year lease of 1,100 sq.m. with Statens servicecenter at Globen. Move-in Q3 2024

Örebro

- 3-year lease of 1,500 sq.m. with consultancy company WSP in Örebro Entré. Move-in Q2 2024

Nyköping

- 10-year lease of 3,700 sq.m. with Vittraskolorna AB, a part of AcadeMedia. Move-in Q3-Q4 2024

Västerås

- 6-year lease of 450 sq.m. with Lantmäteriet in Mälarhuset, Gustavsvik. Move-in Q1 2024
- 5-year lease of 220 sq.m. with Apoteket in Gallerian Västerås. Move-in Q3 2023

Malmö

- 6-year lease of 1,110 sq.m. with Statens servicecenter in central Malmö. Move-in Q2 2024

Property transactions

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

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

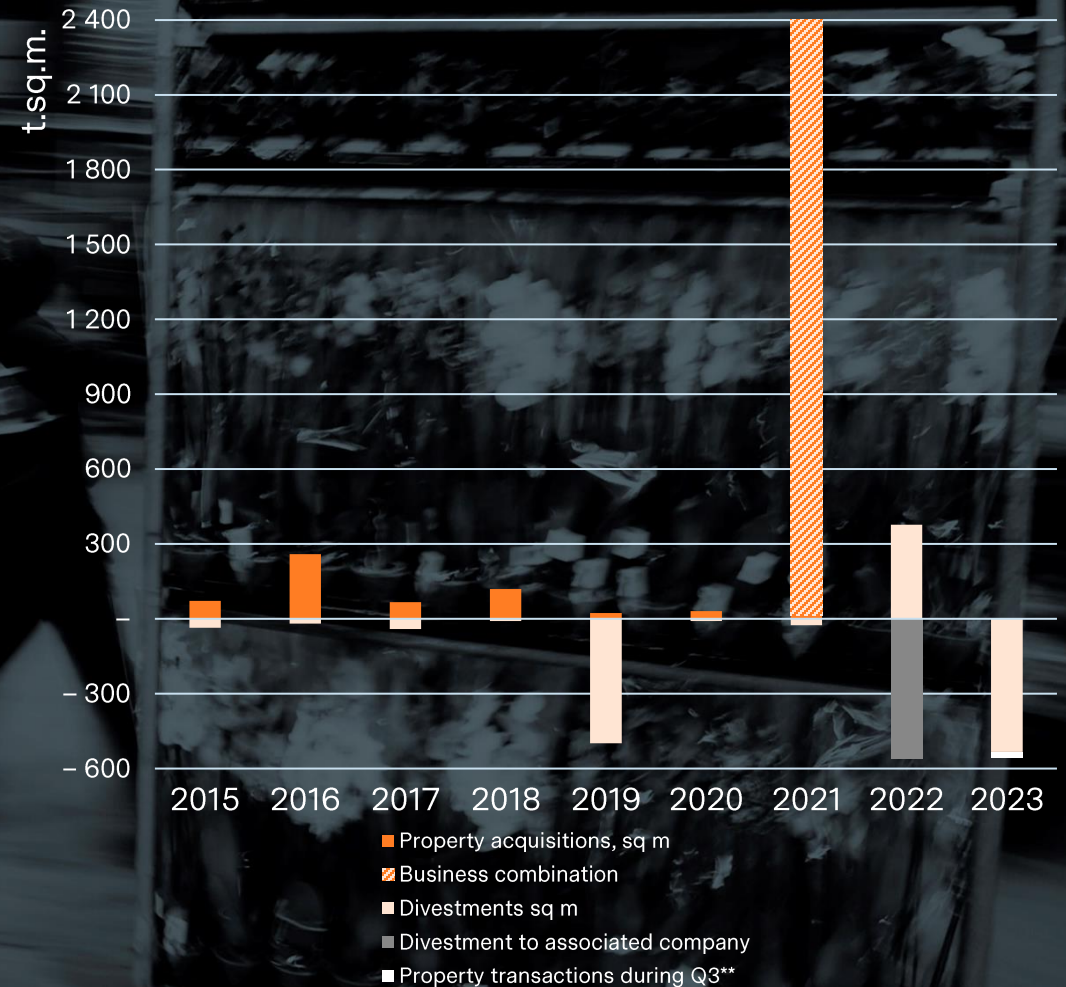
Divested in Q1 and Q2

- 92 properties, 562,381 sq.m.
Underlying property value SEK 8.1 billion

Divested after 30 June

- 7 properties, 23,700 sq.m.
Underlying property value SEK 1 billion

Transaction activity over time



**includes divestments made, and transactions signed, after 30 June 2023.

Klövern AB

– Nrep new strong owner

Corem Property Group and co-owners of Kövern, ALM Equity and Broskeppet Bostad, signed divestment agreement in July 2023 leading up to Nrep owning 65 percent of the shares in Klöver AB at a value of approximately SEK 6.5 billion

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

Corem's stake in Klöver AB down from 49 percent to 17 percent

Positive effect on liquidity of approx. SEK 1.4 billion in 2023

Negative effect on profit of approx. SEK 1 billion in Q2



Financial position

Proactive transaction activities have made reduction of debt and financial risk possible and are now showing effect

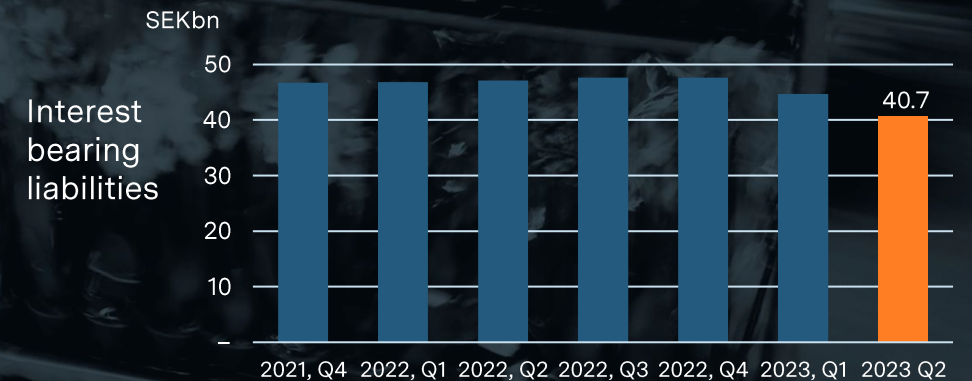
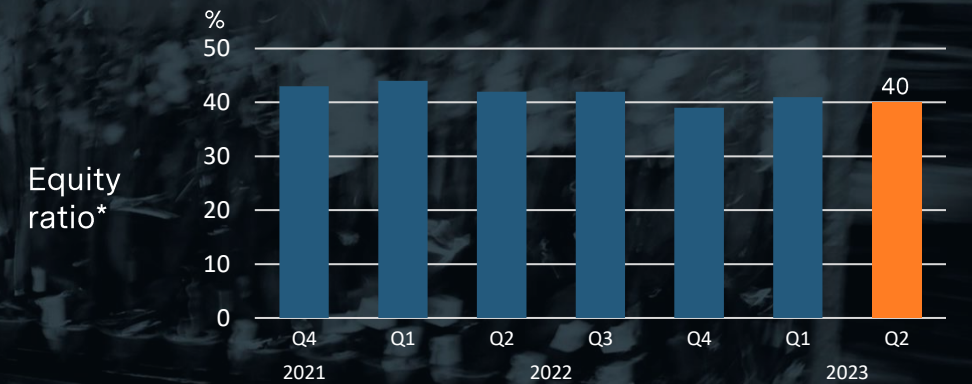
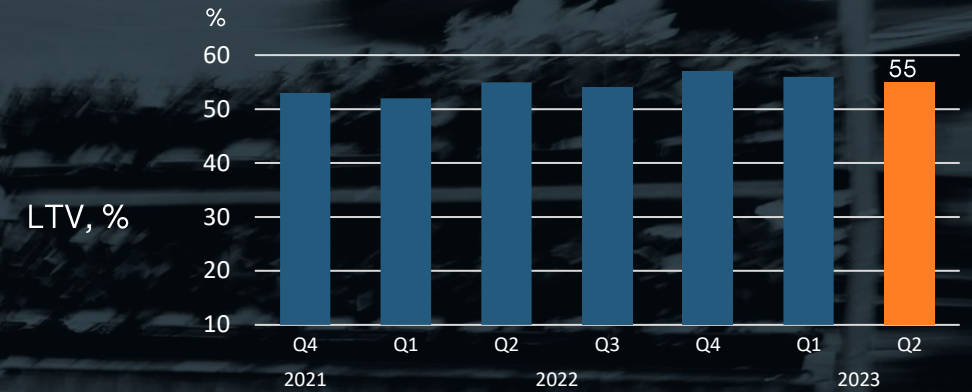
Divestments made, or agreed, 2023 to date, of assets with market value of SEK 11.7 billion

- ✓ Properties (SEK 9.1 billion)
- ✓ Holding in Castellum (SEK 1.2 billion)
- ✓ Part of holding in Klöver (SEK 1.4 billion)

Improvement of key figures such as LTV and equity ratio in 2023, despite negative value changes

Redemption of all bonds with maturity in 2023 secured. Continued efforts to secure bonds maturing during 2024

Interest-bearing net liabilities reduced by SEK 5.4 billion



*adjusted equity ratio

Property *development*

Ensures our properties 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, Uppsala and Västerås

Project intensity currently lowered due to current market conditions. Going forward, focus on most profitable projects and completion of ongoing projects

Several larger ongoing projects are approaching completion

10

ongoing larger investment projects, of SEK >50 million

4.2

estimated total investment, SEKbn

432

increase in rental value, SEKm

1.0

remaining investment, SEKbn

A leader in sustainable property management

Long term active sustainability efforts yield results

- Energy consumption reduced by 10 percent, from 87 kWh/sq.m. in 2021 to 78 kWh/sq.m. in 2022
- Use of self-produced electricity increased by 63 percent, from MWh 1,246 to MWh 2,036
- Proportion of green assets steadily increasing, at 28 percent at YE 2022

Corem's long-term sustainability goals

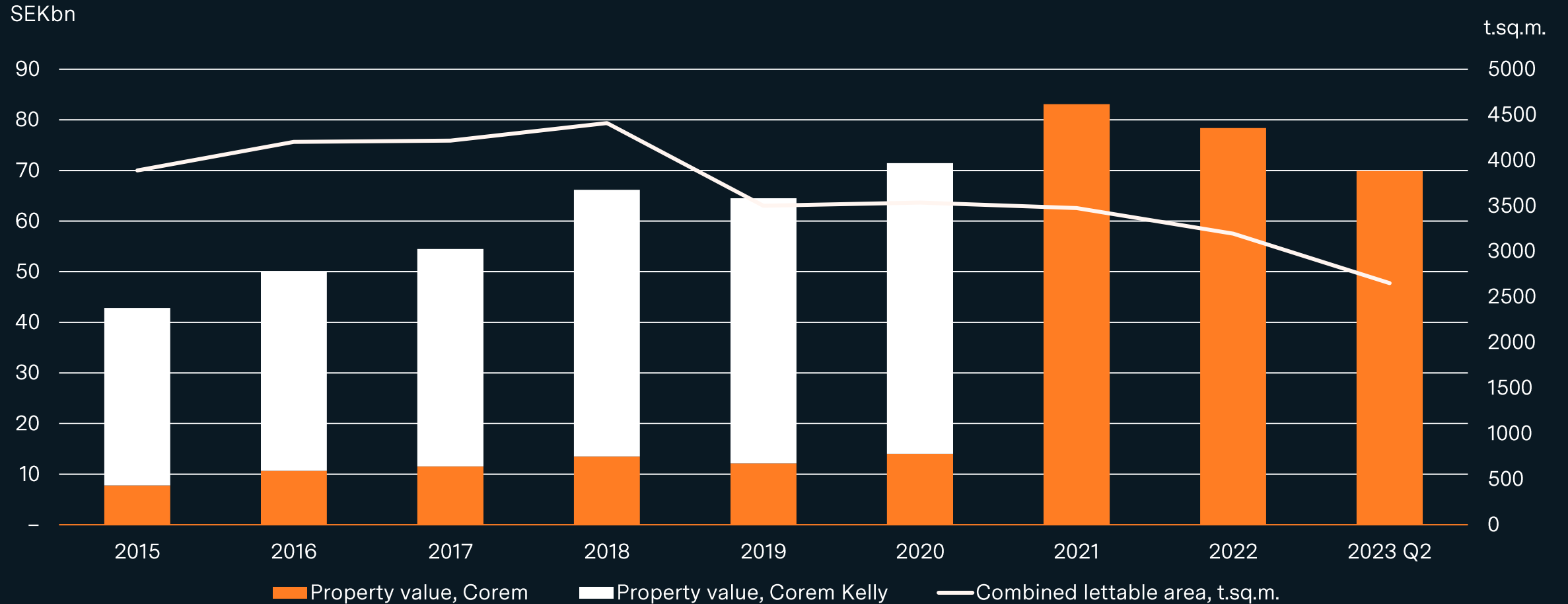
- All energy used in Corem's operations shall be fossil-free by 2030
- Corem shall be climate neutral throughout the value chain by 2035
- The share of green and sustainability related financing - as well as green income - to constitute as large a share as possible



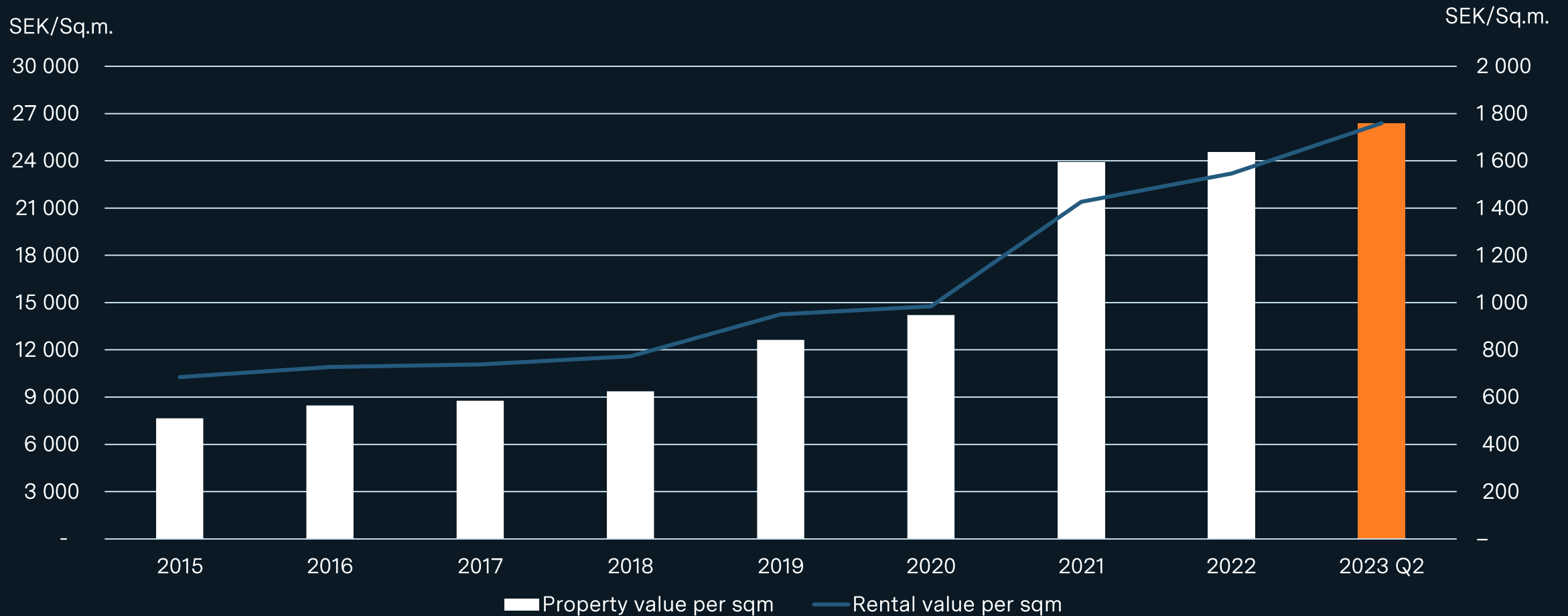


*Key ratios
and financing*

Property value and Lettable area

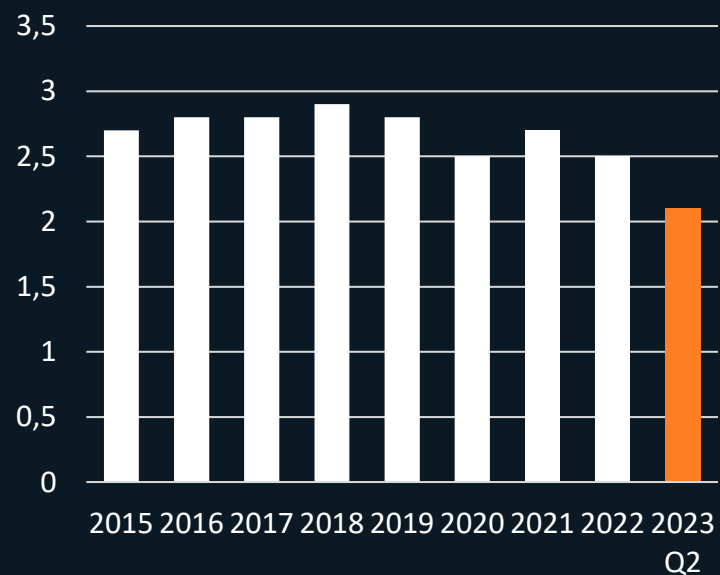


Property value and Rental value, per sq.m.

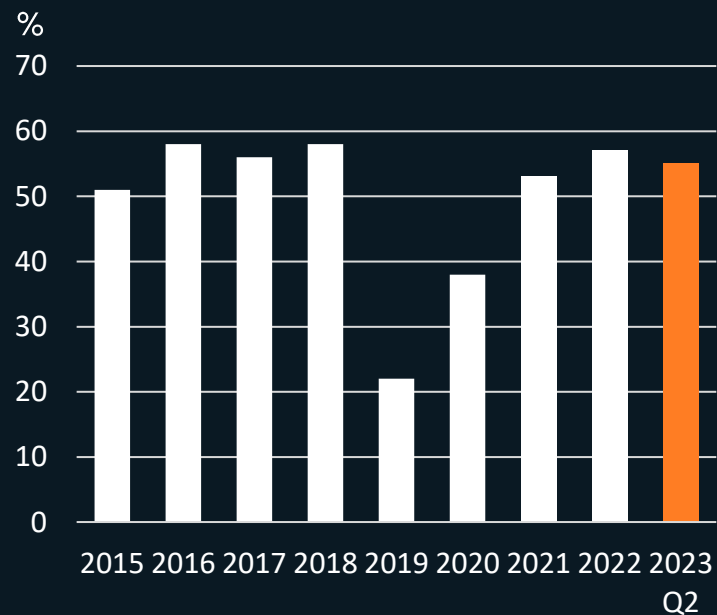


Financing

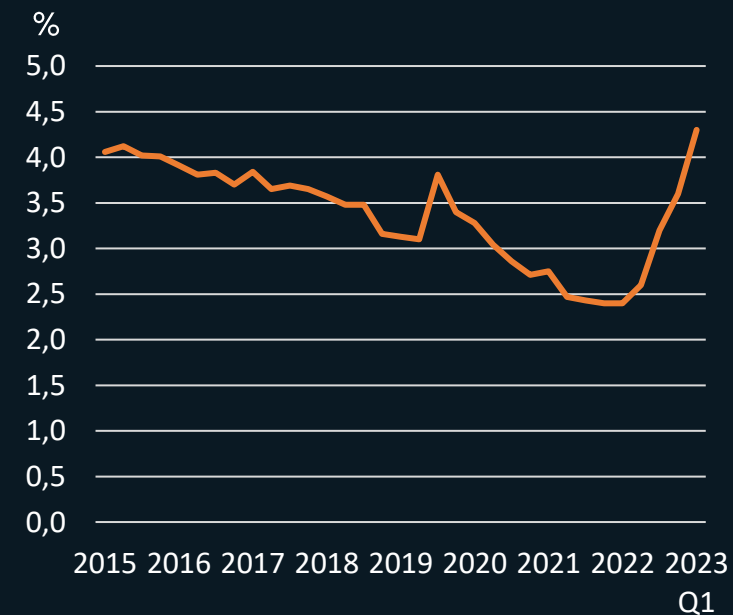
INTEREST COVERAGE RATIO, R12



LTV



AVERAGE INTEREST RATE



Focus and future *outlook*

- Continued divestments and limited project volume
- Strengthened finances, managing rising interest levels and decreasing bond volume
- Well functioning letting and property management business
- Strong underlying business model and organization
- Several larger projects approaching completion
- Well positioned, attractive property portfolio

Questions