

A low-angle, upward-looking photograph of two modern, multi-story buildings. The buildings are dark and feature a grid-like facade with many windows. The sky is a dark, uniform grey. In the foreground, several thin, wavy orange lines sweep across the bottom half of the image, creating a sense of motion and design. The overall mood is professional and architectural.

corem }

Interim Report Q3 2023

26 October 2023

Corem Property Group

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

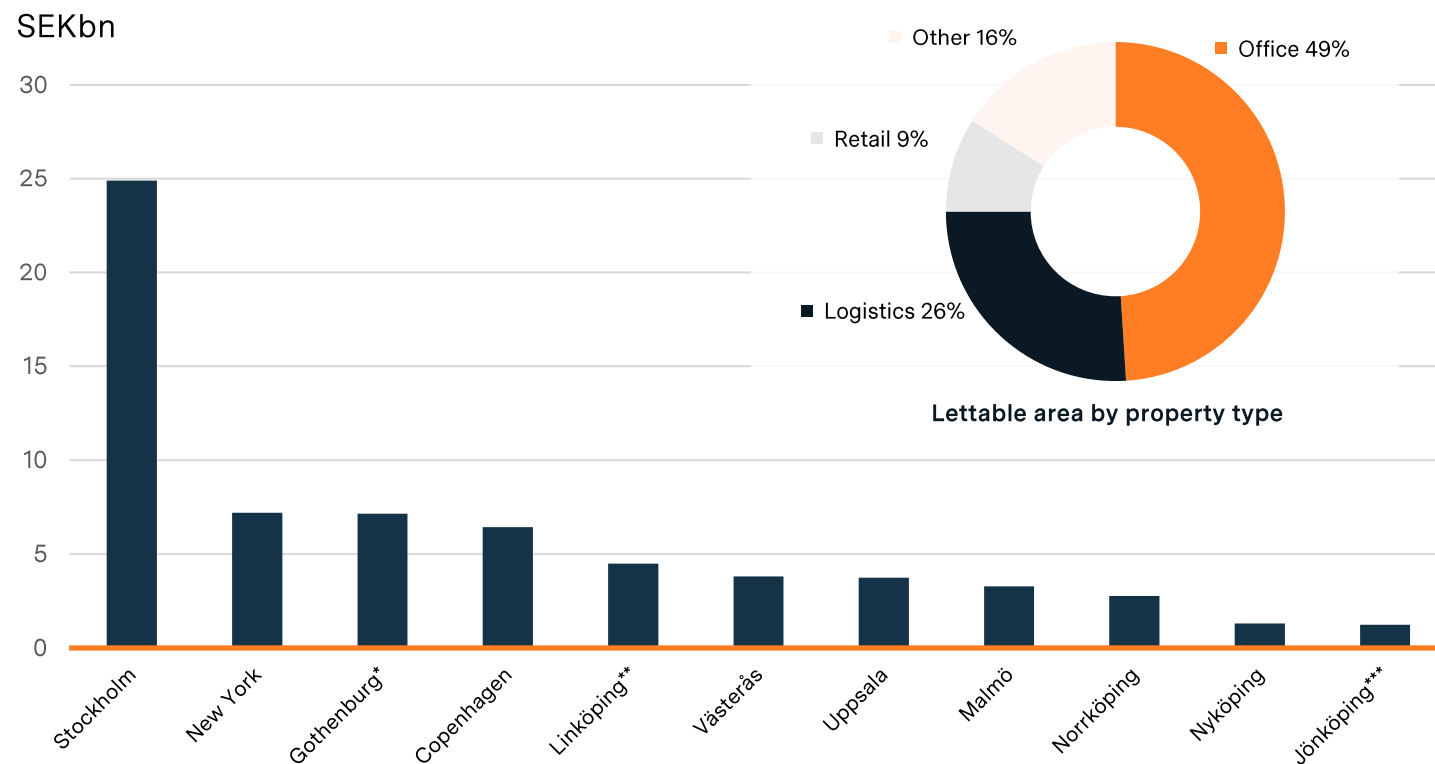
In close dialogue with customers, we aim to create solutions that contribute to efficiency, profitability and mutual growth.

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

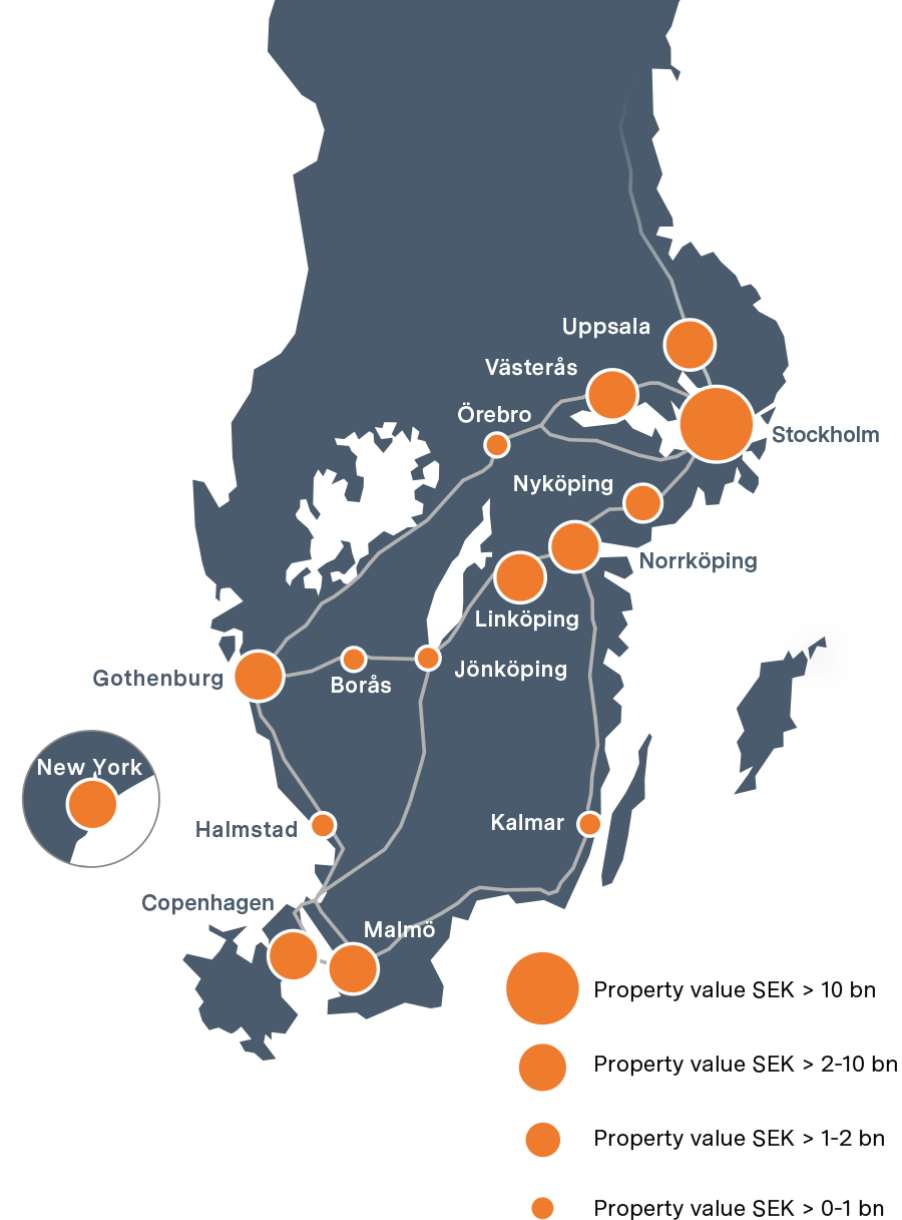
Corem is listed on Nasdaq Stockholm Large Cap.



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



*incl. Borås and Halmstad **incl. Örebro ***incl. Kalmar



Corem 30 September 2023

361

Properties

66,242

Property value, SEKm

5.5

Average yield, %

2,602

Lettable area, tsq.m.

4,617

Rental value, SEKm

20.37

NAV per ordinary share of
Class A/B, SEK

January – September 2023 summary

3,228

Income, SEKm

1,016

Profit from property
management, SEKm

9

NOI increase,
comparable portfolio, %

-5,823

Changes in value
of properties, SEKm

89

Economic occupancy
rate in the investment
portfolio, %

2,0

ICR, R12

56

LTV, %

Attractive customer mix

VOLVO



ERICSSON

Baxter



instabox

CODAN



Linköping
Där idéer blir verklighet



VÄSTERÅS STAD

martin&servera

Swedbank



HORNBAACH

ahlsell



Polisen

Attendo

NOVARTIS

BEVEGO



Region
Östergötland



Linköpings universitet

CBS
COPENHAGEN
BUSINESS SCHOOL
HANDELSHØJSKOLEN

coop

ICA

SAMSUNG

TEL2

swedol



billa

WSP

ARBETSFÖRMEDLINGEN
SWEDISH PUBLIC EMPLOYMENT SERVICE

aimo
park

DAGAB

corem

3,400

No. of tenants

6,000

No. of leases

4,617

Rental value, SEKm

1,774

Rental value,
SEK per sq.m.

89

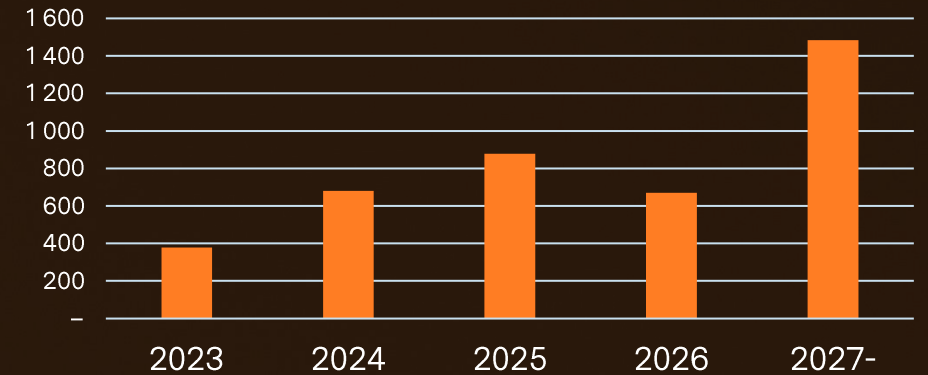
Economic occupancy
rate in the investment
portfolio, %

3.6

Average remaining
lease term, years

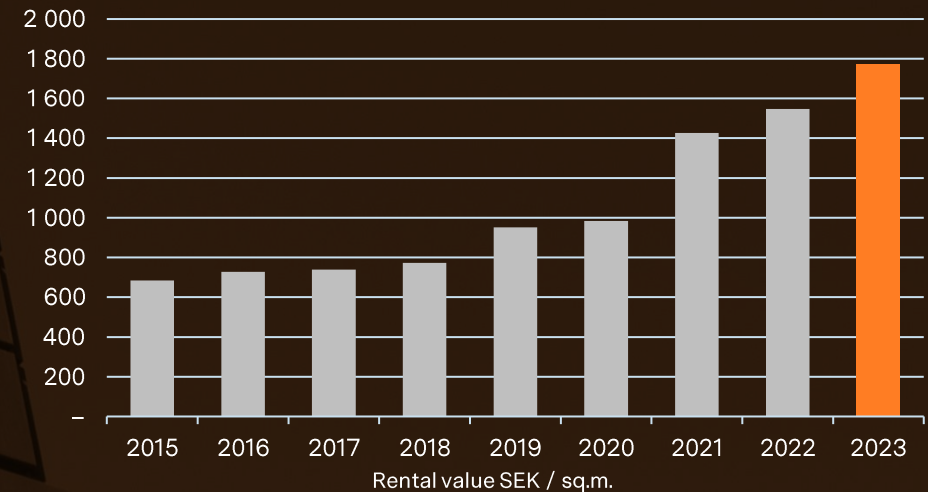
CONTRACT MATURITY

SEKm

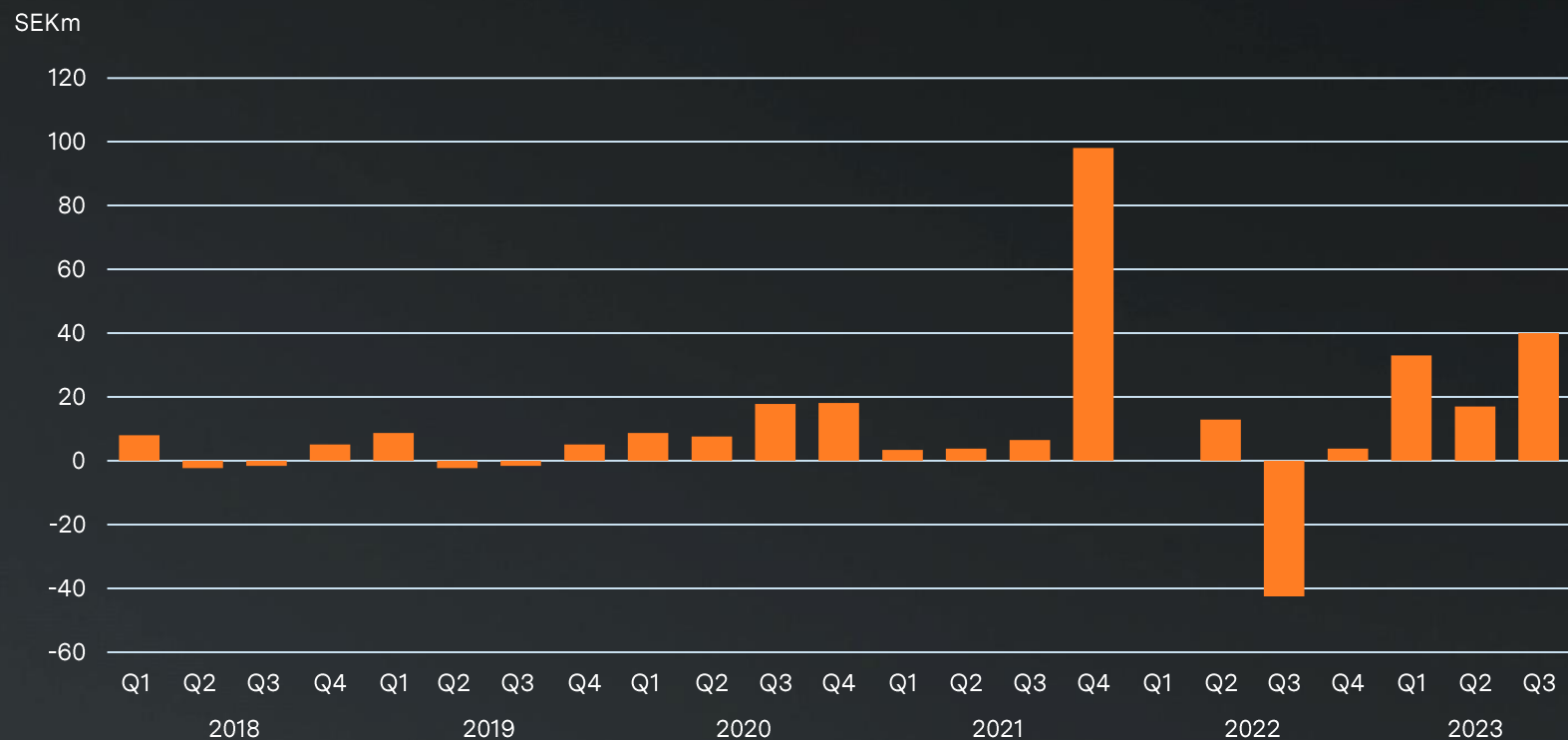


RENTAL VALUE PER SQ.M.

SEK



Net letting



90

Net letting during the period,
Q3 2023, SEKm

368

Annual contracted value of
signed lettings, SEKm

Selection of recent *lettings signed*

~700

No. of lettings
signed in 2023

New York

- 15-year lease of 190 sq.m. with Patis Bakery. Move-in Q1 2024
- 5-year lease of 379 sq.m signed with investment company. Move-in Q2 2024

Stockholm

- 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. Moved 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
- 10-year lease of 1,565 sq.m. with internet provider Bahnhof in Kista. Move-in Q1 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

- 5-year lease of 659 sq.m. with Aspia in Gallerian. Moved in Q3 2023
- 7-year lease of 948 sq.m. with Knightec in Gallerian. Move-in Q3 2024

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 throughout 2023 to strengthen balance sheet with focus on long-term sustainable financing

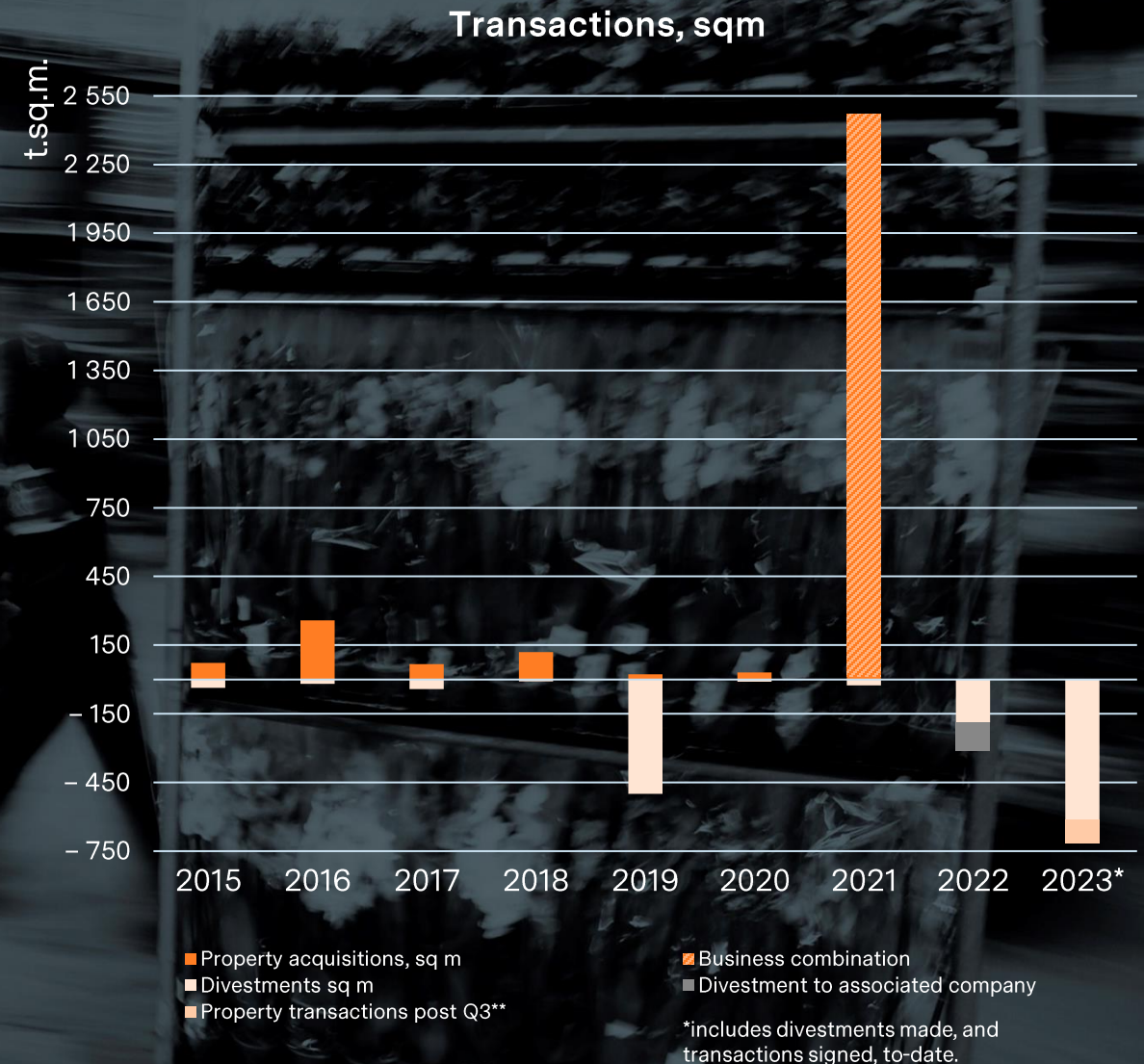
Divested 1 Jan to 30 Sep

- 97 properties
Underlying property value SEK 9,2 billion

Divestments made/agreed for, with closing post Q3

- 31 properties
Underlying property value SEK 1,6 bn

Signed LOIs of approximately SEK 11 bn



Property *development*

Ensures 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, Uppsala and Västerås

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

6 larger projects completed in 2023 to-date, and several nearing completion

6

ongoing larger investment projects, of SEK >50 million

3.7

estimated total investment, SEKbn

391

increase in rental value, SEKm

755

remaining investment, SEKm

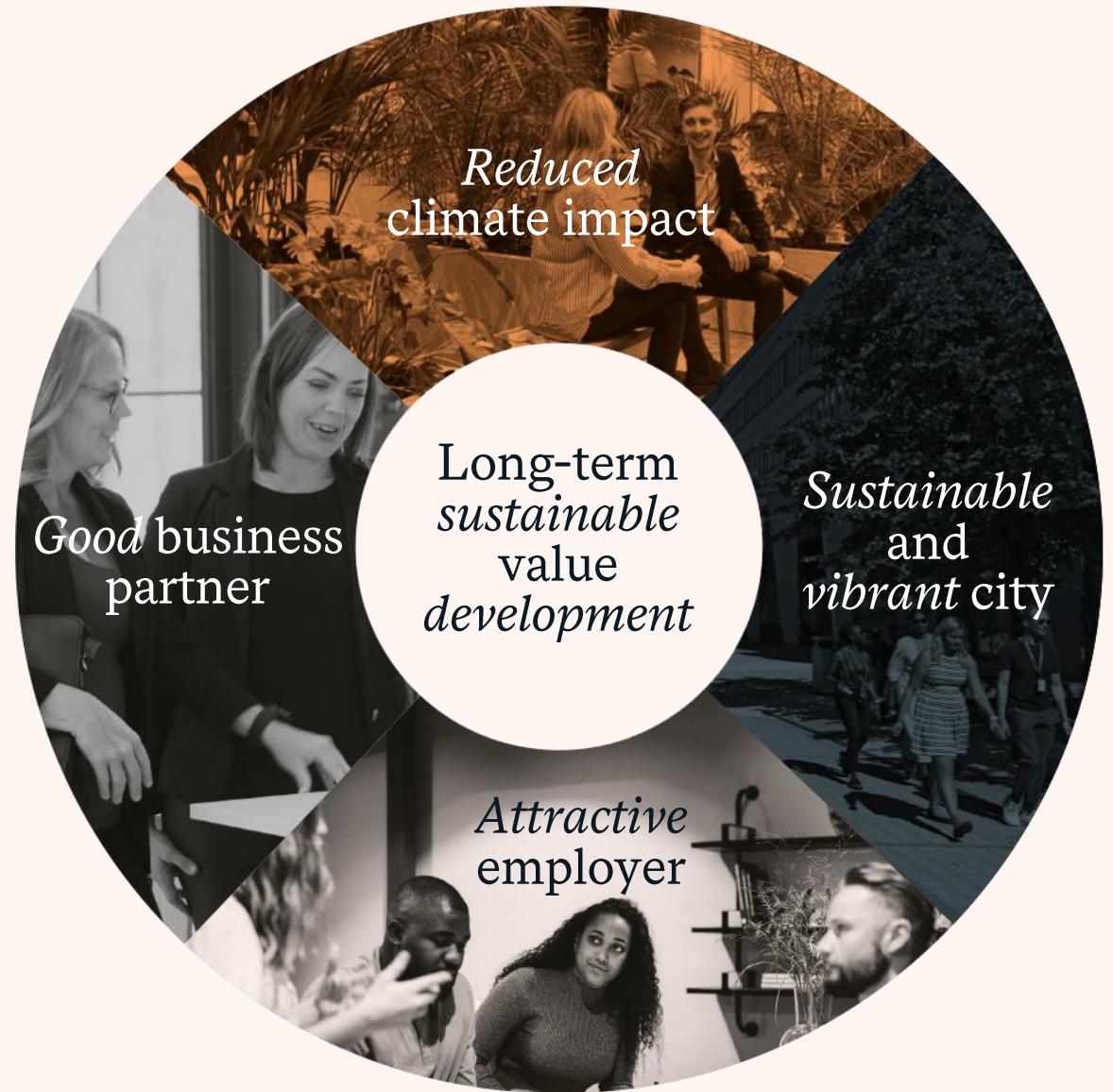
A leader in sustainable property management

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

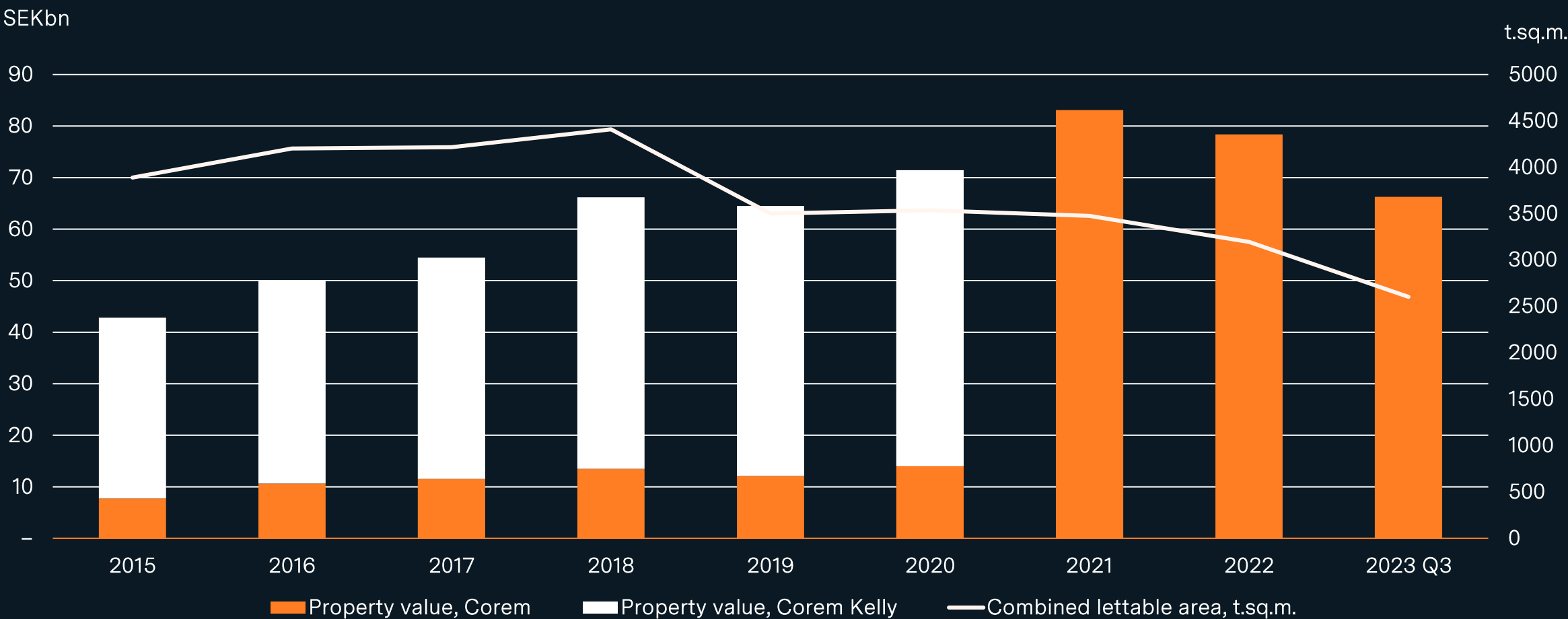
- All energy used in Corem's operations shall be fossil-free by 2030
- Corem shall be climate neutral throughout the value chain by 2035
- The share of green and sustainability related financing - as well as green income - to constitute as large a share as possible



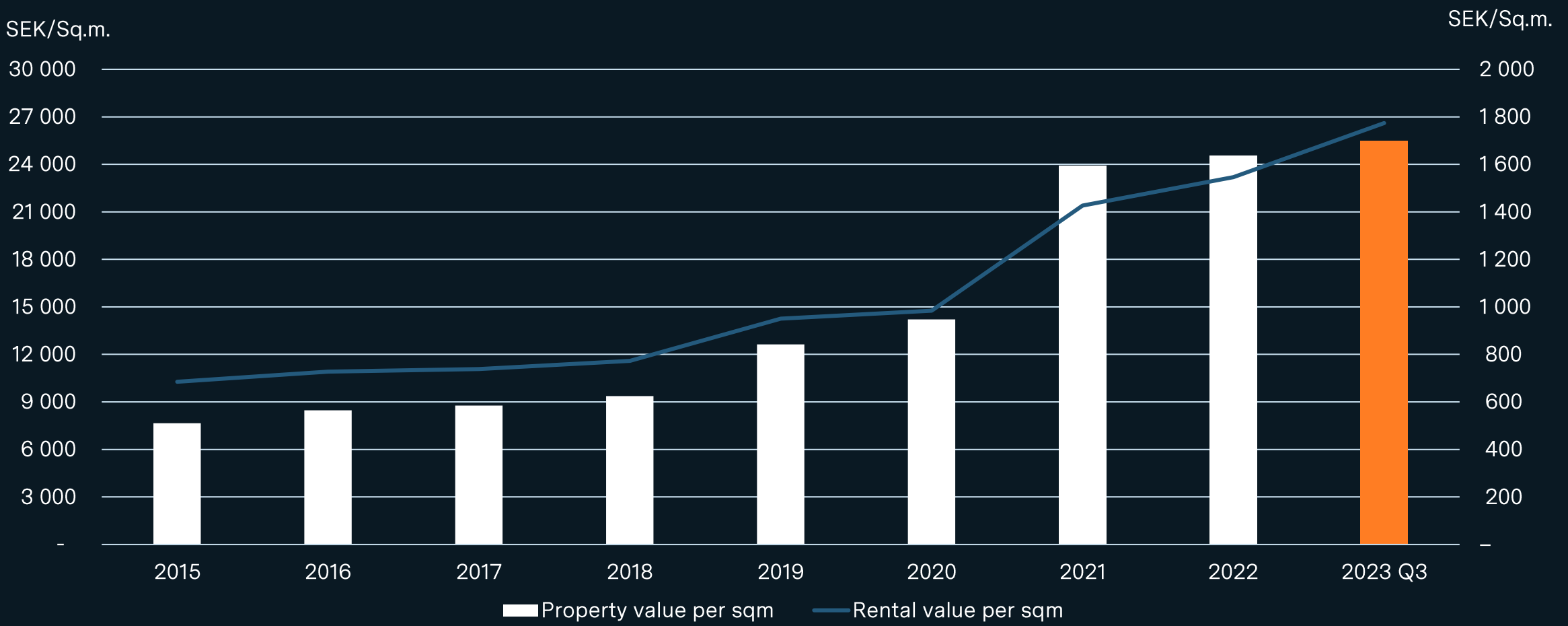


Key ratios and financing

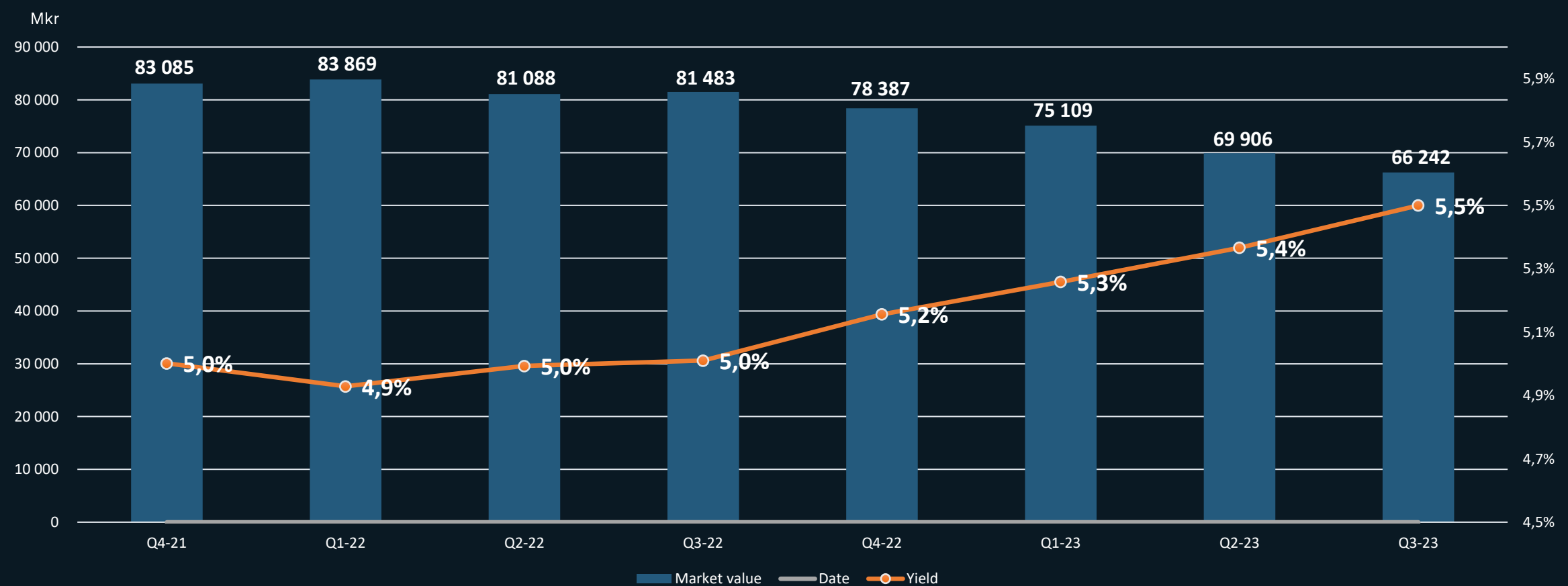
Property value and Lettable area



Property value and Rental value, per sq.m.

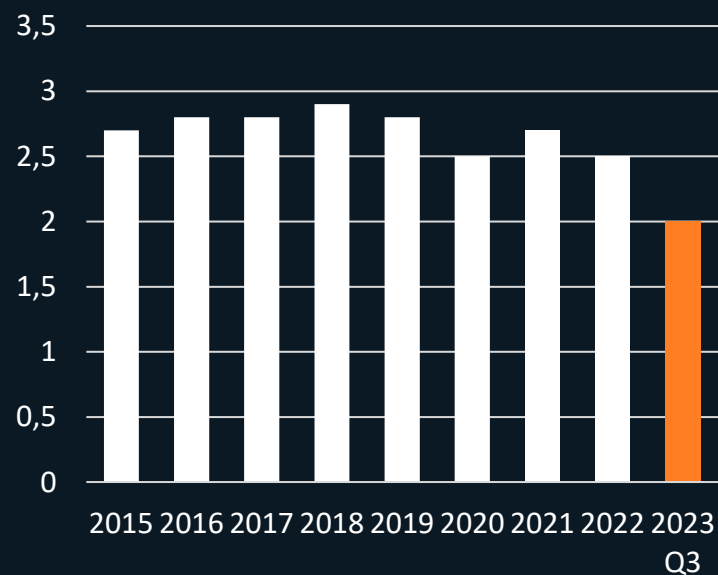


Average *yield* and market *value* over 2 years

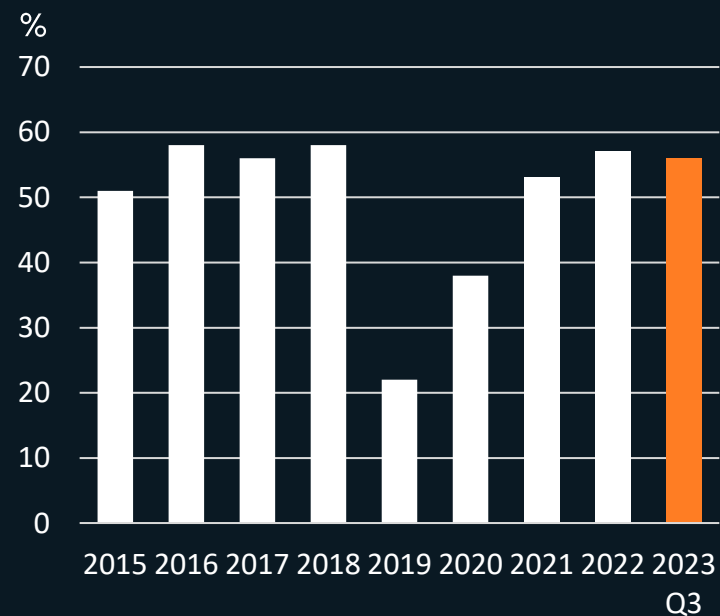


Financing

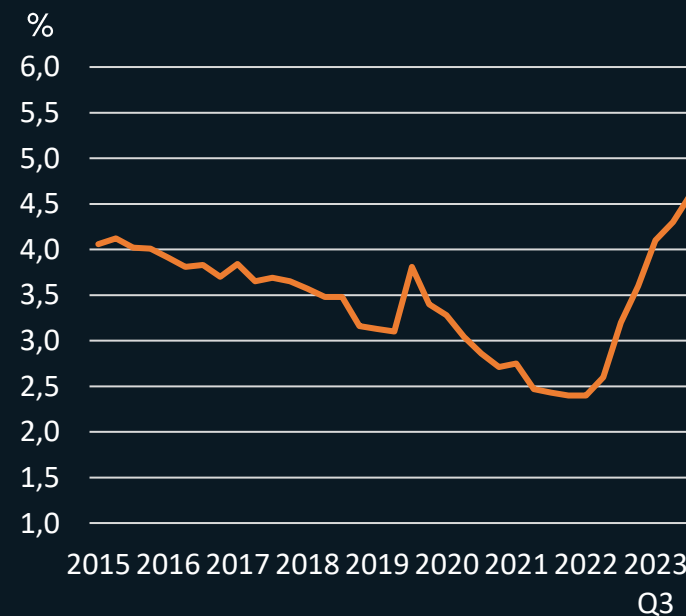
INTEREST COVERAGE RATIO, R12



LTV



AVERAGE INTEREST RATE



Financial *position*

Proactive transaction activities has enabled reduction of debt and financial risk, now showing effect

Divestments made, or agreed, 2023 to date, of assets with market value of approx. SEK 13 billion

- ✓ Properties (SEK 9.2 billion during the period and SEK 1.6 SEK billion with closing after the period)
- ✓ Holding in Castellum (SEK 1.2 billion)
- ✓ Part of holding in Klöver (SEK 1.4 billion)

Interest-bearing liabilities reduced by SEK 8.6 billion since year-end

Maintained or improved key figures such as LTV and equity ratio, despite negative value changes

Redemption of all bonds with maturity in 2023 has been made

Continued focus on ICR, liquidity, and reduction of debt as well as securing bond maturities during 2024



*adjusted equity ratio

Focus and future *outlook*

- Strengthened finances, managing rising interest levels and redemption of bonds with maturity during 2024
- Proactive divestments
- Continued very restrictive project 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