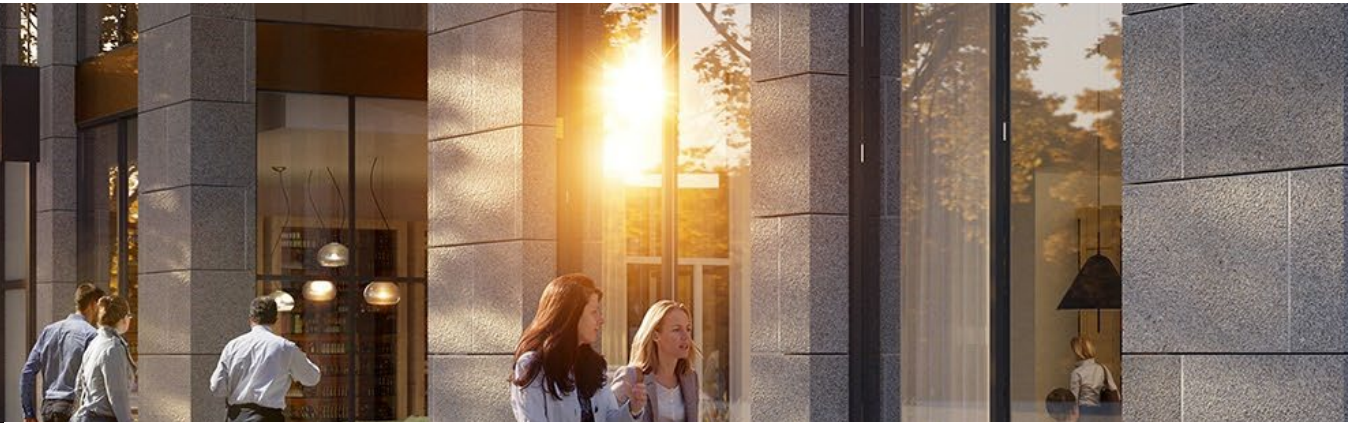




Q2

—
Half-year report
January – June 2022

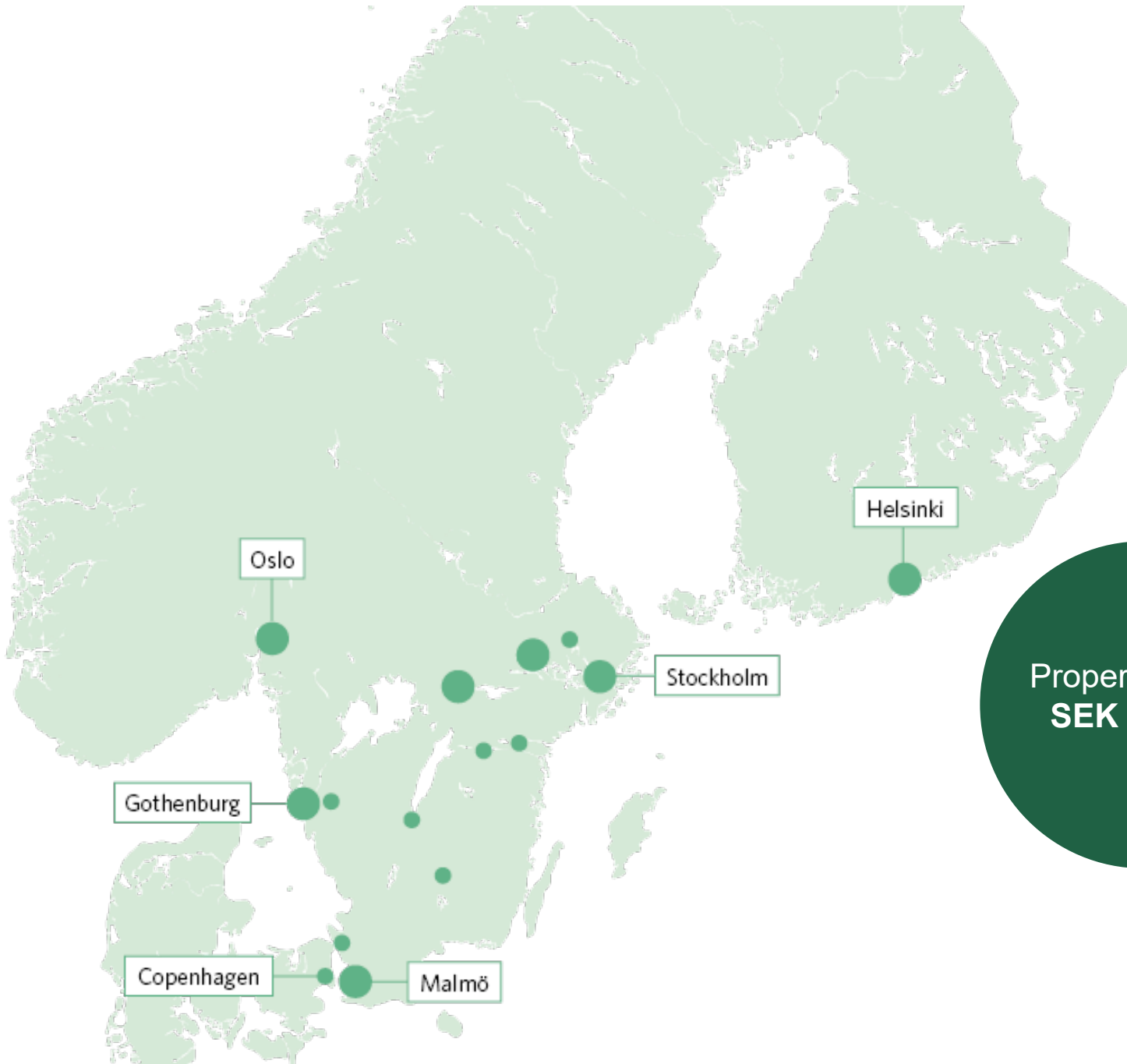


Summary first half of 2022

- Income from property management +47%
and per share +21%
- Positive net leasing, SEK 109 M
- Strong underlying business, Occupancy rate, 93.7%
- Solid and stable financial position, LTV 38.2%
- Strong growth in NRV, 263 SEK/share, +16%

The leading property company in the Nordics

- Strategic acquisitions strengthening our Nordic platform
- Exposure to the Norwegian market through the associated company Entra



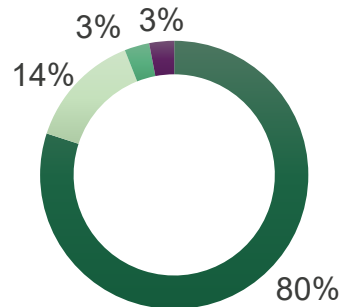
Property value*
SEK 185 Bn

Lettable area* of
6,300,000 sq. m.

* Including holdings in Entra as of 30 June 2022

The leading property company in the Nordics

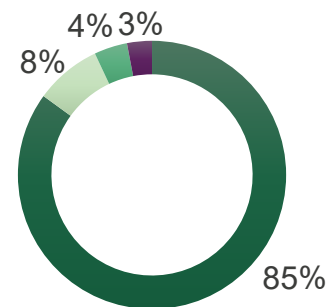
Property value of SEK 185 Bn
per country*



■ Sweden ■ Norway ■ Finland ■ Denmark

* Including holdings in Entra as of 30 June 2022

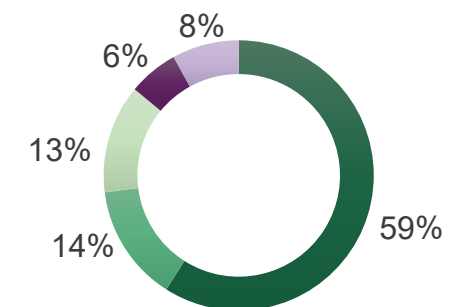
Lettable area of 6,300,000 sq. m.
per country*



■ Sweden ■ Norway ■ Finland ■ Denmark

* Including holdings in Entra as of 30 June 2022

Property value
per category*



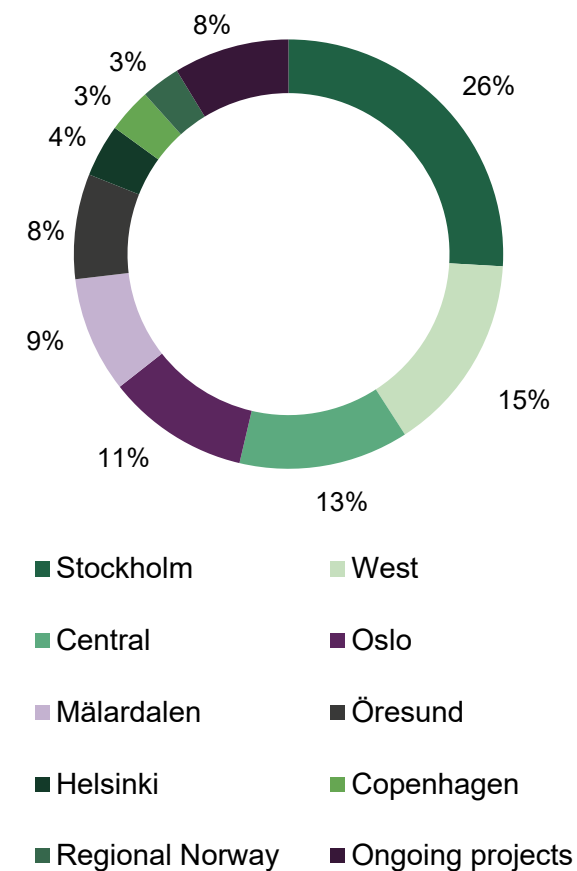
■ Office
■ Warehouse/Light industry
■ Public sector properties
■ Retail
■ Developments & undeveloped land

* Excluding Entra

Diversified geographic property portfolio*

Region	Country	Area, (t sq.m.)	Book value, SEK M	Rental value, SEK M
Stockholm	Sweden	1,108	47,696	2,468
West	Sweden	1,306	27,719	1,734
Central	Sweden	1,032	23,687	1,658
Oslo	Norway	319	19,859	888
Mälardalen	Sweden	767	16,170	1,184
Öresund	Sweden	634	14,652	988
Helsinki	Finland	208	7,337	580
Copenhagen	Denmark	172	6,196	364
Region Norway	Norway	131	5,448	285
Ongoing projects	All	614	16,118	492
Total		6,292	185,155	10,640

* Including holdings in Entra as of 30 June 2022



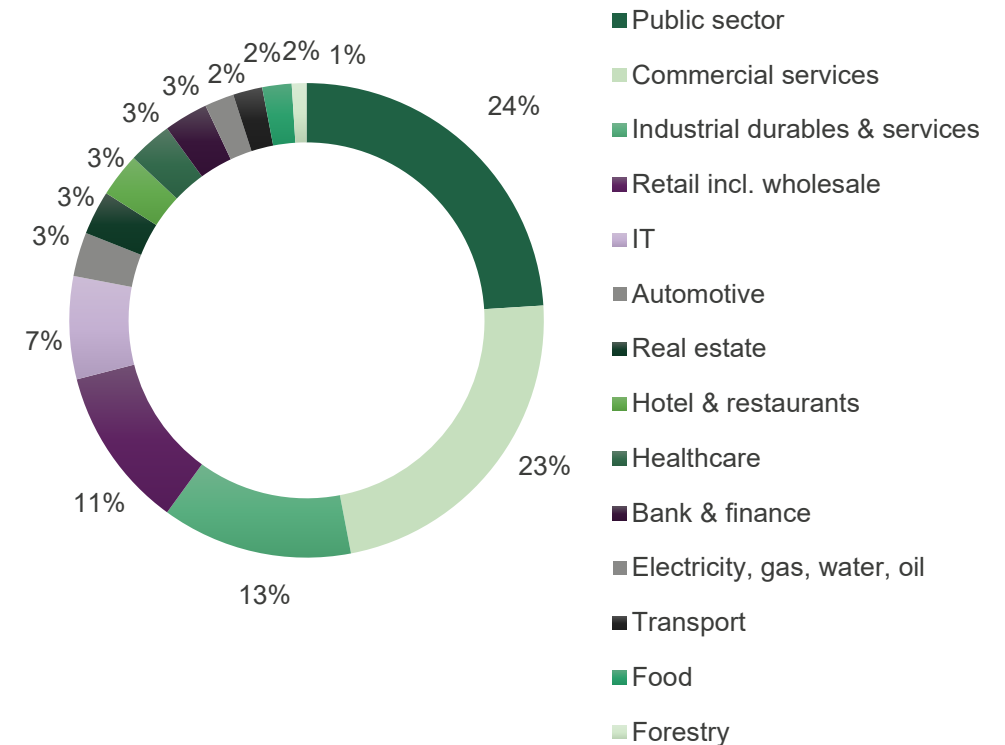
Well diversified customer base

Largest tenants*	Rental value, SEK M	Share, %
ABB	242	2.7
AFRY Group	186	2.1
The Swedish Police Authority	153	1.7
The Swedish National Courts Administration	130	1.5
Svenska Handelsbanken	116	1.3
The Swedish Social Insurance Agency	92	1.0
Northvolt	92	1.0
The Swedish Migration Board	84	0.9
Axis Communications	73	0.8
Region Stockholm	73	0.8
Total	1,241	13.8

* Excluding Entra

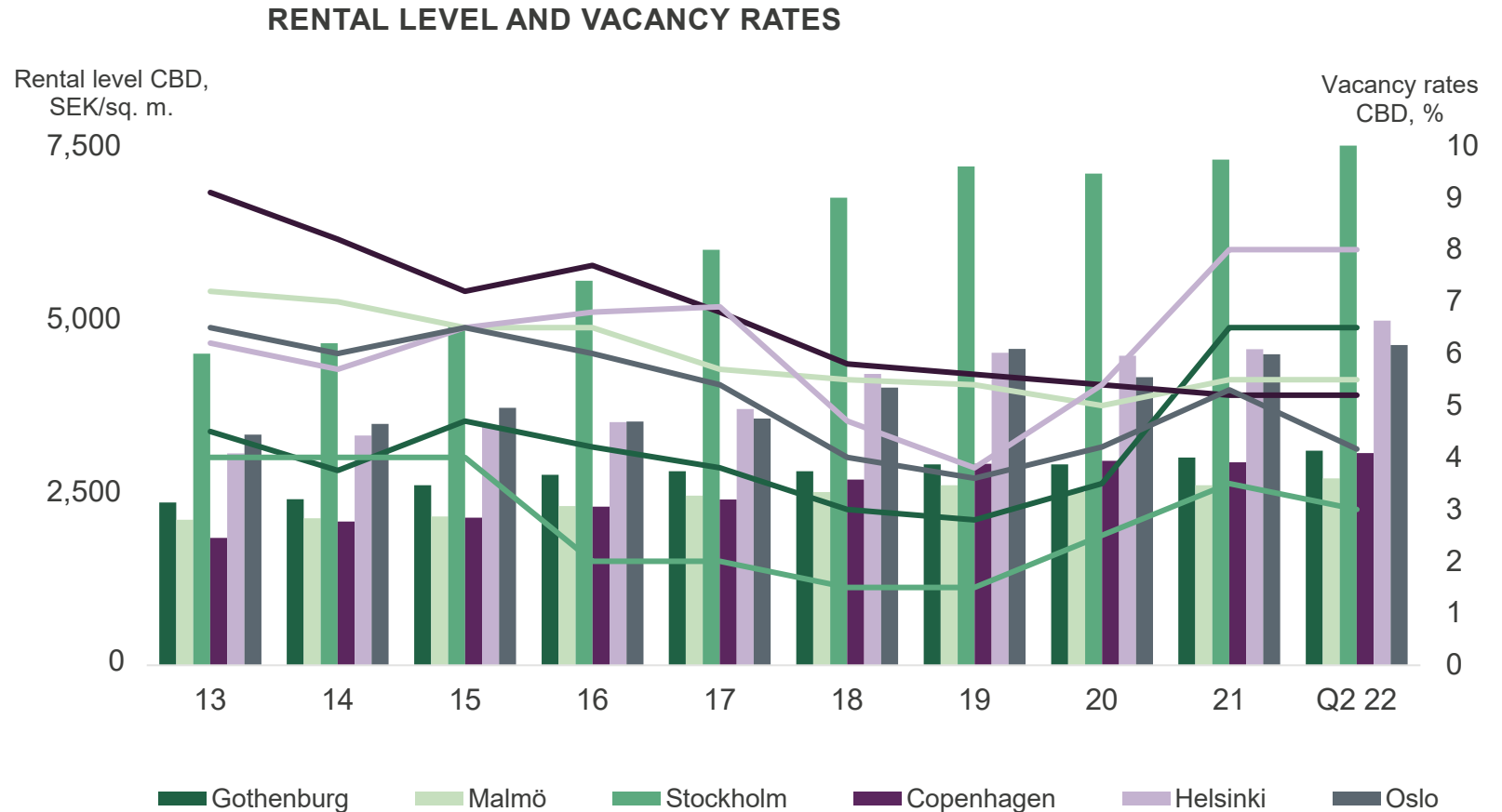


Commercial leases distributed by sector, %



Stable rental markets

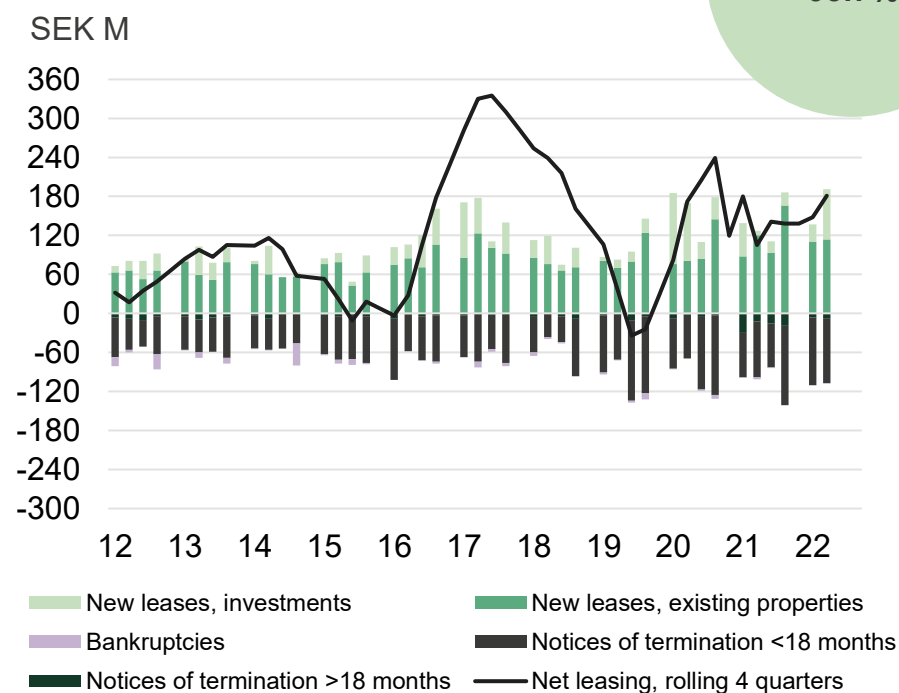
- Stabilized rental levels
- Vacancy rates slightly down, lower in Stockholm and Oslo
- Positive net leasing



Source: Newsec (Swedish rental level and vacancy rates), JLL (Copenhagen vacancy rates), KTI (Helsinki vacancy rates), Pangea (rental level Helsinki and Copenhagen)

Positive net leasing of SEK 109 M

NET LEASES 2011–Q2 2022

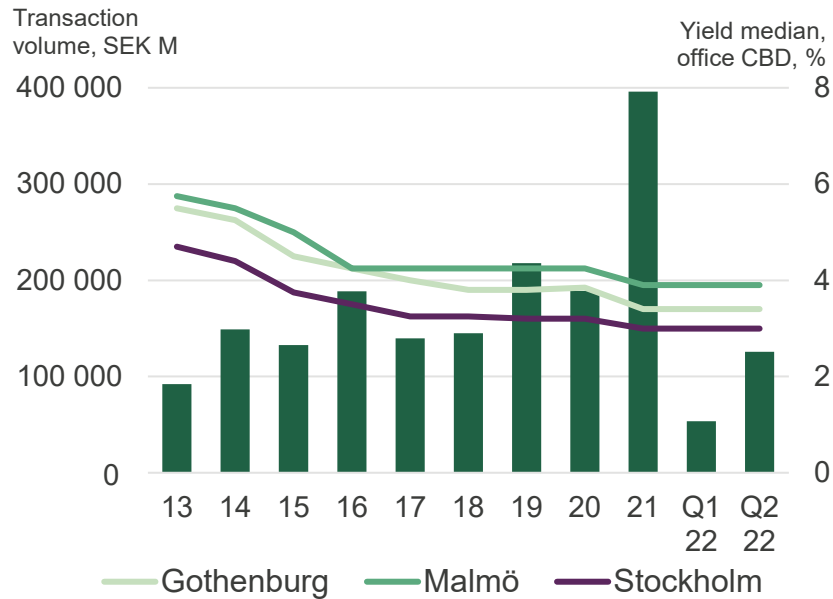


NET LEASING JANUARY–JUNE 2022

SEK M	Sthlm	West	Central	Mälardalen	Öresund	Finland	Total
New leases							
Existing properties	50	53	37	47	32	5	224
Investments	34	34	10	3	23	—	104
Total	84	87	47	50	55	5	328
Notices of termination							
Existing properties	-68	-38	-46	-15	-37	-13	-227
Bankruptcies	—	-1	—	—	—	-1	-2
Total	-68	-39	-46	-15	-37	-14	-219
Net leasing	15	48	1	35	18	-9	109
<i>D:o Q2 2021</i>	<i>0</i>	<i>29</i>	<i>16</i>	<i>—</i>	<i>15</i>	<i>6</i>	<i>66</i>

Modest value changes - projects drive growth

TRANSACTION VOLUME AND YIELDS



Source: Newsec

CHANGES IN VALUES ON PROPERTIES

SEK M	2022 Jan–Jun	2021 Jan–Jun
Cash flow	756	–76
Project gains/Building rigths	1,271	625
Required yield	760	2,006
Acquisitions	76	20
Unrealised changes in value	2,786	2,575
<i>D:o %</i>	1.8	2.7
Sales	26	547
Total	2,814	3,122
<i>D:o %</i>	1.8	3.3



SOLID AND STABLE FINANCIAL POSITION

LTV 38.2%

ICR (R12) 4.8

Stable financials

- Total outstanding loan volume at the end of Q2 was SEK 74,153 M
 - Bonds SEK 46,314 M
 - Bank loans: SEK 24,133 M
 - Commercial papers: SEK 3,706 M
- Unutilized credit facilities of SEK 19.9 Bn, including cash of SEK 1.3 Bn
- Average capital term: 3.6 years
- Average interest rate: 1.9%
- Average fixed interest term: 2.9 years
- 52% of the interest-bearing liabilities are hedged > 1 year
 - An increase in underlying market rates by 1 percentage point, would increase financial net of SEK 356 M on an annual basis, given current hedging levels

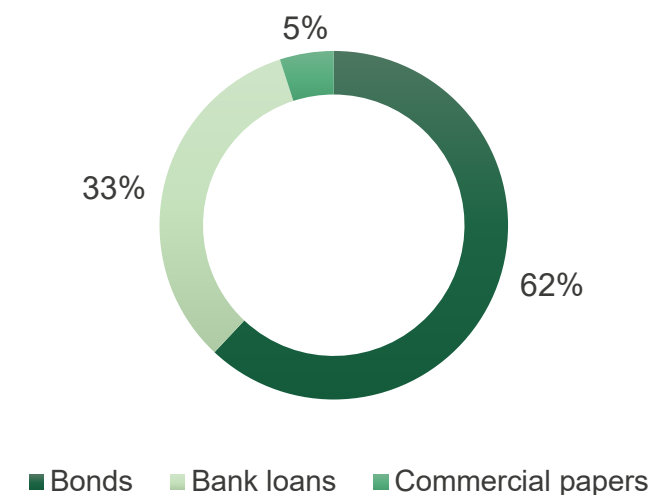


Diversified debt structure

CREDIT MATURITY STRUCTURE, 30 JUNE 2022

Credit agreements	Bank	Bonds	Comm. papers	Total interest-bearing liabilities	Share, %	Unutilised credits	Total available credit facilities
0–1 years	—	7,849	3,706	11,555	16	1,051	12,606
1–2 years	6,890	7,048	—	13,938	19	7,372	21,310
2–3 years	7,123	10,440	—	17,563	24	5,395	22,958
3–4 years	2,450	4,323	—	6,773	9	4,850	11,623
4–5 years	2,046	7,226	—	9,272	12	—	9,272
>5 years	5,624	9,428	—	15,052	20	—	15,052
Total	24,133	46,314	3,706	74,153	100	18,668	92,821

DISTRIBUTION OF INTEREST BEARING FINANCING, 30 JUNE 2022



Financing activities

Financing activities during the second quarter

- Issued SEK 1.6 Bn of bonds in the Swedish capital market
- Refinanced SEK 13 Bn in short term bank loans on market-like terms
- Credit limits of additionally SEK 4 Bn approved from Nordic banks

Green activities

- Green Bond Framework expected to be updated during H2, integrating taxonomy requirements
- Green Equity Framework expected to be launched during H2, labelling our ordinary shares as green

Outlook

- We have SEK 19.9 Bn in cash and unutilized credit facilities, covering all bond maturities during the next two years. Refinancing bonds with secured debt in the short term will have no effect on the average interest rate.
- We believe that the bond market will regain confidence and gradually recover. Bonds remain our largest source of financing and a well-functioning bond market is important for us going forward.



High activity in ongoing projects

Ongoing larger projects, SEK M

Ongoing	6,327
– of which built up	3,817
– remaining investments	2,510
Occupancy rate, %	80
Yield on cost, average, %	5.8

Projects with
rental values of
SEK 337 M and book
value of SEK 6,800 M
completed within
9 months

Götaland

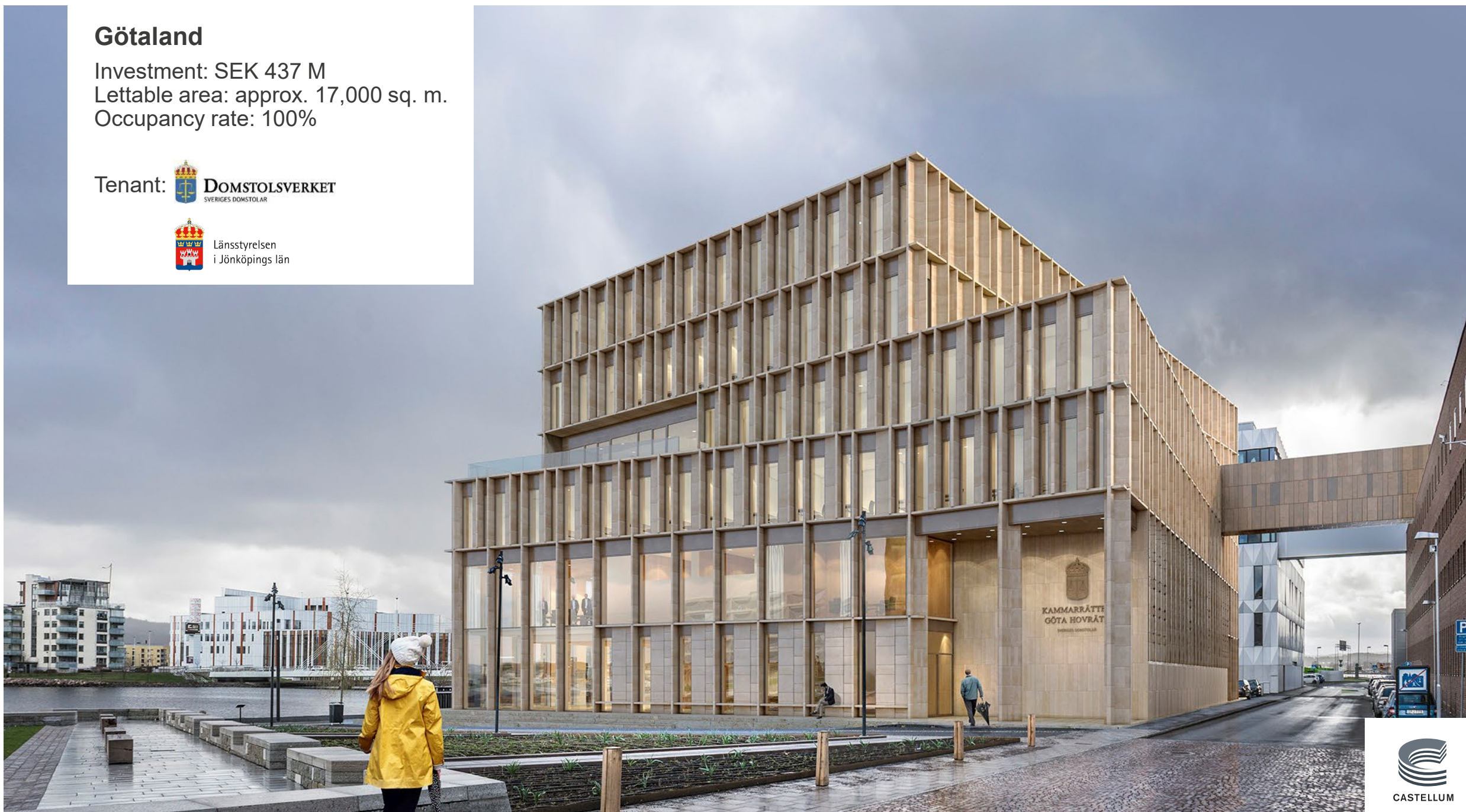
Investment: SEK 437 M

Lettable area: approx. 17,000 sq. m.

Occupancy rate: 100%

Tenant:  **DOMSTOLSVERKET**
SVERIGES DOMSTOLAR

 Länsstyrelsen
i Jönköpings län



Sesamfröet

Investment: SEK 245 M

Lettable area: 5,600 sq. m.

Occupancy rate: 100%

Contract length: 25 years

Tenant:  Migrationsverket



Drevet

Investment: SEK 276 M

Lettable area: approx. 21,800 sq. m.

Occupancy rate: 100%

Tenants: **stor**bildsbolaget*

Noviflora



Godsfinkan

Investment: SEK 1.3 Bn

Lettable area: 26,500 sq. m.

Occupancy rate: 94%

Tenant:  **DOMSTOLSVÄRKET**
SVERIGES DOMSTOLAR



Sjustjärnan

Investment: SEK 1.3 Bn

Lettable area: approx. 31,500 sq. m.

Occupancy rate: 96%

Tenants: **e-on** 
CASTELLUM



Hornsberg

Investment: SEK 238 M

Lettable area: approx. 8,700 sq. m.

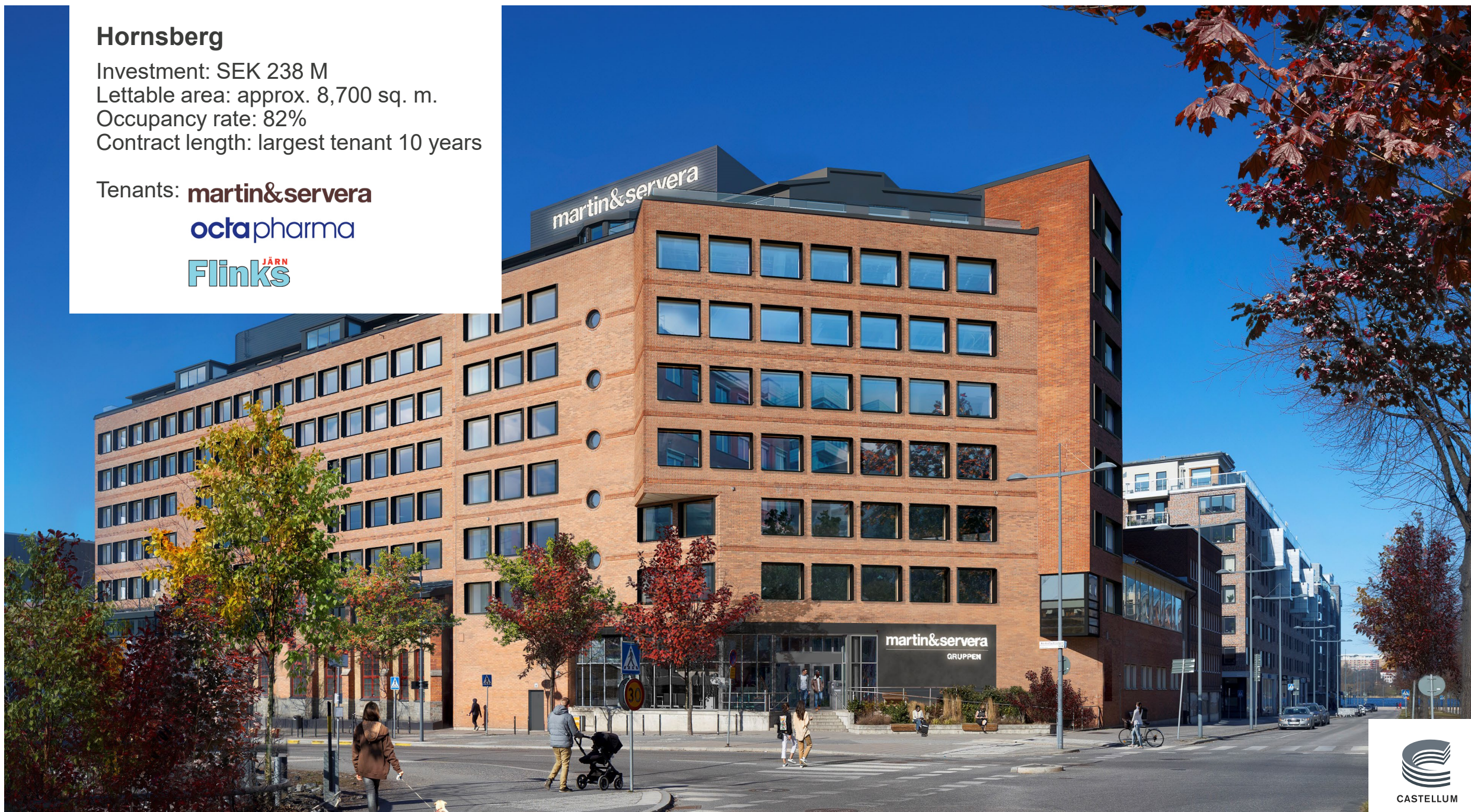
Occupancy rate: 82%

Contract length: largest tenant 10 years

Tenants: **martin&servera**

octapharma

Flinks JÄRN



Tusenskönan

Investment: SEK 453 M

Lettable area: 10,600 sq. m.

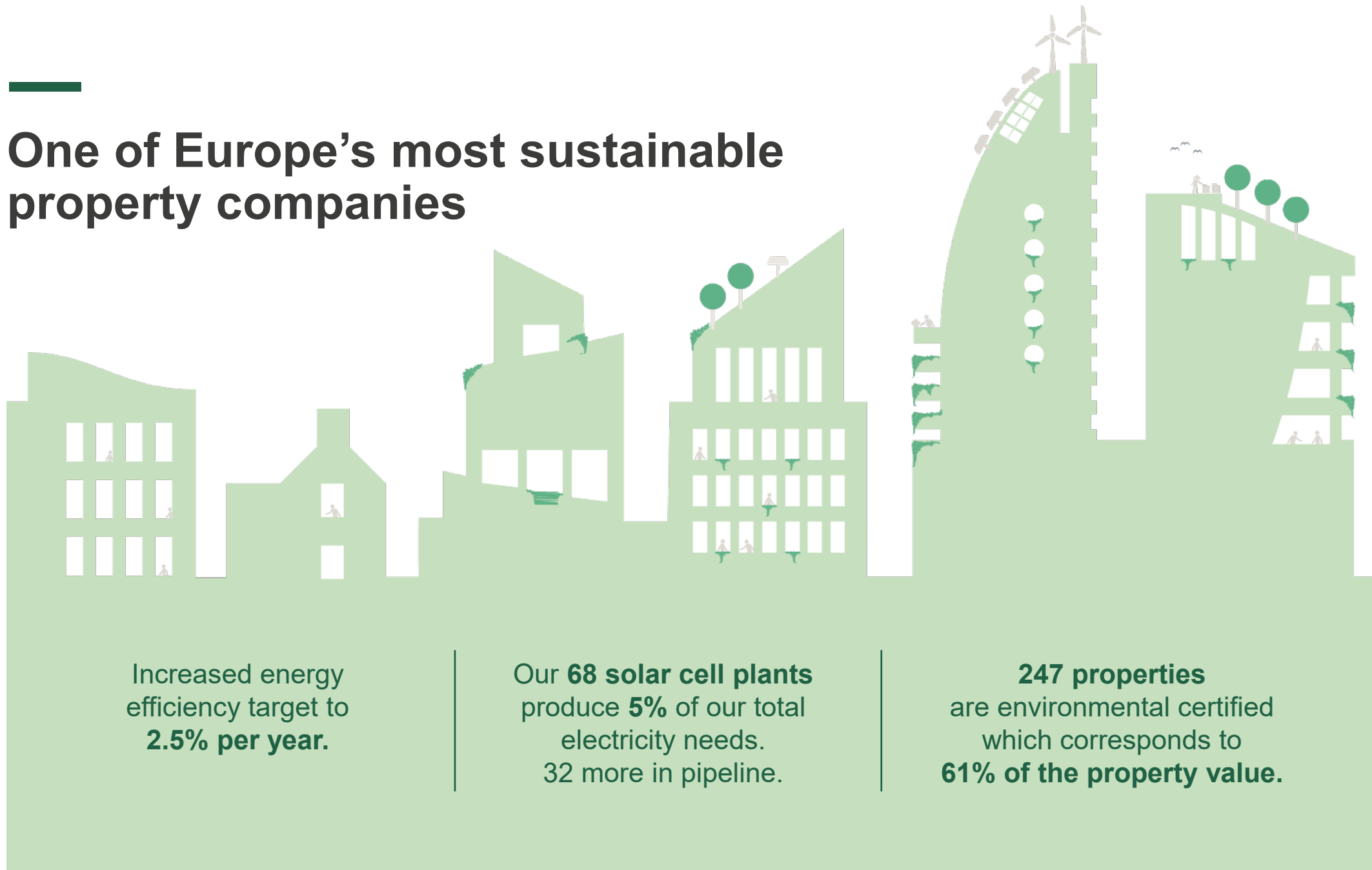
Occupancy rate: 100%

Contract length: 18 years

Tenant:  **DJURSJUKHUS**



One of Europe's most sustainable property companies



Increased energy efficiency target to **2.5% per year.**

Our **68 solar cell plants** produce **5%** of our total electricity needs.
32 more in pipeline.

247 properties are environmental certified which corresponds to **61% of the property value.**



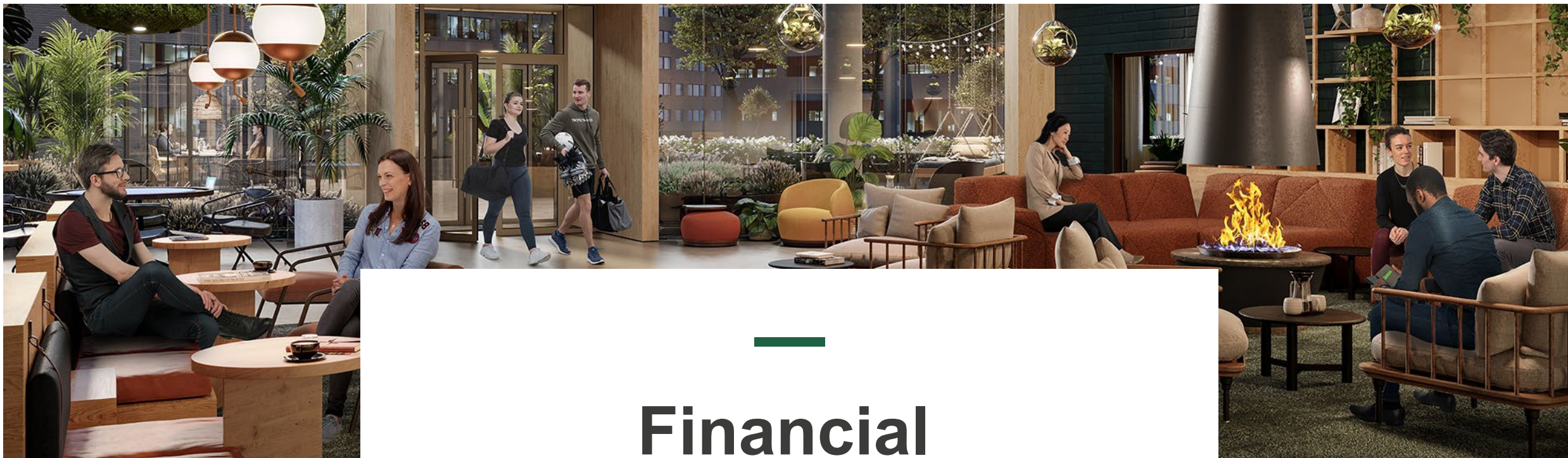
Project portfolio 30 June 2022

- Lettable area, largest projects: 243,600 sq. m.
- Occupancy rate, largest projects: 80%
- Capex January-June:
 - Investment properties: SEK 1,268 M
 - Project & development properties: SEK 1,409 M
- Unrealised change in value: SEK 1,271 M

Ten largest projects

Property	Tenant	Category	Invest. type	Location	Completed	Area, sq.m.	Rental value, MSEK	Occ. rate, %	Total inv., MSEK	Of which built up, MSEK	Remaining investment, MSEK
Godsfinkan	The Swedish National Courts Administration	O/P	N	Malmö	Q1 2023	26,500	84	94	1,310	1,165	145
Sjustjärnan	E.ON	O	N	Malmö	Q1 2023	31,460	78	96	1,296	979	317
Tusenskönan	Blå Stjärnan	P	N	Mölndal	Q4 2023	10,600	29	100	453	68	385
Effekten	Northvolt	O	N	Västerås	Q3 2023	15,400	31	100	445	122	323
Götaland	The Swedish National Courts Administration, The County Administrative Board	O/P	N/R	Jönköping	Q3 2022	17,200	29	100	437	300	137
Kungsängen Tibble	ATC, Smart Recycling	L	N	Stockholm	Q2 2023	15,150	20	36	301	74	227
Åseby	SEEL	O	N	Göteborg	Q3 2023	14,780	21	100	301	142	159
Werket	Region Jönköping, Grant Thornton, PE Teknik	O	R	Jönköping	Q1 2026	25,469	47	37	281	59	222
Drevet	Storbildsbolaget, Noviflora, Alex Andersen Ølund A/S	L	N	Helsingborg	Q4 2022	21,784	18	100	276	183	93
Finnslätten (part of)	QIAGEN DNA Synthesis, Northvolt	O/I	R	Västerås	Q4 2024	21,000	28	39	250	125	125
Total 10 largest projects						199,343	385	83	5,350	3,217	2,133
Total largest ongoing projects						243,603	490	80	6,327	3,817	2,510

Category: O=Office, P=Public sector property, L=Logistics
Investment type: N=New construction, R=Reconstruction



Financial performance

January–June 2022

Property portfolio*

SEK 185 bn (182)

+2%

**Income from
property management***

MSEK 2,375 (1,615)

+47%

Rental income

like-for-like

+4.4%

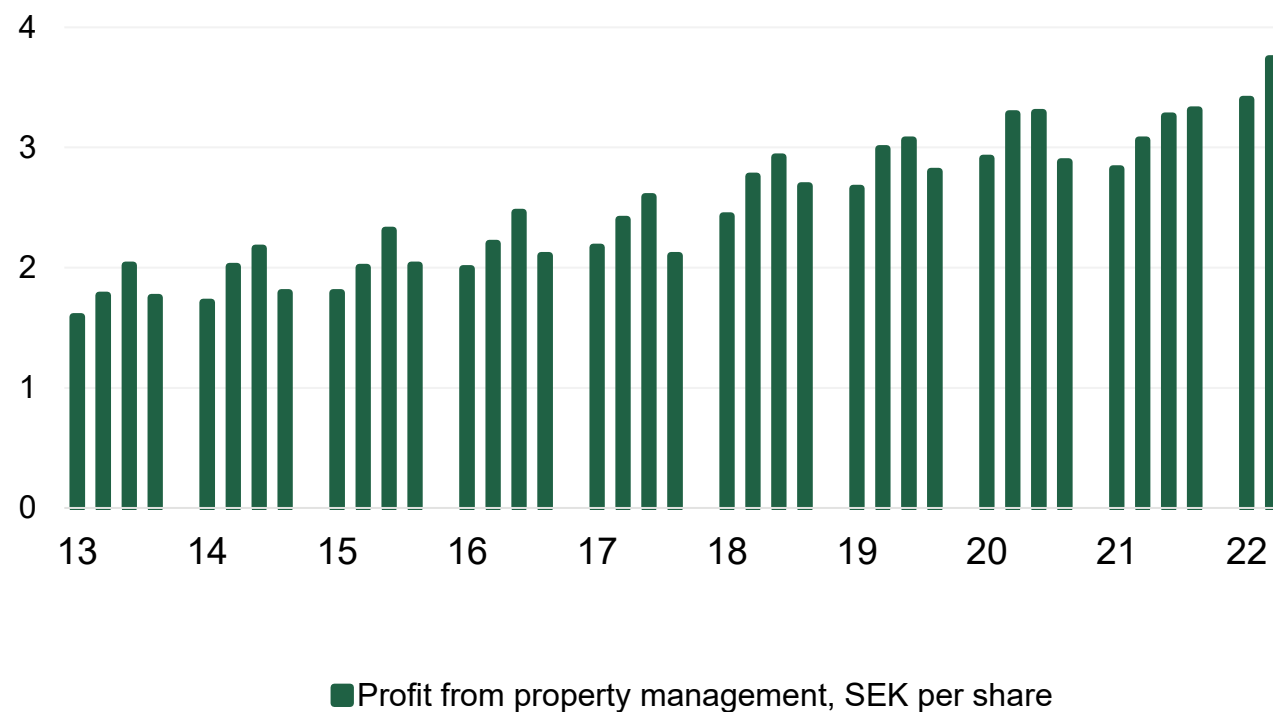
**Net operating
income**

MSEK 2,917 (2,034)

+43%

*Including Entra

Income from property management per share up with 21%



Strong growth in EPRA EPS and EPRA NRV

	30 Jun 2022	30 Jun 2021
EPRA EPS (income from property management after tax), SEK per share	6.81	5.29
EPRA NRV (long-term net asset value), SEK per share	263	227

EPRA EPS
+29%

EPRA NRV
+16%

Takeaways

- Strong rental market, rental increase like for like 4.4%
- Positive net leasing SEK 109 M and occupancy rate 93.7%
- 99% index linked leases
- Stable property market – stable yields
- Financial stability, loan to value 38.2%
- SEK 19.9 Bn in cash and unutilized credit facilities, covering all bond maturities during the next two years
- Large share of projects under completion within 9 months, adding growth in 2023
- EPRA EPS, 6.81 SEK/share, +29%
- EPRA NRV, 263 SEK/share, +16%





Q&A

Thank you!

Contact:

rutger.arnhult@castellum.se

maria.strandberg@castellum.se