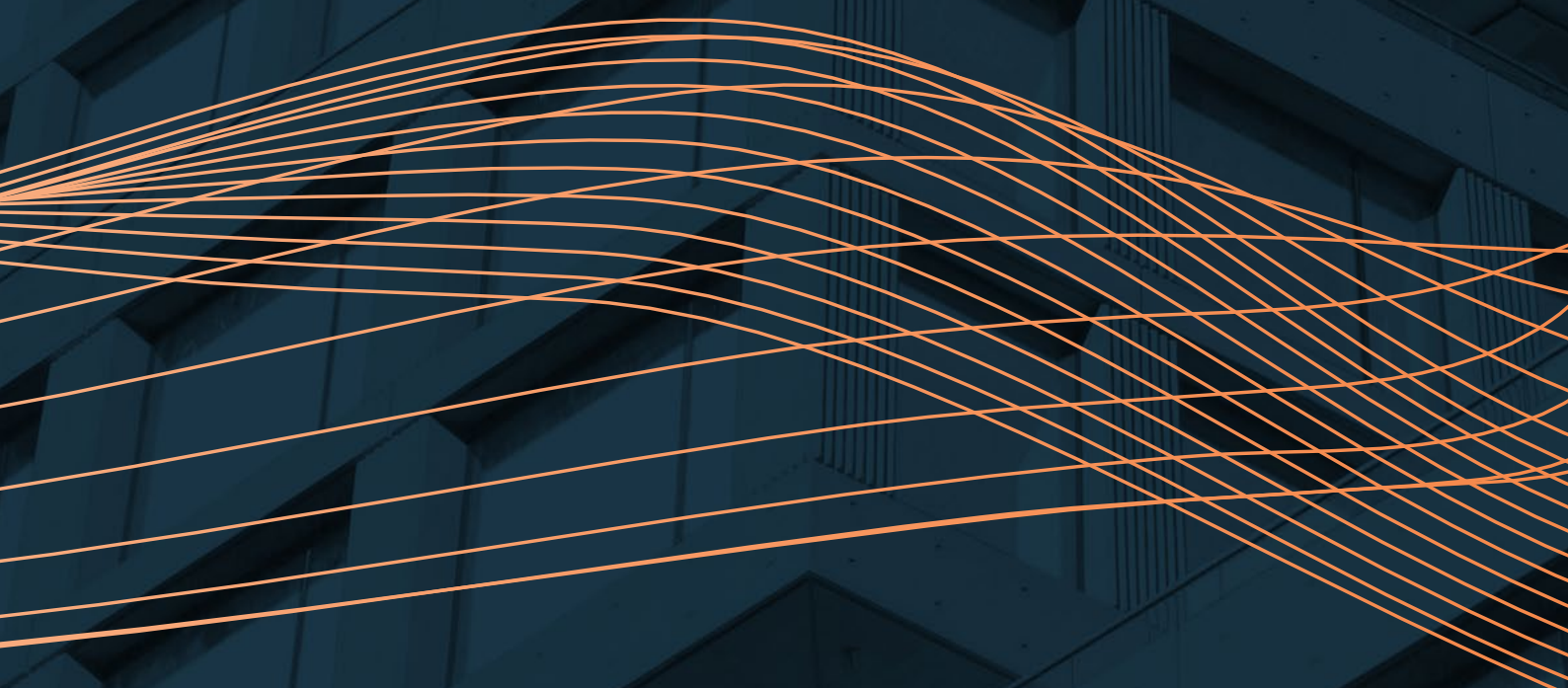


Year-end Report January–December 2023

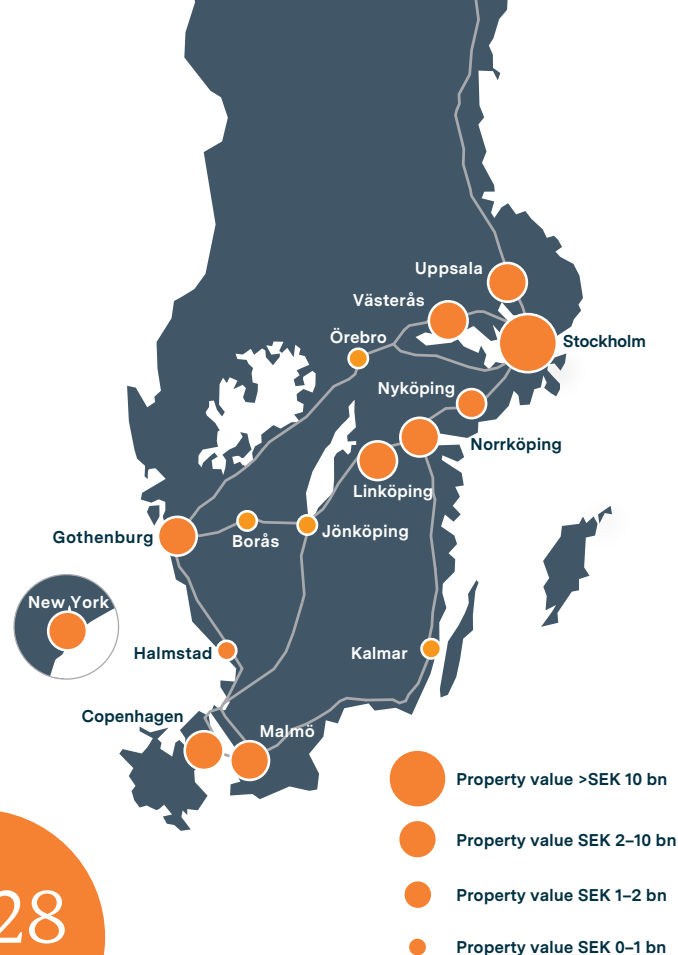


Properties for *the future.*

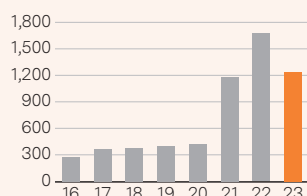
corem)

Corem Property Group (publ)

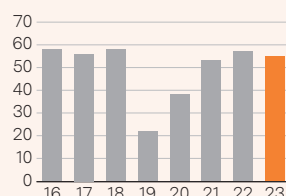
Corem is a commercial real estate company with focus on sustainable ownership, management and refinement of real estate. The properties are managed in-house and locally – giving proximity to the tenant, a long-term perspective and high commitment. The portfolio is geographically well focused, located in metropolitan areas and growth regions.



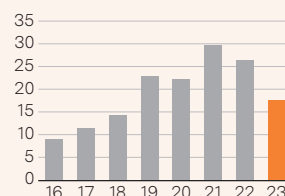
PROFIT FROM PROPERTY MANAGEMENT, SEKm



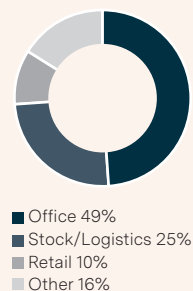
LOAN TO VALUE, %



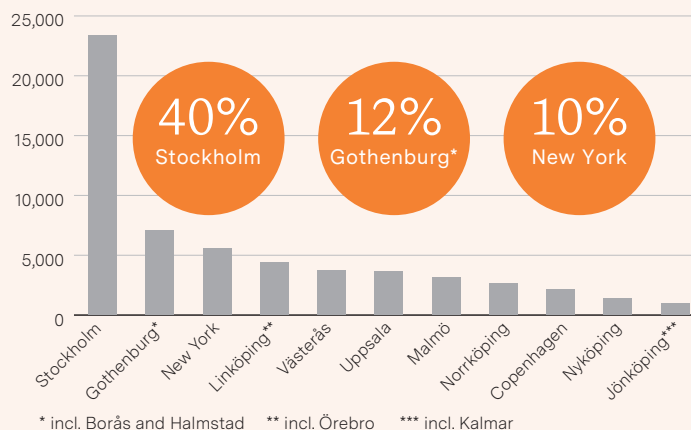
NET ASSET VALUE (NAV) PER ORDINARY SHARE A/B, SEK



LETTABLE AREA BY TYPE, %



PROPERTY VALUE, SEKm



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

January–December 2023

- Income amounted to SEK 4,244 million (4,491)
- Operating surplus amounted to SEK 2,882 million (2,933)
- Net financial income amounted to SEK –1,464 million (–1,071)
- Profit from property management amounted to SEK 1,239 million (1,675)
- Changes in value of properties amounted to SEK –8,476 million (–2,934)
- Changes in value of derivatives amounted to SEK –1,000 million (1,375)
- Profit shares in associated companies amounted to SEK –1,076 million (–862)
- Net letting was positive and amounted to SEK 83 million for the year.
- Net profit for the period amounted to SEK –7,999 million (–1,938), corresponding to SEK –7.88 (–2.25) per ordinary share of class A and B
- The value of investment properties amounted to SEK 58,033 million (78,387)
- Net asset value (NAV) per ordinary share of class A and B amounted to SEK 17.57 (26.42)
- During the year, 132 properties were divested at an underlying property value of SEK 14.6 billion.
- The Board of Directors is proposing a dividend of SEK 0.10 (0.40) per ordinary share of class A and B, to be paid in four instalments of SEK 0.025 (0.10).
- The Board of Directors is proposing a dividend of 20.00 (20.00) per ordinary share of class D and preference share, to be paid in four instalments of SEK 5.00 (5.00).

1,239

Profit from property management, SEKm

4,322

Rental value, SEKm

83

Net letting, SEKm

17.57

Net asset value per ordinary share of class A and B, SEK

SIGNIFICANT EVENTS DURING THE FOURTH QUARTER

- During the quarter, 35 properties were divested at a total underlying property value of SEK 5.4 billion.
- During the quarter, a bond loan of SEK 796 million was repaid. In addition, the company repurchased during the quarter bonds in other maturities totaling SEK 107 million.
- During the quarter, interest-bearing liabilities were reduced by SEK 5.4 billion.
- In December, Corem obtained an updated credit assessment from Scope Ratings which confirms the credit rating BBB- with negative outlook.
- During the quarter, a lease agreement was signed in the property 28&7 in New York.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

- Corem issued unsecured green bonds of SEK 1 billion in January 2024 and SEK 0.1 billion in February 2024. The bonds were issued under a framework of SEK 2 billion, has a term of 2.25 years and runs with a variable interest rate of 3 months Stibor plus 375 basis points and final maturity 7 May 2026.
- After the end of the period, bonds to a value of SEK 849 million have been repurchased.
- Agreements for divestments, handed over after the end of the period, have been signed for six properties with underlying property value of approximately SEK 1.6 billion.
- In February, another lease agreement was signed in the property 28&7 in New York.

	2023 3 months Oct–Dec	2022 3 months Oct–Dec	2023 12 months Jan–Dec	2022 12 months Jan–Dec
Income, SEKm	1,016	1,185	4,244	4,491
Net operating income, SEKm	632	700	2,882	2,933
Profit from property management, SEKm	223	329	1,239	1,675
Net profit, SEKm	–3,065	–3,543	–7,999	–1,938
Earnings per ordinary share of Class A and B, SEK	–2.97	–3.37	–7.88	–2.25
Net asset value (NAV) per ordinary share of Class A and B, SEK	17.57	26.42	17.57	26.42
Economic occupancy rate, %	87	89	87	89
Operating margin, %	62	59	68	65
Adjusted equity ratio, %	41	39	41	39
Interest coverage ratio	1.7	2.0	1.9	2.5
Loan-to-value ratio, %	55	57	55	57

For definitions of key figures, refer to page 23 and to corem.se.

A transactions-intensive year with a focus on the financial key figures

Through our proactive transaction efforts, we have been able to continue to strengthen the balance sheet through the final quarter of the year by gradually reducing debt. Meanwhile, we have a strong and stable core business in lettings and property management. This is shown, among other things, from the fact that we have signed a number of fine new leases, during the quarter as well as during the year. After the turn of the year, we have also been able to announce the issue of a bond of one billion SEK. That is positive. The work to optimise our financial structure continues. As a part of that, we see that it would be advantageous to sharply reduce dividends for a period, for the purpose of prioritising the improvement of financial key figures.

A transactions-intensive year

The fourth quarter, similarly to the rest of the year, was a very transaction-intensive period for us. In 27 separate transactions, we divested an entire 132 properties during the year, with a total transaction volume of nearly SEK 15 billion. This enabled us to reduce interest-bearing liabilities by SEK 14 billion during the year, while we have also invested nearly SEK 2 billion in ongoing projects and tenant improvements in order to develop the portfolio in the long term.

During the fourth quarter, we completed two major deals whereby we divested 24 properties to Blackstone and two office properties in Copenhagen to AP Pension. Together, these two deals amounted to a combined property value of around SEK 5 billion. To strengthen the balance sheet in the long term, our strategy also includes reducing the future volume of development projects, which is why we are prioritising the completion of ongoing projects over starting new projects. In the fourth quarter, we chose to divest one of our planned projects in the US. The property on 118 10th Avenue in New York, with a building right of around 13,000 square metres, was sold to a local project developer that will carry on developing the project.

The transactions market is not as deep nor as strong as a few years ago, but exhibits a stability and a reasonably high activity in spite of high interest rates. We therefore feel secure in our continued ability to complete attractive transactions as a tool to strengthen our balance sheet.

Satisfied customers and value-generating management

Corem's core business is in letting, managing and developing our properties. Net letting was positive in 2023 and landed at SEK 83 million. During the fourth quarter, we signed a number of fine new leases in Sweden and in the US, such as with Tieto Evry in Örebro and with the investment company 1 Round Table in New York. In Copenhagen, we have signed a contract to let nearly 5,200 square metres across three floors to SOS International.

In total, we signed around 950 lease contracts during the year, for a combined value of nearly SEK 470 million. We are particularly pleased about contracts that are extended, as tenants that know us opt to extend their leases and develop within our portfolio. Thanks to continued good work by our locally based management organisation, we have satisfied customers and customers that stay with us.

Net operating income in a comparable portfolio increased by 10 per cent during the year, even though the net operating income in real

numbers fell apace with divestments. Profit from property management is held back by increased financial expenses as a consequence of rising market interest rates, as well as by the reduction in volume of the portfolio, and amounted to SEK 1,239 million for the full year.

For many years, we have been able to present good results on the energy side, having gradually reduced energy consumption. In 2023, we ended up with an average energy consumption of just over 78 kWh per square metre. This is good, and a bit better than the target of 80 kWh per square metre.

As for project development, we have continued to complete our ongoing projects, contributing positively to net operating income. During the fourth quarter, the property Orgelpipan 4 on Klarabergsgatan in central Stockholm was completed, and was then fully let to the Swedish Riksbank and

the restaurant AMI. The property was sold in the first quarter of 2024.

Pressure on property values

As many other real estate companies, we have had to adjust the value of our properties to reflect current market conditions. In total, the adjustments amounted to 11 per cent during the year and to 14 per cent compared to when the values were at their highest, in the spring of 2022. These value changes are primarily driven by changing yield requirements, as a consequence of financing becoming more expensive. The average yield requirement increased in both 2022 and 2023, amounting at year-end to 5.8 per cent. The corresponding figure in Q1 2022 was 4.9 per cent.

Value changes in the property portfolio and higher interest rates go hand in hand and have twin effects for us. The effect of the interest rate rises over the last few years have driven up financial expenses, at the same time as it drives down property values. This says a lot about how the interest rate increases over the past few years have affected us and many other property companies.

If the interest rate develops in line with the Riksbank's forecasts for the coming years, this would conversely have a positive effect on us, both regarding the development of net financial income as well as the property values.

During the fourth quarter, exchange rate differences also affected the property value negatively by SEK 530 million, which is explained by changes in the dollar exchange rate and the Danish krone exchange rate.



The property Orgelpipan 4, on Klarabergsgatan in Stockholm, was completed during the fourth quarter after remodeling and modernization. The Orgelpipan 4, which is fully leased, has been sold and relinquished during February 2024.

Brighter days ahead on the bond market

Based on the transactions completed in 2023, we have been able to continue to strengthen the balance sheet by repaying bank debt and redeeming bonds. In 2023, we redeemed all bonds maturing during the year and have reduced interest-bearing liabilities from SEK 47.6 billion at the beginning of 2023 to SEK 33.6 billion at the end of the year.

After the turn of the year, conditions seem to be improving on the bond market. In January 2024, we announced that we have successfully issued new green bonds of SEK 1 billion. These were issued under a framework of SEK 2 billion with a term of 2.25 years and with a variable interest rate of 3-month Stibor plus 375 basis points. The issue was oversubscribed and could thus be expanded by SEK 100 million in the following week. The bond attracted considerable interest from institutional investors as well as private individuals, which could be interpreted as a sign that capital markets are starting to work again. This is of course a good thing for us, even if interest rates remain at a high level.

We will continue to invest considerable focus into our financing and on reducing our loan-to-value ratio in the long term.

The work going forward

The Board proposes that the AGM adopts a limited dividend for the 2023 financial year of SEK 0.10 per ordinary share of class A and B, and SEK 20.00 per ordinary share of class D and per preference share. The effects of the current interest rate situation leaves us with less capital in the company than we are used to. By retaining a greater

proportion of the funds in the company, we can improve profits as well as cash flow while continuing the work with improving the effectiveness of our capital structure. In addition, we also want to continue to focus on profitable investments together with our current and future tenants, and thereby develop the portfolio further. Considering these circumstances, the Board is of the opinion that this proposed dividend represents the best course of action for the company and thereby also for its shareholders.

Our entire focus, for now and going forward, is to trim and optimise the business and thus to improve the property portfolio occupancy rate and operating margin.

We will be restrictive with new construction projects and instead focus on on-going tenant customisations.

We will continue to optimise our financial structure to suit the current market conditions. The rapid changes we see on the financial state of play have been disadvantageous, and we shall be better prepared for this type of rapid changes in the future.

Together with all of our staff, we continue our efforts to strengthen our profitability and optimise the business according to current market conditions. We have a stable property portfolio with properties that are attractive to our tenants, now and in the future.

Rutger Arnhult,
Chief Executive Officer

Stockholm, 21 February 2024

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 refers to October–December; the period and the year refer to January–December.

INCOME

Income amounted to SEK 1,016 million (1,185) during the fourth quarter and SEK 4,244 million (4,491) during the year. The revenue was positively affected by indexation and negative due to divestments. Income for a comparable portfolio increased by 8 per cent during the year.

EXPENSES

Property costs amounted to SEK 384 million (485) during the quarter and to SEK 1,362 million (1,558) during the year, as a smaller portfolio following divestments resulted in lower costs. Property costs for a comparable portfolio increased by 5 per cent during the year, mainly due to increased operating costs.

Central administration expenses amounted to SEK 43 million (47) during the quarter and SEK 179 million (187) during the year.

NET FINANCIAL ITEMS

Net financial income amounted to SEK –366 million (–324) during the quarter and SEK –1,464 million (–1,071) during the year. Financial expenses amounted during the year to SEK 1,488 million (1,169). Higher average market interest contributed increased financial costs. At the same time, it contributed to a reduction of the interest-bearing debt to contain the increase. At the end of the year, the group's average interest rate to 4.4 per cent (3.6). Financial income includes site leasehold fees and land fees of SEK 78 million (63) for the year. For further information, refer to page 13.

EARNINGS

Operating surplus amounted to SEK 632 million (700) during the quarter and SEK 2,882 million (2,933) during the year. The operating margin amounted to 62 per cent (59) during the quarter and 68 per cent (65) during the year. The operating surplus for a comparable portfolio increased by 10 per cent during the year.

Profit from property management amounted to SEK 223 million (329) during the quarter and SEK 1,239 million (1,675) during the year.

SHARE OF EARNINGS IN ASSOCIATED COMPANIES

Share of earnings in associated companies amounted during the year to SEK –1,076 million (–862). Corem divested during the third quarter, jointly with ALM Equity and Broskeppet Bostad, 51 per cent of the shares in Klövern to Nrep at a combined value of around SEK 2.5 billion.

In connection with the transaction, the remaining holdings in Klövern were reclassified to Financial assets valued at fair value.

CHANGES IN VALUE

Properties

Changes in value for Corem's investment properties amounted during the quarter to SEK –2,653 million (–3,110) and the year to SEK –8,476 million (–2,934). Unrealized value changes during the year amounted to SEK –8,306 million and realized value changes amounted to SEK –170 million. For further information, refer to page 7.

Financial assets

Value changes of financial assets valued at fair value amounted to SEK 87 million (–1,105) during the year. For further information, refer to page 14.

Derivatives

Changes in value of derivatives amounted to SEK –919 million (–83) during the quarter and SEK –1,000 million (1,375). The value of the derivatives is affected by changes in market interest rates.

GOODWILL

During the year, impairment of goodwill amounted to SEK –589 million (–635). Impairment refers to goodwill attributable to deferred tax where impairment occurs due to negative unrealized value changes and divestments of properties.

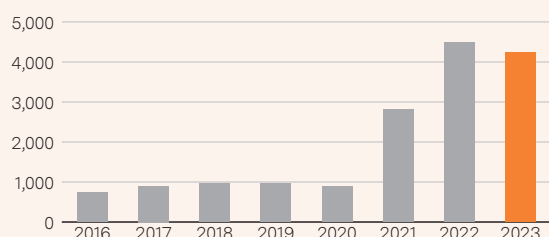
TAXES

During the year, current tax amounted to SEK –49 million (–49). Deferred tax amounted to SEK 490 million (319) during the quarter and SEK 1,865 million (597) during the year. Deferred tax is mainly attributable to dissolution of deferred tax in connection with divestment of properties and negative value changes in the property portfolio.

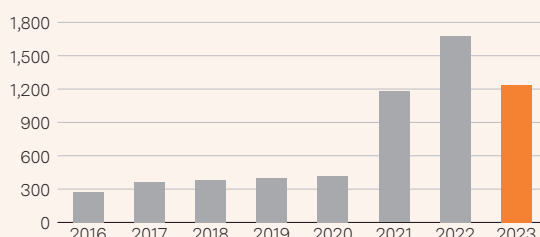
OTHER COMPREHENSIVE INCOME

Other comprehensive income during the year amounted to SEK –328 million (942) and relates to currency conversion differences.

INCOME, SEKm



PROFIT FROM PROPERTY MANAGEMENT, SEKm



The property portfolio

PROPERTY VALUES

On 31 December 2023, Corem's property portfolio comprised 326 investment properties with a combined lettable area of 2,428,000 sq.m. and a market value of SEK 58,033 million. In addition, there was one a housing project classified as current assets.

CHANGES IN VALUE

Value changes in investment properties amounted during the year to SEK -8,476 million (-2,934), corresponding to -11 per cent. Unrealized value changes amounted to SEK -8,306 million and realized value changes to SEK -170 million.

During the fourth quarter, the values of the investment properties was adjusted down due to higher yield requirements. Of the changes in value during the period, 57 per cent refers to properties in Sweden and 43 per cent to properties abroad.

As at 31 December 2023, the property portfolio was valued at an average assessed dividend yield requirement of 5.8 per cent (5.2). Since the end of the year 2022/2023, the property portfolio has devalued by 11 per cent. In total, the value of the property portfolio has been impaired by 14 per cent since valuations peaked in the end of Q1 2022.

Corem values all properties every quarter, of which 20 to 30 per cent are normally valued externally. As a basic rule, every property is valued externally at least once a year, but exceptions can be made for individual properties. During 2023, Cushman & Wakefield, Savills, Newsec, CBRE (Denmark) and Newmark (USA) have been used as valuation agencies. Corem obtains continuous market information from external valuation agencies as support for the internal valuation. For a sensitivity analysis and a description of the valuation principles, refer to Corem's annual report.

PROPERTY TRANSACTIONS

During the year, 132 properties were divested at an underlying property value of SEK 14,6 billion. The profit effect including dissolved tax amounted to approximately SEK 626 million. Reported realized change in value amounted to SEK -170 million and includes transaction costs and in the deals agreed deduction for deferred tax.

Selected transactions during the quarter

During the quarter, 35 properties were handed over at an underlying property value of SEK 5,4 billion.

Among others, a portfolio of 24 warehouse and logistics properties located in Stockholm, Jönköping, Malmö and Norrköping were handed over. Kalmar city library, two office properties in Copenhagen, three logistics properties in Sigtuna were also handed over, in separate transactions, and a undeveloped site leasehold in New York.

For a presentation of all of the properties handed over during the quarter, refer to pp. 9–10.

Transactions after the end of the period

Agreements of divestments, handed over after the end of the quarter, have been signed for six properties with a total underlying property value of SEK 1.6 billion. Among others, in February, the property Orgelpipan 4 (leasehold) was handed over for an underlying property value of SEK 570 million.

In February, Corem acquired the remaining 30 per cent of Åby Arena, with fair and hotel, from Åby trivsällskap to an underlying property value of SEK 505 million. Åby Arena (the properties Travbanan 2 and Travbanan 3 properties) is then wholly owned by Corem.

TENANTS AND THE LEASE PORTFOLIO

On 31 December 2023, Corem had approximately 3,200 tenants with approximately 5,800 lease contracts. The annual contract value amounted to SEK 3,740 million (4,417), the rental value amounted to SEK 4,322 million (4,940) and the economic occupancy rate amounted to 87 per cent (89). 38 per cent of the contracted rent expires in 2027 or later. In all, the average remaining contract period was 3.4 years (3.9).

Net letting

Net letting amounted to SEK -7 million (4) during the quarter and SEK 83 million (-26) during the year. In all, lettings and renegotiations amounted to SEK 101 million during the quarter. 54 per cent of this was for new customers and the remaining letting to existing tenants.

For the year, lettings and renegotiations amounted to SEK 469 million, of which 58 per cent relates to new customers.

Major lettings

A number of large lease agreements have been signed during the fourth quarter of the year.

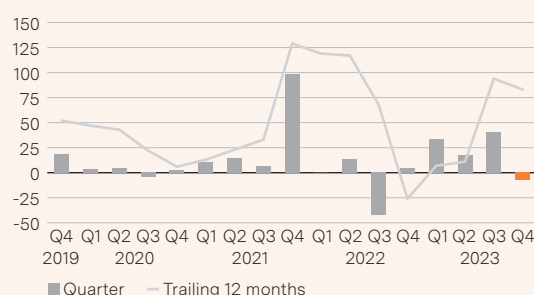
In Örebro, a 5-year agreement was signed with Tietoevry for around 1,200 sq.m. in the newly constructed property Olaus Petri 3:234 in Örebro Entré. Moving-in is planned for the second quarter of 2024.

In New York, a 15-year agreement was signed with AC Hospitality for 353 sq.m. at the development property 28&7. Moving-in is planned for the third quarter of 2024.

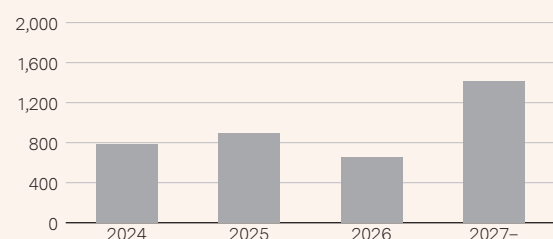
In Stockholm, a 5-year agreement was signed with Normal for 600 sq.m. in the Globen Shopping mall, in the property Arenan 2. Moving-in is planned for the second quarter of 2024.

In Copenhagen, a 10-year agreement was signed with SOS International regarding 5,160 sq.m. in Fairway House. Move-in is planned for the third quarter of 2024.

NET LETTING, SEKm



CONTRACT STRUCTURE, SEKm



INVESTMENT PROPERTIES: NUMBER, LETTABLE AREA, FAIR VALUE

	2023			2022
	No	sq.m.	SEKm	SEKm
Total at the start of the year	458	3,194,535	78,387	83,084
Acquisitions	—	—	—	80
Investments in construction, extensions and refurbishment	—	15,019 ¹	1,993	2,903
Divestments	-132	-781,128	-14,010	-2,329
Divestments to the associated company Klöver AB	—	—	—	-4,374
Changes in value, unrealised	—	—	-8,306	-2,565
Currency conversion	—	—	-31	1,588
Total at year-end	326	2,428,426	58,033	78,387

1) Excluding sold properties

PROPERTY TRANSACTIONS, TRANSFER OF POSSESSION JANUARY – DECEMBER 2023

Quarter	Property	City	Municipality	Property category	Lettable area, sq.m.	
					Acquisition	Divestment
Q1	Åldermannen 25	Kalmar	Kalmar	Retail	—	8,548
Q1	Kabeln 1	Norrköping	Norrköping	Warehouse/logistics	—	4,887
Q1	Jordbromalm 6:18	Stockholm	Haninge	Warehouse/logistics	—	11,158
Q1	Jordbromalm 5:2 & 5:3	Stockholm	Haninge	Warehouse/logistics	—	6,659
Q1	Ångmaskinen 5	Huddinge	Huddinge	Warehouse/logistics	—	2,622
Q1	Kärre 91:1	Gothenburg	Gothenburg	Warehouse/logistics	—	12,992
Q1	Kullen 5	Malmö	Malmö	Other	—	5,089
Q1	Sadelgjorden 1	Malmö	Malmö	Warehouse/logistics	—	9,095
Q1	Brandholmen 1:9	Nyköping	Nyköping	Warehouse/logistics	—	7,812
Q1	Lansen 13	Nyköping	Nyköping	Office	—	6,370
Q1	Skölden 2	Nyköping	Nyköping	Office	—	2,000
Q1	Gripen 1	Nyköping	Nyköping	Retail	—	1,166
Q1	Skyttbrink 30	Stockholm	Botkyrka	Warehouse/logistics	—	2,896
Q1	Magasinet 6	Stockholm	Älvsjö	Warehouse/logistics	—	8,039
Q1	Magasinet 7	Stockholm	Älvsjö	Warehouse/logistics	—	6,437
Q1	Slipskivan 9	Stockholm	Huddinge	Office	—	912
Q1	Törnby 2:2	Stockholm	Upplands-Väsby	Warehouse/logistics	—	18,807
Q1	Linjalen 65	Stockholm	Täby	Warehouse/logistics	—	1,398
Q1	Linjalen 66	Stockholm	Täby	Warehouse/logistics	—	3,923
Q1	Linjalen 7	Stockholm	Täby	Warehouse/logistics	—	800
Q1	Linjalen 8	Stockholm	Täby	Warehouse/logistics	—	600
Q1	Linjalen 61	Stockholm	Täby	Warehouse/logistics	—	778
Q1	Smygvinkeln 9	Stockholm	Täby	Warehouse/logistics	—	960
Q1	Smygvinkeln 10	Stockholm	Täby	Office	—	930
Q1	Smygvinkeln 12	Stockholm	Täby	Warehouse/logistics	—	1,864
Q1	Lodet 2	Stockholm	Täby	Warehouse/logistics	—	8,518
Q1	Mätstången 2	Stockholm	Täby	Office	—	3,847
Q1	Mallen 3	Stockholm	Täby	Warehouse/logistics	—	1,488
Q1	Tumstocken 8	Stockholm	Täby	Retail	—	2,413
Q1	Induktorn 37	Stockholm	Stockholm	Warehouse/logistics	—	6,685
Q1	Rosersberg 11:151	Sigtuna	Sigtuna	Land	—	—
Q1	Veddesta 2:43	Stockholm	Järfälla	Warehouse/logistics	—	19,271
Q1	1kh Rudegård Ny Holte	Köpenhamn	Rudersdal	Office	—	5,341
Q2	Veddesta 2:79	Stockholm	Järfälla	Warehouse/logistics	—	36,342
Q2	Bråta 2:136	Gothenburg	Härryda	Warehouse/logistics	—	20,212
Q2	Veddesta 2:90	Stockholm	Järfälla	Warehouse/logistics	—	19,581
Q2	Måseskär 5	Malmö	Malmö	Warehouse/logistics	—	19,255
Q2	Märsta 15:7	Märsta	Sigtuna	Warehouse/logistics	—	17,575
Q2	Bråta 2:150	Gothenburg	Härryda	Warehouse/logistics	—	17,930
Q2	Turbinen 1	Västerås	Västerås	Warehouse/logistics	—	17,757
Q2	Brämön 4	Malmö	Malmö	Warehouse/logistics	—	14,262

Quarter	Property	City	Municipality	Property category	Lettable area, sq.m.	
					Acquisition	Divestment
Q2	Backa 30:4	Gothenburg	Gothenburg	Warehouse/logistics	—	10,375
Q2	Jordbromalm 6:89	Stockholm	Haninge	Warehouse/logistics	—	9,986
Q2	Håltås 1:17	Gothenburg	Härryda	Warehouse/logistics	—	9,278
Q2	Backa 22:17	Gothenburg	Gothenburg	Warehouse/logistics	—	8,803
Q2	Stridsyxan 4	Malmö	Malmö	Warehouse/logistics	—	8,522
Q2	Högsbo 16:16	Gothenburg	Gothenburg	Warehouse/logistics	—	8,336
Q2	Anoden 2 & 5	Stockholm	Huddinge	Warehouse/logistics	—	8,336
Q2	Solsten 1:117	Gothenburg	Härryda	Warehouse/logistics	—	7,015
Q2	Stridsyxan 5	Malmö	Malmö	Warehouse/logistics	—	6,171
Q2	Stigglädet 11	Malmö	Malmö	Warehouse/logistics	—	5,993
Q2	Kobbegården 155:2	Gothenburg	Gothenburg	Warehouse/logistics	—	5,943
Q2	Högsbo 38:3	Gothenburg	Gothenburg	Warehouse/logistics	—	5,246
Q2	Kallhäll 9:36	Stockholm	Järfälla	Warehouse/logistics	—	5,150
Q2	Veddesta 2:63	Stockholm	Järfälla	Warehouse/logistics	—	4,896
Q2	Veddesta 2:31	Stockholm	Järfälla	Warehouse/logistics	—	4,836
Q2	Stångbettet 15	Malmö	Malmö	Warehouse/logistics	—	3,943
Q2	Skälby 3:1321	Stockholm	Järfälla	Warehouse/logistics	—	3,656
Q2	Flahult 21:14	Jönköping	Jönköping	Warehouse/logistics	—	3,526
Q2	Backa 25:6	Gothenburg	Gothenburg	Warehouse/logistics	—	3,360
Q2	Skälby 3:674	Stockholm	Järfälla	Warehouse/logistics	—	3,271
Q2	Skälby 3:1431	Stockholm	Järfälla	Warehouse/logistics	—	2,665
Q2	Skälby 3:1452	Stockholm	Järfälla	Warehouse/logistics	—	2,417
Q2	Viby 19:54	Stockholm	Upplands-Bro	Warehouse/logistics	—	2,038
Q2	Viby 19:53	Stockholm	Upplands-Bro	Warehouse/logistics	—	2,022
Q2	Skälby 3:676	Stockholm	Järfälla	Office	—	1,924
Q2	Skälby 3:1446	Stockholm	Järfälla	Office	—	1,844
Q2	Koborg 2	Stockholm	Botkyrka	Warehouse/logistics	—	1,548
Q2	Fabrikören 6	Stockholm	Stockholm	Warehouse/logistics	—	1,440
Q2	Skälby 3:1418	Stockholm	Järfälla	Office	—	1,343
Q2	Viby 19:32	Stockholm	Upplands-Bro	Warehouse/logistics	—	1,189
Q2	Skyttbrink 36	Stockholm	Botkyrka	Warehouse/logistics	—	860
Q2	Fabrikatet 1	Nyköping	Nyköping	Warehouse/logistics	—	—
Q2	Fabrikatet 4	Nyköping	Nyköping	Warehouse/logistics	—	—
Q2	Fabrikatet 5	Nyköping	Nyköping	Warehouse/logistics	—	—
Q2	Förbygel 1	Malmö	Malmö	Warehouse/logistics	—	5,146
Q2	Gumsen 31	Kalmar	Kalmar	Warehouse/logistics	—	25,192
Q2	Koljan 24	Kalmar	Kalmar	Education/health care/other	—	5,781
Q2	Fredriksdal 1	Kalmar	Kalmar	Education/health care/other	—	3,498
Q2	Apotekaren 20	Kalmar	Kalmar	Retail	—	1,871
Q2	Tenngjutaren 1	Kalmar	Kalmar	Office	—	1,588
Q2	Mästaren 28	Kalmar	Kalmar	Retail	—	1,348
Q2	Lärlingen 5	Kalmar	Kalmar	Office	—	4,574
Q2	Gumsen 41	Kalmar	Kalmar	Office	—	2,042
Q2	Timotejen 1	Kalmar	Kalmar	Retail	—	1,552
Q2	Rybsen 1	Kalmar	Kalmar	Office	—	1,112
Q2	Sävenäs 169:1	Gothenburg	Partille	Warehouse/logistics	—	7,653
Q2	Ugglum 7:117	Gothenburg	Partille	Warehouse/logistics	—	3,320
Q2	Greve	Copenhagen	Greve	Warehouse/logistics	—	13,412
Q2	Märsta 24:8	Märsta	Sigtuna	Office	—	1,141
Q3	Sicklaön 356:1	Stockholm	Nacka	Retail	—	11,348
Q3	Kungsängen 24:3	Uppsala	Uppsala	Retail	—	6,361
Q3	Brevduvan 20	Linköping	Linköping	Office	—	4,211
Q3	Dahlia 18	Linköping	Linköping	Retail	—	4,686
Q3	Kumlehusvej 1A	Copenhagen	Roskilde	Warehouse/logistics	—	23,711
Q4	Guldfisken 2	Kalmar	Kalmar	Education/health care/other	—	3,848
Q4	Paletten 1	Linköping	Linköping	Office	—	6,048

Quarter	Property	City	Municipality	Property category	Lettable area, sq.m.	
					Acquisition	Divestment
Q4	Märsta 11:11	Märsta	Sigtuna	Warehouse/logistics	—	2,129
Q4	Märsta 11:14	Märsta	Sigtuna	Warehouse/logistics	—	3,261
Q4	Märsta 21:46	Märsta	Sigtuna	Warehouse/logistics	—	3,181
Q4	Bävern 2	Linköping	Linköping	Education/health care/other	—	1,170
Q4	Bredskär 1	Malmö	Malmö	Warehouse/logistics	—	2,127
Q4	Stålet 3	Norrköping	Norrköping	Warehouse/logistics	—	10,407
Q4	Älgskytten 4	Jönköping	Jönköping	Warehouse/logistics	—	6,608
Q4	Kalvsvik 16:20	Stockholm	Haninge	Warehouse/logistics	—	6,224
Q4	Ättehögen 9	Jönköping	Jönköping	Warehouse/logistics	—	4,410
Q4	Båtyxan 1	Malmö	Malmö	Warehouse/logistics	—	2,435
Q4	Krukskärnan 8	Malmö	Malmö	Warehouse/logistics	—	5,152
Q4	Sadelknappen 3	Malmö	Malmö	Warehouse/logistics	—	1,475
Q4	Ringpärmen 2	Stockholm	Sollentuna	Warehouse/logistics	—	7,388
Q4	Ringpärmen 1	Stockholm	Sollentuna	Warehouse/logistics	—	6,198
Q4	Revisorn 1	Stockholm	Sollentuna	Office	—	2,944
Q4	Revisorn 2	Stockholm	Sollentuna	Warehouse/logistics	—	4,491
Q4	Revisorn 3	Stockholm	Sollentuna	Office	—	1,116
Q4	Rotorn 1	Stockholm	Sollentuna	Retail	—	1,290
Q4	Rotorn 2	Stockholm	Sollentuna	Warehouse/logistics	—	1,565
Q4	Åby 1:197	Stockholm	Haninge	Warehouse/logistics	—	3,372
Q4	Jordbromalm 6:11	Stockholm	Haninge	Warehouse/logistics	—	4,133
Q4	Jordbromalm 6:59	Stockholm	Haninge	Warehouse/logistics	—	3,272
Q4	Jordbromalm 6:62	Stockholm	Haninge	Warehouse/logistics	—	2,548
Q4	Jordbromalm 6:68	Stockholm	Haninge	Warehouse/logistics	—	995
Q4	Jordbromalm 6:64	Stockholm	Haninge	Office	—	996
Q4	Jordbromalm 6:65	Stockholm	Haninge	Office	—	1,010
Q4	Jordbromalm 6:66	Stockholm	Haninge	Retail	—	1,512
Q4	Jordbromalm 6:67	Stockholm	Haninge	Office	—	986
Q4	Jordbromalm 4:5	Stockholm	Haninge	Warehouse/logistics	—	925
Q4	Finnsläppen 2	Västerås	Västerås	Office	—	5,945
Q4	Gammel Kongevej 60 (Codanhus)	Copenhagen	Copenhagen	Office	—	30,471
Q4	Kalvebod Brygge 32	Copenhagen	Copenhagen	Office	—	28,798
Q4	118,10th Avenue	New York	New York	Land	—	0
TOTAL SQ.M.					—	781,128

PROJECT DEVELOPMENT

Corem's project development take place mainly in connection with new lettings and to adapt and modernize premises, thereby increasing the rental value.

In 2023, SEK 1,993 million (2,903) was invested in the property portfolio for new construction, extensions and refurbishments. As at 31 December 2023, the remaining investment volume amounted to SEK 1,001 million (1,544). At that time, there were altogether five ongoing projects with an estimated investment exceeding SEK 50 million each. The total area-based occupancy rate in the projects amounts to 62 per cent. The projects combined comprise 47,497 square metres and a remaining investment of SEK 677 million.

Moving into the housing project K1 Nacka Strand began during the fourth quarter of 2023. The project, which includes 60 apartments with a total habitable area (BOA) of 3,700 sq m, is approaching the final stage. K1 Nacka Strand has been divided into stages for sales, where 50 of the 60 apartments had been sold as of 31 December. Another apartment has been sold after the end of the year, the remaining apartments are presently up for sale, and moving-in is on-going.

Commercial projects in Sweden

In central Stockholm, the property Orgelpipan 4 on Klarabergsgatan has been refurbished and modernized. The property was completed during the fourth quarter and is fully let to Sveriges Riksbank and the restaurant AMI. The property was divested during 2023 and was handed over in February.

In Västberga in southern Stockholm, projects are underway in the properties Nattskiftet 12 and 14. A new parking garage with four floors in Nattskiftet 12 is completed and in Nattskiftet 14 office premises are being renovated.

In Örebro, the second stage is in process of the construction of Örebro Entré, refurbishment and extension of a total of approximately 10,200 sq.m. of a former postal sorting office. During the fourth quarter, the Swedish Transport Agency moved into this property, and the county administrative board in Örebro is moving in during the second quarter of 2024.

In Nyköping, a school is being constructed for AcadeMedia. The school is being built at the same place close to the centre where the previous school burnt down. Moving-in is expected to take place during the fourth quarter of 2024.

Commercial projects in New York

Corem owns three project properties in Manhattan in New York: 1245 Broadway, 28&7 and 417 Park Avenue. 1245 Broadway and 28&7, both new construction of high-quality office buildings, are nearing completion. In both properties, the exterior has now been completed and interior tenant adaptations are underway apace with tenants moving in.

As at 31 December, eleven lease agreements had been signed, which corresponds to an area-based occupancy rate of 57 per cent at 1245 Broadway and 35 per cent at 28&7. As at 31 December 2023, the total contract value of the leases amounted to USD 14 million corresponding to SEK 140 million, or just over SEK 11,000/sq.m.

The property 1245 Broadway has a land lease agreement; right-of-use assets and leasing liabilities are recorded in the balance sheet.

The project property 417 Park Avenue have a building right for the new construction of offices on of around 33,000 sq.m. Preliminary planning is underway and construction is planned to start at the earliest in 2025.

During the fourth quarter of 2023, the lease hold to the project property were sold 118 10th Avenue in the Meatpacking District. The property has a building right for offices of approximately 13,000 sq.m.

COREM'S LARGEST ONGOING COMMERCIAL PROJECTS IN PROCESS

City	Property	Description	Let area, sq.m.	Project area, sq.m.	Estimated investment, SEKm	Remaining investment, SEKm	Rental value, SEKm	Completion, year/quarter
New York	1245 Broadway ¹	New construction, office premises	9,711	17,115	1,829	376	207	24Q4
New York	28&7 ¹	New construction, office premises	3,208	9,279	951	192	94	24Q4
Stockholm	Nattskiftet 12&14	New construction, garage and refurbishment, office premises	7,425	8,168	149	16	6 ²	24Q1
Örebro	Olaus Petri 3:234	Refurbishment and extension and office premises for Trafikverket and Länsstyrelsen. Phase 2	6,508	10,200	198	30	17	24Q2
Nyköping	Furan 2	Construction of school	2,735	2,735	77	62	8	24Q4
TOTAL			29,587	47,497	3,204	677	332	

1) Estimated and remaining investment of projects in New York are based on the SEK/USD-rate on 31 December 2023.

2) The project area includes some new construction as well as renovation of existing areas and technical modernization. The rental value refers only to created areas.



Nattskiftet 12&14

New construction of parking garages and refurbishment of office premises in Västberga in southern Stockholm. The project is estimated to be completed during the first quarter of 2024.



Örebro Entré

A 5-year agreement was signed during the quarter with Tietoevry regarding approximately 1,200 sq.m. in the newly constructed Örebro Entré. Occupancy and move-in are estimated for the second quarter of 2024.



28&7, New York

A 15-year agreement was signed during the quarter with AC Hospital-ity for 353 sq.m. Move-in is planned for the third quarter of 2024.

DISTRIBUTION BY REGION

Corem's property portfolio and operating activities are divided into regions: Region Stockholm, Region Stockholm Logistics, Region West and Region East.

Region Stockholm consist of Stockholm, Uppsala and Västerås. Region Stockholm Logistics consists of logistics properties in Greater

Stockholm. Region West consists of the cities of Gothenburg, Malmö, Halmstad and Borås. Region East consists of Linköping, Norrköping, Nyköping, Jönköping, Kalmar and Örebro. The international operations are divided into Copenhagen and New York.

Previous years, in the table below, have been adjusted after reclassification of properties between the regions.

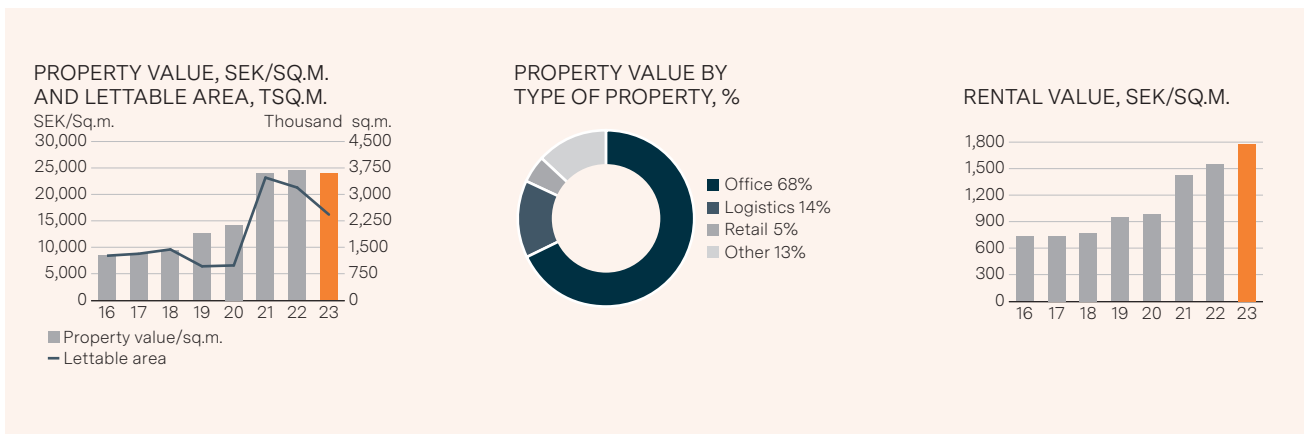
INCOME STATEMENT ITEMS AND INVESTMENTS PER REGION

	Income, SEKm		Property costs, SEKm		Net operating income, SEKm		Operating margin, %		Investments, SEKm	
	2023 Jan-Dec	2022 Jan-Dec	2023 Jan-Dec	2022 Jan-Dec	2023 Jan-Dec	2022 Jan-Dec	2023 Jan-Dec	2022 Jan-Dec	2023 Jan-Dec	2022 Jan-Dec
Region Stockholm	1,805	1,752	-660	-731	1,145	1,021	63	58	503	947
Region Stockholm Logistics	417	633	-116	-187	301	446	72	70	146	372
Region East	852	896	-258	-302	594	594	70	66	297	477
Region West	774	855	-257	-288	517	567	67	66	178	394
International – Copenhagen	287	298	-36	-24	251	274	87	92	28	23
International – New York	109	57	-35	-26	74	31	68	54	841	690
Total	4,244	4,491	-1,362	-1,558	2,882	2,933	68	65	1,993	2,903
Investment portfolio	3,967	4,264	-1,223	-1,420	2,744	2,844	69	67	791	1,587
Development portfolio	277	227	-139	-138	138	89	50	39	1,202	1,316
Total	4,244	4,491	-1,362	-1,558	2,882	2,933	68	65	1,993	2,903

KEY FIGURES PER REGION

	No. of properties		Fair value, SEKm		Rental value, SEKm		Economic occupancy rate, %		Lettable area, 000 sq.m.	
	2023 31 Dec	2022 31 Dec	2023 31 Dec	2022 31 Dec	2023 31 Dec	2022 31 Dec	2023 31 Dec	2022 31 Dec	2023 31 Dec	2022 31 Dec
Region Stockholm	95	108	27,414	30,333	2,110	2,034	83	86	959	1,010
Region Stockholm Logistics	34	93	3,380	8,944	279	656	91	96	180	473
Region East	90	118	10,128	11,931	865	929	91	91	650	767
Region West	99	125	9,440	12,150	820	948	88	89	571	780
International – Copenhagen	5	10	2,138	7,942	118	301	82	95	56	158
International – New York ¹	3	4	5,533	7,087	130	72	100	100	12	7
Total	326	458	58,033	78,387	4,322	4,940	87	89	2,428	3,195
Investment portfolio	294	419	48,939	66,732	3,923	4,595	87	91	2,234	2,985
Development portfolio	32	39	9,094	11,655	399	345	81	70	194	210
Total	326	458	58,033	78,387	4,322	4,940	87	89	2,428	3,195

1) Rental value, Economic occupancy rate and Lettable area refer to active leasing contracts



Financing

INTEREST-BEARING LIABILITIES

On 31 December 2023, interest-bearing liabilities amounted to SEK 33,593 million (47,644). Accrued borrowing overheads amounted to SEK 258 million (171), which entails interest-bearing liabilities in the balance sheet of SEK 33,335 million (47,473).

Corem's interest-bearing liabilities are mainly secured by mortgages and/or shares in subsidiaries. Non-secured interest-bearing liabilities comprise commercial paper and non-secured bonds, which amounted to SEK 50 million (350) and SEK 8,228 million (11,418), respectively, at the end of the year. Corem's commercial paper programme has a framework amounting to SEK 5,000 million. Outstanding commercial paper has back-up facilities in the form of unutilized credit facilities in Nordic banks.

The average period of tied-up capital amounted to 2.2 years (3.3) and the loan-to-value ratio amounted to 55 per cent (57).

INTEREST-BEARING NET LIABILITIES SEKm

	2023 31 Dec	2022 31 Dec
Interest-bearing liabilities	33,335	47,473
Adjustment, accrued borrowing overheads	258	171
Interest-bearing assets	-48	-122
Current investments	-10	-1,104
Cash and cash equivalents	-429	-979
Interest-bearing net liability	33,106	45,439

Bonds

At the end of the year, the Group had SEK 8,228 million in outstanding listed bonds, maturing in 2024 to 2025. There was an unsecured Medium Term Note programme (MTN) with a framework amounting to SEK 10,000 million, within which SEK 4,535 million was issued.

During the quarter, a bond of SEK 796 million has been redeemed. In addition to this, the company purchased during the quarter bonds with other maturities totalling SEK 107 million.

INTEREST MATURITY STRUCTURE

On 31 December 2023, the average interest rate in the loan portfolio was 4.4 per cent (3.6).

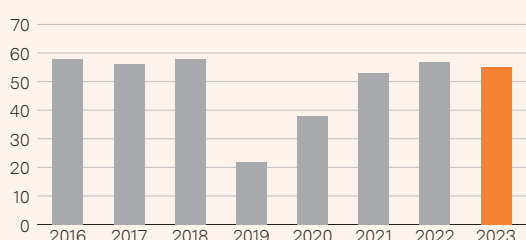
Interest rate swaps and interest rate caps are used to limit the interest rate risk. At the end of the period, Corem had interest rate swaps for a nominal value of SEK 21,012 million (17,790), and interest rate caps for SEK 1,682 million (9,679), which together corresponded to 68 per cent of the interest-bearing liabilities. Together with fixed-interest loans, this meant that 69 per cent of the interest-bearing liabilities carried fixed interest. The swaps have interest rate levels in the range -0.4–3.7 per cent while the caps have interest rate levels in the range 2.5–4.5 per cent. On 31 December 2023 the market value of the interest rate derivatives portfolio amounted to SEK 303 million net (1,290). Changes in value of derivatives amounted during the quarter to SEK -919 million (-83) and during the year to SEK -1,000 million (1,375).

The average period of fixed interest amounted at the end of the year to 2.6 years (1.9) taking into account derivatives. The interest coverage ratio amounted during the year to 1.9 multiples (2.5).

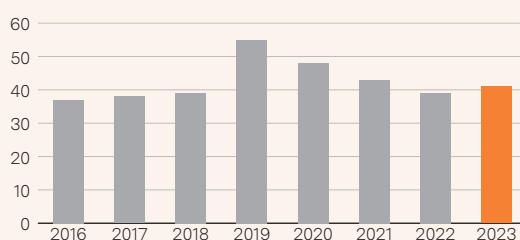
LIQUID FUNDS

On 31 December 2023, liquid funds amounted to SEK 429 million (979). Restricted cash of SEK 133 million has been included in Cash and cash equivalents in accordance with IFRS IC's clarification about funds that may only be used for a particular purpose due to an agreement having been entered into with a third party.

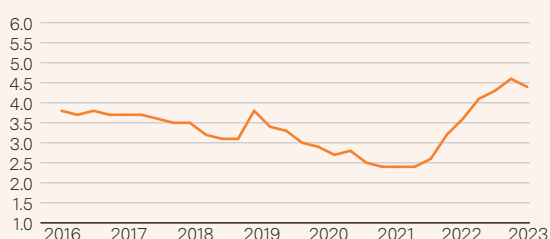
LOAN TO VALUE, %



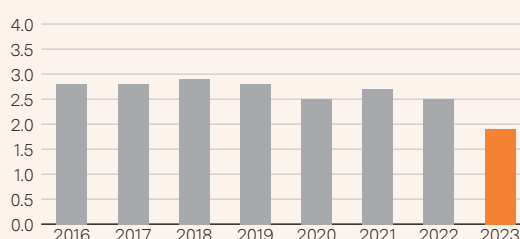
ADJUSTED EQUITY RATIO, %



AVERAGE INTEREST RATE, %



INTEREST COVERAGE RATIO, MULTIPLE



In addition, there were unutilized credit facilities, including backup facilities for outstanding commercial paper, of SEK 3,525 million, of which SEK 3,031 million can be used immediately with existing collateral. The remaining amount can be used for acquisition of properties as well as to some extent financing ongoing projects. The net interest-bearing debt amounted to SEK 33,106 million (45,439).

RATING

Corem Property Group has a rating at Scope of BBB- with negative outlook. Scope confirmed this credit rating during the quarter.

EQUITY

At the end of the quarter, the Group's equity, attributable to the Parent Company's shareholders, amounted to SEK 22,003 million (31,268) of which SEK 1,300 million refers to hybrid bonds. Equity amounted to SEK 13.58 (22.17) 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 preference share. Net asset value (NAV) per ordinary share of class A and B amounted to SEK 17.57 (26.42).

For further information about changes in equity, see page 19.

Hybrid bonds

Corem, through its subsidiary Corem Kelly, has a perpetual hybrid bond of SEK 1,300 million which runs at a variable interest rate of 3 months Stibor + 8 percentage points margin.

Equity ratio

At the end of the year, the adjusted equity ratio amounted to 41 per cent (39) and the equity ratio to 34 per cent (34).

CASH FLOW

The Group's cash flow from operating activities, before changes in working capital, amounted during the year to SEK 1,318 million (1,698).

Cash flow from investing activities amounted to SEK 13,832 million (–1,294) during the year and cash flow from financing activities amounted to SEK –15,096 million (–583).

AKTIEINNEHAV

Corem's holding in Klövern

The holding in Klövern amounted to SEK 1,340 million at year-end, and is classified as Financial assets valued at fair value. The holding has during the year been reclassified from Shares in associated companies.

In August, Corem sold, together with ALM Equity and Broskeppet Housing, 51 per cent of the shares in Klövern to Nrep at a total value of approximately SEK 2.5 billion. For Corem, the sale resulted in a positive liquidity effect of SEK 1.4 billion, which was obtained during the third quarter and a negative profit effect of approximately SEK 1 billion which was reported during the second quarter.

The settlement meant that Nrep commits over time to invest through directed issues, which together with usual external financing enables completion of Klövern's project portfolio of approximately 18,000 homes. Nrep's ownership in Klövern will amount to 65 per cent after completed transaction and issue of SEK 1 billion.

After that, Corem's ownership will amount to 17 per cent. The owners will then be offered the opportunity to retain their ownership stake by participating in future issues.

Other holdings

In January 2023, Corem sold its holding in Castellum at a value of SEK 1,190 million. The sale entails a positive effect on profit for the first quarter of SEK 90 million.

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 ¹	11,999	—	—	—	—
2024	4,582	14,597	13,522	5,528	1,075
2025	4,490	12,996	12,496	2,700	500
2026	—	4,544	2,594	—	1,950
2027	1,574	341	341	—	—
2028	1,574	716	716	—	—
Later	9,374	3,924	3,924	—	—
Total	33,593	37,118	33,593	8,228	3,525

1) Of the floating volume, SEK 1,682 million is covered by the interest rate cap.

BOND OVERVIEW 2023-12-31¹

Typ	Issued	Maturity	Issuer	Outstanding volume, SEKm	Issue spread over 3-month Stibor, %
Green unsecured MTN 201 ²	Oct-20	Apr-24	Kelly	1,835	3.25
Green unsecured ³	Oct-20	Apr-24	Corem	1,343	3.50
Green unsecured	Jan-22	Oct-24	Corem	2,350	2.75
Green unsecured MTN 202	Feb-21	Feb-25	Kelly	2,500	3.25
Unsecured MTN 204	Mar-21	Sep-25	Kelly	200	3.50
Total				8,228	

1) Bonds issued by Corem Property Group and the subsidiary company Corem Kelly AB.

2) SEK 576 million has been repurchased after the end of the year.

3) SEK 273 million has been repurchased after the end of the year.

The shares 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 December 2023, there were altogether 1,137,283,281 shares in Corem, 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. Each 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

Corem did not repurchase any of its own shares during the fourth quarter. As at 31 December 2023, Corem held 2,913,825 repurchased shares of class A, 35,691,000 repurchased shares of class B and 42,000 repurchased shares of class D. The total market value at that time amounted to SEK 418 million. The shares are repurchased at an average price of SEK 8.80 per ordinary share of class A, SEK 19.06 per ordinary share of class B and SEK 297.85 per ordinary share of class D.

CONVERSION OF CLASS A ORDINARY SHARES

In February and August each year, holders of ordinary shares of class A have the right to request that the share be converted into ordinary shares of class B. No request for conversion of shares was received during the first or second conversion period in 2023.

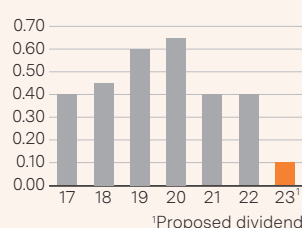


At the end of the year, Corem signed a ten-year lease with SOS International regarding 5,160 sqm office in Fairway House in Copenhagen. Move-in is planned for the third quarter of 2024.

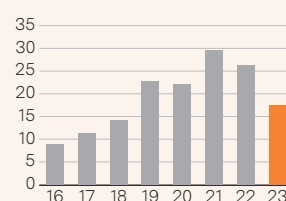
STOCK FACTS, 31 DECEMBER 2023

Market capitalization	15.7 mdkr
Market place	Nasdaq Stockholm, Large Cap
LEI no.	213800CHXQD7TSS1T59
No. of shareholders	45,632
Ordinary share, Class A	
No. of shares	93 730 797
Closing price	SEK 10.65
ISIN	SE0010714279
Ordinary share, Class B	
No. of shares	1 023 591 380
Closing price	SEK 10.62
ISIN	SE0010714287
Ordinary share, Class D	
No. of shares	7 545 809
Closing price	SEK 182.00
ISIN	SE0015961594
Preference share	
No. of shares	12 415 295
Closing price	SEK 200.50
ISIN	SE0010714311

DIVIDEND PER ORDINARY SHARE A/B, SEK



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



LARGEST SHAREHOLDERS – 31 DECEMBER 2023

Shareholder	No. ordinary shares A, thousands	No. ordinary shares B, thousands	No. ordinary shares D, thousands	No. preference shares, thousands	Share of capital, %	Share of votes, % ¹
Rutger Arnhult via companies ¹	43,899	460,126	3,274	0	44.61	47.10
Gårdarike ¹	31,313	29,694	25	26	5.37	17.90
Handelsbanken fonder	—	78,204	104	—	6.89	4.09
Länsförsäkringar fondförvaltning	—	42,876	—	—	3.77	2.24
State Street Bank & Trust Co	—	40,197	20	102	3.55	2.10
JP Morgan Chase Bank N.A.	—	26,096	—	227	2.31	1.37
Swedbank Robur fonder	1,593	9,750	—	—	1.00	1.34
Fredrik Rapp privat och via bolag	750	9,500	—	—	0.90	0.89
CBNY Norges Bank	—	16,528	—	—	1.45	0.86
Avanza Pension	229	11,873	321	1,785	1.25	0.85
AMF TJÄNSTEPENSION AB	—	15,500	—	—	1.36	0.81
Prior & Nilsson	—	14,426	—	—	1.27	0.75
Livförsäkringsbolaget Skandia, Ömsesidigt	665	5,303	—	0	0.52	0.62
SEB Life International	1,110	498	36	22	0.15	0.61
Patrik Tillman privat och via bolag	571	5,723	77	—	0.56	0.60
Other shareholders	10,687	221,607	3,646	10,253	21.65	17.87
TOTAL OUTSTANDING SHARES	90,817	987,900	7,504	12,415	96.60	100.00
Repurchased own shares ²	2,914	35,691	42	—	3.40	
TOTAL REGISTERED SHARES	93,731	1,023,591	7,546	12,415	100.00	100.00

1) Due to routines at Ålandsbanken, Banque Internationale à Luxembourg and Union Bancaire Privée, the banks have registered in Euroclear's share register as owners of part of their clients' Corem shares. These holdings have been adjusted for in the above table to give a fair picture of the company's 15 largest owners.

2) Repurchased shares have no voting rights and are not entitled to dividend.

Other information

ACCOUNTING POLICIES

This interim report for the Group has been 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 carrying amounts. The same applies to the Parent Company. No changes of the categorization of financial instruments have taken place during the period. Financial assets valued at fair value, which are listed in a market, are valued in accordance with Level 1 of the valuation hierarchy while the holding in Klövern AB is not listed accordingly with level 3 in the value hierarchy. The holding in Klövern AB is valued according to discounted cash flows. Derivatives are valued in accordance with Level 2 of the valuation hierarchy.

No new or changed standards or interpretations from the IASB have had any material impact on the Interim Report and the accounting policies applied are those described in Note 1 of Corem's Annual Report for 2022.

Rounding differences may arise in the report.

DEFINITIONS

A number of financial key ratios and measures are presented in the report which are not defined according to IFRS. Corem believes these key ratios and measures provide valuable supplementary information to investors and the Company's management in analysing the Company's operations. As 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 selected 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. Sustainability data is reported on the website.

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 has its registered office in Stockholm, where the head office is also located.

The average number of employees in the Corem Group during the year was 309 (336). 47 per cent (46) of the employees were women.

RISKS

Corem has a continuous process to identify the material risks that may affect the Company's financial position and earnings.

Main risks are change in value of properties, business cycle 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 2022.

DISPUTES

Corem has no ongoing disputes which can have a significant effect on earnings.

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 intra-group interest rates.

Transactions with Wästbygg amounted during the year till SEK 44 million (57). Wästbygg is an associated company of M2-Gruppen, which is controlled by Rutger Arnhult. Corem also has an agreement for letting from the M2-Gruppen, with an annual contract value of SEK 1 million, up until and including 2023. In addition, the Corem Group has during the year purchased legal services from Walthon Advokater, in which the Chairman of the Group Patrik Essehorn is a shareholder, for an amount of SEK 17 million (13).

THE PARENT COMPANY

The parent company's business consists of the sale of management services for the group's subsidiaries as well as strategic management and administration for the company's listing on Nasdaq Stockholm. Net sales amounted to SEK 537 million (559). The period's net profit amounted to SEK -276 million (200). During the year, the parent company received dividends from group companies corresponding to SEK 1,161 million and written down of shares in group companies with SEK 1,230 million due to negative changes in value i investment properties in subgroups. Interest-bearing liabilities amounted to SEK 5,943 million (7,981), which are largely lent to other group companies.

ANNUAL GENERAL MEETING 2024

The annual general meeting of Corem Property Group AB (publ) will be held on 23 April 2024.

DIVIDEND

The Board propose a dividend of SEK 0.10 (0.40) per ordinary share of Class A and B, and SEK 20.00 (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 on four occasions, each of SEK 0.025 (0.10) while it is proposed that the dividend for ordinary shares of Class D and preference shares be paid in four instalments, each of SEK 5.00 (5.00). It is proposed that the record days 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.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

Corem issued unsecured green bonds of SEK 1 billion in January 2024 and SEK 0.1 billion in February 2024. The bonds were issued under a framework of SEK 2 billion, has a term of 2.25 years and runs with a variable interest rate of 3 months Stibor plus 375 basis points and final maturity 7 May 2026.

After the end of the period, bonds to a value of SEK 849 million have been repurchased.

Agreements for divestments, handed over after the end of the period, have been signed for six properties with underlying property value of approximately SEK 1.6 billion.

In February, another lease agreement was signed in the property 28&7 in New York.

Stockholm, 21 February 2024

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

This report has not been reviewed by Corem's auditor.



During the fourth quarter, Corem signed a five-year lease with the Normal store chain in the Globen Shopping mall, the Arenan property 2, in Stockholm.

The Consolidated Income Statement *in brief*

SEKm	2023 3 months Oct-Dec	2022 3 months Oct-Dec	2023 12 months Jan-Dec	2022 12 months Jan-Dec
Income	1,016	1,185	4,244	4,491
Property costs	-384	-485	-1,362	-1,558
Net operating income	632	700	2,882	2,933
Central administration	-43	-47	-179	-187
Net financial items	-366	-324	-1,464	-1,071
Profit from property management	223	329	1,239	1,675
Share of earnings in associated companies	0	-723	-1,076	-862
Value changes, properties	-2,653	-3,110	-8,476	-2,934
Value changes, financial assets	-6	-14	87	-1,105
Value changes, derivatives	-919	-83	-1,000	1,375
Impairment, goodwill	-197	-247	-589	-635
Profit before tax	-3,552	-3,848	-9,815	-2,486
Tax	487	305	1,816	548
Net profit for the period	-3,065	-3,543	-7,999	-1,938
<i>Net profit for the year attributable to:</i>				
Parent Company shareholders	-3,068	-3,513	-7,970	-1,948
Holdings without controlling influence	3	-30	-29	10
	-3,065	-3,543	-7,999	-1,938

Consolidated Report of Comprehensive Income *in brief*

SEKm	2023 3 months Oct-Dec	2022 3 months Oct-Dec	2023 12 months Jan-Dec	2022 12 months Jan-Dec
Net profit for the year	-3,065	-3,543	-7 999	-1,938
Other comprehensive income				
Currency conversion difference for international operations	-555	-275	-328	942
Other comprehensive income after tax	-555	-275	-328	942
NET COMPREHENSIVE INCOME FOR THE YEAR	-3,620	-3,818	-8 327	-996
<i>Net comprehensive income attributable to:</i>				
Parent Company shareholders	-3,623	-3,788	-8 298	-1,016
Holdings without controlling influence	3	-30	-29	20
	-3,620	-3,818	-8 327	-996
Earnings per share				
Earnings per ordinary share of Class A and B, SEK	-2,97	-3,37	-7,88	-2,25
No. of outstanding shares, thousands				
Ordinary shares A and B, at the end of period	1,078,717	1,078,717	1,078,717	1,078,717
Ordinary shares A and B, average number	1,078,717	1,078,717	1,078,717	1,081,271
Ordinary shares D, at end of period	7,504	7,504	7,504	7,504
Preference shares, at end of period	12,415	12,415	12,415	12,415

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

Consolidated Balance Sheet *in brief*

SEKm	2023 31 Dec	2022 31 Dec
ASSETS		
Non-current assets		
Goodwill	1,785	2,374
Investment properties	58,033	78,387
Right-of-use assets	1,375	1,623
Shares in associated companies	0	3,415
Financial assets valued at fair value	1,351	5
Derivatives	562	1,312
Other non-current assets	144	232
Total non-current assets	63,250	87,348
Current assets		
Properties classified as current assets	290	206
Current assets	—	1,099
Other current assets	881	1,230
Cash and cash equivalents	429	979
Total current assets	1,600	3,514
TOTAL ASSETS	64,850	90,862
EQUITY AND LIABILITIES		
Equity attributable to parent company shareholders	22,003	31,268
Equity attributable to holdings without controlling influence	14	43
Total shareholders' equity	22,017	31,311
Long-term liabilities		
Interest-bearing liabilities	19,505	32,745
Leasing liabilities	1,375	1,623
Deferred tax liability	5,709	7,562
Derivatives	259	22
Other liabilities	41	43
Total long-term liabilities	26,889	41,995
Current liabilities		
Interest-bearing liabilities	13,830	14,728
Other liabilities	2,114	2,828
Total current liabilities	15,944	17,556
Total liabilities	42,833	59,551
TOTAL EQUITY AND LIABILITIES	64,850	90,862

Consolidated change in equity *in brief*

SEKm	Parent Company shareholders	Holdings without controlling influence	Total
Opening equity, 01.01.2023	31,268	43	31,311
Comprehensive income for the period	-4,675	-32	-4,707
Dividend	-830	—	-830
Hybrid bonds	-98	—	-98
Equity, 30.09.2023	25,666	11	25,677
Comprehensive income for the period	-3,623	3	-3,620
Hybrid bonds	-40	—	-40
Equity, 31.12.2023	22,003	14	22,017

Consolidated statement of cash flow *in brief*

SEKm	2023 3 months Oct-Dec	2022 3 months Oct-Dec	2023 12 months Jan-Dec	2022 12 months Jan-Dec
Operating activities				
Net operating income	632	700	2,882	2,933
Central administration	-43	-47	-179	-187
Depreciation, etc.	5	6	23	26
Interest received, dividend etc.	14	20	34	59
Interest paid, etc.	-339	-289	-1,351	-1,057
Interest expense, lease contracts attributable to site leasehold contracts	-21	-16	-78	-63
Income tax paid	-5	-3	-13	-13
Cash flow from operating activities before changes in working capital	243	371	1,318	1,698
Change in properties classified as current assets	-21	-52	-84	-143
Change in current receivables	148	70	264	138
Change in current liabilities	1	702	-780	539
Cash flow from operating activities	371	1,091	718	2,232
Investing activities				
Investments in new constructions, extensions and refurbishment	-383	-944	-1,993	-2,903
Acquisition of investment properties	—	—	—	-80
Divestment of investment properties	5,203	587	13,248	2,273
Divestment of shareholdings	—	22	1,190	22
Divestment of shares in associated companies	0	—	1,383	0
Received cash and cash equivalents, partial divestment group co:s	—	—	—	8
Acquisition holdings without controlling influence	—	—	—	-575
Change in other non-current assets	3	-11	4	-39
Cash flow from investing activities	4,823	-346	13,832	-1,294
Financing activities				
Dividend paid to parent company shareholders	-208	-208	-830	-627
Hybrid bonds, interest	-40	-25	-138	-87
Repurchase of own shares	—	—	—	-121
Loans raised	2,385	757	10,661	14,077
Amortised loans	-7,540	-664	-24,789	-13,825
Cash flow from financing activities	-5,403	-140	-15,096	-583
Cash flow for the period	-209	605	-546	355
Cash and cash equivalents at beginning of period	644	374	979	571
Exchange rate difference in cash and cash equivalents	-6	0	-4	53
Cash and cash equivalents at end of period	429	979	429	979

Parent Company Income Statement *in brief*

SEKm	2023 12 months Jan-Dec	2022 12 months Jan-Dec
Net sales	537	559
Cost of services sold	-358	-372
Gross profit	179	187
Central administration	-179	-187
Operating profit	0	0
Earnings from shares in group companies	-69	781
Earnings from shares in current assets	—	-426
Interest income and similar income statement items	292	200
Interest expense and similar income statement items	-497	-466
Net financial items	-274	89
Other comprehensive income	-2	117
Comprehensive income for the period	-276	206
Skatt	—	-6
Periodens resultat	-276	200

Parent Company Balance Sheet *in brief*

SEKm	2023 31 Dec	2022 31 Dec
ASSETS		
Other intangible non-current assets	6	4
Machinery and equipment	5	8
Shares in group companies	21,456	22,686
Receivables from group companies	7,192	7,554
Short-term investments	—	1,190
Other current receivables	31	47
Cash and cash equivalents	134	54
TOTAL ASSETS	28,824	31,543
EQUITY AND LIABILITIES		
Equity	21,859	22,965
Interest-bearing liabilities	5,943	7,981
Liabilities to group companies	393	—
Non-interest-bearing liabilities	629	597
TOTAL EQUITY AND LIABILITIES	28,824	31,543

Key figures

	2023 3 months Oct-Dec	2022 3 months Oct-Dec	2023 12 months Jan-Dec	2022 12 months Jan-Dec	2021 12 months Jan-Dec
Property-related					
Fair value of investment properties, SEKm	58,033	78,387	58,033	78,387	83,084
Yield requirement, valuation, %	5.8	5.2	5.8	5.2	5.1
Rental value, SEKm	4,322	4,940	4,322	4,940	4,957
Lettable area, sq.m.	2,428,426	3,194,535	2,428,426	3,194,535	3,478,659
Economic occupancy rate, %	87	89	87	89	89
Area-based occupancy rate, %	78	83	78	83	83
Operating margin, %	62	59	68	65	68
No. of investment properties	326	458	326	458	518
Average remaining lease contract period, years	3.4	3.9	3.4	3.9	3.7
Financial					
Return on equity, %	-51.5	-42.4	-29.9	-6.0	21.7
Adjusted equity ratio, %	41	39	41	39	43
Equity ratio, %	34	34	34	34	36
Interest-bearing net liability, SEKm	33,106	45,439	33,106	45,439	43,818
Loan-to-value ratio, %	55	57	55	57	53
Loan-to-value ratio, properties, %	43	45	43	45	38
Interest coverage ratio, multiple	1.7	2.0	1.9	2.5	2.7
Average interest rate, %	4.4	3.6	4.4	3.6	2.4
Average period of fixed interest, years	2.6	1.9	2.6	1.9	2.6
Average period of tied-up capital, years	2.2	3.3	2.2	3.3	3.8
Share-related					
Profit from property management per ordinary share A and B, SEK	0.08	0.19	0.65	1.10	1.16
Earnings per ordinary share, A and B, SEK1)	-2.97	-3.37	-7.88	-2.25	5.52
Net asset value (NAV) per ordinary share A and B, SEK	17.57	26.42	17.57	26.42	29.60
Equity per ordinary share A and B, SEK	13.58	22.17	13.58	22.17	23.94
Equity per ordinary share D, SEK	289.59	289.59	289.59	289.59	289.59
Equity per preference share, SEK	312.72	312.72	312.72	312.72	312.72
Dividend per ordinary share, A and B, SEK	—	—	0.10 ¹	0.40	0.40
Dividend per ordinary share D, SEK	—	—	20.00 ¹	20.00	20.00
Dividend per preference share, SEK	—	—	20.00 ¹	20.00	20.00
Share price ordinary share A, SEK	10.65	10.45	10.65	10.45	32.60
Share price ordinary share B, SEK	10.62	8.39	10.62	8.39	32.65
Share price ordinary share D, SEK	182.00	170.60	182.00	170.60	316.00
Share price preference share, SEK	200.50	211.50	200.50	211.50	324.00
No. of shares, thousands					
Number of outstanding ordinary shares A and B	1,078,717	1,078,717	1,078,717	1,078,717	1,084,778
Average number of outstanding ordinary shares A and B1)	1,078,717	1,078,717	1,078,717	1,081,271	740,815
Number of outstanding ordinary shares D	7,504	7,504	7,504	7,504	7,546
Number of outstanding preference shares	12,415	12,415	12,415	12,415	12,415

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 (<https://www.corem.se/en/investor-relations/definitions-en/>). 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

Equity², 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 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

Equity² 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

Equity² 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 liabilities minus interest-bearing assets, listed shareholdings and liquid funds.

Interest coverage ratio

Profit from property management plus share of associated companies' profit from property management, excluding financial expenses¹, divided by financial expenses¹.

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 shareholdings, interest-bearing assets and liquid funds, in relation to the fair value of the properties, the holding in Klövern and shares in associated companies.

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

Equity², 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 equity² 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 and exchange rate differences

² Equity attributable to Parent Company's shareholders.

Calendar

FINANCIAL REPORTS

Annual report and sustainability report 2023	Week 13 2024
Interim Report January–March 2024	23 April 2024
Annual General Meeting 2024	23 April 2024
Interim Report January–June 2024	12 July 2024
Interim Report January–September 2024	24 October 2024

DIVIDEND: PROPOSED RECORD DATES AND DIVIDEND PAYMENT DATES

Record date for dividend on ordinary shares of class A, B, D and preference shares	28 March 2024
Expected payment date for dividend on ordinary shares of class A, B, D and preference shares	4 April 2024

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This information is information that Corem Property Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication through the agency of the contact persons set out above at 08.00 CET on 21 February 2024.



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Properties for the future.