Half-year Report January–June 2024

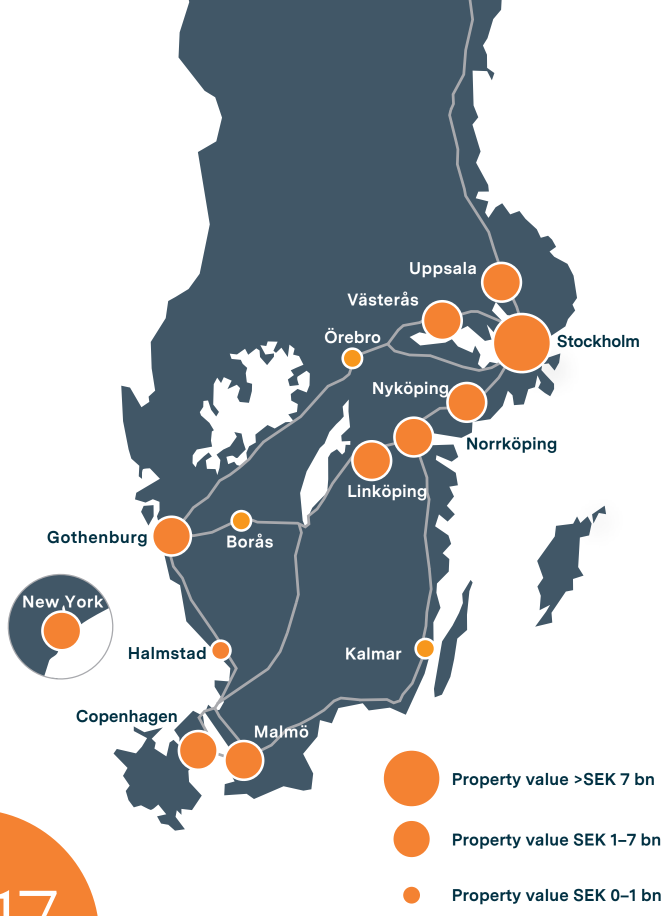
Properties for *the future.*

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.

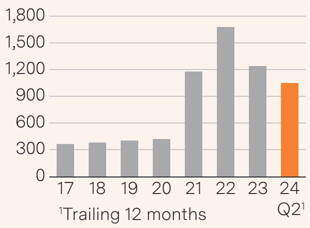


295
Investment properties

56,101
Investment properties. fair value, SEKm

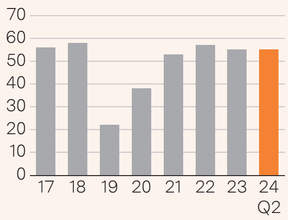
2,317
Lettable area, tsq.m

PROFIT FROM PROPERTY MANAGEMENT, SEKm

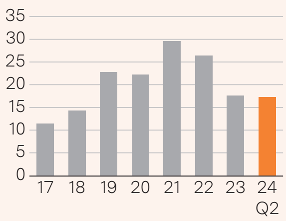


[1]Trailing 12 months

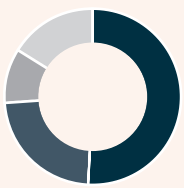
LOAN TO VALUE, %



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

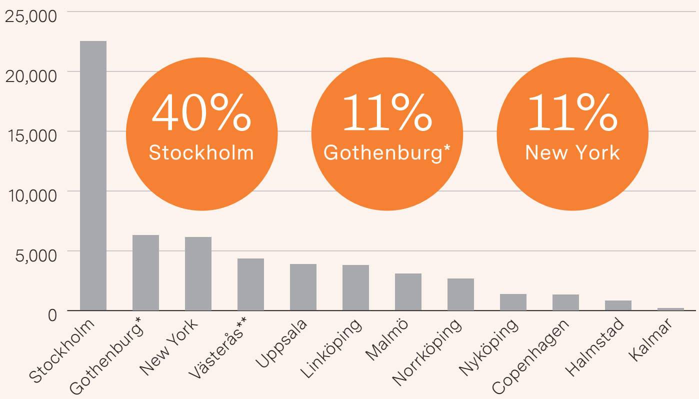


LETTABLE AREA BY TYPE, %



- Office 51%
- Stock/Logistics 23%
- Retail 10%
- Other 16%

PROPERTY VALUE, SEKm



* incl. Borås   ** incl. Örebro

Januari–June 2024

- Income amounted to SEK 1,882 million (2,221)
- Operating surplus amounted to SEK 1,223 million (1,543)
- Net financial income amounted to SEK –622 million (–741)
- Profit from property management amounted to SEK 517 million (710)
- Changes in value of properties amounted to SEK –1 million (–1,406) during the quarter and to SEK –485 (–2,911) during the period
- Changes in value of derivatives amounted to SEK –72 million (–95)
- Profit/loss for the period amounted to SEK 6 million (–2,729)
- Net letting amounted to SEK 87 million
- The value of investment properties amounted to SEK 56,101 million (58,033)
- Net asset value (NAV) per ordinary share of class A and B amounted as of 30 June to SEK 17.28 (17.57)

517
Profit from property management, SEKm

4,342
Rental value, SEKm

87
Net letting, SEKm

17.28
Net asset value per ordinary share of class A and B, SEK

EVENTS DURING THE SECOND QUARTER

- During the quarter, 20 properties were divested for a total underlying property value of SEK 800 million.
- During the quarter, several leases were signed, including five leases in the properties 28&7 and 1245 Broadway in New York, and two leases in the property Majorna 219:7 in Gothenburg.
- Bonds with an outstanding amount of SEK 2,261 million were redeemed at maturity.
- Repurchase of bonds totaling SEK 1,036 million was made, mainly consisting of SEK 716 million in bond maturing in October 2024 and SEK 253 million in bond maturing in February 2025.
- Senior unsecured green bonds of SEK 500 million were issued under a framework of SEK 2,000 million, with a term of 2.75 years, carrying a variable interest rate of 3-month Stibor plus 375 basis points and maturity on 19 January 2027. Under the same framework, additional bond loans were issued totaling SEK 550 million.
- An increase of SEK 150 million was made in bonds maturing in May 2026.

	2024 3 months Apr–Jun	2023 3 months Apr–Jun	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023/2024 Rolling 12 months Jul–Jun	2023 12 months Jan–Dec
Income, SEKm	942	1,049	1,882	2,221	3,905	4,244
Net operating income, SEKm	645	754	1,223	1,543	2,562	2,882
Profit from property management, SEKm	302	354	517	710	1,046	1,239
Net profit/loss, SEKm	164	–1,818	6	–2,729	–5,264	–7,999
Earnings per ordinary share of Class A and B, SEK	0.02	–1.81	–0.25	–2.75	–5.38	–7.88
Net asset value (NAV) per ordinary share of Class A and B, SEK	17.28	22.95	17.28	22.95	17.28	17.57
Economic occupancy rate, %	86	89	86	89	86	87
Operating margin, %	68	72	65	69	66	68
Adjusted equity ratio, %	42	40	42	40	42	41
Interest coverage ratio	2.1	2.0	1.9	2.0	1.8	1.9
Loan-to-value ratio, %	55	55	55	55	55	55

See page 23 and corem.se for definitions of key figures

Positive net letting and continued focus on a long-term strong balance sheet

When we sum up the first half of the year, we can take pride in the continued strength of our core operations in letting and property management with positive net letting of SEK 87 million. We have continued the work to strengthen our balance sheet. So far this year we have divested or agreed to divest a total of 33 properties and we will continue to further reduce the property portfolio during the year. We see that liquidity is increasing in the capital market and in May we were relieved to receive the announcement of the first interest rate cut.

The market that we operate on has been affected for a number of years now by the effects of a pandemic, a challenging geopolitical climate and a financial situation with increased interest rates and rising inflation. If we also take into account a bond market which for a period was more or less completely closed, we can quickly draw the conclusion that the business climate has been extremely challenging. All real estate companies have struggled with depressed values and increased financial expenses and those with a high exposure to the bond market have had to divest parts of their portfolios to deal with their maturities, including ourselves.

New Corem

Corem has navigated through these years with a clear sense of direction and therefore we are now a smaller company. We have shrunk our assets and our project commitments considerably. We give priority to tenant adaptation over major investments and even though around SEK 500 million remains to invest in our major ongoing projects, they contribute at the same time SEK 322 million in annual rental value.

We have sold over 220 properties during a two-and-a-half-year period and in this way almost halved our bond debt. During the first six months of 2024, a total of 33 properties were divested, or agreement was reached to divest, at an underlying property value of SEK 2.7 billion. Among other things, we divested our entire portfolio in Jönköping. This is a continuing process but it is nice to feel that it probably won't continue to get worse before it gets better.

Now we are again seeing inflation of a more controlled nature, with in the long run more favorable interest rates and a bond market that has opened up again. Even the yield requirements have now probably reached their peak level and the transaction market, which in Sweden never became completely inactive, has stabilized. Overall, this is of course incredibly positive and we can fully focus on our new, slightly smaller Corem, to take on the future.

Stable core operations

The rental market generally shows relatively good demand. We can forget about the post-pandemic concern that the heydays of offices was over. Attendance at offices is increasing even if there are expectations of continuing possibilities of hybrid work. Our tenants are, of course, also positively affected by our having passed the peak of interest rates, which is reflected in dialogue with new and existing customers and in the number of enquiries about premises. Negotiation processes are still relatively long although the rental market is active, which is reflected in our letting statistics. Net letting amounted to SEK 37 million in the quarter and to SEK 87 million for the first half year.

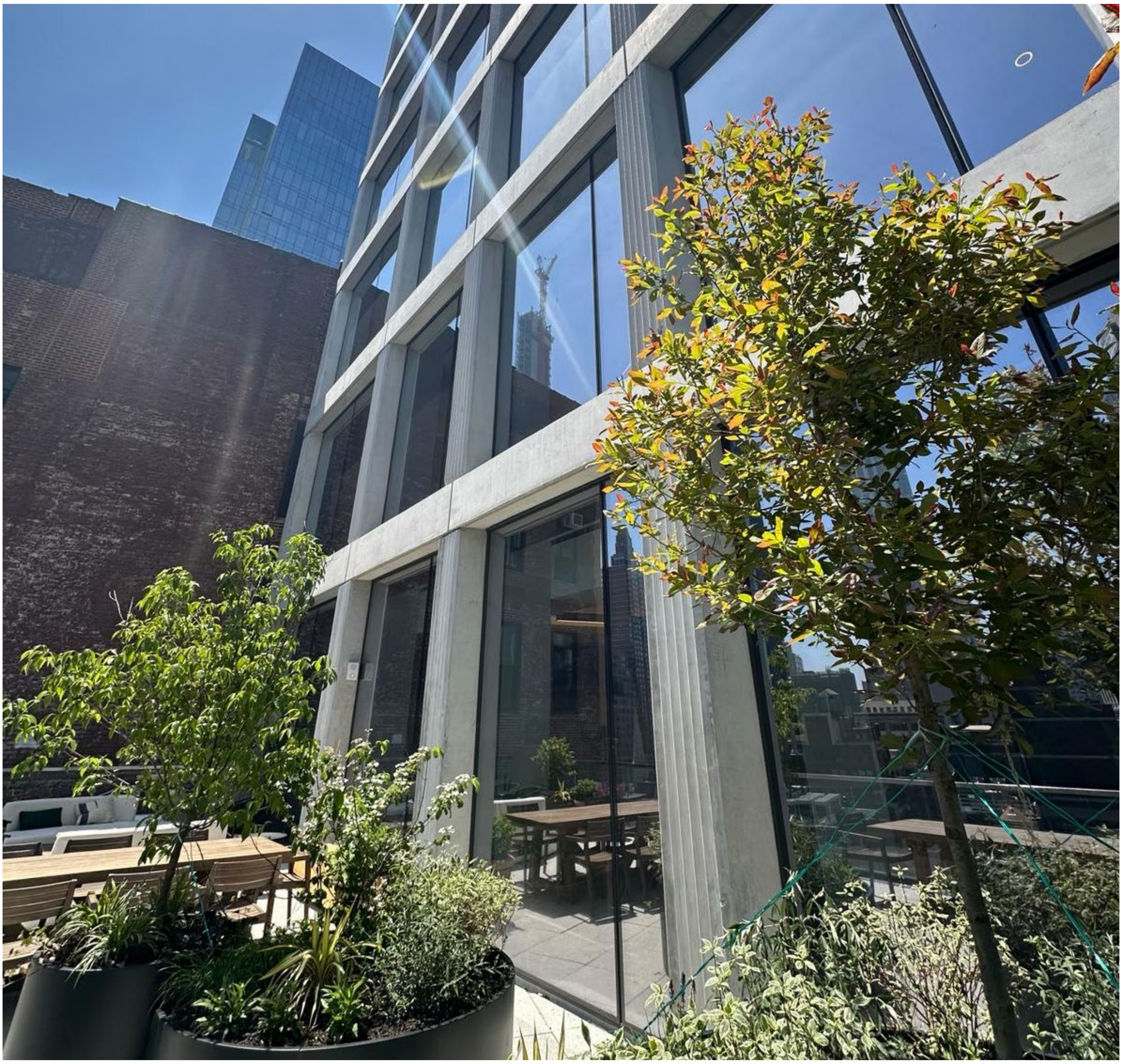
To date this year, Corem has signed over 400 lease contracts at a value of approximately SEK 300 million. It is particularly gratifying that we have let around 3,500 square metres to the Swedish Coast Guard and around 1,500 square metres to Freemelt, at the property Majorna 219:7 in the Fiskhamn area of Gothenburg. This area is undergoing an exciting transformation from industrial and port activities to modern offices close to the city. We have also signed five new lease contracts in New York during the quarter corresponding to a total of approximately 2,350 square meters, including restaurant space at 1245 Broadway to JKS Restaurants and the other week a contract for 380 square metres at 28&7 to Garden Intelligence.

Total operating surplus has decreased given the changed composition of the portfolio although in a comparable portfolio, the operating surplus increased by 1 per cent and income by 4 per cent. Profit from property management amounted to SEK 517 million for the first half of the year. It´s held back compared to the previous year as a result of sales and higher market interest rates. The result for the period, i.e. the result after, for example, changes in value and tax, was again positive after approximately two years of significant negative changes in value and amounted to SEK 6 million for the first half of 2024.

Our key figures for both the operating margin and the economic occupancy rate have gradually slightly decreased after the divestments. But, bearing in mind the strong net letting we have reported to date this year and last year, we are confident that the opposite effect will gradually affect our key figures although some rentals will only take effect in 2025 and 2026. The occupancy rate in the second quarter amounted, as in the previous quarter, to 86 per cent and the operating margin to 65 per cent for the first half of the year.

Focus on strengthened balance sheet

As mentioned above, Corem has for a long period had a major focus on reducing debt and thus strengthening the balance sheet. We have achieved this both by amortization of bank debts as well as redeeming bonds. We have handled two large bond maturities totaling SEK 2.3 billion during the quarter, which were redeemed in their



During the quarter, Corem signed a 15-year lease in the project property 1245 Broadway in New York with JKS Restaurants. JKS will contribute to the high level of service offered to the tenants of 1245 Broadway.

entirety and in addition we have made buybacks of almost SEK 1 billion in bonds that mature in October 2024 and in February 2025.

Since year-end, we have seen increasing liquidity in the capital market, which has led to shrinking credit margins. The prerequisites thus exist again for raising new loans in the bond market which is why we also issued new green bonds during the first half of the year of a total of SEK 2.3 billion..

We will continue to place a major focus on our financing and on reducing our loan-to-value ratio long-term. The interest-bearing debt amounted at the end of the second quarter to SEK 32.2 billion.

Optimized operations

We look forward with confidence to an improved business climate in which we can continue to optimize our operations and, after our large divestments, focus again on increasing the occupancy rate and the operating margin. With the ongoing work of strengthening our balance sheet, we are also well equipped for current market prospects and for rapid changes in the market.

I would like to wish our employees, investors and tenants a very pleasant summer.

Rutger Arnhult
CEO

Stockholm, 12 July 2024

Income, expenses and profit

Income statement items are compared with the corresponding 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 April-June and the period to January–June.

INCOME
Income amounted to SEK 942 million (1,049) during the second quarter and SEK 1,882 million (2,221) during the period January-June. Income was positively affected by index adjustment and negatively by divestments. In a comparable portfolio, income increased by 4 per cent during the period.

EXPENSES
Property costs amounted to SEK 297 million (295) during the quarter and SEK 659 million (678) during the period as a smaller portfolio following divestments resulted in lower costs. Property costs in a comparable portfolio increased by 9 per cent. Central administration expenses amounted to SEK 41 million (46) during the quarter and SEK 84 million (92) during the period.

NET FINANCIAL ITEMS
Net financial income amounted to SEK –302 million (–354) during the quarter and SEK –622 million (–741) during the period. Financial income for the period amounted to SEK 4 million (8) and financial expenses to SEK 626 million (749). Reduced interest-bearing debt has contributed to an improved financial net despite a higher average market rate than the corresponding period of the previous year. At the end of the period, the group's average interest rate was 4.7 per cent (4.4 at year-end). Financial income includes site leasehold fees and land fees of SEK 38 million (38). For further information, refer to page 13.

EARNINGS
Operating surplus amounted to SEK 645 million (754) during the quarter and SEK 1,223 million (1,543) during the period. The operating margin was 68 per cent (72) during the quarter and 65 per cent (69) during the period. In a comparable portfolio, operating surplus increased by 1 per cent during the period.

Profit from property management amounted to SEK 302 million (354) during the quarter and SEK 517 million (710) during the period.

CHANGES IN VALUE
Properties
Changes in value of Corem's investment properties amounted during the quarter to SEK –1 million (–1,406) during the quarter and –485 million (–2,911) during the period . Unrealized changes in value amounted to SEK 1 million (–1,389) during the quarter and realized changes in value to SEK –2 million (–17). For further information, refer to page 7.

Financial assets
Value changes of financial assets valued at fair value amounted to SEK 107 million (63) during the period and is mainly attributed to the holding in the housing company Klövern. For further information, refer to page 14.

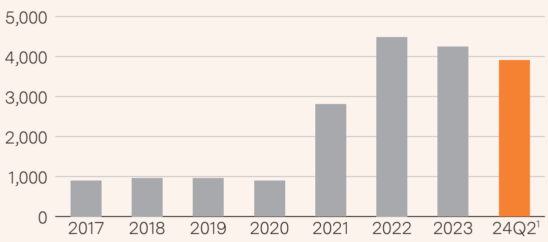
Derivatives
Changes in value of derivatives amounted to SEK –72 million (–95) during the period. The value of the derivatives is affected by changes in market interest rates.

GOODWILL
During the period, impairment of goodwill amounted to SEK –151 million (–204). Impairment refers to goodwill attributable to deferred tax where impairment occurs due to negative unrealized value changes and divestments of properties.

TAXES
During the period, current tax amounted to SEK –27 million (–33). Deferred tax amounted to SEK 118 million (816), mainly attributable to dissolution of deferred tax in connection with divestment of properties and negative value changes in the property portfolio.

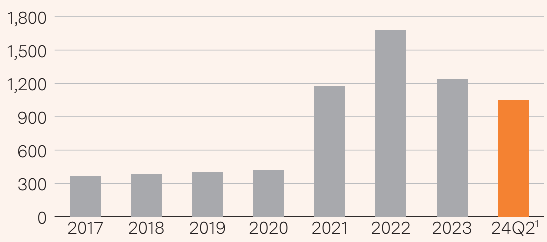
OTHER COMPREHENSIVE INCOME
Other comprehensive income during the period amounted to SEK 211 million (373) and relates to translation differences in foreign operations.

INCOME, SEKm



[1]Trailing 12 months

PROFIT FROM PROPERTY MANAGMENT, SEKm



[1]Trailing 12 months

The property portfolio

PROPERTY VALUES

On 30 June 2024, Corem's property portfolio comprised 295 investment properties with a combined lettable area of 2,317,000 sq.m. and a market value of SEK 56,101 million.

CHANGES IN VALUE

Value changes in investment properties amounted during the period to SEK –485 million (–2,911), corresponding to –1 per cent. Unrealized value changes amounted to SEK –494 million and realized value changes to SEK 9 million.

The values of investment properties were adjusted during the second quarter negatively due to a slightly higher yield requirements and positively by net rental. Of the changes in value during the period, 91 per cent refers to properties in Sweden and 9 per cent to properties abroad.

As at 30 June 2024, the property portfolio was valued using an average assessed dividend yield requirement of 5.9 per cent (5.8 at year-end). Since the second quarter 2023, the property portfolio has been devalued by 9 per cent. In total, the value of the property portfolio has been adjusted down by 15 per cent since valuations peaked the first quarter 2022. Corem values all properties every quarter, of which 20 to 30 per cent are normally valued externally. As a rule, every property is valued by external valuers at least once annually, where exceptions may be made for individual properties. During the quarter, Cushman & Wakefield, Newsec and Savills have been used as valuation agencies. As support for the internal valuation, Corem obtains continuous market information from external valuation agencies. For a sensitivity analysis and a description of the valuation principles, refer to Corem's annual report for 2023.

PROPERTY TRANSACTIONS

During the period January-June, 31 properties were divested at an underlying property value of SEK 2.5 billion. The profit effect, including dissolved tax and impairment of goodwill attributable to deferred tax amounted to SEK 174 million during the period. Reported realized change in value amounted to SEK 9 million and includes transaction costs and such deferred tax deductions that were part of the deals.

During the quarter, 20 properties were divested. Among other things, the entire portfolio of 16 properties in Jönköping was divested and Corem is thus leaving Jönköping.

See all vacations on page 8.

Transactions after the end of the period

Agreements for divestments with hand-over after the end of the period have been signed for two properties, a warehouse and logistics property in Gothenburg and an office property in Västerås, for a combined underlying value of SEK 158 million.

TENANTS AND THE LEASE PORTFOLIO

On 30 June 2024, Corem had approximately 3,100 tenants with approximately 5,500 lease contracts. The annual contract value amounted to SEK 3,713 million (3,740), the rental value amounted to SEK 4,342 million (4,322) and the economic occupancy rate to 86 per cent (87). In all, the average remaining contract period was 3.3 years (3.4). 45 per cent of the contracted rent expires in 2027 or later.

Net letting

Net letting amounted to SEK 37 million (17) during the quarter and SEK 87 million (50) during the period. Of these, SEK 35 million derives from new production projects and SEK 52 million from investment activities. In all, lettings and renegotiations amounted to SEK 300 million during the period, 61 per cent of this was for new customers and the remainder for existing tenants.

Lettings in selection

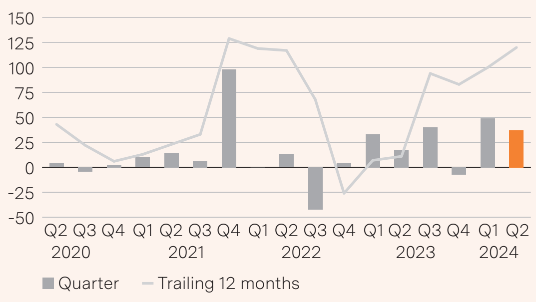
A number of major contracts were signed during the year.

At the project property 1245 Broadway in New York a 15-year lease was signed with JKS Restaurants for 734 sq.m. with moving-in planned 2025. At the project property 28&7 in New York four separate lease contracts were signed, among others a five-year lease was signed with Ellipsis Labs for 807 sq.m. with moving-in for the first quarter of 2025, and a three-year lease was signed with Garden Intelligence for 380 sq.m. with moving-in the third quarter of 2024.

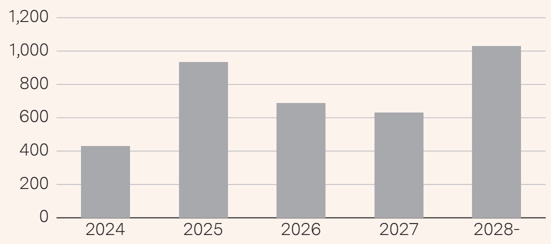
At the property Majorna 219:7 in Gothenburg, a five-year lease was signed with Freemelt for approximately 1,500 sq.m. with moving-in the fourth quarter of 2024, and a six-year lease with the Swedish Coast Guard for approximately 3,500 sq.m. with moving-in the second quarter of 2026.

At yhe property Idétävlingen 4 in Linköping, a six-year lease was signed with the Swedish Police Authority for approximately 4,600 sq.m. with moving-in the third quarter of 2024.

NET LETTING, SEKm



CONTRACT STRUCTURE, SEKm



INVESTMENT PROPERTIES: NUMBER, LETTABLE AREA, FAIR VALUE

	Jan-Jun 2024			2023
	No.	Sq.m.	SEKm	SEKm
Total at the start of the year	326	2,428,426	58,033	78,387
Acquisitions	—	—	—	—
Investments in construction, extensions and refurbishment	—	4,840	645	1,993
Divestments	–31	–116,240	–2,417	–14,010
Changes in value, unrealised	—	—	–494	–8,306
Currency conversion	—	—	334	–31
Total at the end of the period	**295**	**2,317,026**	**56,101**	**58,033**

PROPERTY TRANSACTIONS, TRANSFER OF POSSESSION JANUARY – JUNE 2024

					Lettable area, sq.m.	
Quarter	Property	City	Municipality	Property category	Acquisition	Divestment
Q1	Orgelpipan 4	Stockholm	Stockholm	Office	—	4,244
Q1	Pottegården 2	Gothenburg	Mölndal	Warehouse/logistics	—	1,800
Q1	Pottegården 4	Gothenburg	Mölndal	Office	—	4,930
Q1	Smörbollen 12	Malmö	Malmö	Warehouse/logistics	—	3,757
Q1	Backa 25:1	Gothenburg	Gothenburg	Office	—	4,042
Q1	Nackremmen 1	Malmö	Malmö	Warehouse/logistics	—	1,743
Q1	Nackremmen 2	Malmö	Malmö	Warehouse/logistics	—	2,413
Q1	Nosgrimman 1	Malmö	Malmö	Warehouse/logistics	—	1,828
Q1	26er, 26fg, 26fi Frederiksberg	Copenhagen	Copenhagen	Education/health care/other	—	19,300
Q1	Stensborg 2	Västerås	Västerås	Office	—	872
Q1	Bogserbåten 1	Västerås	Västerås	Land	—	—
Q2	Ellipsen 5	Stockholm	Stockholm	Office	—	2,820
Q2	Budkaveln 18	Huskvarna	Jönköping	Warehouse/logistics	—	8,381
Q2	Öskaret 16	Jönköping	Jönköping	Warehouse/logistics	—	8,545
Q2	Flahult 21:36	Jönköping	Jönköping	Warehouse/logistics	—	12,878
Q2	Ädelmetallen 14	Jönköping	Jönköping	Office	—	2,558
Q2	Ädelmetallen 4	Jönköping	Jönköping	Warehouse/logistics	—	4,394
Q2	Ädelkorallen 1	Jönköping	Jönköping	Warehouse/logistics	—	1,350
Q2	Ädelkorallen 10	Jönköping	Jönköping	Warehouse/logistics	—	435
Q2	Ädelkorallen 17	Jönköping	Jönköping	Office	—	2,144
Q2	Ädelmetallen 12	Jönköping	Jönköping	Warehouse/logistics	—	2,004
Q2	Ädelmetallen 5	Jönköping	Jönköping	Warehouse/logistics	—	5,167
Q2	Äreporten 3	Jönköping	Jönköping	Office	—	1,302
Q2	Öronlappen 7	Jönköping	Jönköping	Retail	—	3,248
Q2	Öronlappen 8	Jönköping	Jönköping	Education/health care/other	—	2,234
Q2	Öronskyddet 9	Jönköping	Jönköping	Warehouse/logistics	—	1,683
Q2	Överlappen 15	Jönköping	Jönköping	Warehouse/logistics	—	1,954
Q2	Överlappen 8	Jönköping	Jönköping	Warehouse/logistics	—	1,726
Q2	Magneten 2	Linköping	Linköping	Warehouse/logistics	—	2,857
Q2	Megafonen 4	Linköping	Linköping	Warehouse/logistics	—	3,372
Q2	Matrosen 1	Kalmar	Kalmar	Office	—	2,259
Total					—	**116,240**

Globen Shopping has got several new stores. Normal and Lekia opened in the second quarter and Zooett will open during the third quarter. At the same time, the jewelry store Guldfynd has expanded its store premises.

PROJECT DEVELOPMENT

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

During the period, SEK 645 million (1,094) was invested in the property portfolio for new construction, extensions and refurbishments. As at 30 June 2024, the remaining investment volume amounted to SEK 954 million (1,341). At that time, there were altogether three ongoing projects with an estimated investment exceeding SEK 50 million each. The total area-based occupancy rate in the projects amounts to 63 per cent. The projects combined area comprises 29,601 square metres and a remaining investment of SEK 505 million.

The housing project K1 Nacka Strand was completed at the turn of the year. The project, which was completed and handed over to a building cooperative during the quarter, consisted of new production of a total of 60 apartments with a total livable area of 3,700 sq.m., where 56 of the apartments were sold as at 30 June.

Commercial projects in Sweden

In Örebro, phase 2, the last phase of Örebro Entré, consisting of refurbishment and extension of a total of approximately 10,200 sq.m. of a former postal sorting office, was completed during the quarter. The Swedish Transport Agency moved in during 2023 and the County Administrative Board moved 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 in the fourth quarter of 2024.

Commercial projects in New York

Corem owns three project properties in Manhattan in New York: 28&7, 1245 Broadway and 417 Park Avenue.

The projects, 28&7 and 1245 Broadway, both new construction of high-quality office buildings, are nearing completion. In both projects, the exterior has now been completed and interior tenant adaptation is underway apace with tenants moving in. As at 30 June 2024, 20 lease agreements have been signed, which corresponds to an area occupancy rate of 64 per cent at 28&7 and 57 per cent at 1245 Broadway, regarding signed rental contracts. The contract value of the leases amounted on 30 June 2024 to USD 17.0 million, corresponding to approximately SEK 180 million, which is equivalent to approximately SEK 11,000 per sq.m.

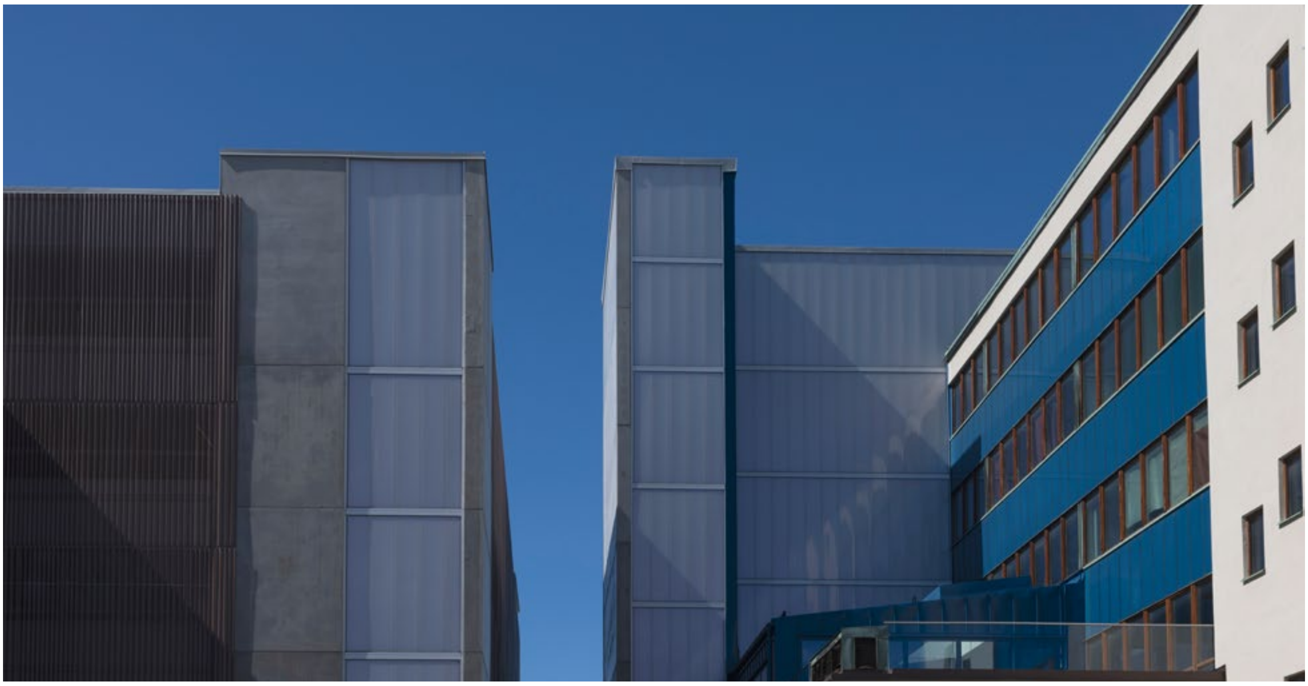
The property 1245 Broadway has a land lease agreement, right-of-use assets and leasing liabilities are recorded in the balance sheet.

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

COREM'S LARGEST ONGOING COMMERCIAL PROJECTS

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	9,945	17,575	1,933	341	218	25Q1
New York	28&7[1]	New construction, office premises	5,957	9,291	1,005	139	96	25Q1
Nyköping	Furan 2	Construction of school	2,735	2,735	77	25	8	24Q4
TOTAL			18,637	29,601	3,015	505	322	

1) Estimated and remaining investment of projects in New York is based on the SEK/USD exchange rate on 30 June 2024.



Nattskiftet 12 and 14, Stockholm
During the year, Nattskiftet 12, a new parking garage with four floors, and Nattskiftet 14, where building and installations as well as office premises were modernized.

1245 Broadway, New York
Corem's largest ongoing project is a 23-storey office building on 1245 Broadway.

28&7, New York
Corem's second largest ongoing project is a 12-storey office building at 28th Street and 7th Avenue on Manhattan.

Örebro Entré
At the central station in Örebro, Corem has built the Örebro Entré project in two phases of a total of approximately 19,000 sq.m. The last phase of the project was completed during the second quarter of 2024.

DISTRIBUTION OF PROPERTY HOLDINGS

Corem's property portfolio is divided into Stockholm, West, East and International.

Stockholm consists of Stockholm, Uppsala and Västerås. West consists of Gothenburg, Malmö and Halmstad. East consists of Linköping, Norrköping, Nyköping, Kalmar and Jönköping. During the second quarter, all properties in Jönköping were divested. The international operations are divided into Copenhagen and New York.

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

INCOME STATEMENT ITEMS AND INVESTMENTS

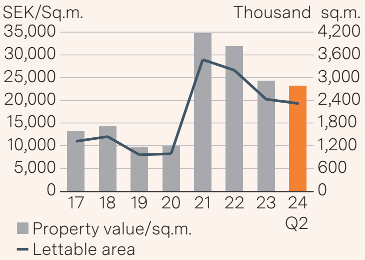
	Income, SEKm		Property costs, SEKm		Net operating income, SEKm		Operating margin, %		Investments, SEKm	
	2024 Jan–Jun	2023 Jan–Jun	2024 Jan–Jun	2023 Jan–Jun	2024 Jan–Jun	2023 Jan–Jun	2024 Jan–Jun	2023 Jan–Jun	2024 Jan–Jun	2023 Jan–Jun
Stockholm	1,018	1,166	–380	–391	638	775	63	66	182	423
East	358	404	–119	–127	239	277	67	69	69	110
West	402	438	–120	–134	282	304	70	69	55	117
International – Copenhagen	46	162	–11	–16	35	146	76	90	23	13
International – New York	58	51	–29	–10	29	41	50	80	316	431
Total	**1,882**	**2,221**	**–659**	**–678**	**1,223**	**1,543**	**65**	**69**	**645**	**1,094**
Investment portfolio	1,721	2,082	–573	–616	1,148	1,466	67	70	194	446
Development portfolio	161	139	–86	–62	75	77	47	55	451	648
Total	**1,882**	**2,221**	**–659**	**–678**	**1,223**	**1,543**	**65**	**69**	**645**	**1,094**

KEY FIGURES OF PROPERTY HOLDINGS

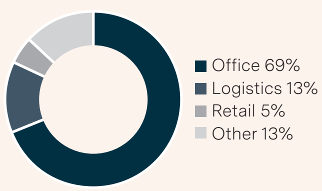
	No. of properties		Fair value, SEKm		Rental value, SEKm		Economic occupancy rate, %		Lettable area, 000 sq.m.	
	2024 30 Jun	2023 30 Jun	2024 30 Jun	2023 30 Jun	2024 30 Jun	2023 30 Jun	2024 30 Jun	2023 30 Jun	2024 30 Jun	2023 30 Jun
Stockholm	126	154	30,633	34,603	2,460	2,518	84	86	1,153	1,240
East	69	96	7,946	9,596	754	839	88	92	512	627
West	93	104	10,094	10,543	901	888	88	88	600	633
International – Copenhagen	4	8	1,316	8,007	73	300	64	93	38	141
International – New York[1]	3	4	6,112	7,157	154	117	91	100	14	10
Total	**295**	**366**	**56,101**	**69,906**	**4,342**	**4,662**	**86**	**89**	**2,317**	**2,651**
Investment portfolio	266	333	47,339	58,532	3,975	4,274	86	90	2,158	2,458
Development portfolio	29	33	8,762	11,374	367	388	80	77	159	193
Total	**295**	**366**	**56,101**	**69,906**	**4,342**	**4,662**	**86**	**89**	**2,317**	**2,651**

1) Rental value, Economic Occupancy rate and Lettable area refer to active leasing contracts, as well as completed areas in rentable condition.

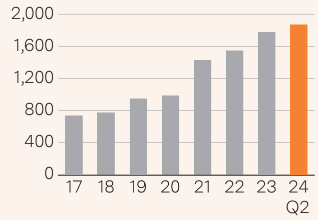
PROPERTY VALUE, SEK/SQ.M. AND LETTABLE AREA, TSQ.M.



PROPERTY VALUE BY TYPE OF PROPERTY, %



RENTAL VALUE, SEK/SQ.M.



Financing

INTEREST-BEARING LIABILITIES

On 30 June 2024, interest-bearing liabilities amounted to SEK 32,162 million (33,593). Accrued borrowing overheads amounted to SEK 245 million (258), which entails interest-bearing liabilities in the balance sheet of SEK 31,917 million (33,335).

Corem's interest-bearing liabilities are mainly secured by mortgages and/or shares in subsidiaries. Unsecured interest-bearing liabilities consist of commercial paper and unsecured bonds, which amounted to SEK 285 million (50) and SEK 6,381 million (8,228) at the end of the quarter. 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 1.9 years (2.2), and the loan-to-value ratio was 55 per cent (55).

INTEREST-BEARING NET LIABILITIES SEKm	2024 30 Jun	2023 31 Dec
Interest-bearing liabilities	31,917	33,335
Adjustment, accrued borrowing overheads	244	258
Interest-bearing assets	–48	–48
Current investments	–11	–10
Cash and cash equivalents	–389	–429
Interest-bearing net liability	31,714	33,106

Bonds

At the end of the quarter, the Group had SEK 6,381 million in outstanding listed bonds, maturing in 2024 to 2027. There was one unsecured Medium Term Note programme (MTN) with a framework amounting to SEK 10,000 million, of which SEK 2,447 million was outstanding.

During the quarter, Corem repurchased bonds totalling SEK 1,036 million, and issued new bonds of SEK 1,200 million maturing in May 2026 and January 2027 respectively.

INTEREST MATURITY STRUCTURE

On 30 June 2024, the average interest rate in the loan portfolio was 4.7 per cent (4.4).

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 20,012 million (21,012), and interest rate caps for SEK 1,791 million (1,682) which together correspond to 68 per cent of the interest-bearing liabilities. Together with fixed-interest loans was 69 per cent of the interest-bearing liabilities carried fixed interest at the end of the period. The swaps' interest rate levels were in the range –0.4–3.7 per cent while the caps had interest rate levels in the range 2.5–4.5 per cent. On 30 June 2024 the market value of the interest rate derivatives portfolio amounted to SEK 231 million net (303).

Changes in value of derivatives amounted during the quarter to SEK –207 million (136).

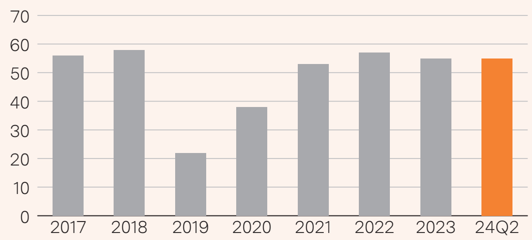
The average period of fixed interest amounted at the end of the quarter to 2.3 years (2.6), taking derivatives into account. The interest coverage ratio amounted to 1.9 multiples (2.0) during the period, and to 1.8 (2.1) during the last four quarters.

LIQUID FUNDS

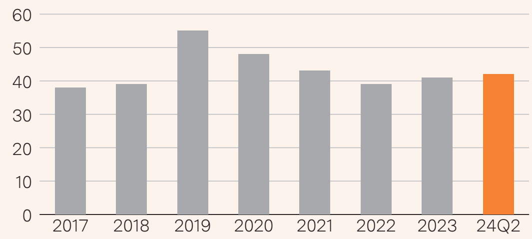
On 30 June 2024, cash and cash equivalents amounted to SEK 389 million (429). Restricted cash of SEK 133 million has been included in cash and cash equivalents in accordance with the IFRS IC clarification about funds that may only be used for a particular purpose due to an agreement with a third party.

In addition, there were unutilized credit facilities, including backup facilities for outstanding commercial paper, of SEK 2,295 million, of which SEK 2,191 million can be used immediately with existing collateral. The remaining amount can be used if securities are added, as well as to some extent to finance ongoing projects. The net interest-bearing debt amounted to SEK 31,714 million (33,106).

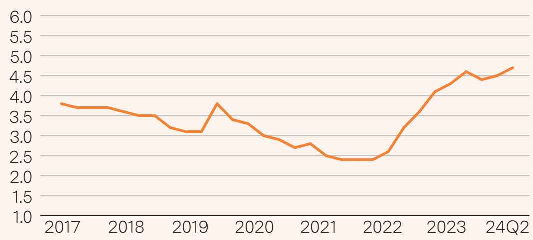
LOAN TO VALUE, %



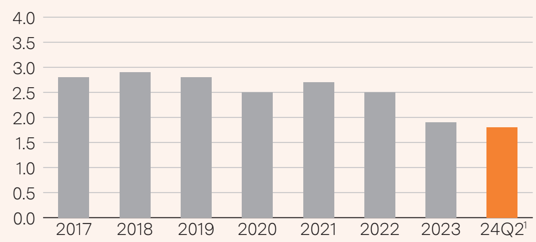
ADJUSTED EQUITY RATIO, %



AVERAGE INTEREST RATE, %



INTEREST COVERAGE RATIO, MULTIPLE



[1]Trailing 12 months

RATING
Corem Property Group has a rating at Scope of BBB- with negative outlook.

EQUITY
At the end of the quarter, the Group's equity, attributable to the parent company's shareholders, amounted to SEK 21,643 million (22,003), of which SEK 1,300 million refers to hybrid bonds. Equity amounted to SEK 13.24 (13.58) 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 17.28 (17.57).

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 plus 8 percentage points margin.

Equity ratio
At the end of the quarter, the adjusted equity ratio amounted to 42 per cent (41) and the equity ratio to 35 per cent (34).

CASH FLOW
The Group's cash flow from operating activities, before changes in working capital, amounted during the quarter to SEK 310 million (359).

Cash flow from investing activities amounted to SEK 407 million (4,476) and cash flow from financing activities amounted to SEK –961 million (–4,546).

SHAREHOLDINGS
Corem's holding in Klövern
The holding in Klövern was valued at SEK 1,433 million (1,340) at the end of the period and is classified as Financial assets valued at fair value.

FIXED INTEREST AND TIED-UP CAPITAL PERIODS

	Fixed interest	Tied-up capital			
Maturity year	Loan volume, SEKm	Contract volume, SEKm	Utilised, SEKm	Of which outstanding bonds, SEKm	Not utilised, SEKm
Variable[1]	11,648	—	—	—	—
2024	3,000	4,431	4,281	1,634	150
2025	4,490	18,180	17,256	2,447	924
2026	—	6,056	4,835	1,250	1,221
2027	2,076	1,894	1,894	1,050	—
2028	1,574	711	711	—	—
Later	9,374	3,185	3,185	—	—
Total	**32,162**	**34,457**	**32,162**	**6,381**	**2,295**

1) Of the floating volume, SEK 1,791 million is covered by the interest cap.

BOND OVERVIEW 30.06.2024[1]

Typ	Issued	Maturity	Issuer	Outstanding volume, SEKm	Interest rate, %
Green unsecured	Jan-22	Okt-24	Corem	1,634	3m Stibor + 2.75
Green unsecured MTN 202	Feb-21	Feb-25	Kelly	2,247	3m Stibor + 3.25
Unsecured MTN 204	Mar-21	Sep-25	Kelly	200	3m Stibor + 3.50
Green unsecured	Feb-24	Maj-26	Corem	1,250	3m Stibor + 3.75
Green unsecured	Apr-24	Jan-27	Corem	1,050	3m Stibor + 3.75
Total				6,381	

1) Refers to bonds issued by Corem Property Group AB ("Corem") and the subsidiary Corem Kelly AB.

The share 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 30 June 2024, there was a total of 1,137,283,281 shares in Corem, of which 93,730,797 were 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 second quarter. As at 30 June 2024, 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 347 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.

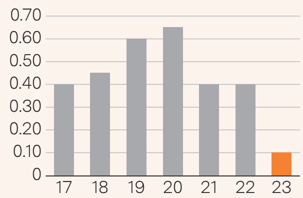
CONVERSION OF CLASS A ORDINARY SHARES

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 in the first conversion period of 2024.

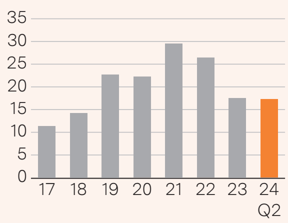
In the property Majorna 219:7 in Gothenburg, a five-year lease was signed during the quarter with Freemelt for approximately 1,500 square meters with moving-in during the fourth quarter of 2024, as well as a six-year agreement with the Swedish Coast Guard of approximately 3,500 square meters with moving-in during the second quarter of 2026.

SHARE DATA, 30 JUNE 2024	
Market capitalization	SEK 14.5 bn
Market place	Nasdaq Stockholm, Large Cap
LEI no.	213800CHXQQD7TSS1T59
No. of shareholders	44,992
Ordinary share, Class A	
No. of shares	93,730,797
Closing price	SEK 8.68
ISIN	SE0010714279
Ordinary share, Class B	
No. of shares	1,023,591,380
Closing price	SEK 8.75
ISIN	SE0010714287
Ordinary share, Class D	
No. of shares	7,545,809
Closing price	SEK 234.50
ISIN	SE0015961594
Preference share	
No. of shares	12,415,295
Closing price	SEK 235.00
ISIN	SE0010714311

DIVIDEND PER ORDINARY SHARE A/B, SEK



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



LARGEST SHAREHOLDERS – 30 JUNI 2024

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, %
Rutger Arnhult via companies[1]	43,979	465,373	3,282	—	45.08	47.41
Gårdarike[1]	31,519	31,158	55	19	5.52	18.08
Handelsbanken fonder	—	85,979	121	—	7.57	4.49
Länsförsäkringar fondförvaltning	—	38,738	—	—	3.41	2.02
State Street Bank & Trust Co	—	37,820	34	126	3.34	1.98
JP Morgan Chase Bank N.A.	—	23,289	—	244	2.07	1.23
Swedbank Robur fonder	1,593	4,745	—	—	0.56	1.08
Fredrik Rapp private and via companies	750	9,500	—	—	0.90	0.89
Avanza Pension	270	10,153	298	1,780	1.10	0.78
SEB Life International	1,106	2,599	35	19	0.33	0.72
AMF Tjänstepension AB	—	13,502	—	—	1.19	0.70
Prior & Nilsson	—	13,331	—	—	1.17	0.70
CBNY Norges Bank	—	13,190	53	—	1.16	0.69
Livförsäkringsbolaget Skandia, Ömsesidigt	665	5,303	—	0	0.52	0.62
Patrik Tillman private and via companies	571	5,723	77	—	0.56	0.60
Other shareholders	10,363	227,498	3,548	10,227	22.13	18.00
TOTAL OUTSTANDING SHARES, THOUSANDS	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, THOUSANDS	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. An adjustment has been made to reflect this, in order to give a fair view of the Company's largest shareholders.
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, which is not listed, is valued in accordance 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 2023.

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 appendix showing the calculations of selected key ratios 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 Group during the period was 285 (309). 47 per cent (47) 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, sustainability, financiing, listed holdings, employees, business ethics and IT security.

For more information on identified risks, see Corem's Annual Report 2023.

DISPUTES

Corem has no ongoing disputes that 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 period to SEK 20 million (35). Wästbygg is an associated company of M2-Gruppen, which is controlled by Rutger Arnhult. In addition, the Corem group during the period has purchased legal services from Walthon Advokater, in which the Chairman Group Patrik Essehorn is a shareholder to an amount of SEK 5 million (8).

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 256 million (272). Net profit for the period amounted to 11 million (112). Interest-bearing liabilities amounted to SEK 7,104 million (5,943), which are largely lent to other Group companies.

DIVIDEND

During the first and second quarter, a dividend of SEK 0.10 per ordinary share of class A and B, as well as SEK 5.00 per ordinary share of class D and preference share, totalling SEK 415 million, has been paid.

SIGNIFICANT EVENTS AFTER THE END OF THE PERIOD

No significant events have occurred after the end of the period.

The Board and the CEO assure that the report provides a fair overview of the parent company's and the group's operations, position and results, and describes the significant risks and uncertainty factors facing the parent company and the companies included in the group.

Stockholm, 12 July 2024
Corem Property Group AB (publ)

Patrik Essehorn *Chairman of the Board*	Christina Tillman *Board member*	Katarina Klingspor *Board member*
Magnus Uggla *Board member*	Fredrik Rapp *Board member*	Christian Roos *Board member*

Rutger Arnhult
CEO and board member

This report has not been subject to review by Corem's auditors.

The Consolidated Income Statement *in brief*

SEKm	2024 3 months Apr–Jun	2023 3 months Apr–Jun	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023/2024 Rolling 12 months Jul–Jun	2023 12 months Jan–Dec
Income	942	1,049	1,882	2,221	3,905	4,244
Property costs	–297	–295	–659	–678	–1,343	–1,362
Net operating income	**645**	**754**	**1,223**	**1,543**	**2,562**	**2,882**
Central administration	–41	–46	–84	–92	–171	–179
Net financial items	–302	–354	–622	–741	–1,345	–1,464
Profit from property management	**302**	**354**	**517**	710	**1,046**	**1,239**
Profit/loss, residential development	–1	—	–1	—	–1	—
Share of earnings in associated companies	0	–1,178	0	–1,075	–1	–1,076
Value changes, properties	–1	–1,406	–485	–2,911	–6,050	–8,476
Value changes, financial assets	106	–30	107	63	131	87
Value changes, derivatives	–207	136	–72	–95	–977	–1,000
Impairment, goodwill	–30	–116	–151	–204	–536	–589
Profit/loss before tax	**169**	**–2,240**	**–85**	**–3,512**	**–6,388**	**–9,815**
Tax	–5	422	91	783	1,124	1,816
Net profit/loss for the period	**164**	**–1,818**	**6**	**–2,729**	**–5,264**	**–7,999**
Net profit for the year attributable to:						
Parent Company shareholders	165	–1,817	6	–2,713	–5,251	–7,970
Holdings without controlling influence	–1	–1	0	–16	–13	–29
Profit/loss for the period	**164**	**–1,818**	**6**	**–2,729**	**–5,264**	**–7,999**
Earnings per share						
Earnings per ordinary share of Class A and B, SEK	0.02	–1.81	–0.25	–2.75	–5.38	–7.88
Ordinary shares A and B, average number	1,078,717	1,078,717	1,078,717	1,078,717	1,078,717	1,078,717

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

Consolidated Report of Comprehensive Income *in brief*

SEKm	2024 3 months Apr–Jun	2023 3 months Apr–Jun	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023/2024 Rolling 12 months Jul–Jun	2023 12 months Jan–Dec
Net profit/loss for the period	164	–1,818	6	–2,729	–5,264	–7,999
Items that can later be reclassified to the income statement						
Currency conversion difference for international operations	–31	372	211	373	–490	–328
Other comprehensive income after tax	–31	372	211	373	–490	–328
Net comprehensive income for the period	133	–1,446	217	–2,356	–5,754	–8,327
Net comprehensive income attributable to:						
Parent Company shareholders	134	–1,445	217	–2,340	–5,740	–8,297
Holdings without controlling influence	–1	–1	0	–16	–13	–29
Net comprehensive income for the period	133	–1,446	217	–2,356	–5,754	–8,327

Consolidated Balance Sheet *in brief*

SEKm	2024 30 Jun	2023 30 Jun	2023 31 Dec
ASSETS			
Non-current assets			
Goodwill	1,633	2,170	1,785
Investment properties	56,101	69,906	58,033
Right-of-use assets	1,228	1,604	1,375
Shares in associated companies	—	2,311	0
Financial assets valued at fair value	1,444	6	1,351
Derivatives	354	1,218	562
Other non-current assets	129	160	144
Total non-current assets	60,889	77,375	63,250
Current assets			
Properties classified as current assets	0	257	290
Other current assets	996	1,258	881
Cash and cash equivalents	389	555	429
Total current assets	1,385	2,070	1,600
TOTAL ASSETS	62,274	79,445	64,850
EQUITY AND LIABILITIES			
Equity attributable to parent company shareholders	21,643	28,039	22,003
Equity attributable to holdings without controlling influence	0	27	14
Total shareholders' equity	21,643	28,066	22,017
Long-term liabilities			
Interest-bearing liabilities	15,170	25,957	19,505
Leasing liabilities	1,228	1,604	1,375
Deferred tax liability	5,534	6,755	5,709
Derivatives	123	22	259
Other liabilities	40	41	41
Total long-term liabilities	22,095	34,379	26,889
Current liabilities			
Interest-bearing liabilities	16,747	14,511	13,830
Other liabilities	1 789	2,489	2,114
Total current liabilities	18,536	17,000	15,944
Total liabilities	40,631	51,379	42,833
TOTAL EQUITY AND LIABILITIES	62,274	79,445	64,850

Consolidated change in equity *in brief*

SEKm	Parent Company shareholders	Holdings without controlling influence	Total
Opening equity, 01.01.2024	22,003	14	22,017
Comprehensive income for the period	83	1	84
Hybrid bonds	−40	—	−40
Change in holdings without controlling influence	11	−15	−4
Equity, 31.03.2024	22,057	0	22,057
Comprehensive income for the period	133	—	133
Dividend	−506	—	−506
Hybrid bonds	−41	—	−41
Equity, 30.06.2024	21,643	0	21,643

Consolidated statement of cash flow *in brief*

SEKm	2024 3 months Apr–Jun	2023 3 months Apr–Jun	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023/2024 Rolling 12 months Jul–Jun	2023 12 months Jan–Dec
Operating activities						
Net operating income	645	754	1,223	1,543	2,562	2,882
Central administration	–41	–46	–84	–92	–171	–179
Depreciation, etc.	5	6	11	12	22	23
Interest received, dividend etc.	2	5	3	8	29	34
Interest paid, etc.	–281	–333	–590	–680	–1,261	–1,351
Interest expense, lease contracts attributable to site leasehold contracts	–19	–20	–38	–38	–78	–78
Income tax paid	–1	–7	–1	–9	–5	–13
Cash flow from operating activities before changes in working capital	**310**	**359**	**524**	**744**	**1,098**	**1,318**
Change in properties classified as current assets	0	–23	–2	–50	–36	–84
Change in current receivables	–38	–1	–200	–113	177	264
Change in current liabilities	–75	–305	–51	–670	–161	–780
Cash flow from operating activities	**197**	**30**	**271**	**–89**	**1,078**	**718**
Investing activities						
Investments in new constructions, extensions and refurbishment	–365	–542	–645	–1,094	–1,544	–1,993
Divestment of investment properties	749	4,995	2,405	7,355	8,298	13,248
Divestment of shareholdings	—	—	0	1,190	0	1,190
Change of shares in associated companies	0	—	0	—	1,383	1,383
Acquisition holdings without controlling influence	—	—	–4	—	–4	—
Change in other non-current assets	23	23	21	30	–5	4
Cash flow from investing activities	**407**	**4,476**	**1,777**	**7,481**	**8,128**	**13,832**
Financing activities						
Dividend paid to parent company shareholders	–208	–208	–415	–415	–830	–830
Hybrid bonds, interest	–41	–31	–81	–59	–160	–138
Loans raised	3,749	3,314	5,893	4,772	11,782	10,661
Amortised loans	–4,461	–7,621	–7,494	–12,122	–20,161	–24,789
Cash flow from financing activities	**–961**	**–4,546**	**–2,097**	**–7,824**	**–9,369**	**–15,096**
Cash flow for the period	**–357**	**–40**	**–49**	**–432**	**–163**	**–546**
Cash and cash equivalents at beginning of period	744	587	429	979	555	979
Exchange rate difference in cash and cash equivalents	2	8	9	8	–3	–4
Cash and cash equivalents at end of period	**389**	**555**	**389**	**555**	**389**	**429**

Parent Company Income Statement *in brief*

SEKm	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023 12 months Jan–Dec
Net sales	256	272	537
Cost of services sold	–172	–182	–358
Gross profit	**84**	**90**	**179**
Central administration	–84	–90	–179
Operating profit	**0**	**0**	**0**
Earnings from shares in group companies	164	247	–69
Interest income and similar income statement items	200	100	292
Interest expense and similar income statement items	–353	–270	–497
Profit/loss after financial items	**11**	**77**	**–274**
Group contributions, made/received	—	—	–2
Profit/loss before tax	**11**	**77**	**–276**
Tax	—	35	—
Net Profit/loss for the period	**11**	**112**	**–276**

Parent Company Balance Sheet *in brief*

SEKm	2024 30 Jun	2023 30 Jun	2023 31 Dec
ASSETS			
Other intangible non-current assets	6	5	6
Machinery and equipment	4	7	5
Shares in group companies	21,456	22,686	21,456
Receivables from group companies	8,079	6,672	7,192
Deferred tax receivable	—	35	—
Other current receivables	18	29	31
Cash and cash equivalents	117	111	134
TOTAL ASSETS	**29,680**	**29,545**	**28,824**
EQUITY AND LIABILITIES			
Equity	21,364	22,247	21,859
Interest-bearing liabilities	7,104	6,295	5,943
Liabilities to group companies	537	—	393
Non-interest-bearing liabilities	675	1,003	629
TOTAL EQUITY AND LIABILITIES	**29,680**	**29,545**	**28,824**

Key ratios

	2024 3 months Apr–Jun	2023 3 months Apr–Jun	2024 6 months Jan–Jun	2023 6 months Jan–Jun	2023 12 months Jan–Dec
Property-related					
Fair value of investment properties, SEKm	56,101	69,906	56,101	69,906	58,033
Yield requirement, valuation, %	5.9	5.4	5.9	5.4	5.8
Rental value, SEKm	4,342	4,662	4,342	4,662	4,322
Lettable area, sq.m.	2,317,026	2,650,578	2,317,026	2,650,578	2,428,426
Economic occupancy rate, %	86	89	86	89	87
Area-based occupancy rate, %	77	81	77	81	78
Operating margin, %	68	72	65	69	68
No. of investment properties	295	366	295	366	326
Average remaining lease contract period, years	3.3	3.7	3.3	3.7	3.4
Financial					
Return on equity, %	3.0	–24.9	0.1	–18.3	–29.9
Adjusted equity ratio, %	42	40	42	40	41
Equity ratio, %	35	35	35	35	34
Interest-bearing net liability, SEKm	31,714	40,034	31,714	40,034	33,106
Loan-to-value ratio, %	55	55	55	55	55
Loan-to-value ratio, properties, %	45	44	45	44	43
Interest coverage ratio, multiple	2.1	2.0	1.9	2.0	1.9
Average interest rate, %	4.7	4.3	4.7	4.3	4.4
Average period of fixed interest, years	2.3	2.4	2.3	2.4	2.6
Average period of tied-up capital, years	1.9	3.3	1.9	3.3	2.2
Share-related					
Profit from property management per ordinary share A and B, SEK	0.15	0.21	0.22	0.42	0.65
Earnings per ordinary share, A and B, SEK[1)]	0.02	–1.81	–0.25	–2.75	–7.88
Net asset value (NAV) per ordinary share A and B, SEK	17.28	22.95	17.28	22.95	17.57
Equity per ordinary share A and B, SEK	13.24	19.17	13.24	19.17	13.58
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
Dividend per ordinary share D, SEK	—	—	—	—	20.00
Dividend per preference share, SEK	—	—	—	—	20.00
Share price ordinary share A, SEK	8.68	6.06	8.68	6.06	10.65
Share price ordinary share B, SEK	8.75	5.07	8.75	5.07	10.62
Share price ordinary share D, SEK	234.50	121.00	234.50	121.00	182.00
Share price preference share, SEK	235.00	155.00	235.00	155.00	200.50
No. of shares, thousands					
Number of outstanding ordinary shares A and B	1,078,717	1,078,717	1,078,717	1,078,717	1,078,717
Average number of outstanding ordinary shares A and B	1,078,717	1,078,717	1,078,717	1,078,717	1,078,717
Number of outstanding ordinary shares D	7,504	7,504	7,504	7,504	7,504
Number of outstanding preference shares	12,415	12,415	12,415	12,415	12,415

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
Equity[2], 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, excluding project properties, which were included in the portfolio during the whole of the reporting period and during the whole of the comparison period. Income and costs of a one-off nature are excluded from comparable results, for example, insurance compensation and major on-billing to tenants.

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
Equity[2] 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 issueprice.

Equity per preference share
The preference share's average issue price.

Equity ratio
Equity[2] 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 expenses[1], divided by financial expenses[1].

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
Equity[2], 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 equity[2] 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	
Interim Report January–September 2024	24 October 2024
Year-end report 2024	13 February 2025

DIVIDEND: PROPOSED RECORD DATES AND DIVIDEND PAYMENT DATES	
Record date for dividend on ordinary shares of class A, B, D and preference shares	30 September 2024
Expected payment date for dividend on ordinary shares of class A, B, D and preference shares	3 October 2024
Record date for dividend on ordinary shares of class A, B, D and preference shares	30 December 2024
Expected payment date for dividend on ordinary shares of class A, B, D and preference shares	7 January 2025
Record date for dividend on ordinary shares of class A, B, D and preference shares	31 March 2025
Expected payment date for dividend on ordinary shares of class A, B, D and preference shares	3 April 2025

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