

# Year-end report 2025

Presentation by company management

# Highlights of the quarter

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- **Growth strategy continuation**

- Accessed acquired properties for MSEK 703.
- Signed acquisitions to be completed of MSEK 140.
- Continued focus on investments in existing property portfolio, reaching MSEK 252.

- **Continuous positive net letting of MSEK +22**

- Increased demand in the rental market following gradual improvement in the economy.

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- The board of directors proposes a dividend of SEK 6.40 (5.20) per common share and SEK 2.00 (2.00) per preference share.
- Forecast for profit from property management MSEK 1,180 for 2026 (+7%).

# Highlights 2025

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## ■ Investment activities

- Accessed acquired properties for MSEK 1,942, of which a majority in business areas Middle Sweden and Gävle.
- Divested properties for MSEK 549, mainly consisting of three retail properties with a value concentration to Kiruna.
- Increased commencement of new construction projects and continuous high activity in tenant adaptations, with project CAPEX totaling MSEK 781 (731).

## ■ Funding activities

- Revised LTV target of <60% (55-65%) with an ambition to long-term maintain 50-55% LTV.
- New issue of preference shares during May raising proceeds of MSEK 394.
- Refinanced bond with maturity in April 2026, at Stibor 3M + 215 BPS.
- Refinanced bank loans of approximately SEK 8 bn extending the average loan maturity at improved terms.

## ■ Operations

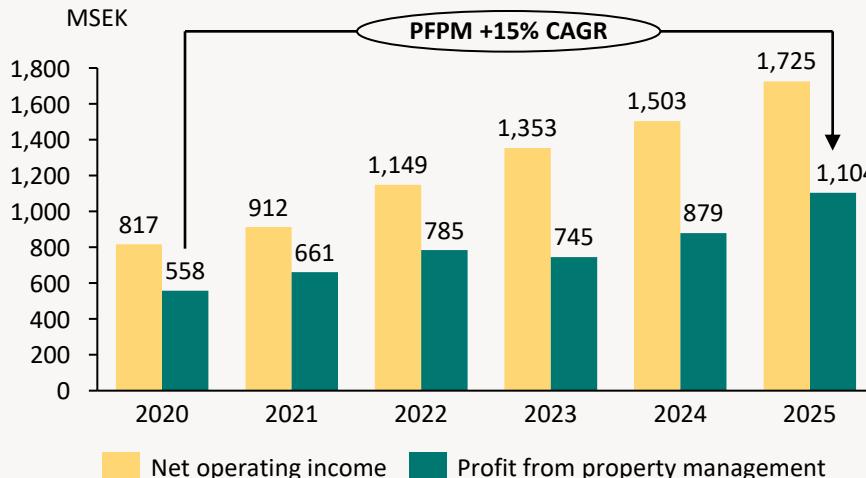
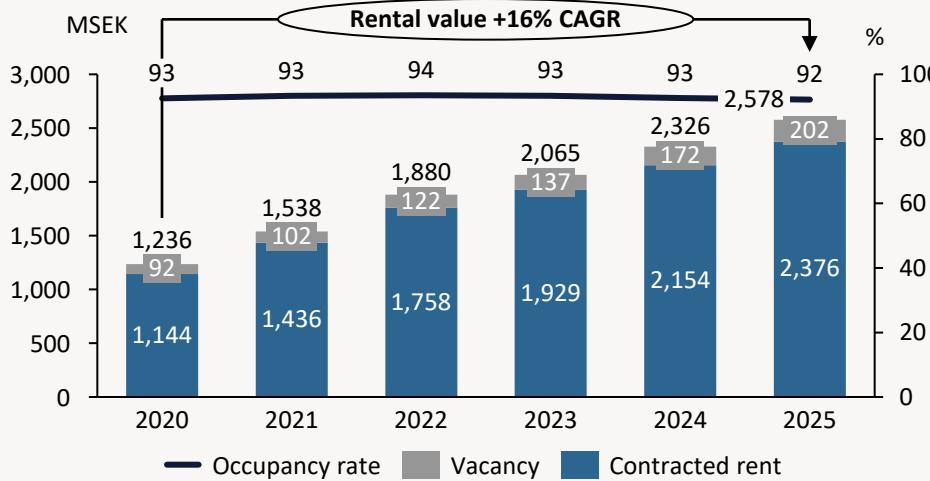
- Net letting +52 MSEK
- Stable occupancy and surplus ratio
- Continued diversification in number of assets, rental agreements and tenants.



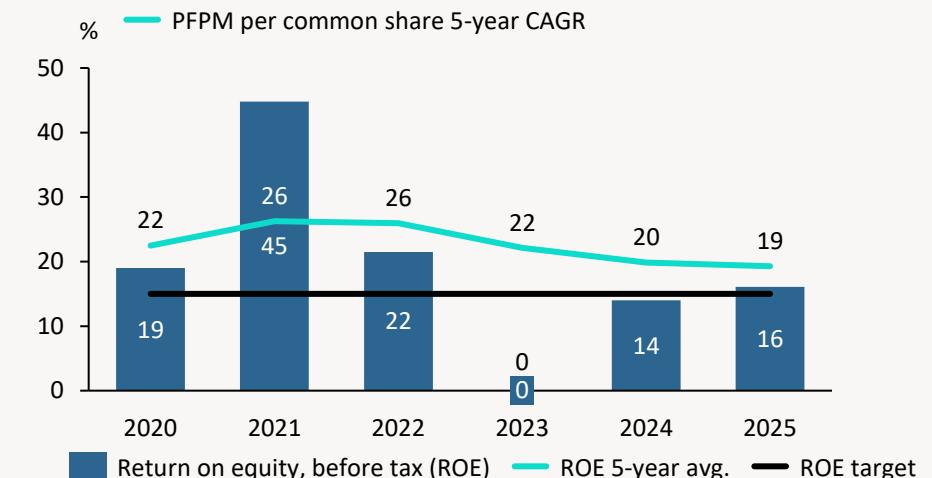
**Achieving and exceeding corporate financial targets**

# Robust financial development in a volatile environment

## Growth strategy continuation



## Target achievement



# Summary of 2025

## Financial outcome

- Rental income: MSEK 2,274 (1,992) +14%
- Surplus ratio: 76% (75%)
- Profit from property management (PFPM): MSEK 1,104 (879) +26%
- PFPM per common share: SEK 16.33 (13.57) +20%
- Forecast PFPM 2026: MSEK 1,180 +7%

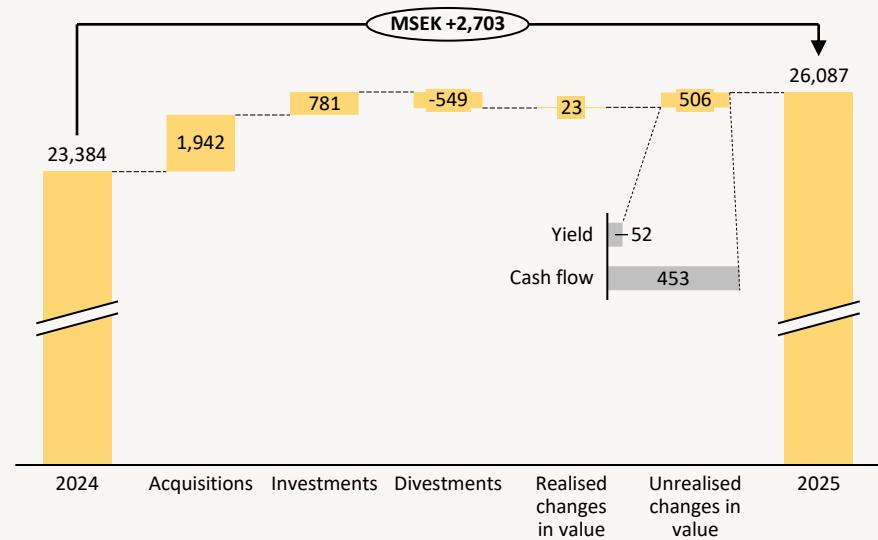
## Rental agreement structure

- Rental value: MSEK 2,578 (2,326)
- Occupancy rate: 92% (93)
- WAULT: 4.1 years (4.0)
- Number of rental agreements: 2,775 (2,700)
- Net letting: MSEK +52 (+30)

## Property portfolio

- Property value: MSEK 26,087 (23,384)
- Number of properties: 633 (554)
- Property value per sqm: SEK 11,044 (10,624)
- Valuation yield: 7.08% (7.10)

## Property value development



Comparisons in brackets relate to the corresponding period of the previous year regarding income statement items and end of previous year for balance sheet items .

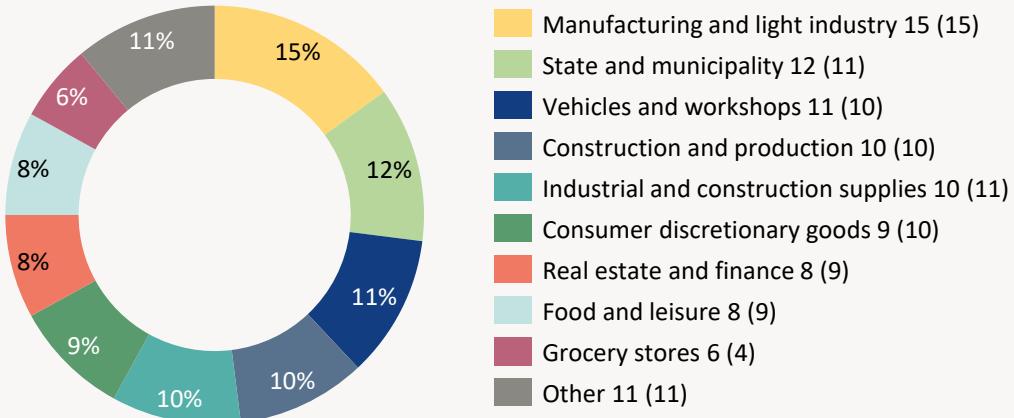
# Diversified and stable tenant portfolio

## Ten largest tenants

- Number of rental agreements: 155
- Rental value: MSEK 340
- Share of total rental value: 13%
- WAULT: 5.3 years



## Industry exposure, %



## Comments

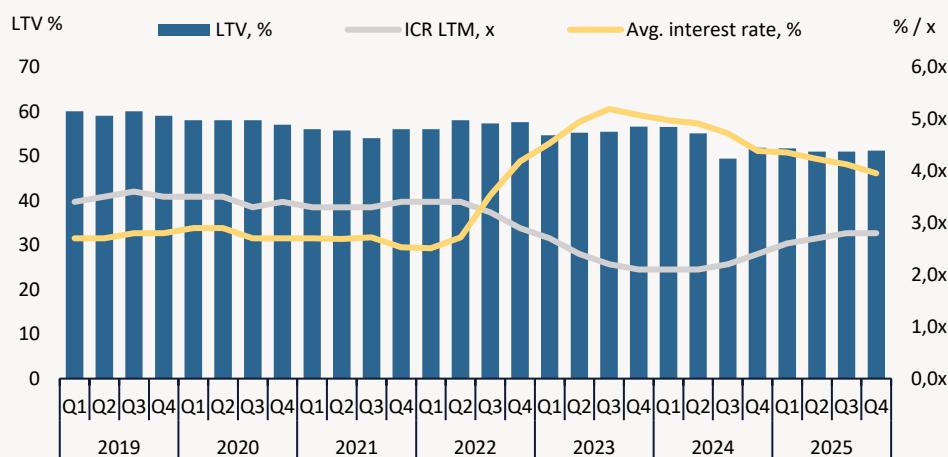
- Well diversified tenant portfolio across several dimensions
- Low dependency on a few larger tenants
- Low share of late payments indicates financial stability among tenants
- Gradual increase in investments in tenant adaptations and new construction
- Ability to convert premises for re-letting, enabled by local presence and concentration in attractive areas within the company's locations
- Limited direct dependence on export and import in tenants' operations

# Funding

## Summary

- Total interest-bearing liabilities MSEK 14,059 (12,587)
- Avg. loan maturity period 3.0 years (2.3)
- Avg. fixed interest period 1.9 years (2.1)
- Proportion of interest hedging 54% (49)
- Avg. interest rate 3.95% (4.38)
- Interest coverage ratio, x 2.8 (2.4)
- Loan-to-value 51% (52)
- Net debt to EBITDA, x 8.1 (8.0)

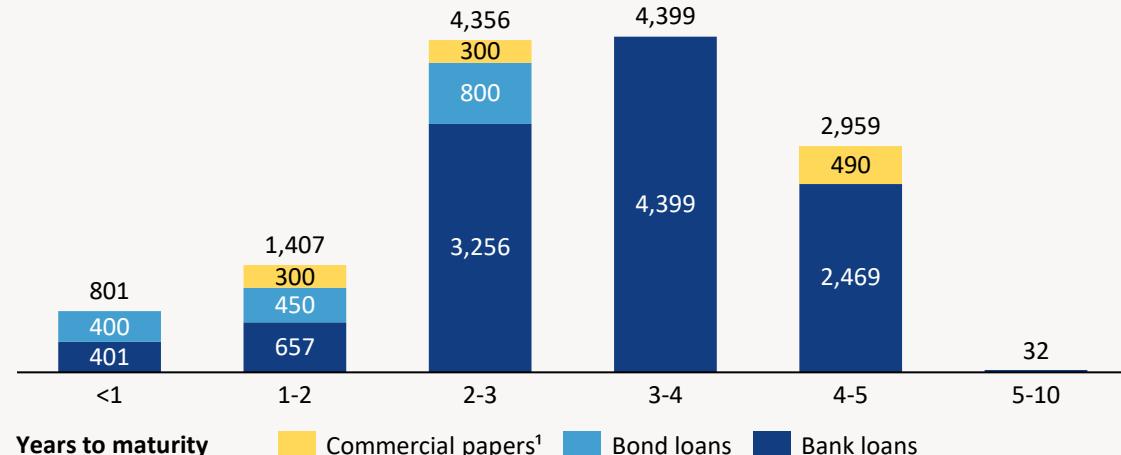
## LTV, ICR and average interest rate development



Comparisons in brackets relate to end of previous year.

1. Maturities relates to secured back-up facilities.

## Maturity structure



## Comments

- Refinanced approximately SEK 8 bn in bank loans during the year to extend the average loan maturity, improve the maturity structure at improved terms.
- Maintained improved financial risk profile through a lower LTV ratio, improved maturity structure and ICR ratio.

# Sustainability related to the property portfolio

## Primary sustainability targets

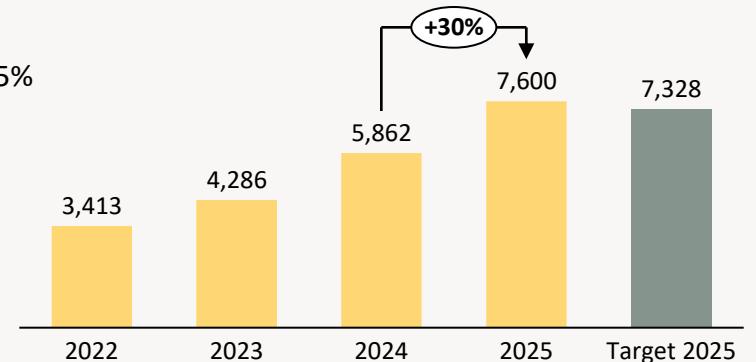
- Reduce emissions in Scope 1 & 2 with 42% and Scope 3 with 25% by 2030 compared to 2022, with net-zero emissions by 2045 in accordance with SBTi
- Total energy consumption should decrease by 20% by year-end 2025 compared to 2017
- Green property portfolio should grow by 25% annually
- Improve EPC labels from E/F/G on at least 10 properties per year until 2033

## Improved EPC labels

- Year-to-date, 22 buildings have achieved improved EPC labels following completed measures, upgrading from their previous energy ratings of E, F or G.
- Weighted average primary energy rating for the improved buildings have decreased from 158 kWh/sqm to 78 kWh/sqm.

## Green portfolio

- Value: MSEK 7,600
- Annual growth target: 25%
- Growth 2025: 30%



## Example of energy projects

### Slakteriet 3, Västerås

- Ongoing project to improve indoor climate and energy efficiency by replacing ventilation units and control equipment.
- The project is expected to achieve an energy saving of approximately 9%.
- Investment: MSEK 1.1



# Resilient business model in an economic growth region

Area	Aspects
High degree of diversification	<ul style="list-style-type: none"><li>Well-diversified property portfolio across several dimensions – 633 properties</li><li>Low dependency on a few larger tenants</li></ul>
Geographical focus & Local presence	<ul style="list-style-type: none"><li>Through eight business areas - all important locations and geographies are covered - being a pre-condition for strong relationship with local business life, tenants and municipalities</li><li>Geography and stable rental market - important parameters for property value</li></ul>
Cash flow generating business model	<ul style="list-style-type: none"><li>Property portfolio valued at 7.08% – positive yield spread</li><li>Operating surplus 76% (LTM) – Stable vacancy rate</li></ul>
Sustainability	<ul style="list-style-type: none"><li>Focus on the properties energy efficiency and to improve the worst performing properties</li><li>Ongoing initiatives to reduce the company's climate footprint</li></ul>
Projects	<ul style="list-style-type: none"><li>Continued high volume of new constructions as well as accretive investments in existing property portfolio</li></ul>
Long-term growth	<ul style="list-style-type: none"><li>Advantageous position in a geography with regional development enables continued growth opportunities</li><li>Capacity and readiness to continue acting on future investment opportunities</li></ul>

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# Q&A