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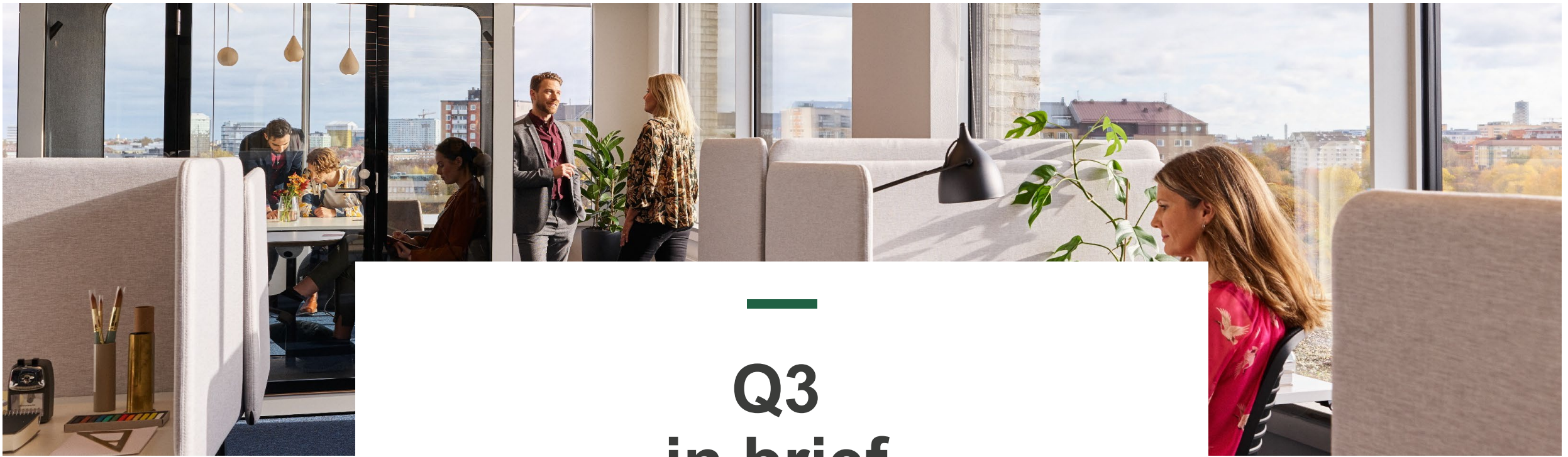
Q3

**INTERIM REPORT  
JANUARY– SEPTEMBER**

JAKOB MÖRNDAL, ACTING CEO  
ULRIKA DANIELSSON, CFO



**CASTELLUM**



## Q3 in brief

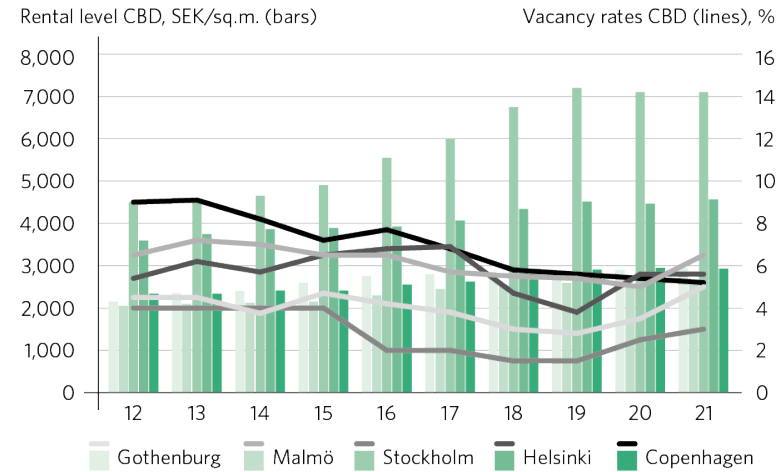
- Transaction intense quarter
  - Strong net leasing
  - Nordic expansion
  - The bid on Kungsleden
- World's most sustainable office developer



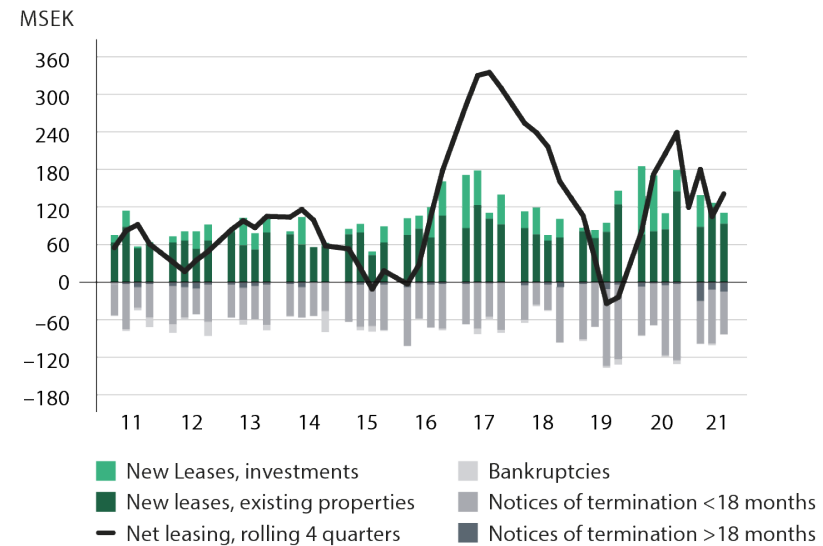
# Office market – rental levels and vacancies

- Increased flexibility in agreements
- No area reduction
- Positive renegotiations
- Positive net lettings

## RENTAL LEVEL AND VACANCY RATES



## NET LETTINGS 2011–Q3 2021





Perfect match when Volvo Cars needed premises close to their other operations at Lindholmen, Gothenburg. The company rents approximately 7,900 sq. m. in the area that is characterized by innovation and where international tech companies gather.



Gateway Säve, Gothenburg

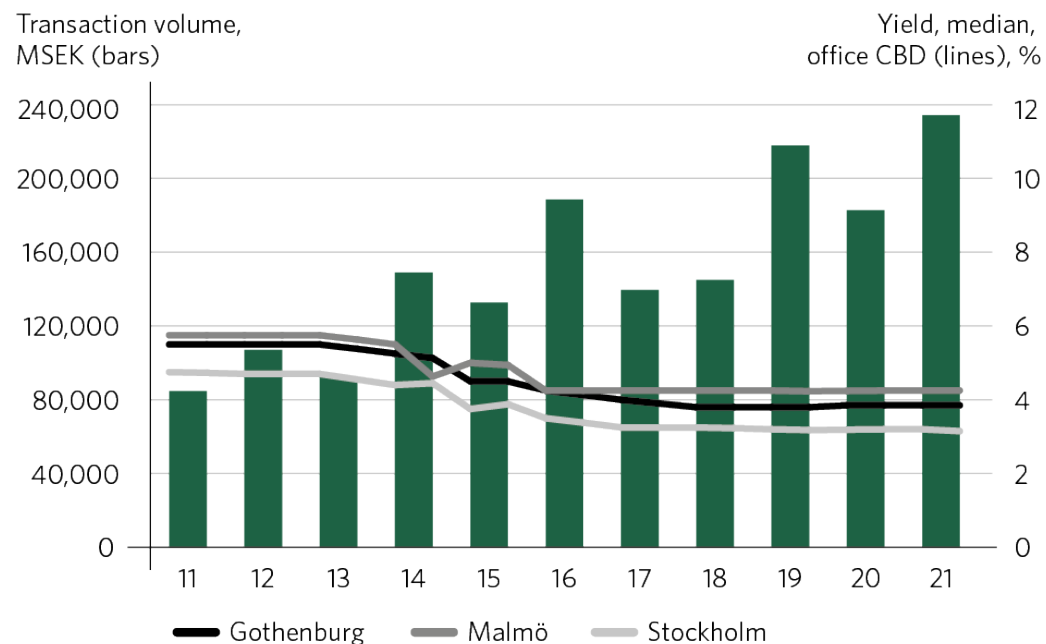


## Logistic market

- Strong logistic sector
- High demand for new and efficient logistic properties
- A number of ongoing newbuilds

# Property market

## TRANSACTION VOLUME AND YIELDS



Source: Newsec

## CHANGES IN VALUES ON PROPERTIES

MSEK	2021 Jan–Sep	2020 Jan–Sep
Cash flow	13	105
Project gains/Building rights	788	373
Required yield	3,097	176
Acquisitions	86	41
<b>Unrealised changes in value</b>	<b>3,984</b>	<b>695</b>
%	4.0%	0.7%
Sales	547	121
<b>Total</b>	<b>4,531</b>	<b>816</b>
%	4.5%	0.8%

# Income statement January–September 2021

MSEK	Jan–Sep 2021		Jan–Sep 2020	
Rental income (fully let)	4,756	1,689 SEK/sq. m.	4,798	1,527 SEK/sq. m.
Vacancies and incentives	–433	93.0%	–396	93.4%
Property expenses	–1,210	429 SEK/sq. m.	–1,107	350 SEK/sq. m.
Coworking net	–19		–3	
<b>Net operating income</b>	<b>3,094</b>		<b>3,292</b>	
Central administrative expenses	–108		–105	
Income from property management from company of interest	38		—	
Net interest costs	–562	1.9%/3.8 years	–581	1.9%/3.0 years
Dividend	61		—	
Letting costs/site leasehold fee	–20		–18	
<b>Income from property management</b>	<b>2,503</b>	9,14 SEK/share, –4%	<b>2,588</b>	9.48 SEK/share
Acquisition and financing costs M&A	–47		—	
Changes in value properties	4,531		816	
Changes in value derivatives	191		–212	
Other result from company of interest	–277		—	
Others	–22		—	
Tax	185		–643	
<b>Net income for the period</b>	<b>7,064</b>	25,79 SEK/share, +176%	<b>2,549</b>	

Income  
from property  
management  
MSEK 2,503

# Rental income and expenses

## DEVELOPMENT OF INCOME

MSEK	2021 Jan–Sep	2020 Jan–Sep	Change, %
Like-for-like holdings	3,587	3,539	+1.4%
Development properties	227	231	
Transactions	509	632	
Coworking	114	86	
<b>Income</b>	<b>4,437</b>	<b>4,488</b>	<b>-1.1%</b>

## LIKE-FOR-LIKE, CATEGORY

Change Q3 2021 vs. Q3 2020, %	Rental income
Office	0.4%
Public sector	1.0%
Warehouse/Logistics	4.7%
Retail	3.8%
Light industry	-0.3%
<b>Total</b>	<b>1.4%</b>

## DEVELOPMENT OF EXPENSES

MSEK	2021 Jan–Sep	2020 Jan–Sep	Change, %
Like-for-like holdings	728	683	6.6%
Development properties	60	48	
Transactions	143	110	
<b>Property expenses</b>	<b>931</b>	<b>841</b>	<b>10.7%</b>
Coworking	133	89	
Property administration	279	266	
Central administration	108	105	
<b>Total expenses</b>	<b>1,451</b>	<b>1,301</b>	<b>11.5%</b>

- Like-for-like rental income +1.4%
- Like-for-like property expenses +6.6% due to higher costs for heating, electricity and snow removal



# Balance sheet 30 September 2021

MSEK	30 Sep 2021		31 Dec 2020	
Investment properties	104,342	26,993 SEK/sq. m. and 4.7% yield	103,042	23,549 SEK/sq. m. and 5.0% yield
Goodwill	1,600		1,673	
Leases, right-of-use	1,154		888	
Associated companies	11,375		—	
Financial assets	2,460		2,729	
Other assets	5,583		1,584	
<b>Total assets</b>	<b>126,514</b>		<b>109,916</b>	
Equity	62,622	NRV 230 SEK/share	48,243	NRV 214 SEK/share
Deferred tax liability	11,045		11,376	
Interest-bearing liabilities	47,987	Loan-to-value 36%	45,720	Loan-to-value 41%
Derivatives	606		1,132	
Lease liability	1,154		888	
Other liabilities	3,100		2,557	
<b>Total equity and liabilities</b>	<b>126,514</b>		<b>109,916</b>	

# Debt financing activities YTD 2021

	SEK Bank	EMTN's MTN's	SEK Commercial Papers
<b>Debt issuance/ Financing</b>	Re-financing: Approx. MSEK 840 New financing: MSEK 7,000 Re-paid: Approx. MSEK 2,400	SEK-MTN: Issued MSEK 2,550 Maturity FRN's 2: 4 & 5 years (MSEK 1,950) Fixed 2 Years (MSEK 600) Re-paid MSEK 3,750 EMTN: Issued MNOK 1,600 (5 & 7 years), and MEUR 650 (8 years)	Nominal volume outstanding decreased during Q3 to SEK 3.6 bn. (vs. SEK 7.3 bn. by the end of Q2 2021)
<b>Facility amount/ Programme size</b>	Approx. MSEK 30,000	SEK-MTN: MSEK 25,000 EMTN: MEUR 3,000	MSEK 10,000
<b>Utilized</b>	Approx. MSEK 8,100	SEK-MTN: MSEK 18,100 EMTN: Approx. MEUR 1,785	MSEK 3,640

Hybrid Issue: MEUR 1,000 PNC 5.5 years.



### Annedal 21:10

Investment: MSEK 55

Lettable area: approx. 5,000 sq. m.



### Götaland 5

Investment: MSEK 108

Lettable area: approx. 8,000 sq. m.



### Drevet 1/Långeberga

Investment: MSEK 261

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

## High activity in ongoing projects

MSEK

Ongoing	7,623
– of which built up	3,205
– remaining investments	4,418
Occupancy rate	66%
Yield on cost, average	5.6%
Further potential project gains	1,800



Q3 2021 was one of the most transaction intense quarter in terms of volume.

# Larger transactions

## Transactions/investments Jan–June 2021, MSEK

92 properties, mainly logistic/warehouse	Divestment	-9,800
Ferring in Copenhagen	Divestment	-1,100
Net smaller transactions	Net investment	300
<b>Net property transactions</b>		<b>-10,600</b>
Other investments:		
Entra	Investment	3,800
<b>Net transaction/investments</b>		<b>-6,800</b>

## Transactions/investments July–Sep 2021, MSEK

Kielo, Stockholm	Net investment	4,300
Herrjärva 2, Stockholm	Investment	1,050
Aprikosen 3, Stockholm	Investment	950
17 properties, mixed portfolio	Divestment	-1 700
<b>Net property transactions</b>		<b>4,600</b>
Other investments:		
Entra	Investment	4,900
Kungsleden	Investment	2,700
<b>Net transactions/investments</b>		<b>12,200</b>



LONG-TERM PERSPECTIVE

# Castellum's view on Entra

Our position gives us an effective  
exposure towards high quality assets.



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# The bid on Kungsleden – solidify the position as the commercial property champion in the Nordics

- Complementing property portfolios
- Full potential from project development
- Continued strong cash flow
- One of Europe’s most sustainable property companies
- Value creating synergies
- Attractive financial profile
- Strong and experienced management

## Indicative time plan

- |                   |  |
|-------------------|--|
| <b>29 October</b> | Acceptance period ends                         |
| <b>1 November</b> | Final results from acceptance period published |
| <b>4 November</b> | Expected start of settlement                   |

# Outlook

## The market

- Office market – positive outlook
- Logistic market – fast growing

## Castellum

- Nordic expansion
- Continued strong growth position
- Strong development pipeline



A rooftop terrace with wooden tables, potted plants, and a view of a harbor. The terrace is furnished with wooden tables and black chairs. There are several potted plants, including a large tree in a wicker basket and several smaller potted plants. The view shows a harbor with a large ship and a city in the background. The text "Q&A" is overlaid in the center of the image.

# Q&A



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# Thank you!

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