

Atrium Ljungberg Interim Report / Q1 2024

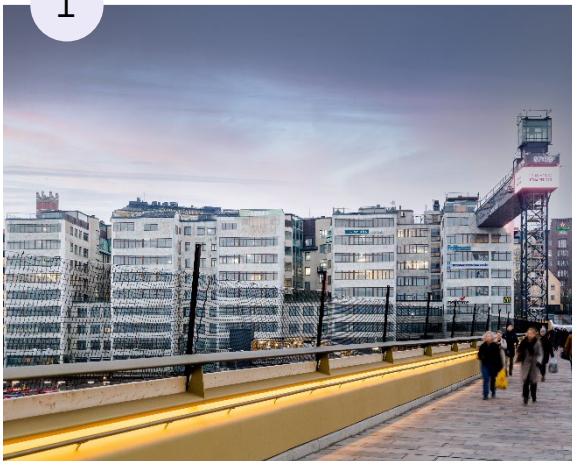
Q1



Overview

Stable income from property management in a cautious rental market.

1



PROPERTY PORTFOLIO
80% Stockholm
 10% Uppsala, 5% Gothenburg,
 5% Malmö

71% Offices

18% Retail, 3% Residentials,
 8% Projects and land

2



RENTAL MARKET
SEKm -5/SEKm -13
 Net letting Q1

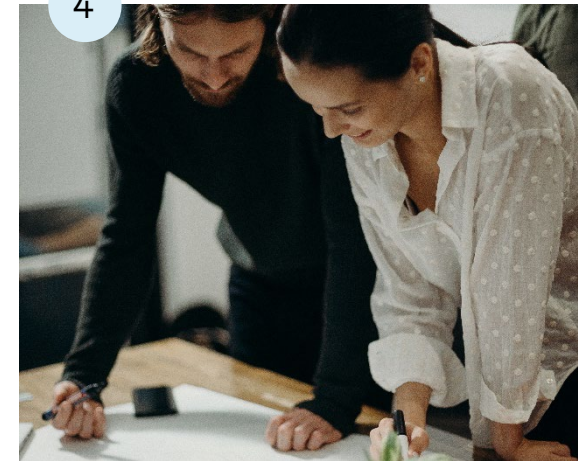
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EARNINGS
+14%
 Profit from property
 management

+8%
 Net operating
 income – like for like

4



PROJECTS
SEK 8 billion
 In ongoing projects

91% let
 For those completed
 in 2024

Property portfolio – City of Our Dreams

Property and project portfolio concentrated primarily on four areas in Stockholm – Hagastaden, Slussen, Slakthusområdet and Sickla. All areas with an existing or future underground station.



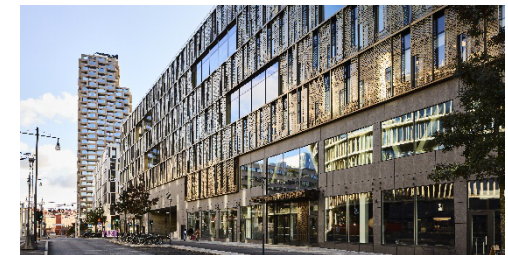
Glashuset, Slussen



Katarinhuset, Slussen



Söderhallarna, Södermalm



Life City, Hagastaden



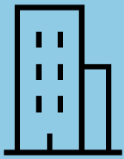
Stationshuset, Sickla



Hus 48, Slakthusområdet

Rental and residential market

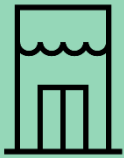
Strong future locations for offices – Slakthusområdet, Slussen and Hagastaden appear among the top locations.



OFFICES

Deals are being made - but a continuing waiting rental market with a need for increased flexibility.

- Good dialogues, but they take time.
- Uncertainty about the need of space, desire for increased flexibility and service.
- A house – broadens offer to customers.



RETAIL

Continued increase in both sales and number of visitors.

- Higher sales, but differences between the segments – the mix at the retail hub determines its 'resilience'.
- Food, alcohol stores and pharmacy continue to perform strongly.



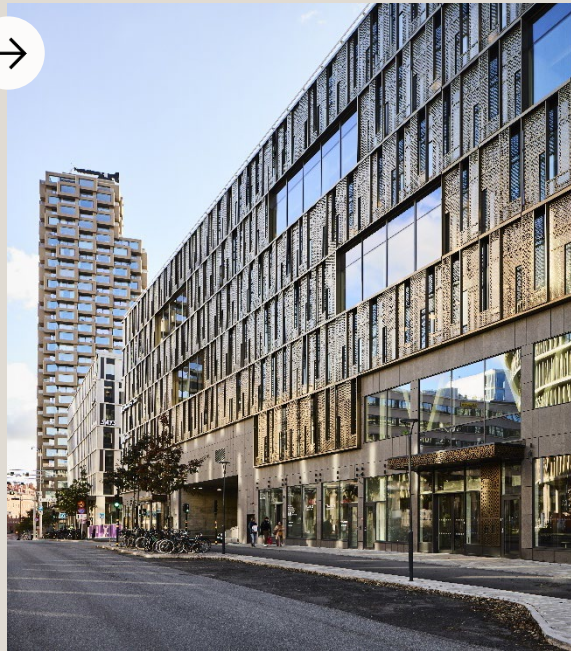
TENANT-OWNED DWELLINGS

We are heading towards brighter times.

- Expected interest rate cuts make for a more optimistic housing market.
- Continued progress in our condominium projects; In Sickla, we sold 5 apartments and in Uppsala, we sold 2 apartments.

Most significant lettings

The three most significant lettings in this quarter were in Hagastaden.



GlobalConnect

Life City, Hagastaden,
3,200 sq.m.

LETTING



Pricer AB

Blästern 13, Hagastaden,
1,350 sq.m.

LETTING



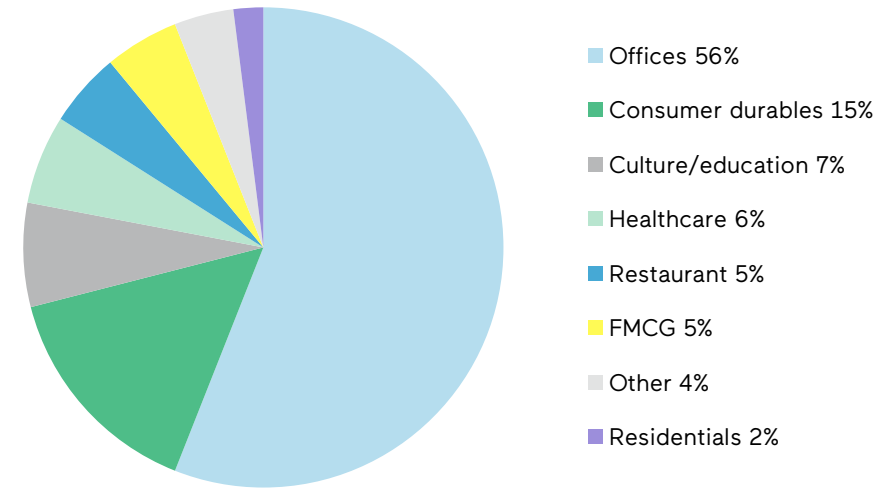
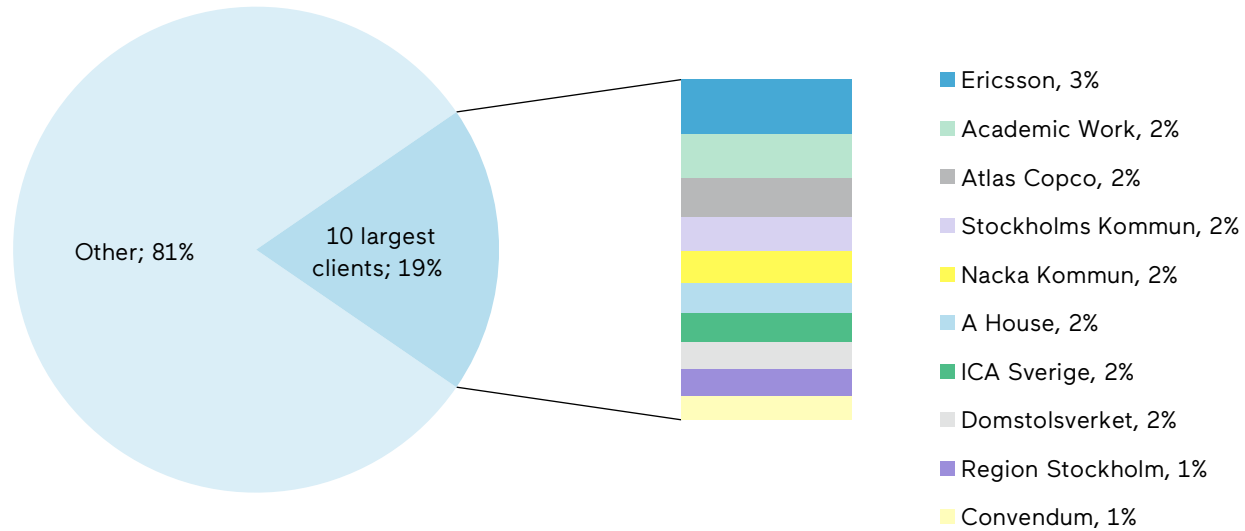
Leadstar Media AB

Blästern 13, Hagastaden,
1,000 sq.m.

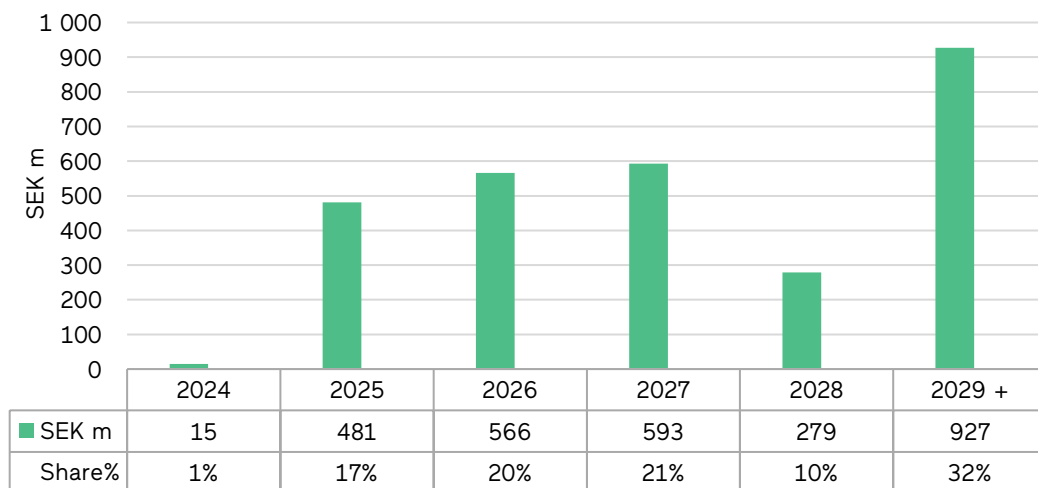
LETTING

Q1

Stable and diversified customer base



Maturity structure annual contract value

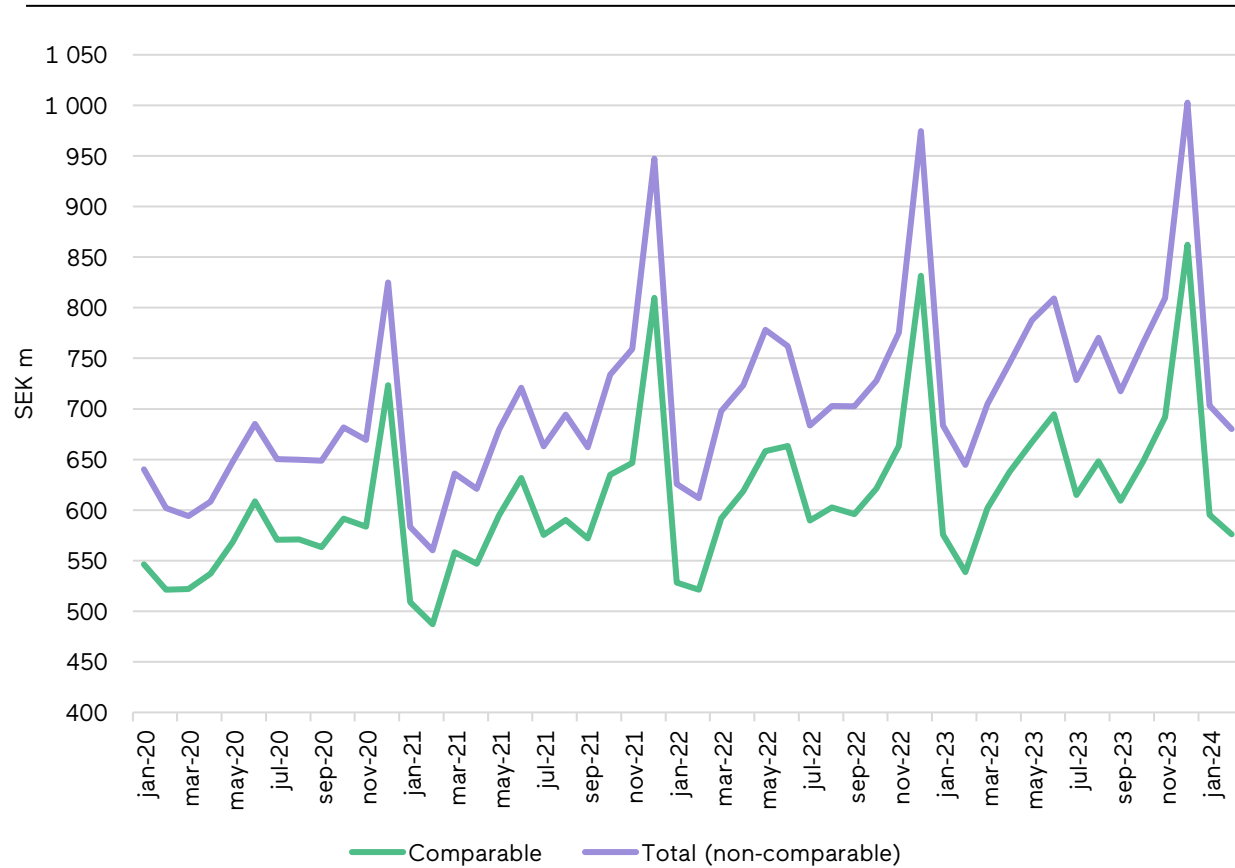


- Diversified customer structure
- The ten biggest customers account for 19%
- Average remaining lease term 4.6 years
- Five leases > 10,000 sq.m., of which four are offices

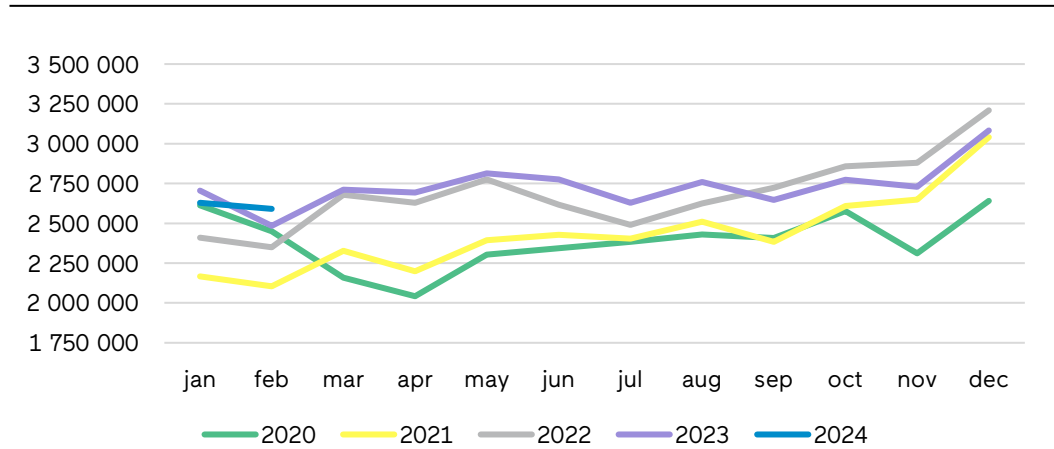
Retail

The mix at our retail hubs makes us resilient during a recession.

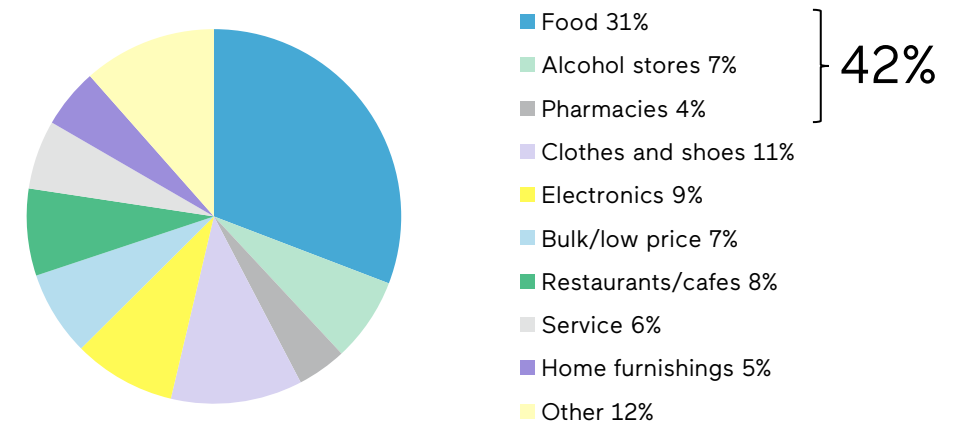
Sales per month 2020-2024 February



Visitors per month to our retail hubs



Our retail hubs - overview



Key performance indicators

Underlying earnings remain strong, while property values are falling.



PROFIT FROM PROPERTY MANAGEMENT

+14% growth
SEKm 373, or SEK 2.96 per share



OPERATING SURPLUS

+8% growth in LFL excl. one-offs



CHANGES IN VALUE

-0.0% reduction in value, or SEKm -7



NET ASSET VALUE

SEK 263 per share
+1% adjusted for dividend



FINANCIAL RISK

42.6% Loan-to-value ratio
3.8 Interest coverage ratio R12
12.7 Net debt to EBITDA R12



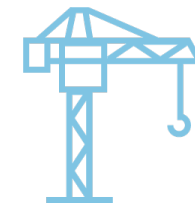
FINANCING

SEK 8 billion
in unutilised credit facilities



NET LETTING

SEKm 118 newly signed
SEKm 123 terminated
SEKm 8 terminated by us



PROJECTS

SEK 7.8 billion in ongoing projects: approx.
SEK 4.6 billion remains

Growth in rental income and net operating income

Strong growth in like for like excluding one-off compensation.

Comparable portfolios
+4.9%/+8.1%
(rental income/operating surplus)



OFFICES
+5.2%/+8.7%



RETAIL
+4.1%/+6.6%



RESIDENTIALS
+4.2%/+8.6%



Index/CPI and lower energy costs



HUS 26, SLAKTHUSOMRÅDET

Rental growth projects

The project portfolio continues to deliver rental growth – during the quarter Katarinahuset has been classified as completed, even if certain investments remain regarding mainly tenant adaptations. Emptying of Söderhallarna started last year, which resulted in lower rental income and NOI the first quarter.

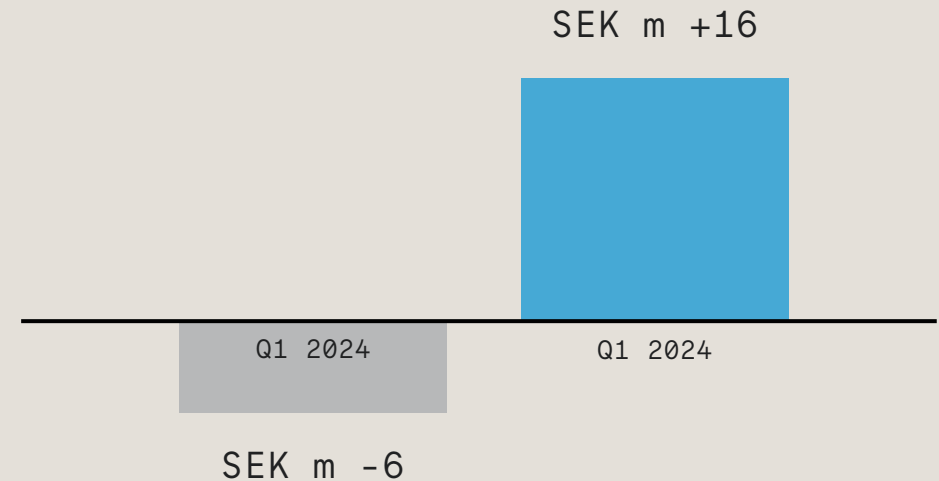


Katarinahuset, Slussen



Completed projects contributed to rental growth of SEK 19 million.

Net operating growth

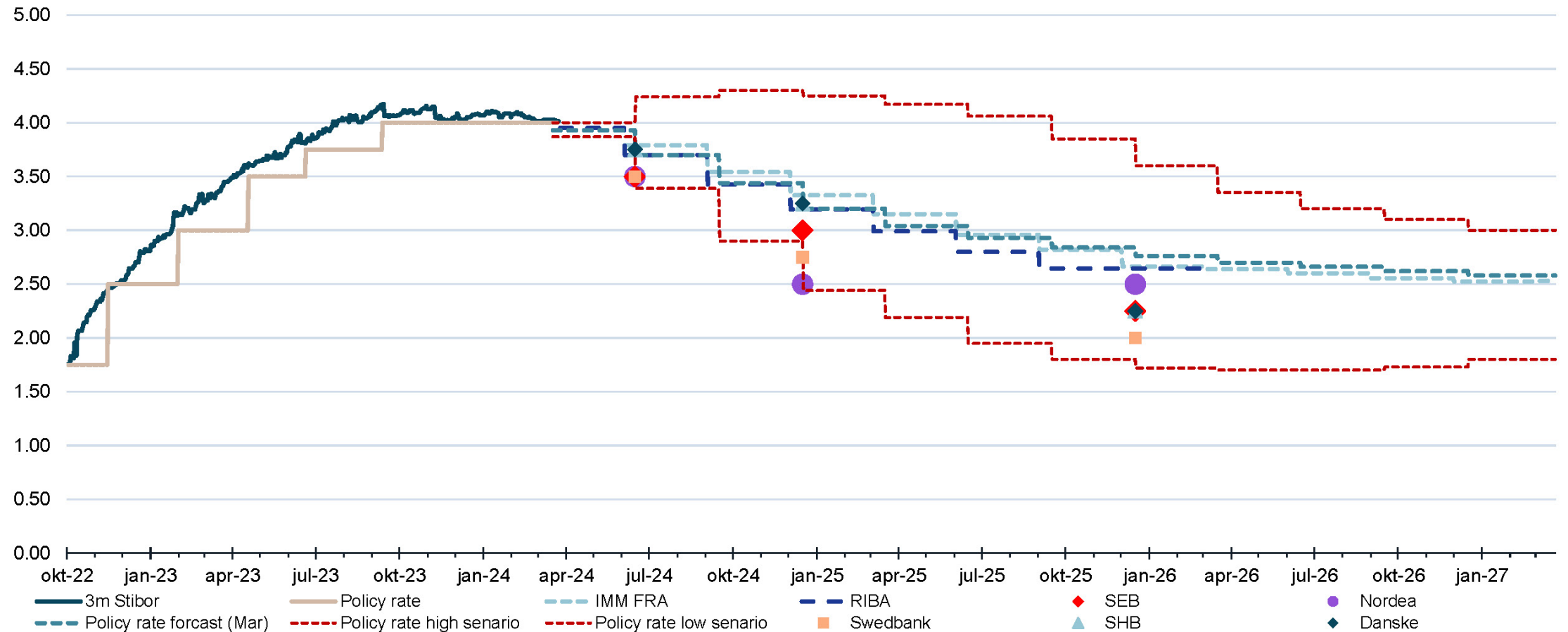


Total project portfolio contribution:
 - Rental growth SEKm +8
 - NOI growth SEKm +10

Ongoing projects
 Completed projects

Interest rate and credit market

Market pricing of short-term interest rates (%)



Financing

Strong earnings contribute to a continued improvement in the ICR and the Net Debt to EBITDA.

INTEREST COVERAGE RATING R12



3.8 times

NET DEBT TO EBITDA R12



12.7 times

LOAN-TO-VALUE



42.6%

CAPITAL DURATION



3.3 yrs

INTEREST RATE DURATION



3.2 yrs

PROPORTION AT A VARIABLE RATE



approx. 45%

AVAILABLE LIQUIDITY



SEK 8 bn

RATING, Moody's with negative outlook

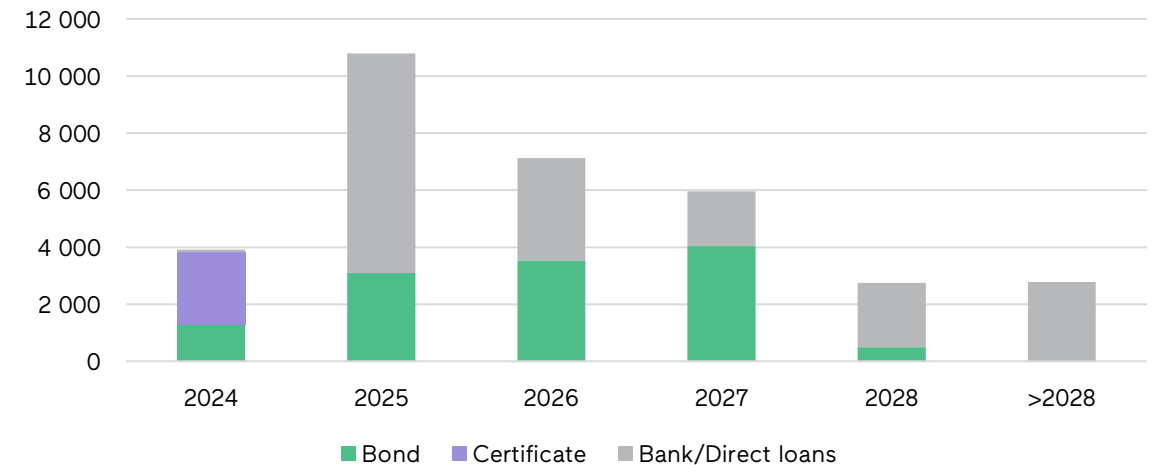


Baa2

Interest rate duration

Duration	Volume, SEK m	Percentage, %	Average interest rate, %
2024	6,169	24	1.3
2025	1,750	7	2.4
2026	2,704	11	1.9
2027	3,850	15	3.1
2028	4,260	17	2.5
>2028	6,560	26	3.0
Total	25,293	100	2.4
Total incl unutilised credit facilities			2.5

Credit maturity including unused facilities, SEK m



Ongoing projects

Ongoing project portfolio amounts to SEK 7.8 billion; approx. SEK 4.6 billion remains to be invested. The projects are concentrated primarily on our four development areas in Stockholm – Hagastaden, Slakthusområdet, Slussen and Sickla.

The projects that will be completed in 2024, 91% have been let

Katarinahuset is completed but some investment volume remains

Söderhallarna – detailed development plan accepted which enables extension

SKH – conditional Investment SEK 2 billion

2024

2025

2026

2027



Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

Q4

Q1

Q2

Q3

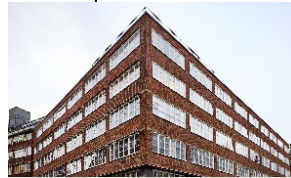
Q4



Slakthushallarna, Slakthusområdet



Brf Kulturtrappan, Nobelberget



PV palatset, Hagastaden



Sickla Stationshus



Söderhallarna, Södermalm



Upper secondary school, Slakthusområdet



Hus 06 Stationen, Slakthusområdet



Katarinahuset, Slussen



Campus Sickla



Brf Kulturarvet, Nobelberget



Mälarterrassen, Slussen

Nobelberget, Brf Kulturarvet



Our largest development projects

We are developing the City of Our Dreams – potential future investments of approx. SEK 40 billion in land already owned or land allocations obtained.



SICKLA

From industry to a vibrant city district.

Area: 250,000 sq.m.
Investment: SEK 14 billion



SLAKTHUSOMRÅDET

Stockholm's new meeting place for food, culture and experiences.

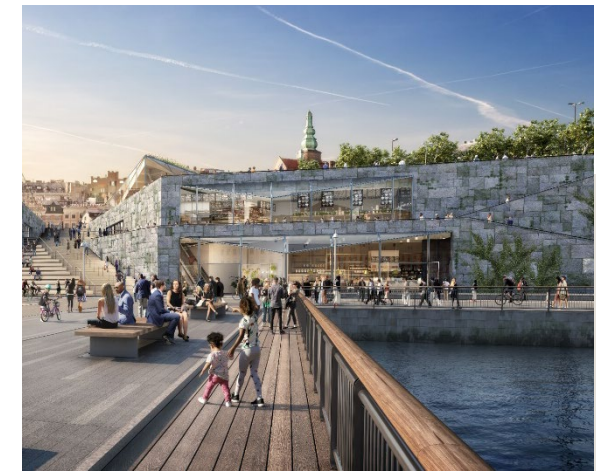
Area: 200,000 sq.m.
Investment: SEK 11 billion



HAGASTADEN

Ultra-urban city with an international metropolitan vibe.

Area: 100,000 sq.m.
Investment: SEK 7 billion



SLUSSEN

Where the whole city meets. From road junction to meeting place.

Area: 55,000 sq.m.
Investment: SEK 2 billion

Q1 2024



Q&A



Atrium Ljungberg
Interim Report
/ Q1 2024 **Appendix**

Q1

Income Statement Q1, summary

SEK m	2024 Q1	2023 Q1	Comments
Rental income	755	712	Like for like 5%
Property costs	-214	-224	Like for like -3%
Net operating income	541	489	Like for like 8% / Surplus rate 72%
Project and construction	3	-1	
Central administration	-22	-17	
Associated companies	-2	-	
Leasehold fees	-12	-10	
Net financial items	-134	-134	
Profit from property management	373	326	SEK 2.96/share +14% growth
Change in value:			
- Properties	-7	-407	
- Profit properties tenant-owned dwellings	4	3	
- Goodwill	-	-24	
- Derivatives	160	-252	
Tax	-123	63	
Profit after tax	406	-292	

Balance sheet, summary

SEK m	2024 March		2023 Dec		Comments
Investment properties	57,194	58,884 SEK/sq.m.	56,813	56,186 SEK/sq.m.	4.7% Valuation yield (4.7)
Development properties	1,721		1,692		
Derivatives	843		733		
Other assets	2,542		2,422		
Cash and cash equivalents	203		119		
Sum	62,503		61,779		
Shareholders' equity	27,485		27,519		Long-term net asset value SEK 263/share (262)
Deferred tax	6,183		6,064		
Interest-bearing loans	25,293	42.6% loan-to-value	24,966	42.5% loan-to-value	3.3 years capital duration (3.5)
Financial leases	1,438		1,296		
Derivatives	258		344		
Other non-interest bearing liabilities	1,846		1,590		
Sum	62,503		61,779		