

STENDÖRREN

Lokaler som gör skillnad.

FIRST QUARTER 2022

STENDÖRREN

INTRODUCTION

BUSINESS IDEA, MARKET OPPORTUNITY AND FINANCIAL OBJECTIVES

BUSINESS IDEA

Stendörren creates profitable growth in net asset value by actively managing, developing and acquiring properties.

Focus on logistics, warehouse and light industrial properties, primarily within Stockholm region and other markets that are considered to be attractive over time.

In addition, Stendörren develops residential building rights in the existing portfolio, for in-house development and management.

MARKET OPPORTUNITY

The properties are strategically located in growth areas (population and economic) in Greater Stockholm and the Mälardalen region.

Stendörren is continuously evaluating acquisitions in new markets, such as the recent entry into both Denmark and Norway.

Growing e-commerce increases the demand for logistic and warehouse properties, especially in urban locations, to meet consumer demand on short delivery times.

Rent levels are increasing, as demand for logistics and light industrial premises in urban locations increases, while supply is decreasing due to conversions to other use.

FINANCIAL OBJECTIVES

Return on equity of at least 12%

EPRA NAV shall grow with at least 15% p.a.

Interest coverage ratio of at least 2.0x

Equity ratio shall be 35%
(never lower than 20%)

SNAPSHOT OF STENDÖRREN

PROPERTY VALUE¹

SEK
12.0 bn

RENTAL VALUE²

SEK
709 m

NOI YIELD³

6.0%

LTV⁴

45%

LETTABLE AREA¹

SQ.M.
789,000

NAV⁵

SEK
5,032 million

LEASE DURATION⁶

3.7 years

BUILDING RIGHTS¹

SQ.M.
652,000

1) Property portfolio as per March 31, 2022

2) Estimated earnings capacity as of March 31, 2022

3) Excluding projects and land, 12 months average

4) Interest bearing debt in relation to total assets

5) Actual NAV

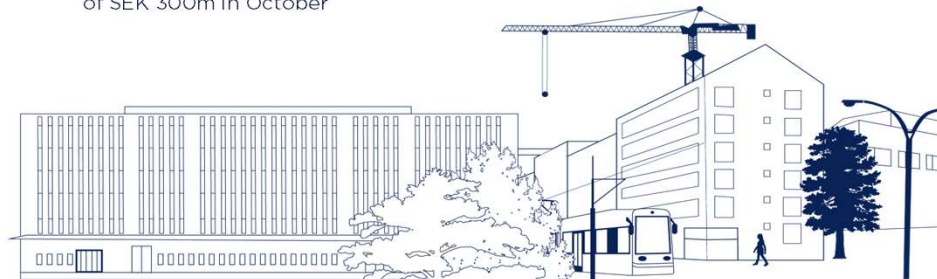
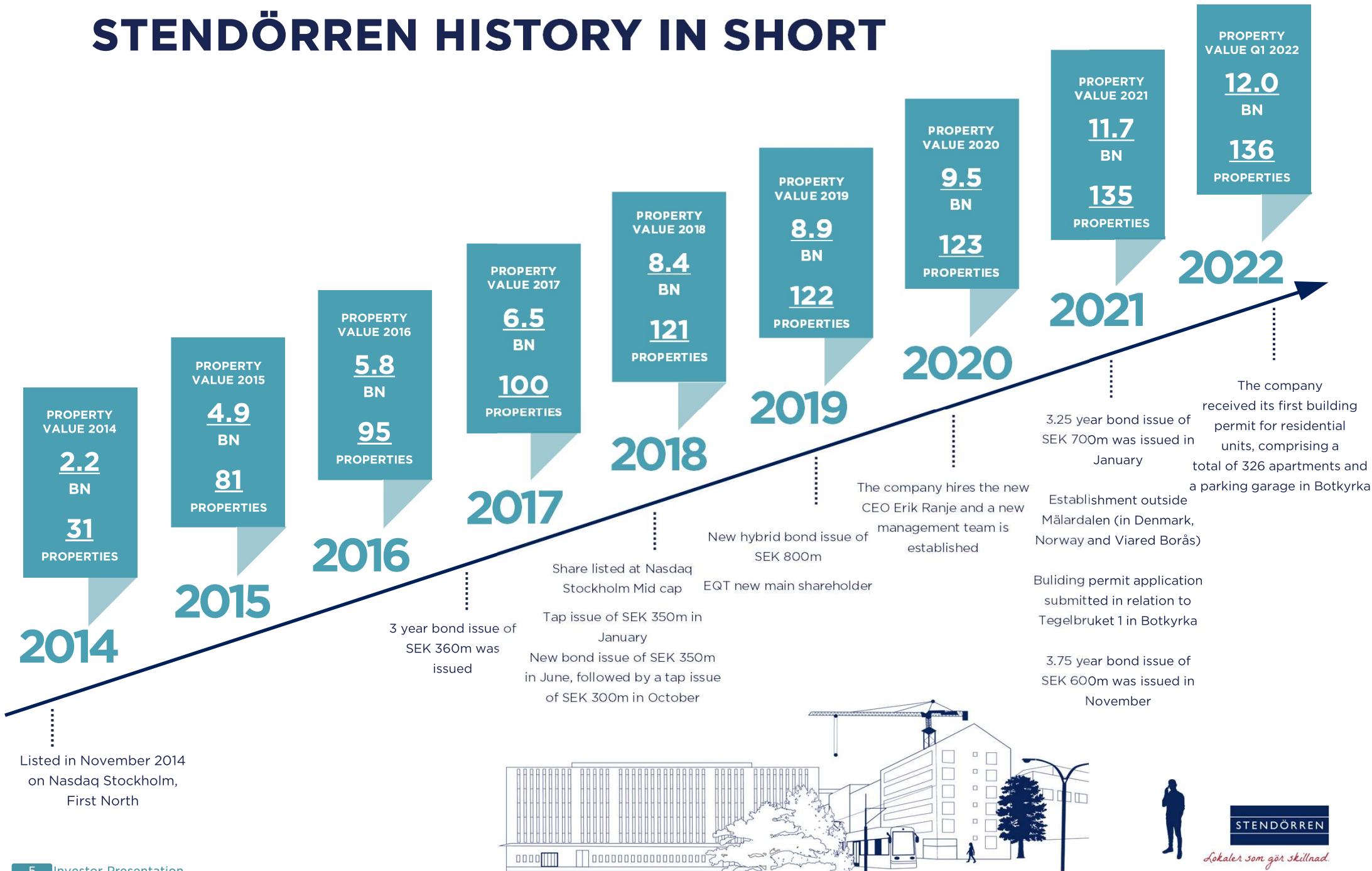
6) Average unexpired lease term - economically weighted

SNAPSHOT OF STENDÖRREN - CONTINUED

<p>BUSINESS IDEA</p>	<ul style="list-style-type: none"> • Stendörren creates profitable growth in net asset value by actively managing, developing and acquiring properties. Our focus is on logistics, warehouse and light industrial properties in growth regions, primarily in urban areas. • In addition, we develop residential building rights in existing properties, for the purpose of in-house development and management. • Additional new markets are continuously being evaluated.
<p>STRONG FOUNDATION /CASH FLOW</p>	<ul style="list-style-type: none"> • Stendörren's properties are located in areas with strong regional growth (population and economic). • The properties are high yielding with long leases, generating strong and stable cash flow. • The tenant base is diversified and consists of both well-established small to medium sized companies and large multinational businesses from different industries.
<p>SIGNIFICANT DEVELOPMENT PORTFOLIO</p>	<ul style="list-style-type: none"> • The total development portfolio comprises approx. 652,000 sqm. of additional lettable area. • Still significant potential for creation of additional building rights within existing portfolio. • Potential to develop residential building rights in existing properties, for in-house development and management.
<p>CLEAR SUSTAINABILITY STRATEGY</p>	<ul style="list-style-type: none"> • Sustainability in all aspects of the business – such as awareness and focus on environmental, economical and social aspects of sustainability. • Hands on asset management and dialogue with tenants to reduce environmental footprint. • Strategically located assets allow for smarter transportation. • Development portfolio with clear green focus.



STENDÖRREN HISTORY IN SHORT



STENDÖRREN

Lokaler som gör skillnad.

4 GOOD REASONS TO OWN A STENDÖRREN SHARE

1.

STABLE CASH FLOW

- High yielding logistics, warehouse and light industrial properties with long leases.
- The tenant base is diversified and consists of both well-established small to medium sized companies and large multinational businesses from different industries.

2.

SUSTAINABLE GROWTH

- Properties strategically located in growth areas (population and economic) in the Greater Stockholm and the Mälardalen region.
- Rent levels are increasing as demand for logistics and light industrial premises in urban locations increases. While supply is decreasing with urbanization leading to conversions to other use.
- Growing e-commerce increases the demand for logistic and warehouse properties, especially in urban locations, to meet consumer demand on short delivery times.
- Further growth via acquisitions and operational improvements.

3.

VALUE GROWTH IN PROJECTS

- The Stendörren project pipeline contains opportunities for green field development of prime logistics, as well as infill development of light industrial assets.
- In addition, the conversion of properties for alternative use, primarily residential purposes, provides further upside potential.

4.

FINANCE

- Bank debt from several of the leading Nordic banks.
- Capital market based financing as complement (senior unsecured bonds and hybrid bonds).
- Finance policy to balance risk (leverage and refinancing risks).

1. STABLE CASH FLOW

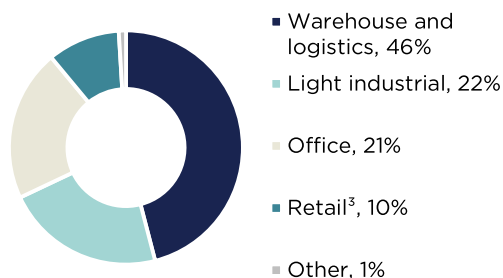
DIVERSIFICATION WITH FOCUS ON GREATER STOCKHOLM

PROPERTY PORTFOLIO OVERVIEW

- Stendörren has a property portfolio of SEK 11,986m, with a property yield of 6.0%¹ as per 31 March 2022.
- Rental value² of SEK 709m with an economic occupancy rate of 90% as per 31 March 2022.
- Lease agreements that were renegotiated during the year led to an increase in rental values of 20%, on weighted average (Q1 2022).

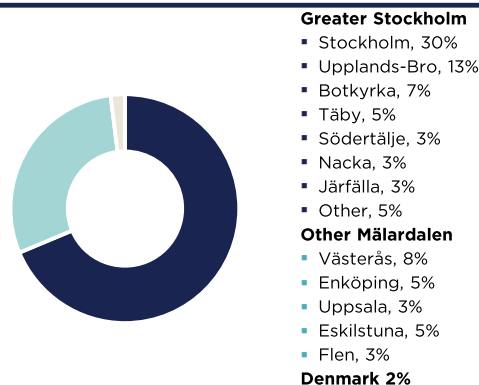
PROPERTY DISTRIBUTION

SEGMENT (area)



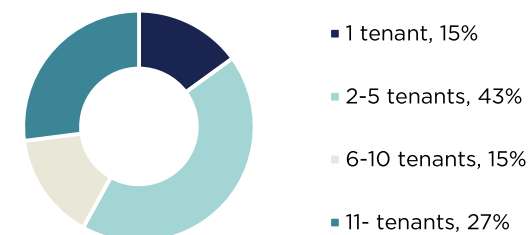
The majority (68 %) of the property portfolio area consists of warehouse, logistics and light industrial properties.

GEOGRAPHY (rental income)



The main part of the property portfolio, by rental income, is located in Greater Stockholm and the surrounding regions.

TENANTS/PROPERTY (area)



The tenant base is diversified and consists of both well-established small to medium sized companies and large multinational businesses from different industries.

1) Excluding projects and land, 12 months average 2) Estimated earnings capacity as of March 31, 2022 3) Capital goods e.g car dealerships

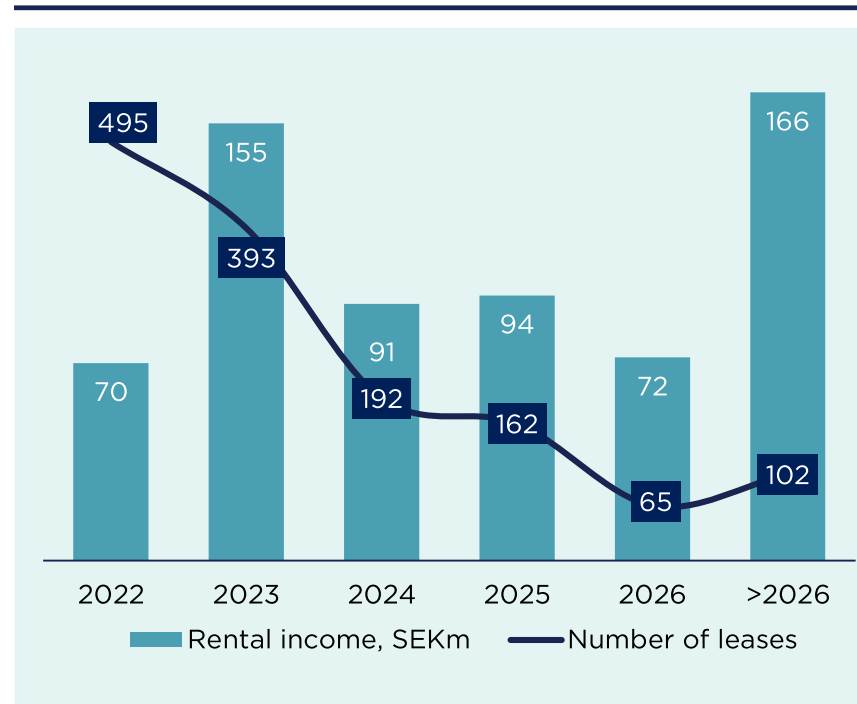
1. STABLE CASH FLOW – CONTINUED

DIVERSIFIED TENANT BASE

LARGEST TENANTS AS PER Q1 2022

Tenant	Rental income, SEKm	Rental area, th. sq.m.	Share of total rental income
Coop Logistics AB	66	130	10%
Alfa Laval Tumba AB	14	20	2%
Åtta.45 Tryckeri AB	12	11	2%
Montain Top	10	10	2%
Unilever Europe BV	10	13	2%
Stockholm Vatten AB	9	6	1%
InfoCare Service AB	9	6	1%
Bactiguard AB	9	4	1%
Nacka Vatten och Avfall AB	7	3	1%
LeasePlan Sverige AB	7	5	1%
Sum	153	208	23%

LEASE MATURITY BY RENTAL INCOME

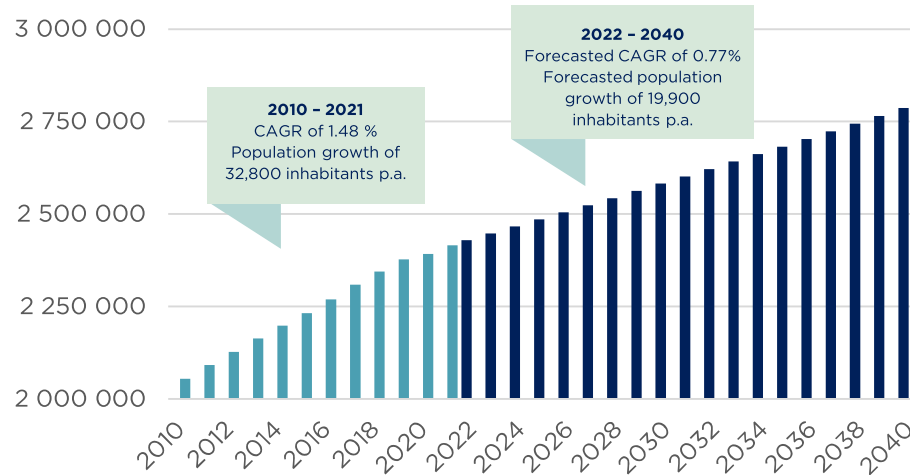


- Stendörren has an attractive and well-diversified tenant base
 - some 800 individual tenants
 - well-established small to medium sized companies and large multinational companies
 - tenants represent a variety of industries
- Largest tenant is Coop that contributes 10% of total rental income.
- Top ten tenants contribute 23% of total rental income.
- The weighted average unexpired lease term is 3.7 years.

2. SUSTAINABLE GROWTH

WHY FOCUS ON THE STOCKHOLM REGION?

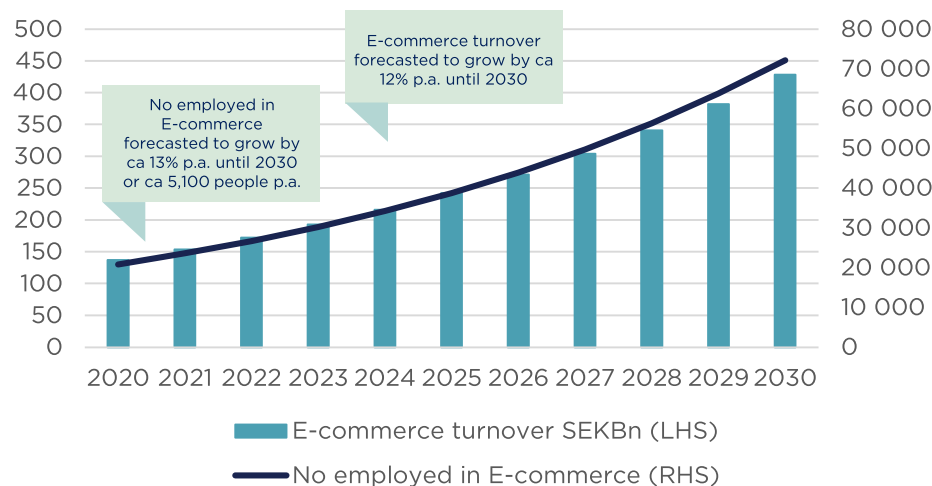
POPULATION STOCKHOLM REGION



STOCKHOLM REGION

- By 2040 a total of 11.3m inhabitants are expected to live in Sweden.
- The highest growth in absolute numbers and percent is in the Stockholm county, with a forecasted growth of approx. 360,000 inhabitants or 15% for the period up until 2040.
- In addition to being the most populous region, Stockholm has the highest gross regional product in Sweden, approx. 40% above the national average.
- The gross regional product in Stockholm declined 1.5%, which is however significantly better than Sweden with a decline of -2.8%
- The Stockholm county has the highest portion of the population nationwide shopping on-line, as well the highest average spend.

Forecasted E-commerce turnover & employment - Sweden



E-commerce & Real estate market implications

- E-commerce accounted for 16% of total retail turnover in 2021, up from 14% in 2020.
- E-commerce is forecasted to account for 40% of retail turnover by 2040 (nationwide) with E-commerce logistics expected to need 2.4x the logistics space versus traditional logistics for brick-and-mortar retail.
- Over the last 20 years the available stock of light industrial, logistics and warehouse assets has remained stable in the wider Stockholm region, whilst significantly reduced in city-fringe locations, whilst the population has grown with approx. 30%.
- Growing demand coupled with lagging supply are factors that could continue to push rent higher.

Sources: SCB, Swedish Trade Federation, PostNord/HUI, CBRE

2. SUSTAINABLE GROWTH – CONTINUED

STRONG GROWTH PROSPECTS



FUTURE

- Continued expansion in greater Stockholm and Mälardalen.
- Furthermore, new markets are continuously being evaluated, with the most recent acquisitions being two modern warehouse assets in the logistics cluster of Viared in Borås.
- Continued focus on off market acquisitions of cash flow generating assets.
- Further investments in the existing portfolio of building rights and developments, including residential.

3. VALUE GROWTH IN PROJECTS

PROJECT PORTFOLIO WITH LARGE POTENTIAL

MUNICIPALITY	ENVISAGED MAIN USE	ESTIMATED BUILDING RIGHT (GROSS SQM ¹)	STATUS ZONING	ESTIMATED POSSIBLE CONSTRUCTION START ²
Upplands-Bro	Logistics	400,000	Within current zoning	2022-2023
Södertälje	Logistics	61,800	Within current zoning	2022-2026
Eskilstuna	Logistics	10,000	Within current zoning	2022-2024
Stockholm	Light industrial	8,000	Within current zoning	2022-2023
Enköping	Logistics	8,000	Within current zoning	2022-2023
Upplands-Bro	Logistics	7,400	Within current zoning	2022-2023
Upplands-Bro	Light industrial	2,500	Within current zoning	2022-2023
Enköping	Light industrial	4,500	Within current zoning	2022-2023
Enköping	Light industrial	2,000	Within current zoning	2022-2024
Upplands-Bro	Light industrial	1,500	Within current zoning	2022-2023
Botkyrka	Residential	57,000	Within current zoning	2023-2024
Sollentuna	Residential	7,000	Zoning change required	2023-2024
Västerås	Light industrial	2,000	Within current zoning	2023-2024
Uppsala	Light industrial	1,500	Within current zoning	2023-2024

1) May deviate from what is technically and commercially viable

2) Start of first phase, projects may include several phases. Note that Stendörren aims to commence construction on a partially or fully pre-let basis, which is why the timing of construction start depends on pace of leasing activities

- Fully developed an additional 652,000 sqm can be created, evidencing a substantial increase to the current portfolio of standing assets
- The vast majority of the building rights are located in the greater Stockholm region.
- The aim is to develop the project pipeline on a pre-let basis why the timing of possible construction start depends on the pace of leasing activities.

3. VALUE GROWTH IN PROJECTS – CONTINUED

ONGOING PROJECTS

PROPERTY	TYPE OF DEVELOPMENT	ESTIMATED COMPLETION	STATUS SIZE SQM	ESTIMATED INVESTMENT ¹ SEK MILLION	CURRENT PHASE
Almnäs 5:23	New logistics	Q4 2022	11,400	166	Construction started ²
Hjulsmeden 1	New light industrial	Q4 2022	2,600	42	Construction started ²
Librobäck 21:3	New light industrial	Q4 2022	2,100	36	Construction started ²
Viby 19:66	New logistics	Q4 2022	5,600	100	Construction started ²
Almnäs 5:24	New light industrial	Q1 2023	2,100	39	Design and planning ³
Almnäs 5:24	New light industrial	Q3 2023	2,100	39	Design and planning ³
Tegelbruket 1	New residential	Q2 2024	18,000	-	Design and planning ²
Total ongoing projects			43,900	>422	

1) Includes book value of land. Estimated investment for Tegelbruket not disclosed due to ongoing procurement.

2) Ground or building permit have been obtained.

3) Application for building permit submitted.

- Development projects within logistics, light industrial, and residential ongoing.
- First estimated construction completion estimated for Q4 2022.

3. VALUE GROWTH IN PROJECTS – CONTINUED

TEGELBRUKET IN BOTKYRKA

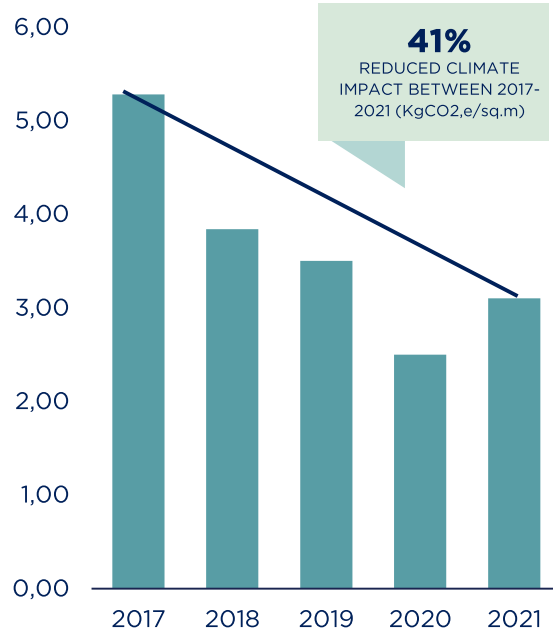


TEGELBRUKET

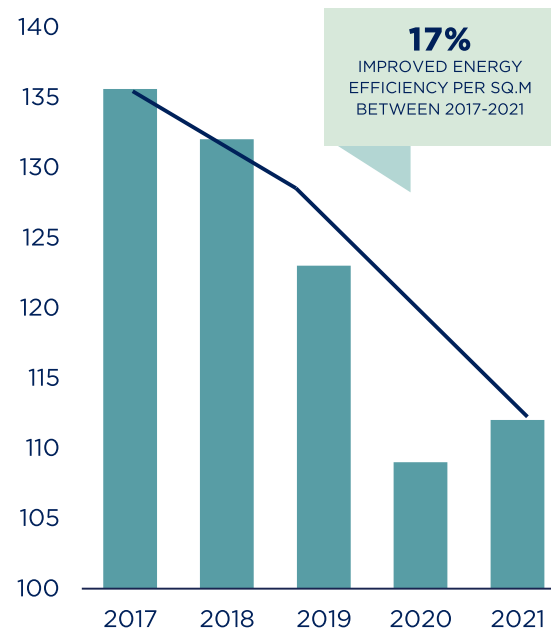
- Example of underutilized asset in urban location.
- Acquired in 2016 as a cash flow generating property, significant value unlocked through rezoning allowing for residential construction on underutilized parking lot.
- Building permit application submitted regarding first phase.
- Post completed development the area will comprise approx. 800 apartments and some additional commercial premises, primarily to service the new residents.

SUSTAINABILITY - ACHIEVEMENTS

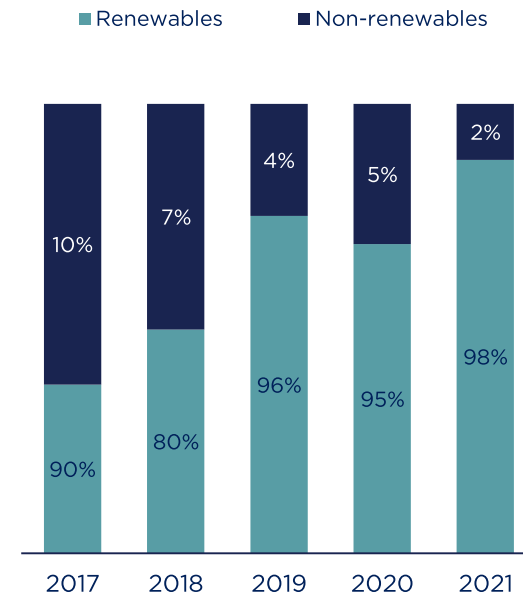
CLIMATE IMPACT KG CO₂/SQ.M



ENERGY INTENSITY KWH/SQ.M.



DISTRIBUTION OF ENERGY SOURCES



SDG FOCUS



NEW SUSTAINABILITY STRATEGY ADOPTED 2022

OPERATIONAL EXCELLENCE



TARGET:

LARGE SUPPLIERS ARE TO SIGN THE COMPANY'S CODE OF CONDUCT

100% OF ALL VEHICLES ARE TO BE FOSSIL-FREE BY 2025

AVOID FLYING WHEREVER PRACTICALLY POSSIBLE

RESOURCE EFFICIENCY



TARGET:

REDUCE ENERGY INTENSITY (KWH/SQM) BY AT LEAST 20% BY 2030 FROM THE BASE YEAR 2020

70% OF THE PROPERTY PORTFOLIO IN SQM IS TO HAVE ENVIRONMENTAL CERTIFICATION BY 2025

NEW BUILDINGS AND LARGE-SCALE TENANT IMPROVEMENTS ARE TO HAVE ENVIRONMENTAL CERTIFICATION

ENABLE INCREASED RECYCLING OF TENANTS' WASTE AND MINIMIZE CONSTRUCTION WASTE FROM NEW BUILDINGS, EXTENSIONS AND TENANT IMPROVEMENTS.

REDUCE CARBON FOOTPRINT BY HAVING 100% FOSSIL-FREE ENERGY BY 2030 (FOR ENERGY PURCHASED BY STENDÖRREN)

REDUCE CARBON FOOTPRINT IN NEW PRODUCTION PROJECTS TO ACHIEVE NET ZERO EMISSIONS BY 2030

ATTRACTIVE EMPLOYER



TARGET:

STRIVE FOR EQUALITY AND DIVERSITY AMONG ALL PROFESSIONAL CATEGORIES AND AIM TO HAVE A 40/60 GENDER DISTRIBUTION FOR SENIOR POSITIONS BY 2025

ANNUAL FOLLOW-UP AND FEEDBACK ON EQUALITY AND NON-DISCRIMINATION

ACHIEVE AN eNPS SCORE OF AT LEAST 20 IN THE SEMI-ANNUAL EMPLOYEE SURVEY

100% OF EMPLOYEES ARE TO HAVE COMPLETED TRAINING IN THE CODE OF CONDUCT

FUTURE-PROOFING



TARGET:

TCFD (TASK FORCE ON CLIMATE RELATED FINANCIAL DISCLOSURE) REPORTING FROM 2023

SOCIAL RESPONSIBILITY



TARGET:

CREATE JOB OPPORTUNITIES FOR PEOPLE FAR OUTSIDE THE LABOR FORCE

- ✓ Added focus areas (Future proofing)
- ✓ Generally increased ambitions

4. FINANCE

12 MONTHS TO MARCH 2022

RENTAL INCOME:
669 MSEK

NET OPERATING INCOME:
506 MSEK

NET PROFIT:
1,264 MSEK

LTV:
45 %

LETTABLE AREA:
789,000 M²

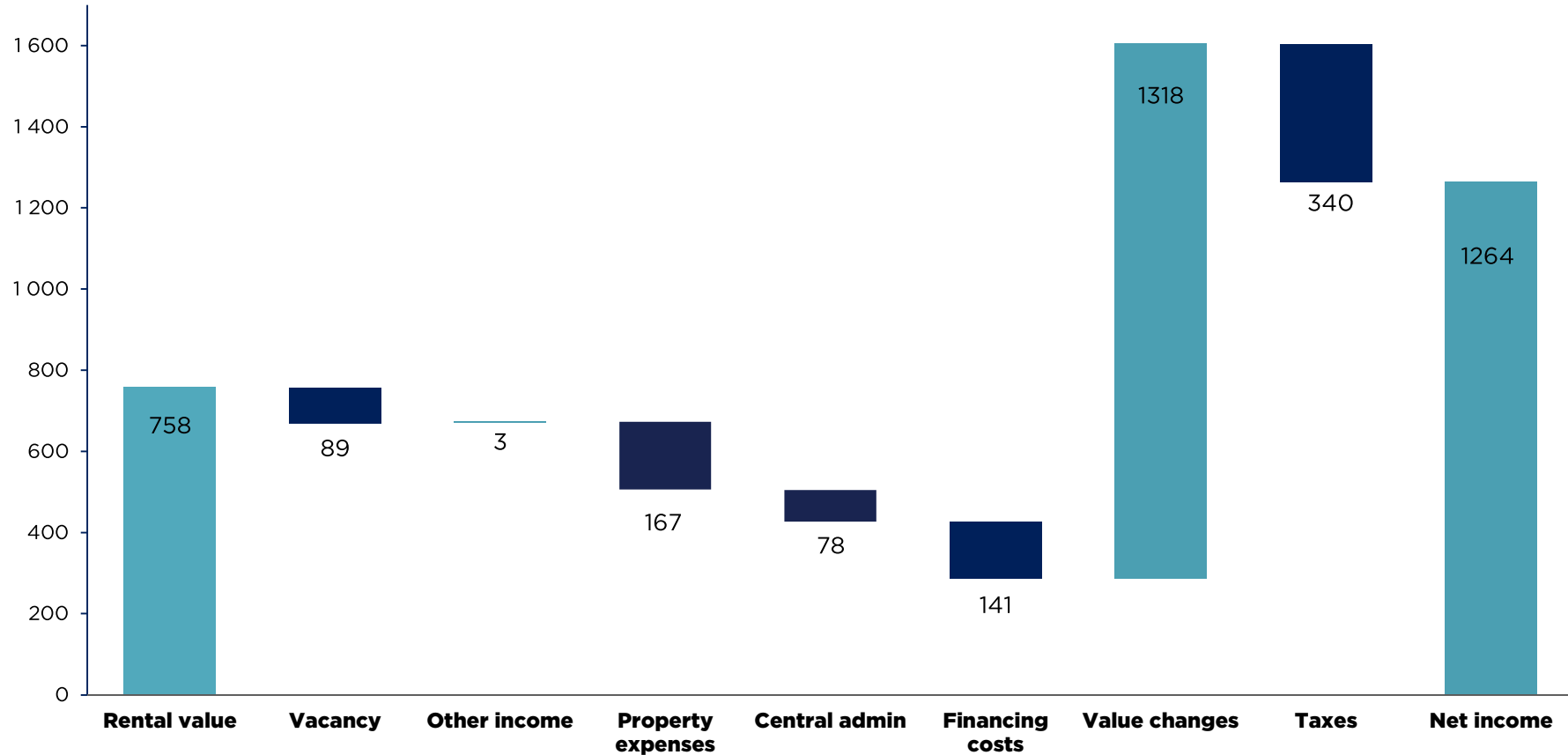
EQUITY RATIO:
44%

PROPERTY VALUE:
11,986 MSEK



4. FINANCE - CONTINUED

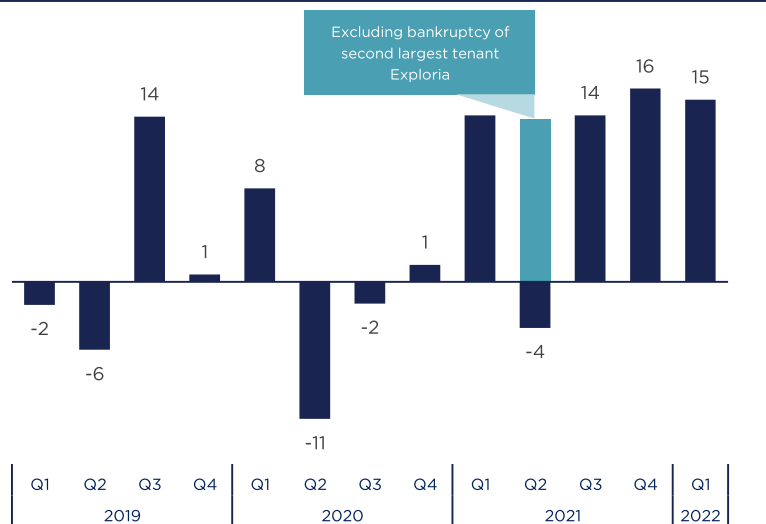
NET INCOME WALK 12 MONTHS TO 31 MARCH 2022



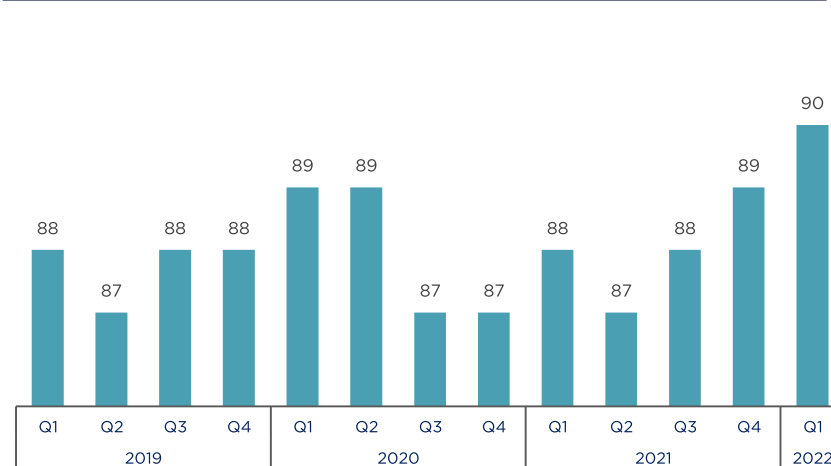
4. FINANCE - CONTINUED

HIGHLIGHTS FROM Q1 REPORT

NET LETTING (MSEK)



ECONOMIC OCCUPANCY (%)



EXCESS RATIO (%)



COMMENTS

- ✓ Net letting of SEK 15 million during first quarter 2022.
- ✓ New lease agreements with an annual rental value of SEK 21 million.
- ✓ Lease renegotiations led to an increase in rental values of 20%.
- ✓ Total property expenses in the comparable portfolio decreased by approximately 9% compared with first quarter 2021.

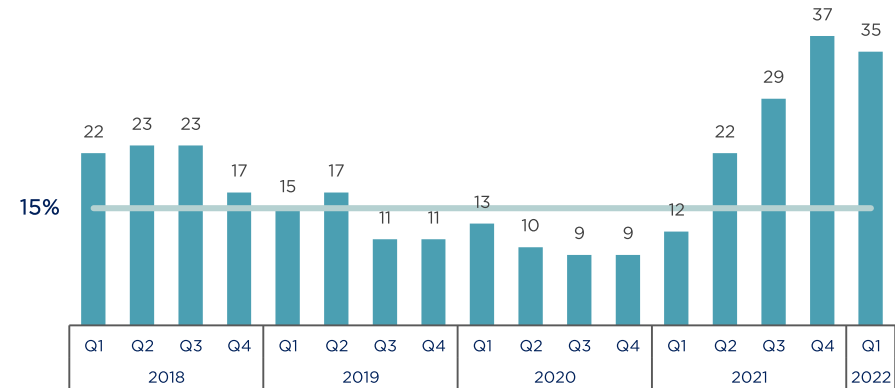
4. FINANCE - CONTINUED

FINANCIAL TARGETS

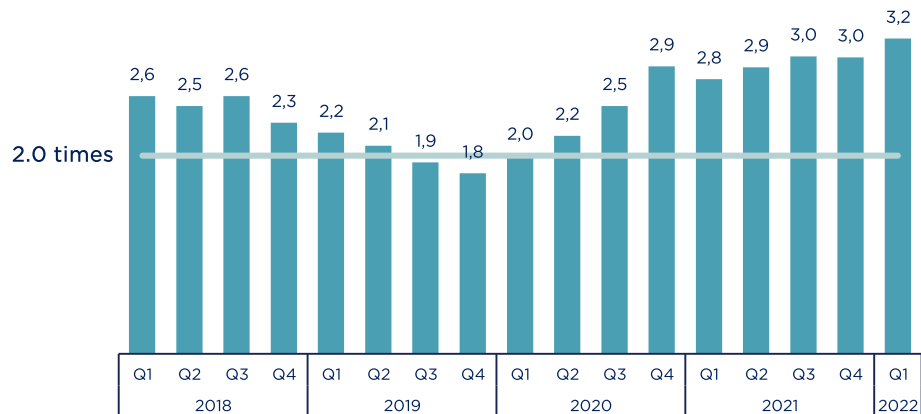
ROE (%)



NAV GROWTH (%)

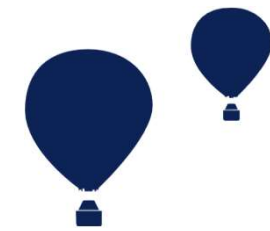


ICR (times)



EQUITY RATIO (%)

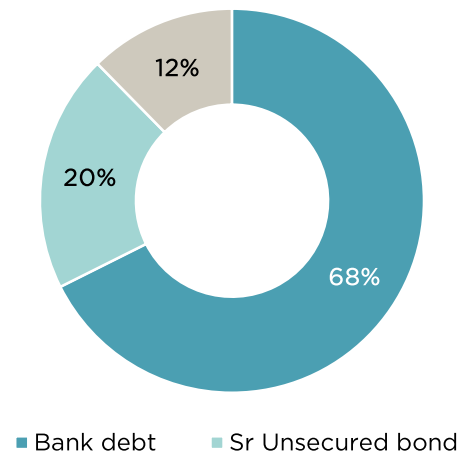




4. FINANCE - CONTINUED

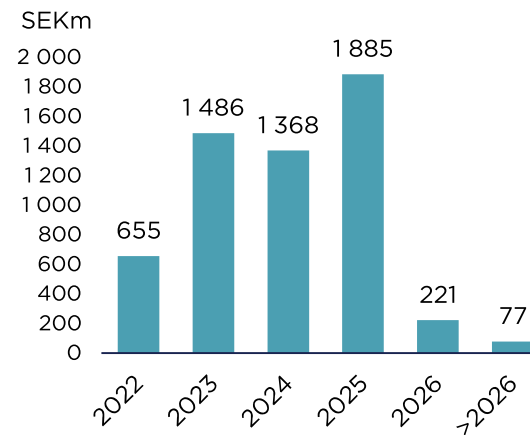
DEBT FUNDING

DEBT FUNDING OVERVIEW



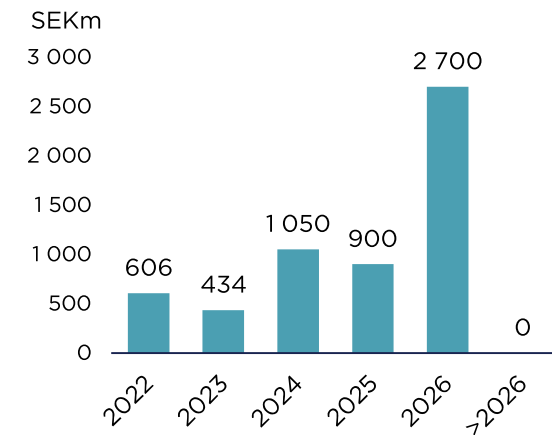
- Total interest-bearing debt amounts to SEK 5,667m
 - Bank debt of SEK 4,380m
 - Senior unsecured bond debt of SEK 1,300m
 - Vendor note of SEK 10m
- Stendörren uses several of the leading Nordic banks for debt sourcing. Typically, approximately 60% bank financing on acquisitions.
- During 2019, the company issued a SEK 800m hybrid bond of which 100% of the amount counts as equity according to IFRS.

LOAN MATURITY



- Stendörren has a well distributed maturity profile on its financial indebtedness.
- Average loan maturity of interest-bearing of approximately 2.3 years.
- Average interest rate of approximately 1.9% on financing from credit institutions.

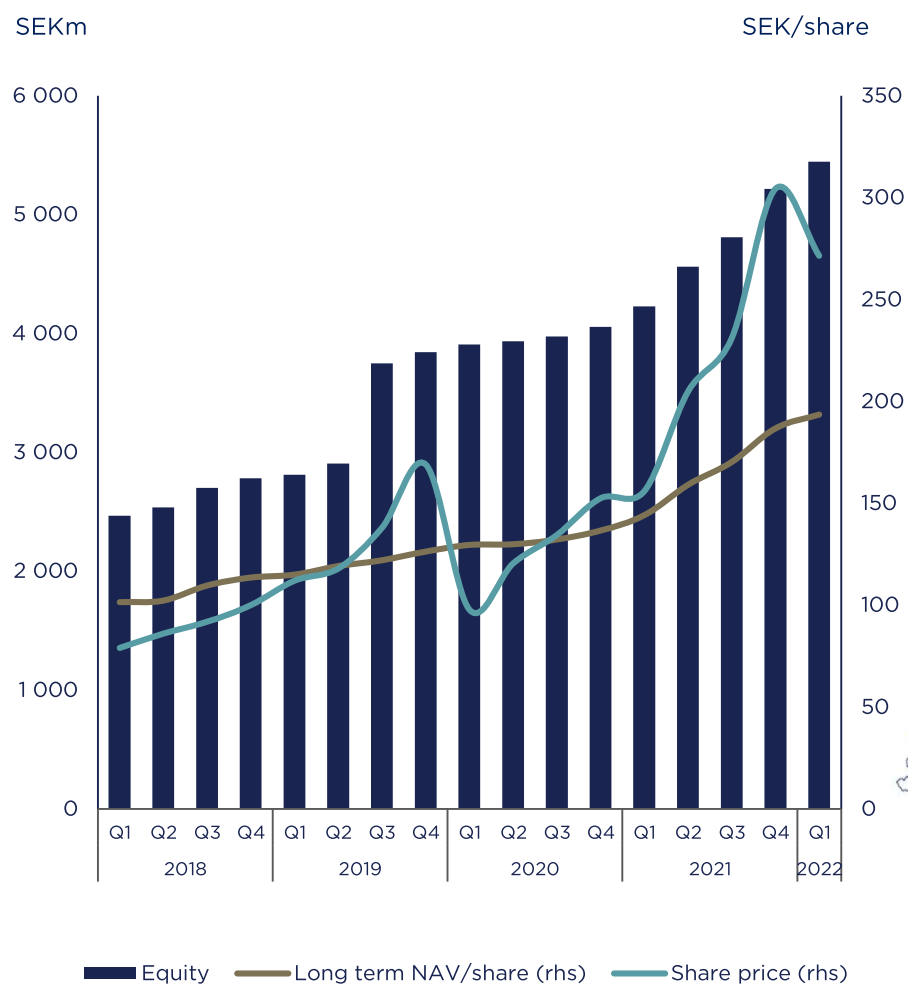
INTEREST FIXING



- Including the interest caps and swap, the average interest fixing was 3.7 years.
- Total interest hedging with a total nominal amount of SEK 5,084m, approximately 89% of interest-bearing debt.

4. FINANCE - CONTINUED

SHARE VALUE AND KEY EQUITY RATIOS



KEY EQUITY RATIOS	MARCH 2022	MARCH 2021
Share price, SEK	271.50	156.00
Equity per share, SEK ¹⁾	163.89	121.27
Long term nav per share, SEK	193.46	144.10

1) Book equity excluding hybrid capital per share



4. FINANCE - CONTINUED

SHARE PERFORMANCE AND OWNERSHIP OVERVIEW

SHAREHOLDER	TOTAL SHARES	CLASS A SHARES	CLASS B SHARES	% OF CAPITAL	% OF VOTES
Stendörren Real Estate AB	11,532,606	2,000,000	9,532,606	40.6	58.0
Altira AB	3,051,720	500,000	2,551,720	10.7	14.8
Länsförsäkringar Fastighetsfond	3,557,192	0	3,557,192	12.5	7.0
SEB Investment Management	2,692,806	0	2,692,806	9.5	5.3
Verdipapirfondet Odin Eiendom	1,052,464	0	1,052,464	3.7	2.1
Third Swedish National Pension Fund	990,000	0	990,000	3.5	1.9
Didner & Gerge Fonder Aktiebolag	600,000	0	600,000	2.1	1.2
Carnegie Fonder	439,671	0	439,671	1.6	0.9
Alfred Berg	329,213	0	329,213	1.2	0.7
Malmer, Staffan	254,748	0	254,748	0.9	0.5
Other shareholders	3,927,845	0	3,927,845	13.7	7.6
Total	28,428,265	2,500,000	25,928,265	100.0	100.0

Source: Euroclear Sweden & Bloomberg 31 March 2022

SHARE PRICE DEVELOPMENT

- Share price as per 16 May 2022: SEK 213
- Market cap as per 31 March 2022: SEK 7,718m
- The class B-share is currently trading at Nasdaq Stockholm Mid Cap
- Stendörren has approximately 3,609 shareholders (as per 31 March 2022)
- Stendörren Real Estate AB is a company wholly owned by EQT Real Estate II



4. FINANCE - CONTINUED

ASSESSED EARNINGS CAPACITY



- According to the company's assessment as of Q1 2022, the total rental income (after deductions for vacancies and discounts) on a rolling 12-month basis amounts to approximately SEK 709 million.
- The company also estimates that current property costs amount to approximately SEK - 165 million on an annual basis.
- The portfolio is thus expected to produce an operating net of approximately SEK 544 million.

