

PRESS RELEASE 22 October 2025

Interim report January-September 2025

- Income amounted to SEK 2,642 million (2,780)
- Operating surplus amounted to SEK 1,723 million (1,808)
- Net financial income amounted to SEK –924 million (–950)
- Profit from property management amounted to SEK 695 million (736)
- Changes in value of properties amounted to SEK –1,256 million (–473) during the period and SEK –495 million (12) during the quarter
- Net profit/loss for the period amounted to SEK –1,015 million (–268), corresponding to SEK –1.12 (–0.62) per ordinary share of class A and B
- Net letting amounted to SEK 6 million (13) for the quarter and SEK –21 million (99) for the period
- The value of the investment properties amounted to SEK 51,407 million (55,205)
- Net asset value (NAV) per ordinary share of class A and B amounted to SEK 12.56 (15.97)

EVENTS DURING THE THIRD QUARTER

- An Extraordinary General Meeting was held on 21 July 2025, which approved a directed share issue of 81,967,213 ordinary shares of class B to M2 Asset Management AB (publ). This new issue was preceded by a directed share issue in the second quarter of 110,032,787 ordinary shares of class B to Swedish and international institutional investors. It was intended to use the net liquidity from the new share issues to repay the outstanding hybrid bond
- The hybrid bond with an outstanding amount of SEK 1,132 million, was redeemed during September
- During the quarter, one property was divested at an underlying property value of SEK 32 million. In addition, an agreement was signed to divest a portfolio of 14 properties at an underlying property value of approximately SEK 1.2 billion, with transfer scheduled during the fourth quarter
- Bonds with an outstanding amount of SEK 200 million and maturity in September, were redeemed on the maturity date
- Senior unsecured green bonds of SEK 300 million were issued under a framework of SEK 2 billion, with a term of 3 years, carrying a variable interest rate of 3-month Stibor plus 275 basis points and final maturity in September 2028. An increase of SEK 350 million was made in the same bond, and the outstanding amount thus totals SEK 650 million
- Bonds totalling SEK 653 million, with maturity in 2026, were redeemed

Comment by the CEO

Strategic moves in a *challenging* market

During the third quarter, we continued to strengthen the Company's stability, while making active use of the business opportunities offered by the market. The interest rate cuts that we saw during the quarter in both Sweden and the US are a welcome change in a financing climate in which the property sector has long been under pressure. Our strategic roadmap, with its focused portfolio governance, cost control and successive streamlining, is displaying clear results. Once again, net letting was positive during the quarter, which confirms the strength of our business and our way of working despite the economic situation and the challenging market conditions it brings.

Business environment and market development

The recession continues and we are still operating in a challenging geopolitical business environment. This has an impact on the global investment climate, but signs of some stabilisation are beginning to appear. The most recent interest rate cuts in Sweden and the US are generating relief for the sector and strengthening confidence in the capital market. The central banks' signals regarding continued focus on supporting the economy are also contributing to a more positive market outlook for the coming quarters.

The rental market remains characterised by caution, particularly in the office segment, where demand is sluggish. At the same time, we have a more stable rental market in, for example, Gothenburg and in several regional cities, markets where Corem has a strong position and a very well adapted portfolio. With an anticipated economic recovery in 2026, we foresee increased corporate activity and a successive improvement in the letting market.

Operational performance and net letting

Our operating activities remain steady. Net operating income in a comparable portfolio was stable during the quarter and costs decreased by 6 per cent compared with the year-earlier quarter. This is clear recognition of the proactive cost control that is imposed throughout the business.

As in the preceding quarter, net letting was positive, with a net of SEK 6 million for the quarter. We work actively with new and existing customers, at the moment with extensive focus on renegotiations. We can state that the tenant nearly always chooses to remain – either in their current premises or within our portfolio, despite the large offering of premises in the market. This shows the strength of our long-term customer relations and the quality of our offering. Among previously signed leases that have now commenced is Mycronic, which in September took possession of the majority, 7,400 square meters out of a total of 9,500 square meters, of its premises in Kista.

During the quarter, we signed several leases, including a five-year lease with Byggmästargruppen in the Globen area of Stockholm and a six-year lease with the Swedish Transport Administration Gothenburg. In New York, a total of three leases were signed for the 1245 Broadway project property, bringing the occupancy rate for the property to 88 per cent.

A significant milestone has been reached, with regard to strategic transactions and streamlining

Corem has been exceptionally active in the area of transactions in recent years, which was necessary to stabilise our balance sheet. We can now say that going forward, we will focusing on divesting properties that are no longer in line with our long-term strategy, rather than to free up capital. This is a key milestone. As an example of such a transaction, we signed an agreement after the end of the quarter for the divestment of six properties in Täby at an underlying property value of approximately SEK 250 million. These Täby properties have some vacancies, which would have required major investments in order to be leased. As a result of this sale, we can focus these investments in other parts of the portfolio.

During the quarter, Corem agreed a major divestment of 14 properties in Gothenburg, Huddinge, Norrköping and Västerås at an underlying property value of approximately SEK 1.2 billion with transfer scheduled during the fourth quarter.

During the second quarter, the divestment of the 28&7 property in New York was agreed. The transfer is planned for the fourth quarter. Following the transfer of 28&7, two properties remain in the US, the 23-storey, newly constructed office building 1245 Broadway and an undeveloped land on Park Avenue. The Park Avenue property is high demand and at the best possible address in New York, where the market continuously sets new record rent levels.

In total, during the first three quarters of 2025, all of Corem's completed and agreed divestments add up to approximately SEK 4.9 billion in underlying property value. In addition, we have sold Klöver shares worth just over SEK 400 million during the year.

Financial performance and capital market

During the quarter, several important steps were taken to strengthen the balance sheet and cash flow and to create greater financial flexibility.

The hybrid bond of slightly more than SEK 1.1 billion was redeemed in its entirety during the quarter. This has a positive effect on cash flow, which ultimately strengthens Corem's financial flexibility and enables continued investment in strategically attractive properties.

During September a new bond was issued of SEK 650 million with a credit margin of 275 points. In parallel, during September, we redeemed a bond maturity of SEK 200 million in its entirety and also repurchased bonds of approximately SEK 650 million with maturity in May 2026.

Corem looking ahead – focus on value creation

We enter the final quarter of the year with good stability and a clear focus on value creation. We will need to live with market uncertainty for another few quarters, but we believe in successive improvement as momentum in the economy starts to gather pace again next year. The interest rate reductions that we have now seen provide better conditions for profitability and growth, at the same time as our leasing strategy and strong presence throughout the country provide a balance against the more uncertain office market in Stockholm.

Our focus ahead is to continue to drive the portfolio toward higher quality and geographic clarity through business-driven property management and successive streamlining, while maintaining strict financial discipline.

The property market could remain volatile, but Corem stands well-equipped – with a stable operative base, a strong team and a long-term strategy that provides us with the conditions to continue creating value for our shareholders.

Rutger Arnhult, Chief Executive Officer,
Stockholm, 22 October 2025

Corem Property Group AB (publ)

FOR FURTHER INFORMATION, PLEASE CONTACT

Rutger Arnhult, CEO, +46 70 458 24 70, rutger.arnhult@corem.se
Eva Landén, Deputy CEO, +46 10 482 76 50, eva.landen@corem.se

Corem Property Group AB (publ)
Address: P.O. Box 56085, SE-102 17 Stockholm
Visitors: Riddargatan 13 C
Reg.no: 556463-9440
www.corem.se

This information is information that Corem Property Group AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. This information was submitted for publication through the agency of the contact person, set out above, at 8:00 a.m. CEST on 22 October 2025.

This interim report is in all respects a translation of the Swedish original. In the event of any discrepancies between this translation and the Swedish original, the latter shall prevail.