



Welcome to Kungsleden's Q1 2021 presentation

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Stockholm April 22th 2021



Highlights Q1

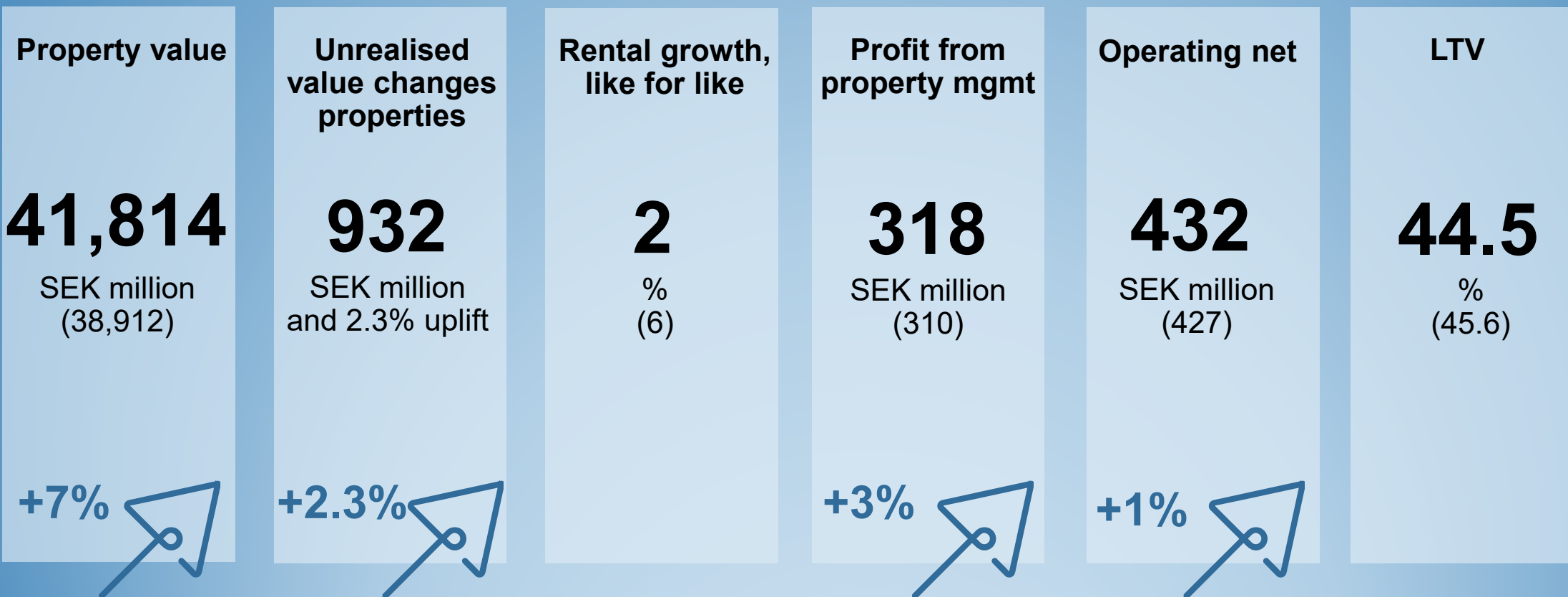
- Positive net leasing for the tenth consecutive quarter of 9 MSEK
- Strong renegotiation results with average rent uplift of 9 per cent
- Value uplift on properties of 2.3 per cent
- Successful issue of 1 BSEK of green bonds with six- and seven years maturities at attractive pricing
- Further reduced rent reliefs due to Covid 19 and payment of Q2 rents in line with previous quarters



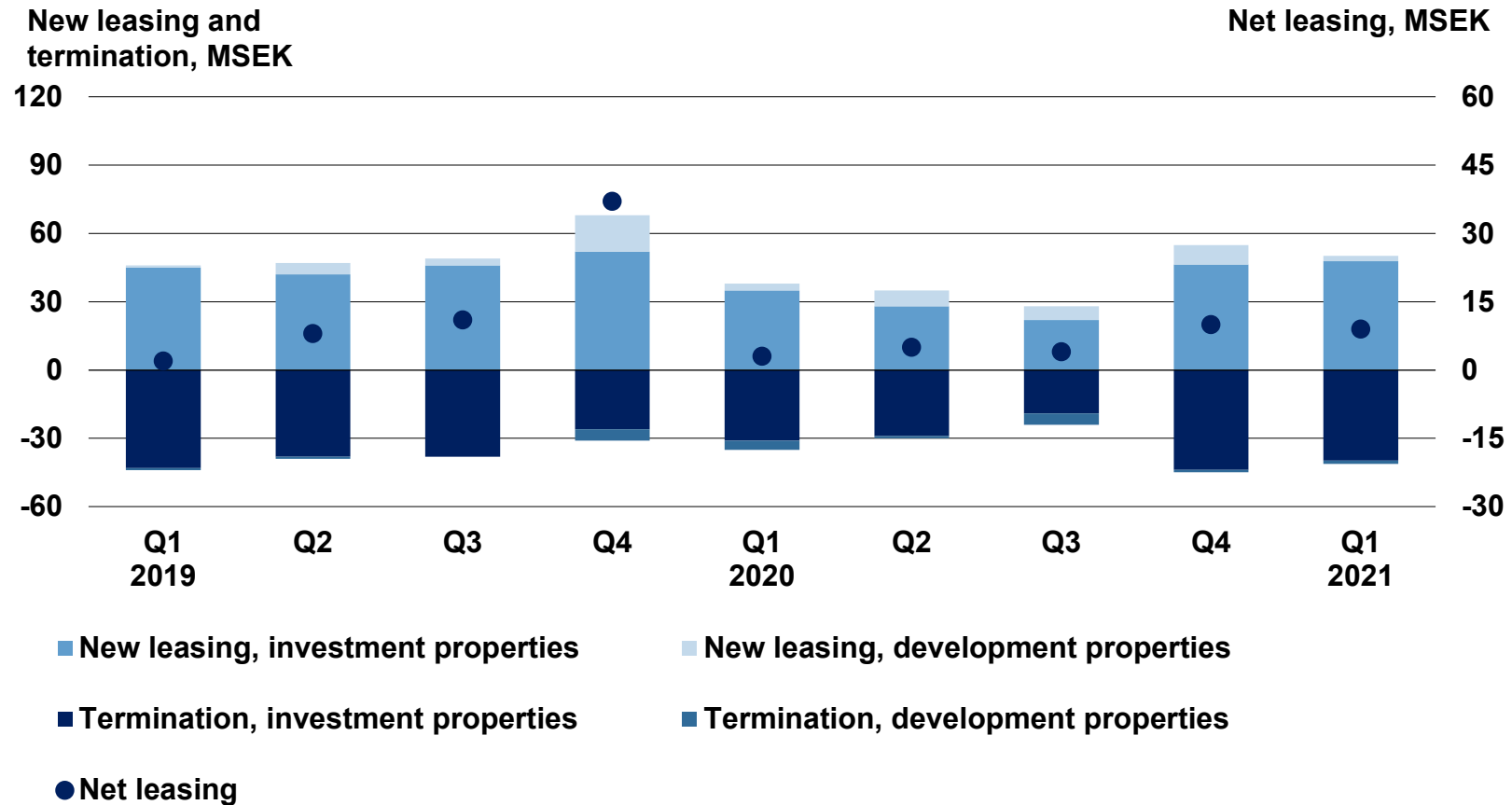
**A good start and positive
outlook ahead**

A good start and positive outlook ahead

Jan-Mar 2021 (Jan-Mar 2020)



Strong leasing results



New leasing,
SEK million

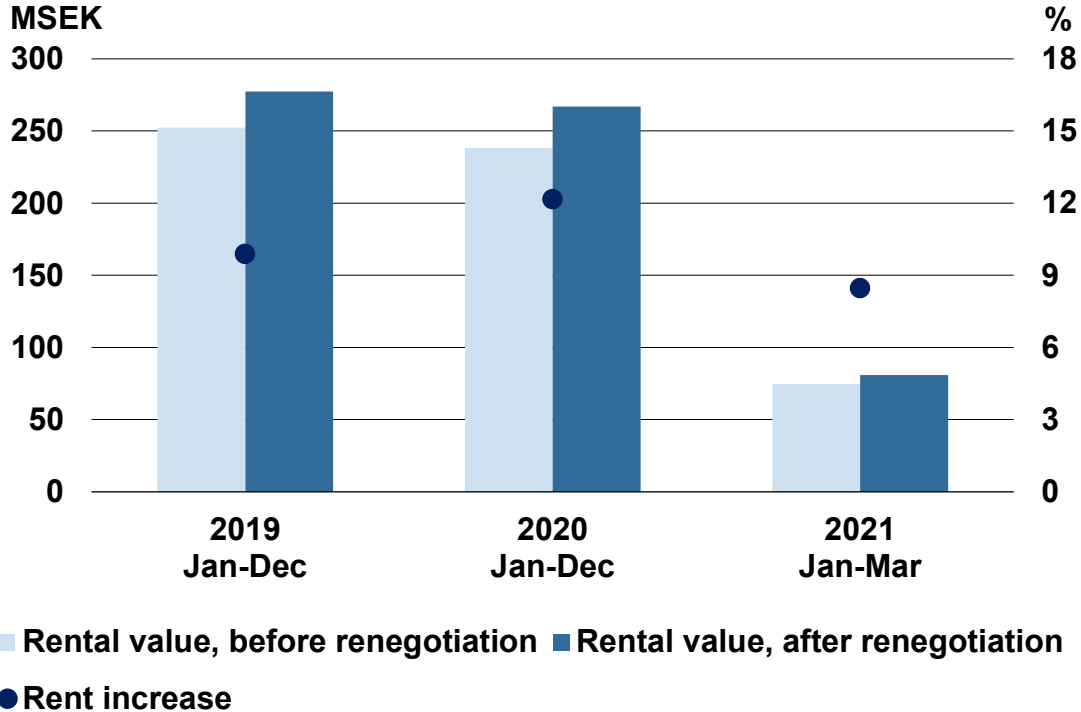
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Net leasing,
SEK million

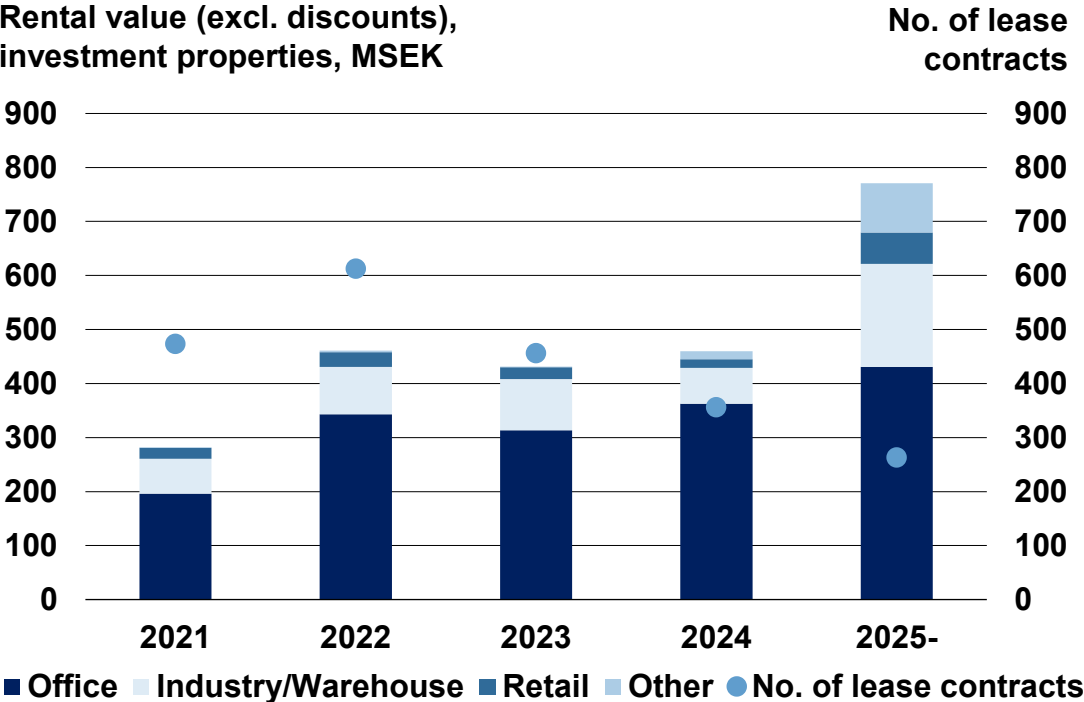
9
(3)

Rental value of SEK 75 million renegotiated with an average uplift of 9%

RENEGOTIATIONS



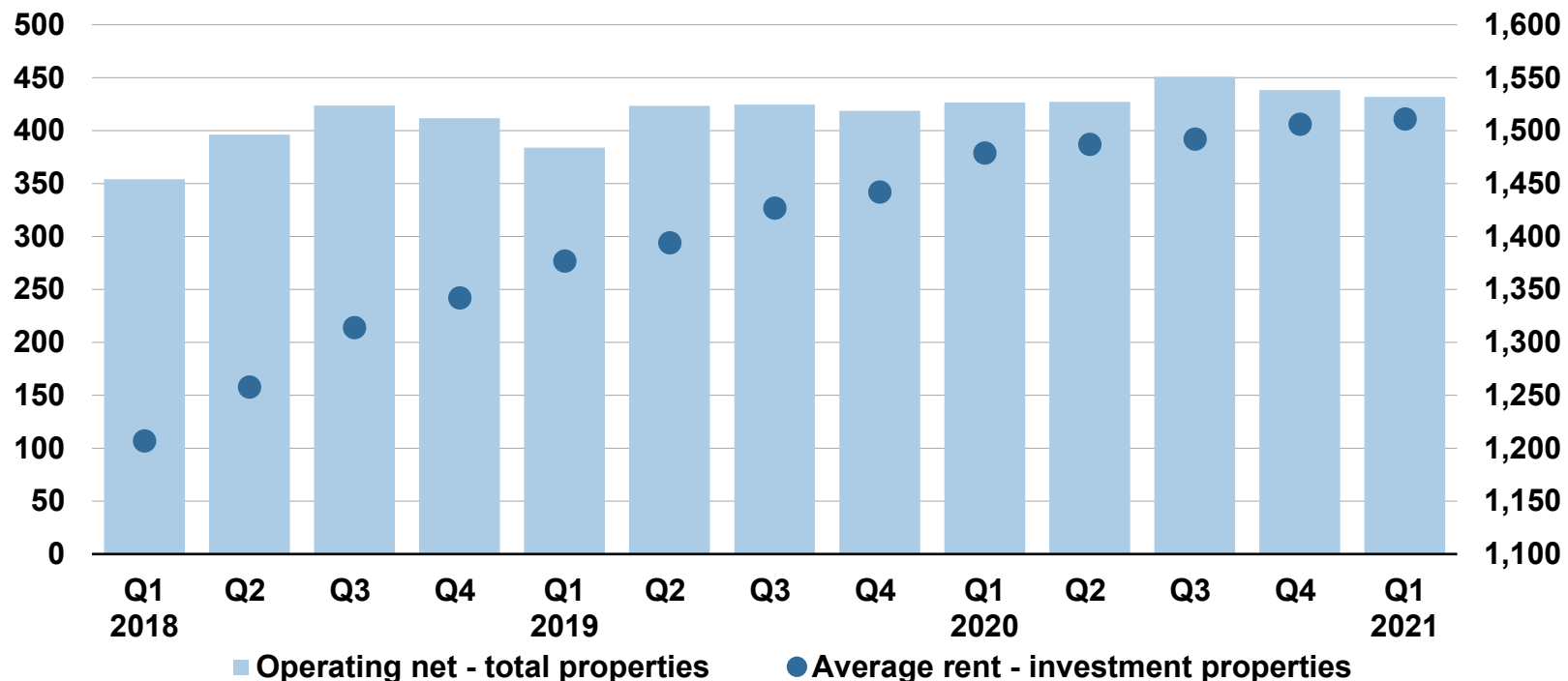
MATURITY STRUCTURE



Continued increase in average rent

Operating net per quarter - total properties

Per quarter,
MSEK



Average rent - investment properties

12 months rolling,
SEK per sq.m

Surplus ratio
investment properties

67.5%
(68.1)

Average rent
investment
properties

1,537
SEK/sq.m.
(1,466)

+5%

Rising property values

Unrealised changes in values Jan-Mar 2021, MSEK	Total
Change in yield requirements	437
Change in operating net	512
Changed assumptions of investments and other factors affecting the value	-17
Total	932

Valuation yield on average: **5.0%**

Valuation yield contraction: 6 bps (Q4 2020 to Q1 2021) no effects of divestments and acquisitions



Large ongoing development projects

Property	Category	Municipality	Completed	Leasable area, sq.m.	Estimated rental value, MSEK	Occupancy rate, %	Book value, MSEK	Estimated investment MSEK	Whereof completed, MSEK
Eden by Kungsleden	Office	Malmö	2021	7,900	25	85	276	384	248
Stettin 6	Office	Stockholm	2021	25,000	81	93	1,375	285	163
Finnslätten 1 – part of	Office, Industry	Västerås	2024	21,000	28	13	171	250	76
The Rotterdam District	Office	Stockholm	2021	21,300	61	71	1,118	225	146
Taktpinnen 1	Office	Norrköping	2022	16,000	25	100	303	136	67
Oxel – part of Oxelbergen 1:2	Office	Norrköping	2021	6,000	12	27	80	91	55
			Total	97,200	232	72	3,323	1,371	755



Stettin 6 – Redevelopment of office building with among others Swedish Performing Art Agency as tenant

Delivering on sustainability

	Goal	Outcome Q1
Reduced energy consumption	We shall lower our energy consumption with 25% in the property portfolio 2025 compared to 2020	-2%
Green lease agreements	In 2021 shall at least 120 green lease agreements be signed	21 agreements
Certified properties	Most of the property portfolio shall be certified by 2025	41%
Green financing	All financing should be green or sustainable in the long run	41%



Our customers and properties

Financially stable customers and long lease duration

Tenant	Rental value, MSEK	Share of total rental revenue, %	Average lease duration, years
ABB	211	9	4.2
The Swedish Social Service Administration	53	2	3.9
Biz Apartments	42	2	9.3
Municipality of Västerås	41	2	4.6
Hitachi	40	2	3.6
Blique by Nobis	31	1	19.8
ICA	30	1	2.3
Northvolt	28	1	3.6
Municipality of Stockholm	28	1	3.2
AFRY	26	1	3.7
10 largest tenants	529	21	5.3
TOTAL	2,499	100	4.0

18% of total rental value from public tenants



VÄSTERÅS STAD

HITACHI

BLIQUE
BY NOBIS

ICA

northvolt

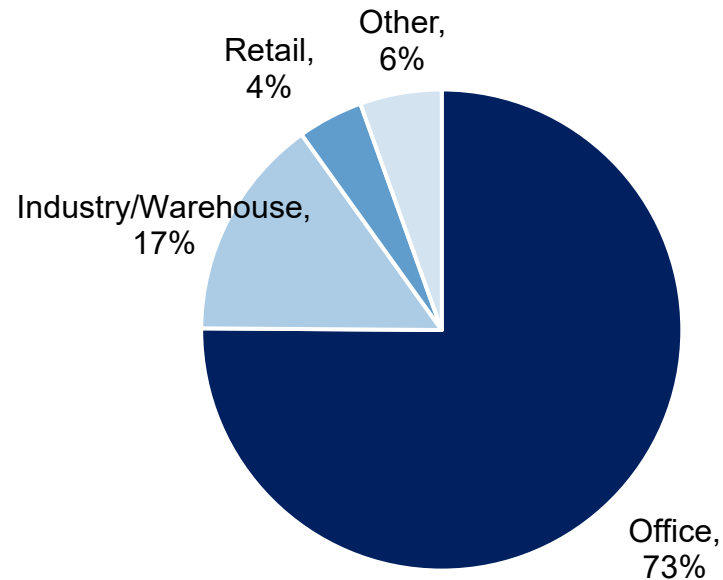


Strong growth – property value SEK 42 billion

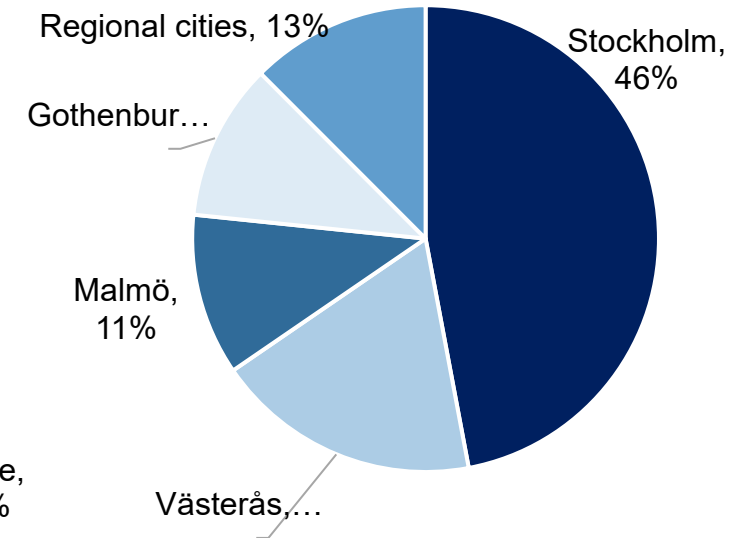
Almost 90 per cent of the property value in our four priority growth markets



BY CATEGORY



BY GEOGRAPHY

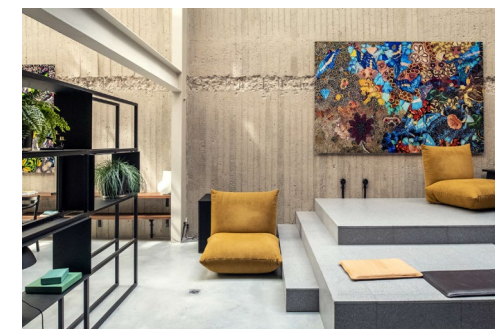


Our office properties

- 73% of property value and 70% of rental value

No. of properties	Leasable area, 000 sq.m.	Book value, BSEK	Rental value, BSEK	Occupancy rate, %
93	1,000	28.4	1,800	92%

Top five largest tenants	Rental value, MSEK	Average lease duration, years
ABB	61	4.8
The Swedish Social Service Administration	53	3.9
Municipality of Västerås	41	4.6
Hitachi ABB Power Grids Sweden	39	3.6
Municipality of Stockholm	28	3.2
Total	222	-



Good rental growth potential

Stockholm	Book value, BSEK	Current base rent incl. index offices, SEK/sq.m.	Tendered level of rent SEK/sq.m.
Danderyd Office	3.4	2,000	2,200 – 2,500
Kista City	4.6	2,100	1,900 – 2,700
Stockholm City West	2.5	3,200	3,800 – 4,100
Stockholm City East	4.4	2,500	3,000 – 3,500
Västberga	0.6	1,080	1,100 – 1,800
Gothenburg			
Gothenburg South Central	1.6	2,200	2,400 – 2,600
Högsbo	1.5	1,100	1,000 – 1,500
Malmö			
Hyllie	1.6	2,500	2,650 – 2,950
Fosie	0.7	1,100	1,100 – 1,500
Västerås			
Västerås City	4.2	1,600	2,300 – 3,200
Finnslätten	2.5	900	1,000 – 1,600



Photo: ABB

Our industrial-, warehouse- and logistic portfolio



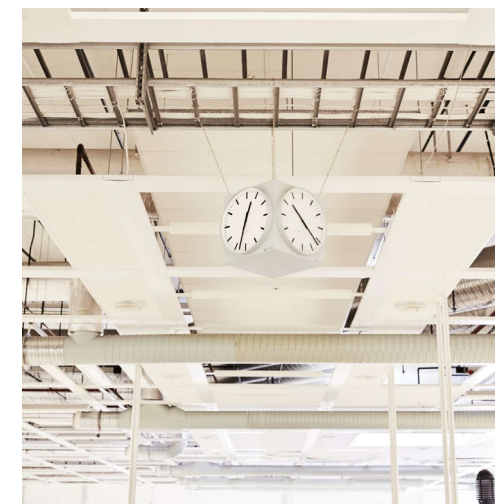
kungsleden

Our industrial-, warehouse- and logistic properties

- 17% of property value and 20% of rental value

No. of properties	Leasable area, 000 sq.m.	Book value, BSEK	Rental value, BSEK	Occupancy rate, %
62	600	6.2	0.5	95%

Top five largest tenants	Rental value, MSEK	Average lease duration, years
ABB	150	4.0
Enics Sweden	15	2.3
Bring Frigoscandia	15	3.8
AA Logistic	12	1.8
Santa Maria	11	11.8
Total	203	-



Good rental growth potential

Cluster	Book value*, BSEK	Current base rent incl. index* SEK/sq.m.	Tendered level of rent* SEK/sq.m.
Finnslätten	2.0	800	1,000-1,500
Fosie	0.4	925	1,000-1,350
Högsbo	0.8	1,000	1,000-1,300
Västberga	0.4	900	1,200-1,500

* Industrial-, warehouse- and logistic properties



**Future project
pipeline of 100,000
sq.m. of industrial,
warehouse and
logistic**

COWORKING
357
FINNSLÄTTEN

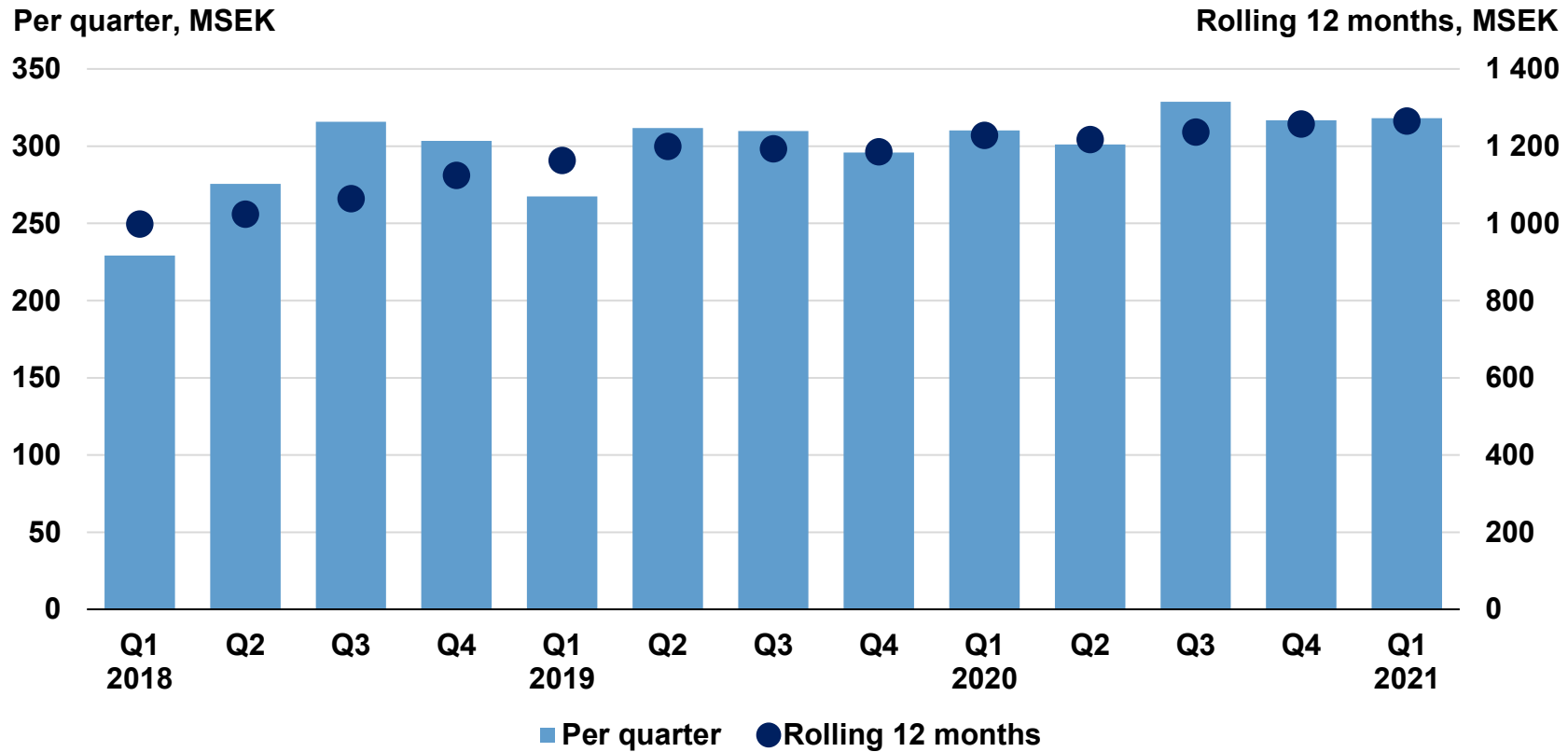
Exhibition Congress

kungsleden

A woman with blonde hair, wearing a black long-sleeved top, is standing at a podium and clapping her hands. She is looking towards the right. In the foreground, the back of a person's head and shoulders is visible, wearing glasses and a dark suit. The background consists of dark curtains and a bright window. The text "Financial performance and key figures" is overlaid in white, bold font across the center of the image.

**Financial performance
and key figures**

Increasing profit from property management



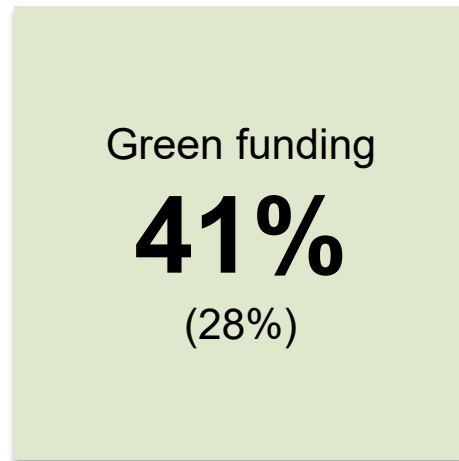
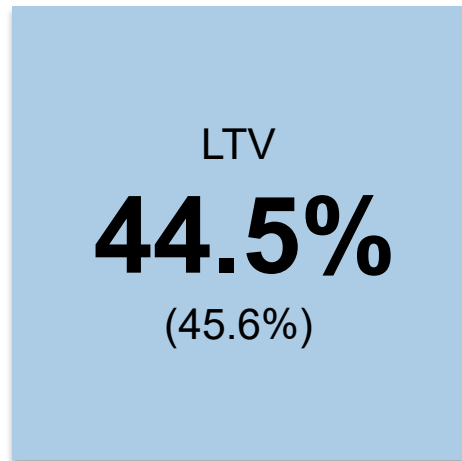
Jan-Mar 2021

318

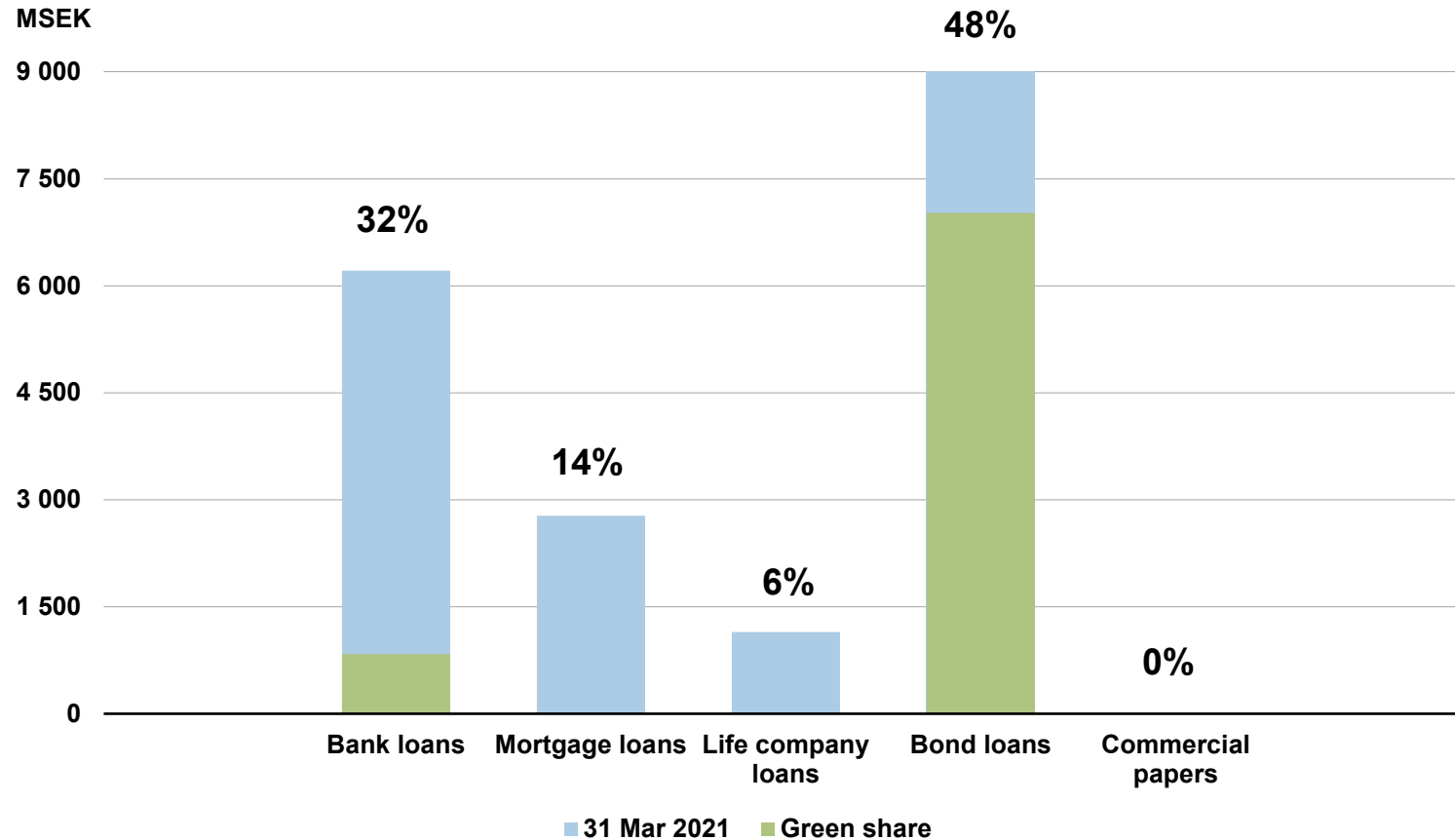
SEK million
(310)

+3%

Lower LTV and powerful increase in share of green funding

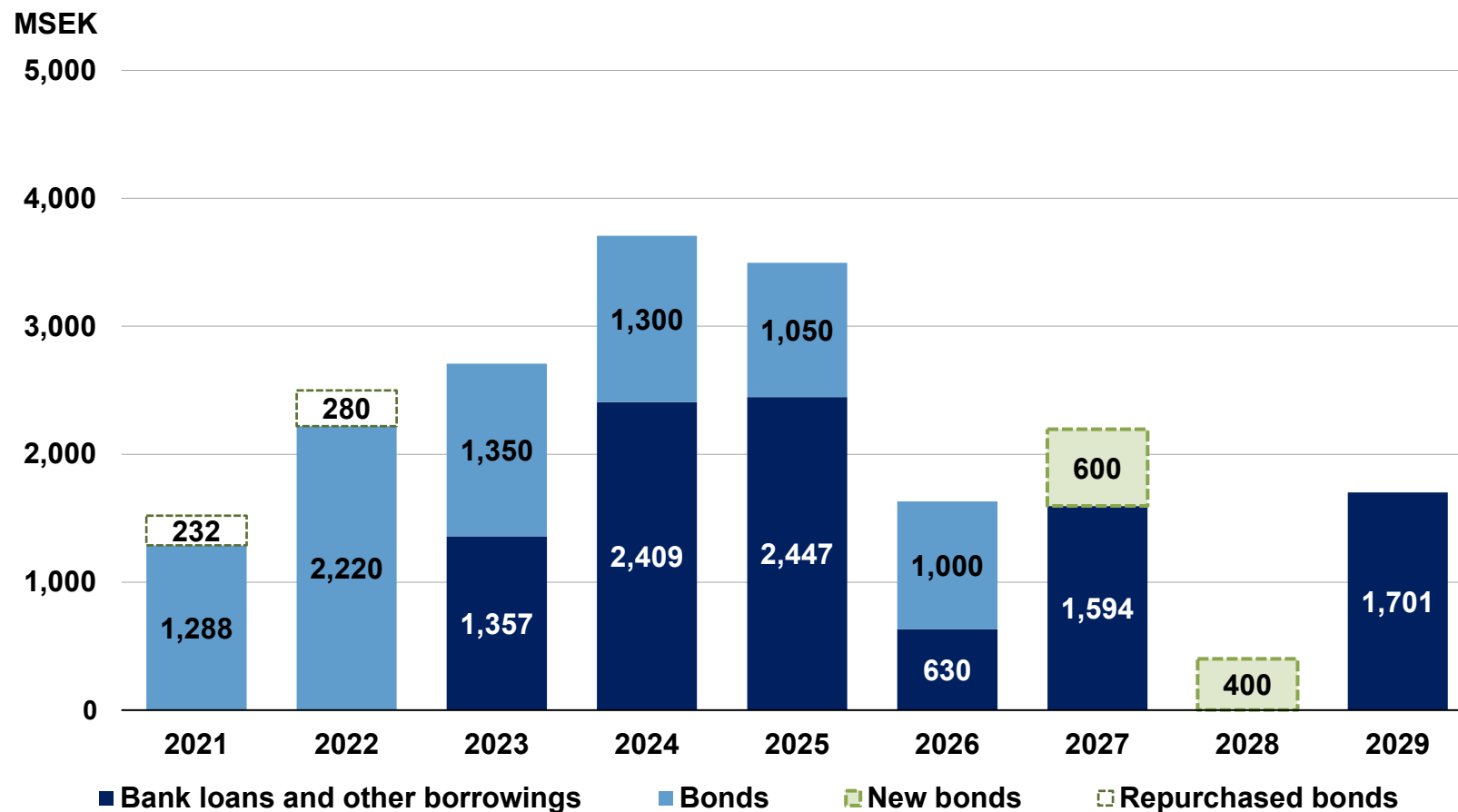


Well diversified funding mix



Unencumbered assets
33%
(33%)

Further improved liquidity position

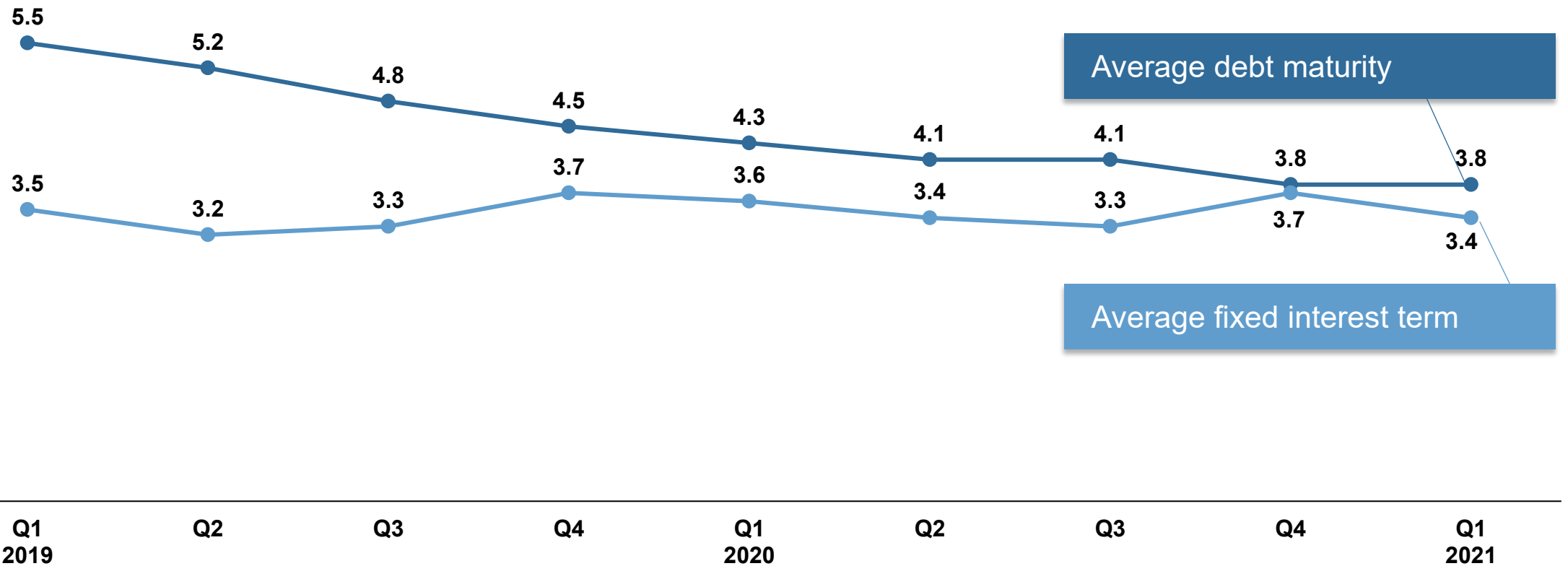


3.6 BSEK in cash and credit facilities, net

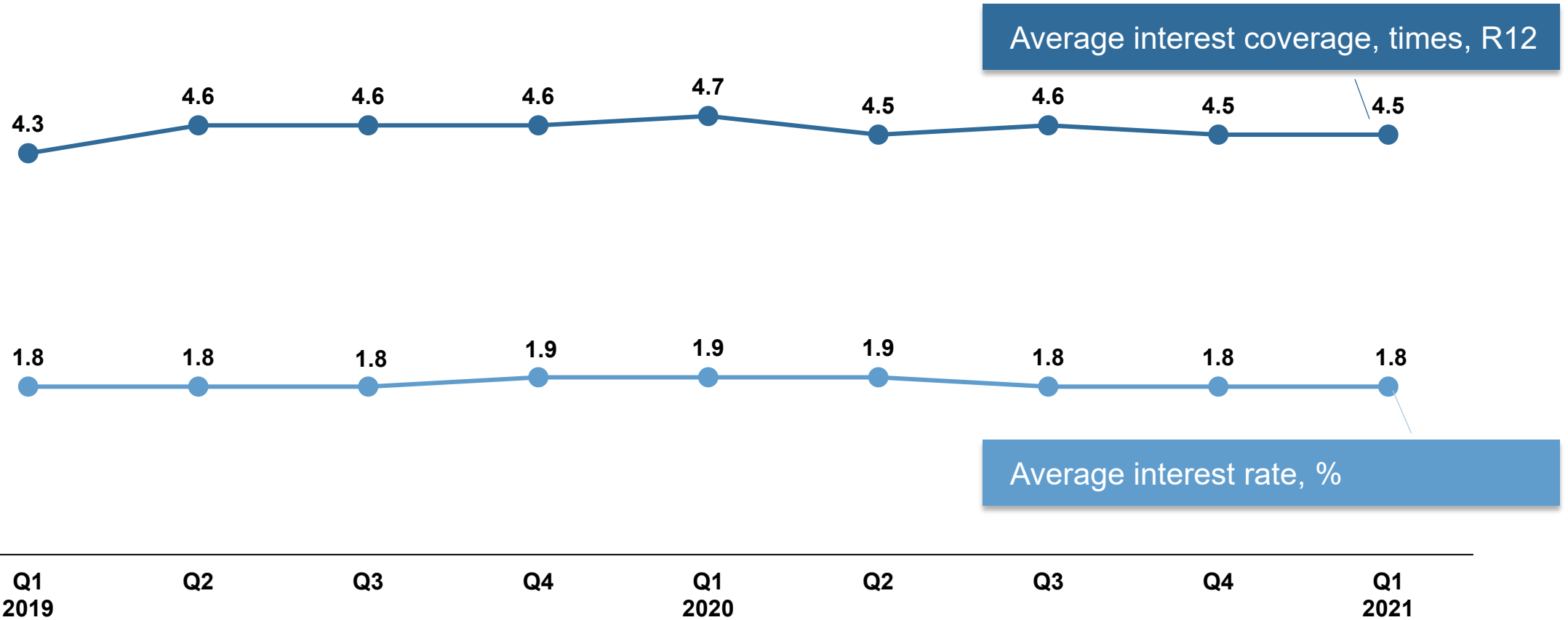
- 2,6 BSEK RCF
- 0.25 BSEK Credit line
- 0.75 BSEK Cash

- Issued a total of 1,0 BSEK of green bonds on longer maturities
- Repurchased 0,512 BSEK of short term bonds, including a redemption of 0,125 BSEK

Long average debt maturity & average fixed interest term



Continued strong average interest coverage & low average interest rate



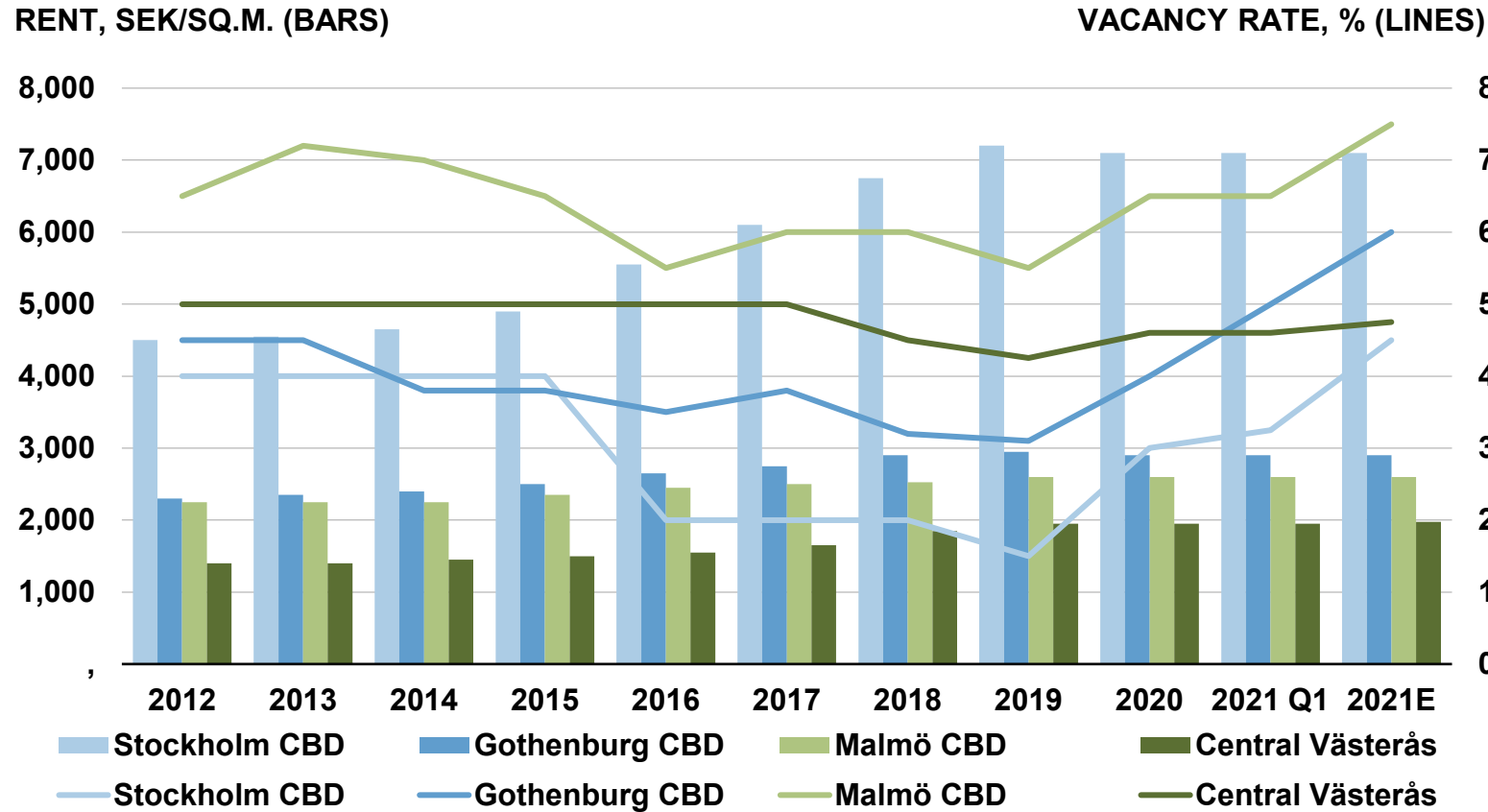
Strong growth in net asset value

	2021 Jan–Mar	2020 Jan–Mar
EPRA EPS (profit from property management after tax), SEK per share	1.45	1.34
EPRA NRV (long-term net asset value), SEK per share	105.48	94.48
EPRA NTA (current net asset value), SEK per share	102.73	92.58
Interest Coverage Ratio, times	4.6	4.7
LTV (Loan-to-value) Ratio, %	44.5	45.6

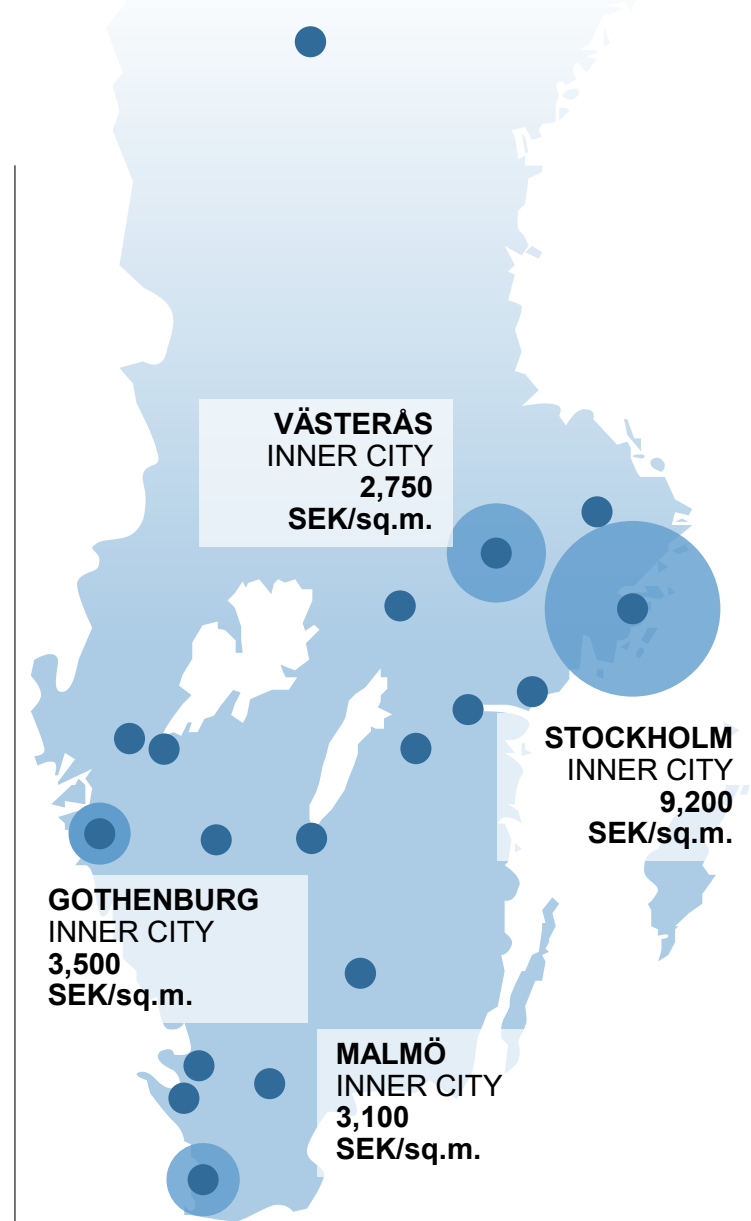
+11%

Outlook

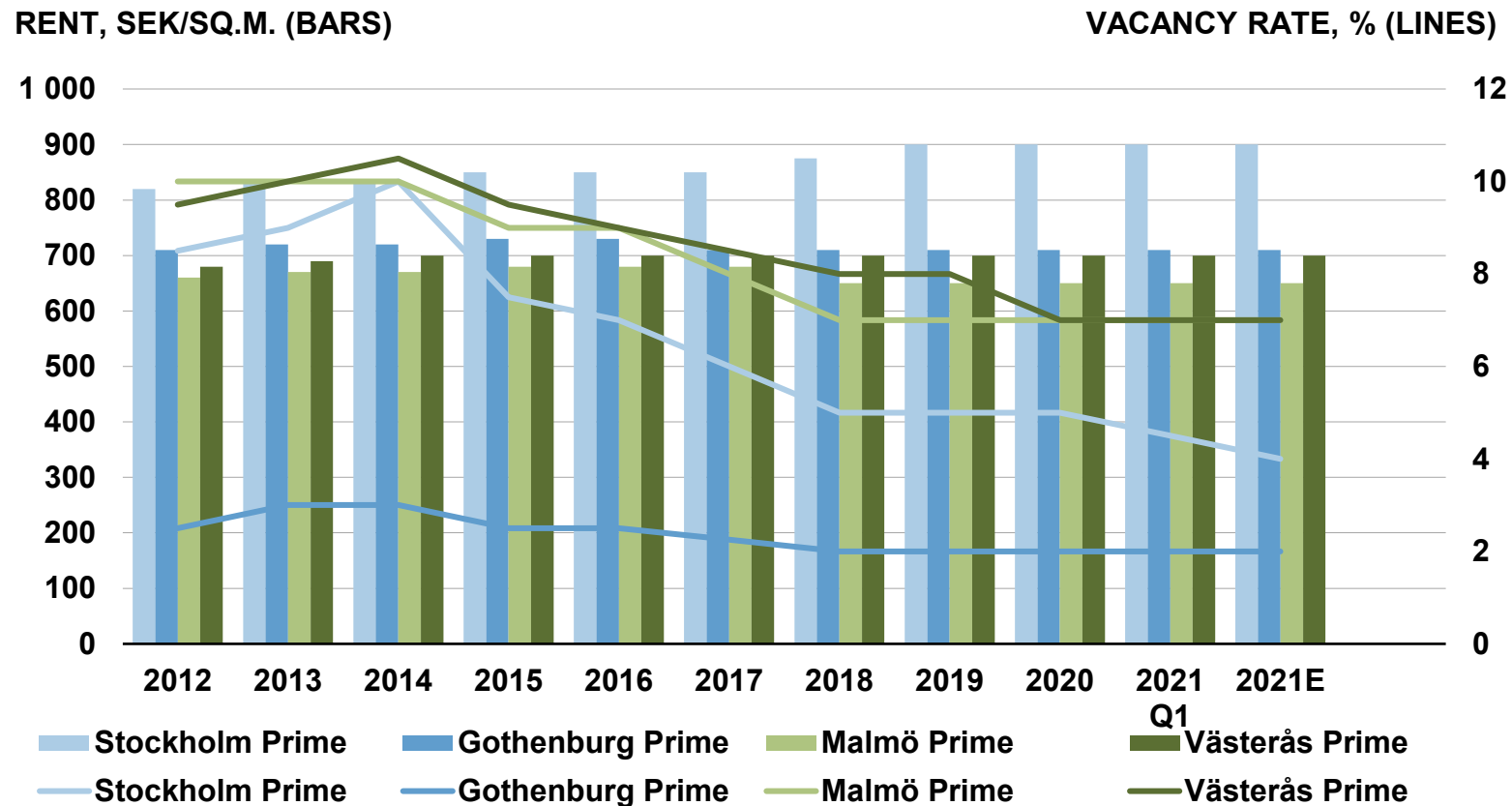
Stable office rental market



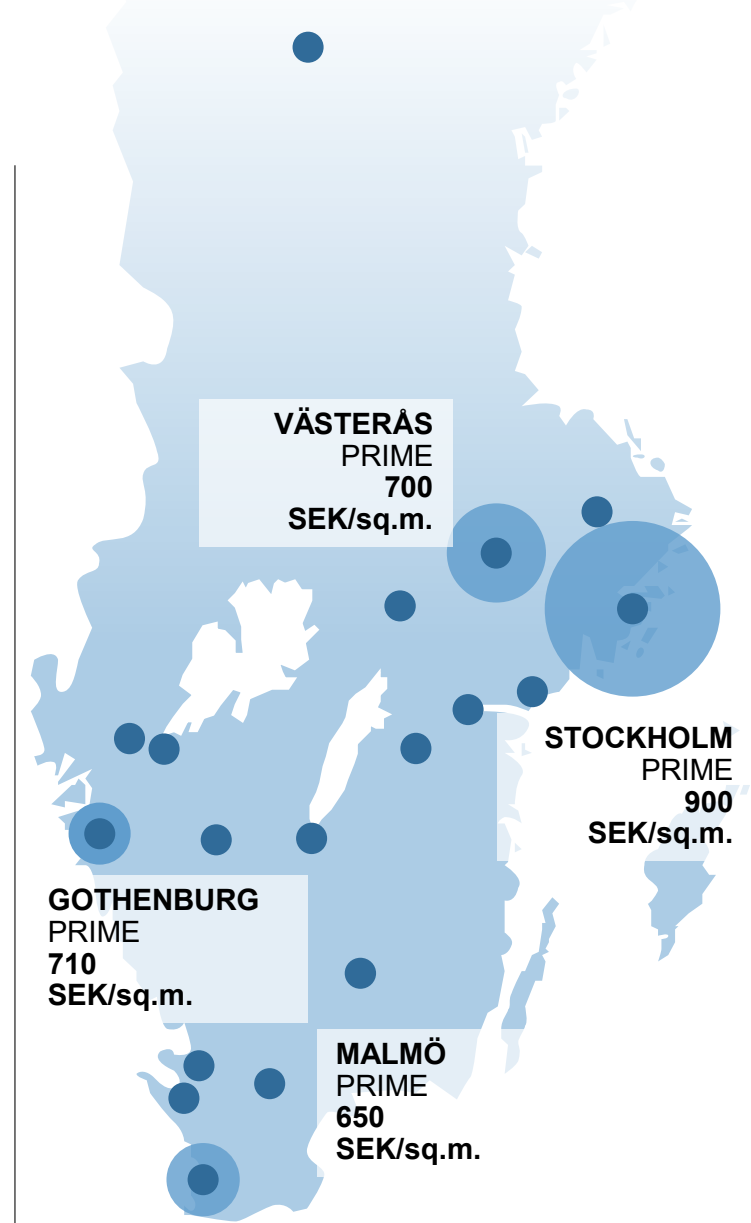
Source: Newsec



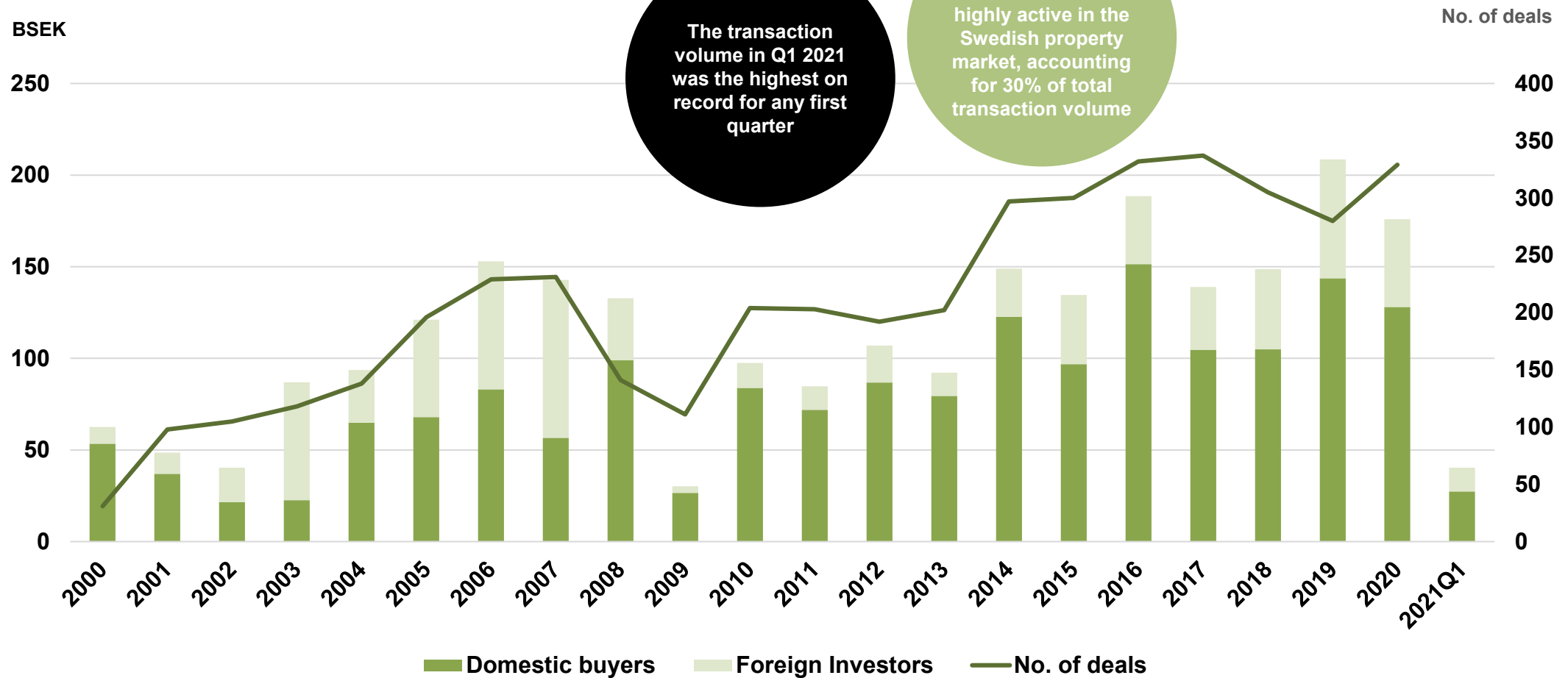
Slowly increasing logistic market rents - vacancy rates continue to fall



Source: Newsec



The Swedish transaction market keeps reaching new records



Profitable investment programme

MSEK	Actuals				Budget	Plan
	2018	2019	2020	2021 Jan-Mar	2021	2022-2024
Development projects	578	598	594	92	600	1,800
Tenant improvements and other value-creating investments	596	799	638	110	700	2,100
Maintenance investments	126	112	163	29	100	300
Total investments	1,300	1,509	1,395	231	1,400	4,200

Return targets on development projects, tenant improvements and other value-creating investments

- IRR in excess of 9 per cent
- Yield on cost in excess of 6 per cent
- Tenant improvements pay back time less than half of the leasing contract duration

Building rights potential

Value potential 2.5 BSEK of which 1.5 BSEK in book value

Commercial building rights				Residential building rights				
Sq.m.	Stockholm	Gothenburg/ Malmö	Västerås/ Mälardalen	Total	Stockholm	Gothenburg/ Malmö	Västerås/ Mälardalen	Total
Building rights existing	6,000	23,500	78,000	107,500	-	3,000	4,000	7,000
Zooning plan process ongoing	19,000	43,500	48,000	110,500	50,000	33,000	67,000	150,000
Feasibility study-ongoing	47,500	74,000	134,000	255,500	0	41,000	29,000	70,000
Future building rights	101,000	-	14,000	115,000	37,500	11,000	5,000	53,500
Total	173,500	141,000	274,000	588,500	87,500	88,000	105,000	280,500



**Strong development
pipeline of
SEK 13 billion**

Focus on sustainable growth



A modern office lounge area featuring a blue curved sofa and a matching ottoman on a light-colored rug. Large green plants are scattered throughout the space, including a tall tree-like plant and several smaller leafy plants. The background shows a glass-walled office space with a mezzanine level and modern lighting fixtures. The text "Questions are welcome" is overlaid in a semi-transparent white box.

**Questions are
welcome**

A wide-angle, high-angle shot of a modern, multi-level atrium. The space is characterized by large windows on the left side, offering a view of a brick building and greenery outside. The interior features a polished floor, a staircase with wooden handrails, and a person walking down the stairs. The ceiling is a grid of recessed lights. A semi-transparent blue rectangle is overlaid on the center of the image, containing the text "Thank you!".

Thank you!