



Interim report
January-September
2021

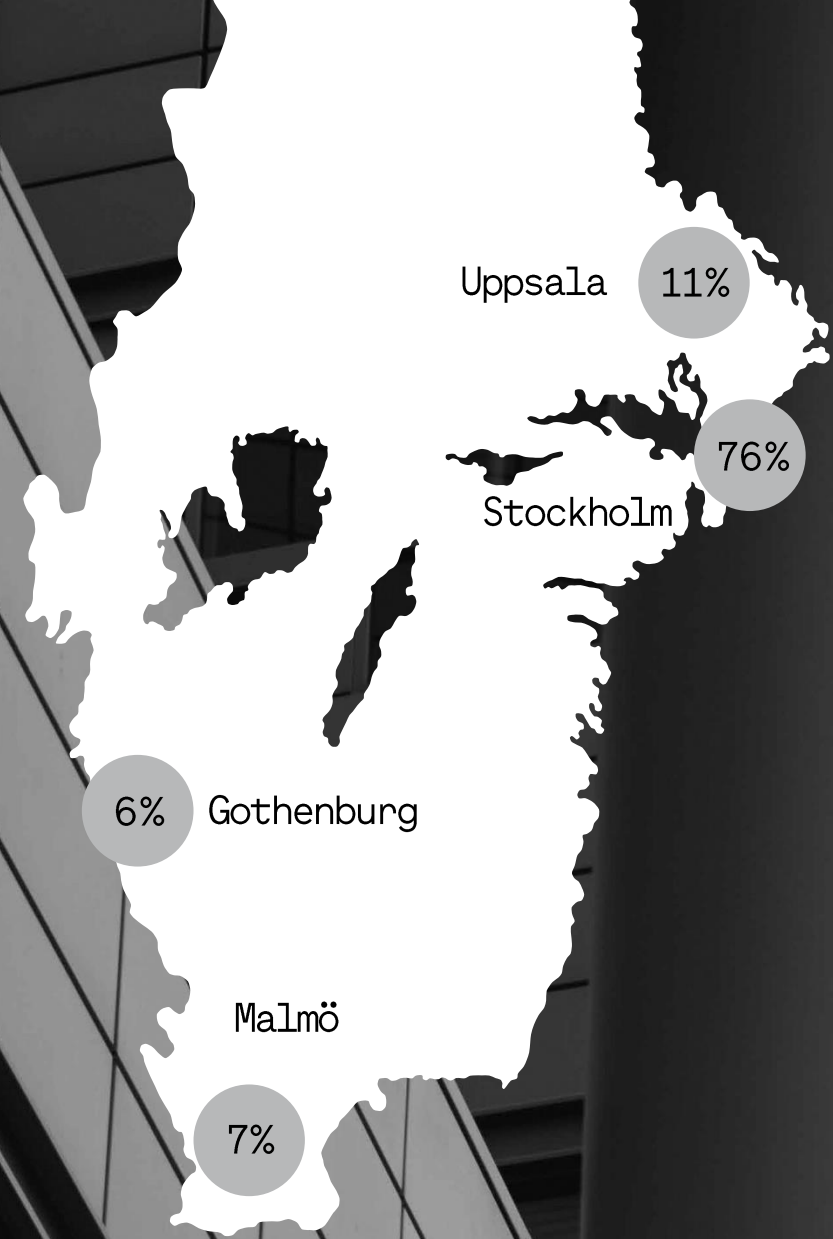
OL

Agenda

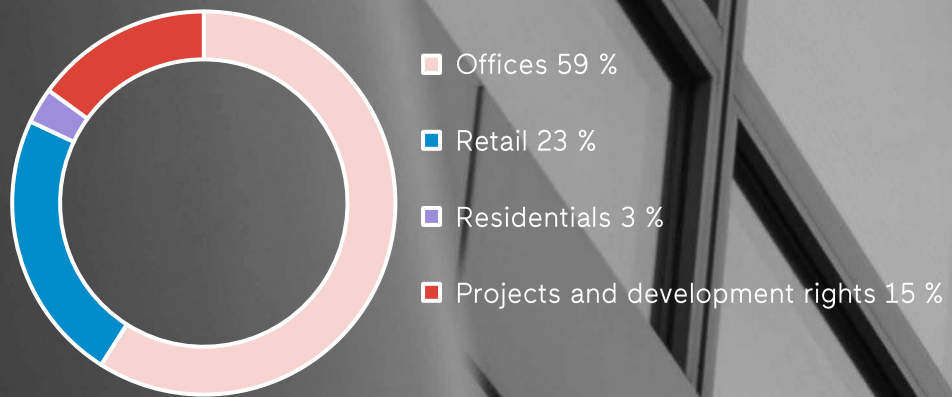
- 01 Annual report
- 02 Genuine urban development
- 03 New sustainability goals
- 04 From green to sustainable financing

Atrium Ljungberg in brief

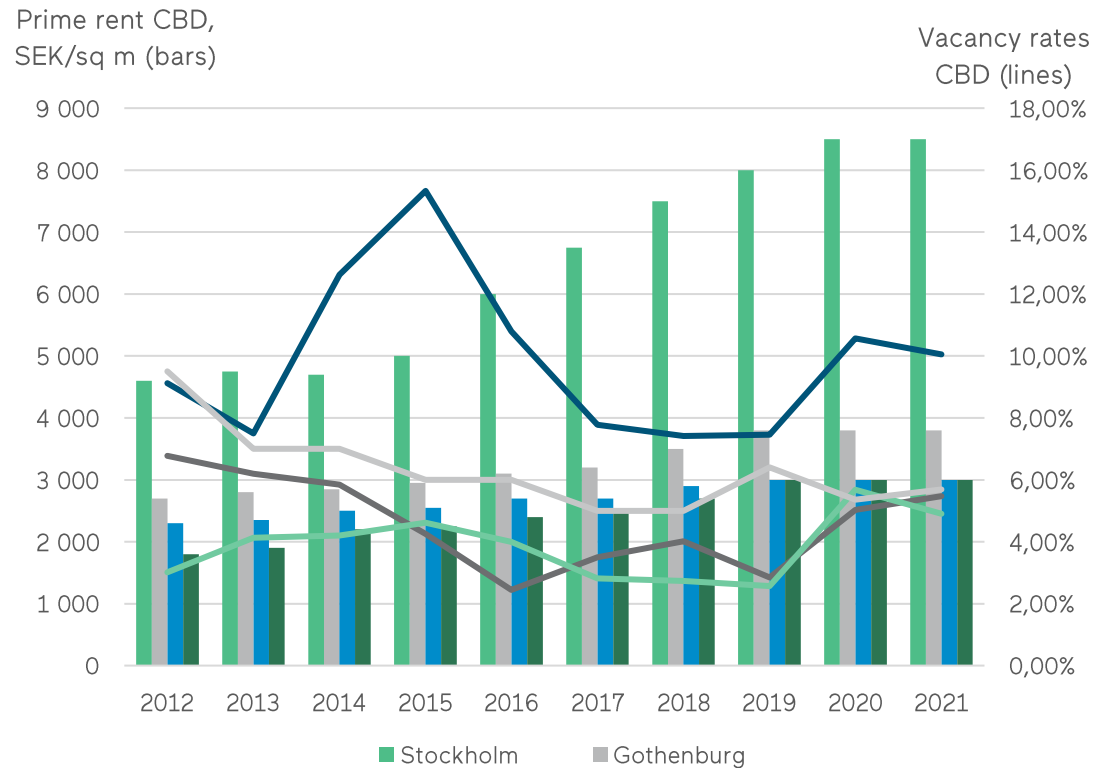
Property value	SEK 52 billion
Contracted annual rent	SEK 2.4 billion
Lettable area	1,082,000 sq m
Letting rate	91 %
Gearing ratio	39.9 %



Property value



Rental market



Net letting

	2021	2020
Gross letting	248	158
Terminated by tenants	-177	-127
Net letting 1	71	31
Terminated by landlord	-31	-47
Net letting 2	40	-16

Gross letting

	Retail	Restaurants	Offices	Other
Gross letting	47	19	146	36
Terminated by tenants	-27	-5	-144	-2
Net letting 1	20	14	2	34
Terminated by landlord	-2	-1	-24	-3
Net letting 2	18	13	-22	31

Major Lettings 2021



Polestar

- Lindholmen, Gothenburg
- 3,200 sq m



XXL sport

- Sickla Galleria, Sickla
- 3,100 sq m



10x Genomics

- Life City, Hagastaden
- 2,100 sq m

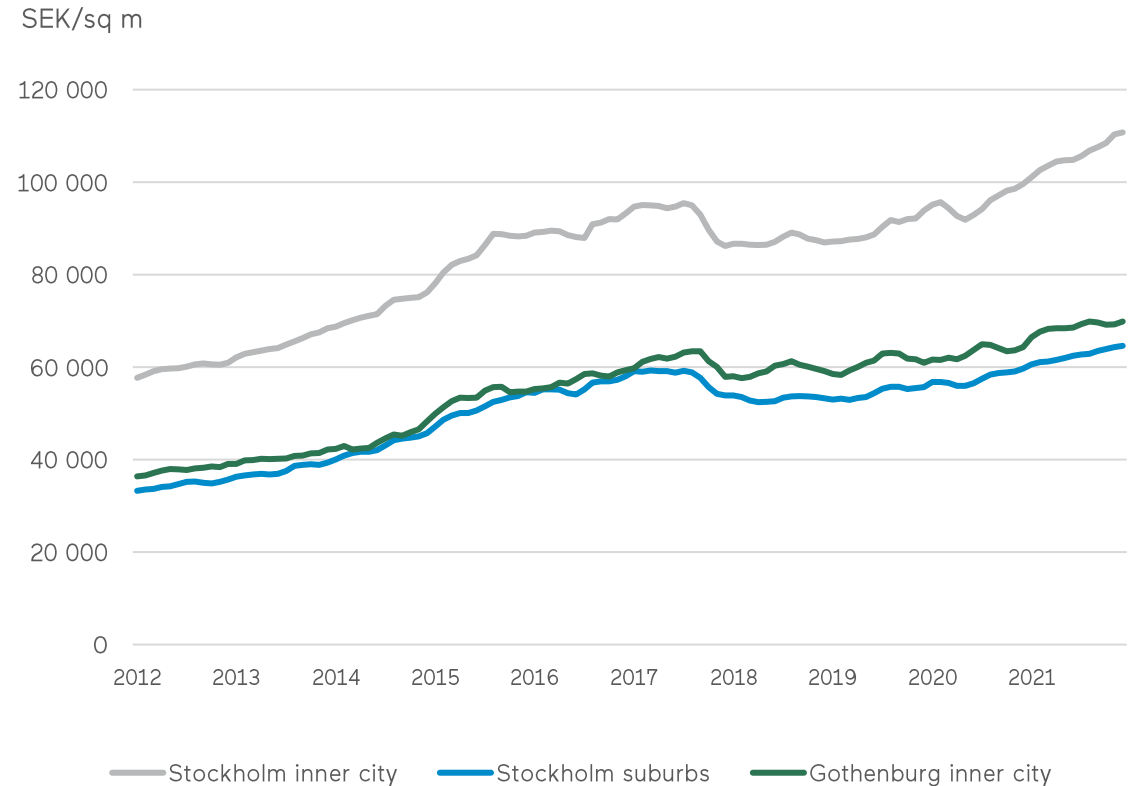


Gullers grupp

- Katarinhuset, Slussen
- 1,200 sq m

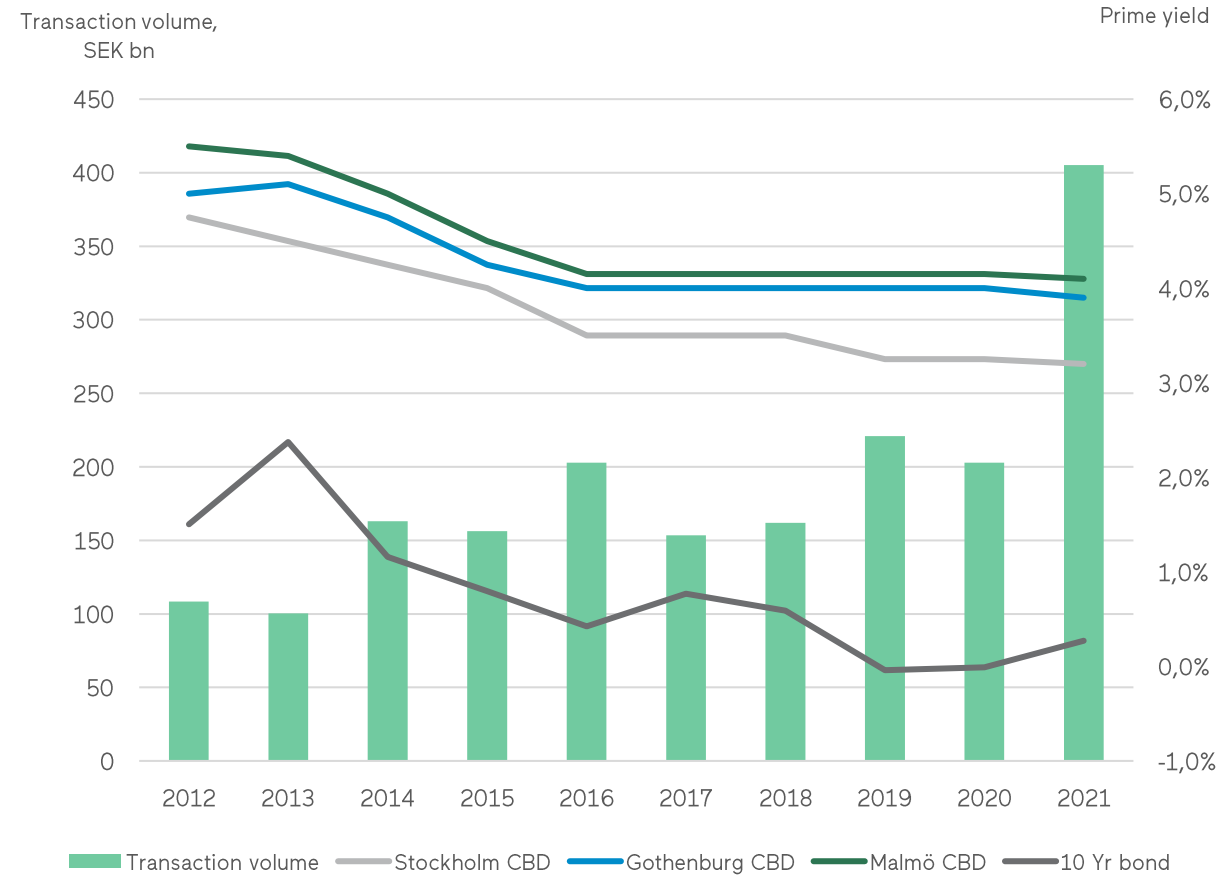
Residential market

- Prices has continued to increase during the quarter.
- Prices supported by low interest rates and high demand.
- In the second quarter the first earnings of SEK 91 million.
- In August all the apartments in the second block in Nobelberget had been sold.
- Sales for the third block on Nobelberget, Kulturtrappan, started in the autumn of 2021.
- Sales for the first tenant-owned dwellings in Uppsala, Parkhusen block 2, started in June 2021.



Transaction market

- Transaction volume 2021 just over SEK 400 billion
- 44 per cent M&A transactions
- Foreign investors app 25 per cent
- Dominant segment residentials 33 per cent
- Offices 21 per cent



Major transactions 2021



Palmfelt Center
Slakthusområdet

30,500 sq m
Prel. SEK 1,560 m



M1:AN and Centralstationen
Lindholmen

22,000 sq m
SEK 448 m



Kolding 3 and 4
Ärvinge, Kista

44,000 sq m
SEK 805 m

Consolidated income statement

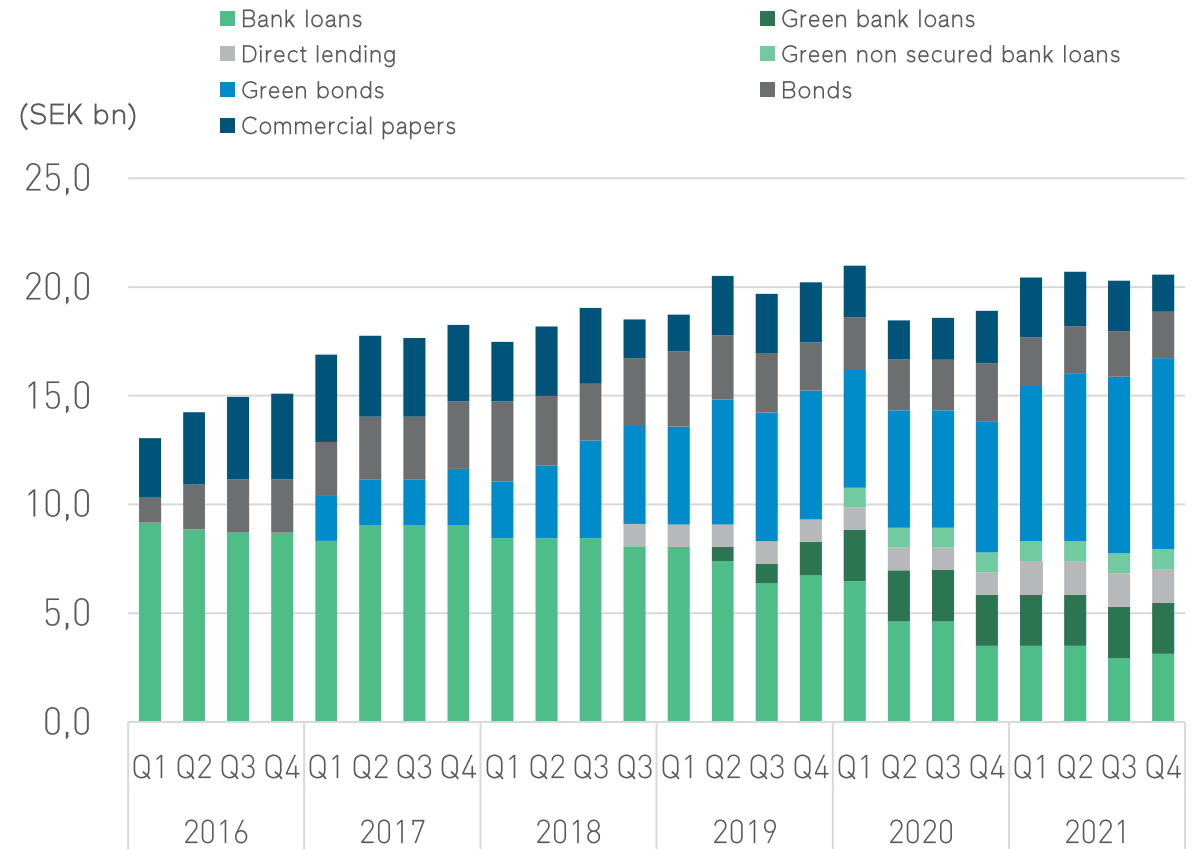
SEKm	2021		2020		Comments
Rental income	2,292	9 % vacancy rate	2,344	9 % vacancy rate	<i>Like-for-like portfolio: + 2.5 % / 1.0 %</i>
Property costs	- 732		- 779		
Operating surplus	1,560		1,565		<i>Like-for-like portfolio: + 4.0 % / 1.8 %</i>
Central adm (prop. management)	- 82		- 75		
Project- and construction work	92		- 30		<i>Profit tenant owned dwellings: SEK m 91</i>
Net financial items	- 320	1.7% interest rate	- 337	1.6 % interest rate	<i>ICR: 5.3 / Duration 4.7 years</i>
Profit/loss before changes in value	1,249	SEK 9,86 per share	1,124	SEK 8,68 per share	<i>14 % growth SEK/share</i>
Changes in value of:					
Properties	3,018	4,25 % yield	- 200	4.40 % yield	<i>SEK m 974 project return/+6.4 %</i>
Derivatives	388		- 252		
Tax	- 899		195		
Profit	3,757	SEK 29.65 per share	867	SEK 6.69 per share	<i>SEK 5.20 per share, proposed dividend</i>

Consolidated balance sheet

SEKm	2021		2020		Comments
Investment properties	50,335	SEK 54.167 per sq m	46,026	SEK 48,969 per sq m	} Investment: SEK 2.3 billion
Development properties	1,254		1,308		
Other assets	1,674		1,830		
Cash & cash equivalents	719		279		
Total	53,982		49,443		
Equity	25,541		22,668		
Deferred tax liability	5,563		4,681		Excl, tax losses carry forwards
Goodwill	- 165		- 165		
Derivatives net	100		656		
Net asset value	31,040	SEK 246 per share	27,841	SEK 218 per share	Growth: +13 %
Interest-bearing liabilities	20,561	LTV 39.9 %	18,905	LTV 39.9 %	Capital duration 4.8 years
Other liabilities	2,381		2,698		
Total	53,982		49,443		

Strong financial position

- Total credit portfolio of SEK 28 billion, of which SEK 21 billion is used.
- Good mixture of funding sources.
- During 2022:
 - Increased limit in MTN-programme to SEK 15 billion.
 - New sustainability-linked financing framework.
 - Updated green financing framework.
- Increasing credit spreads in the market.
- Average loan-to-maturity 4.8 years.
- Average fixed-interest tenor 4.7 years.
- Credit rating Baa2 by Moody's.

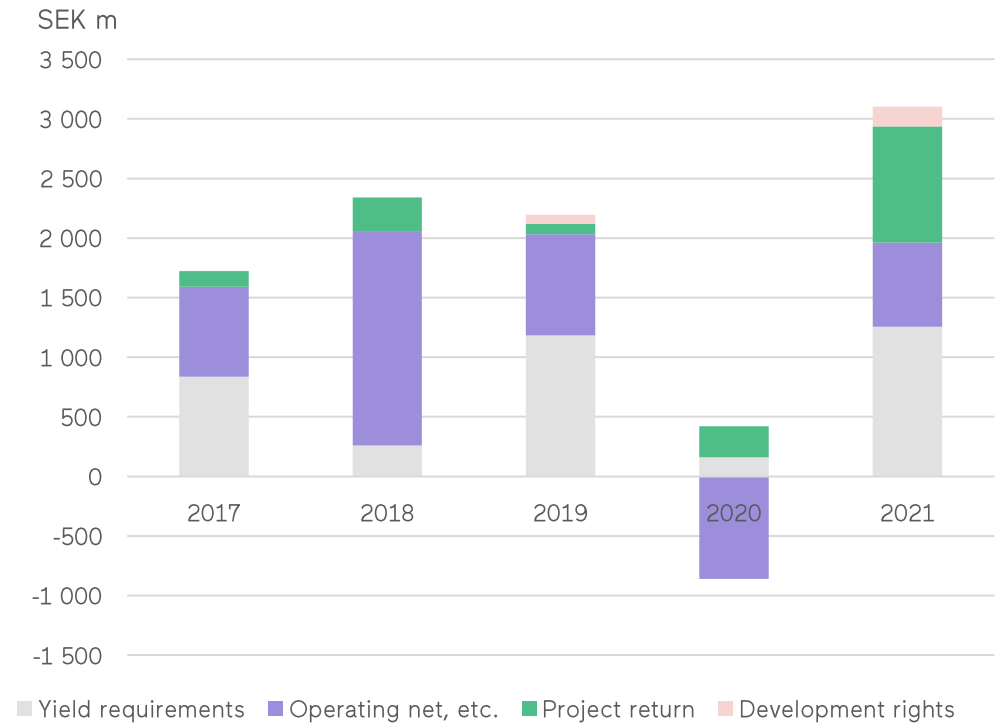


Unrealised changes in value

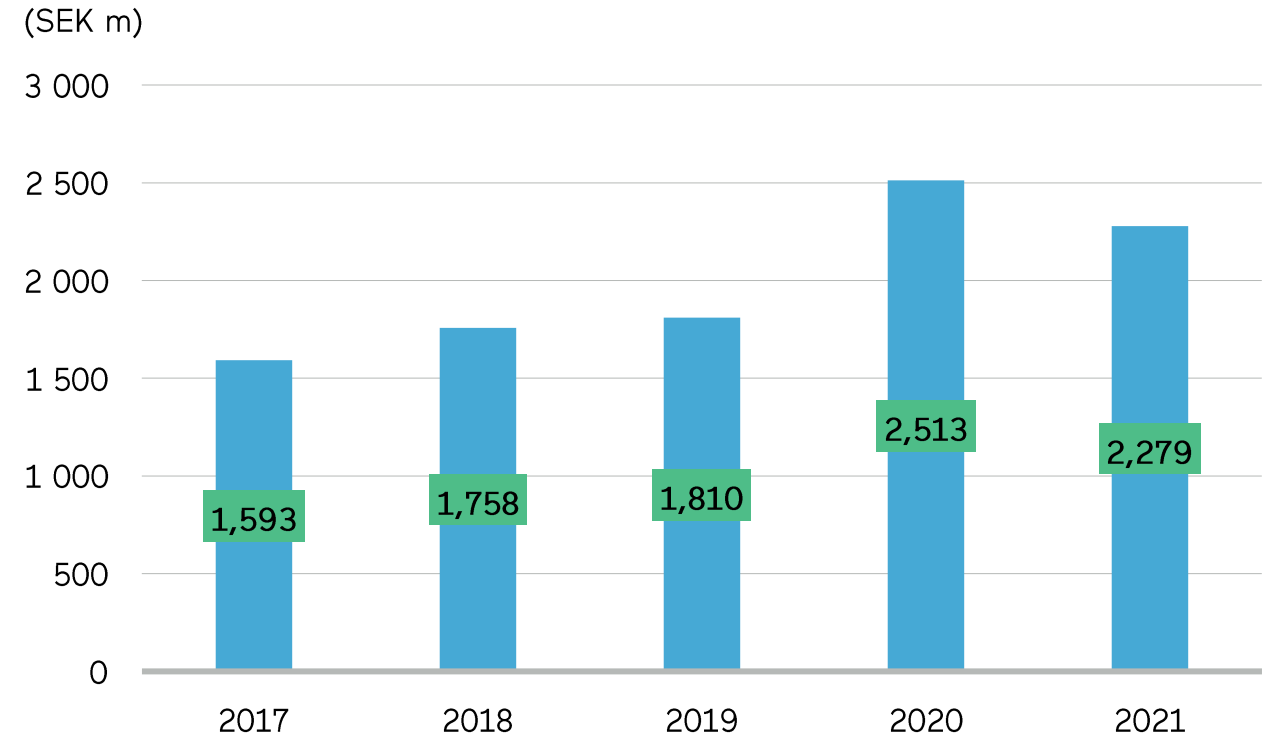
Unrealised changes in value, properties, SEK m

	2021	2020	2019	2018	2017
Yield requirements	1.191	482	1.272	433	927
Operating net, etc	707	-859	849	1.801	754
Project return	974	258	86	282	131
Development rights	168	0	76	0	5
Total	3.040	-119	2.283	2.516	1.817
Likewise, in %	6.4%	-0.3%	5.0%	6.2%	4.8%

Unrealised changes in value, distribution



Investments in held properties amounted to SEK 2,279 million



Completed projects 2021



Hotel Tapetfabriken

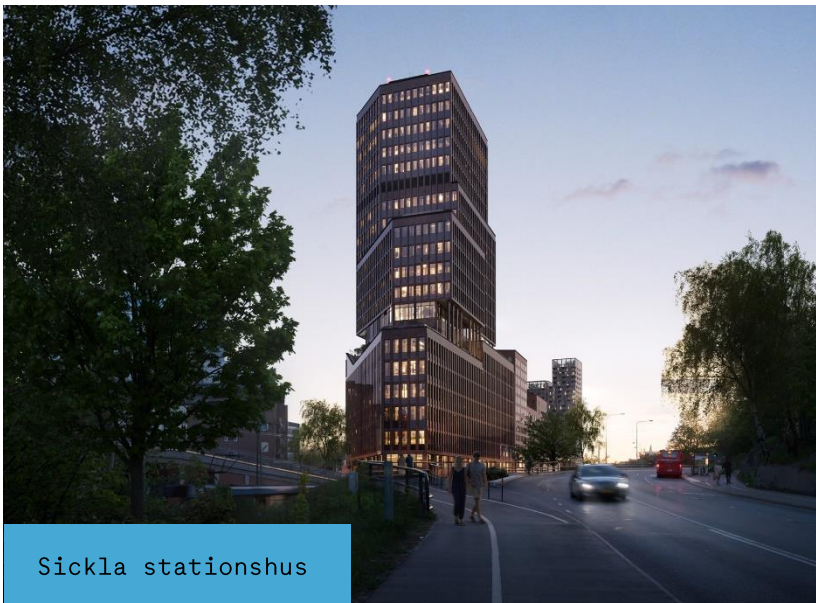


Sickla Galleria



Parkhusen block 1

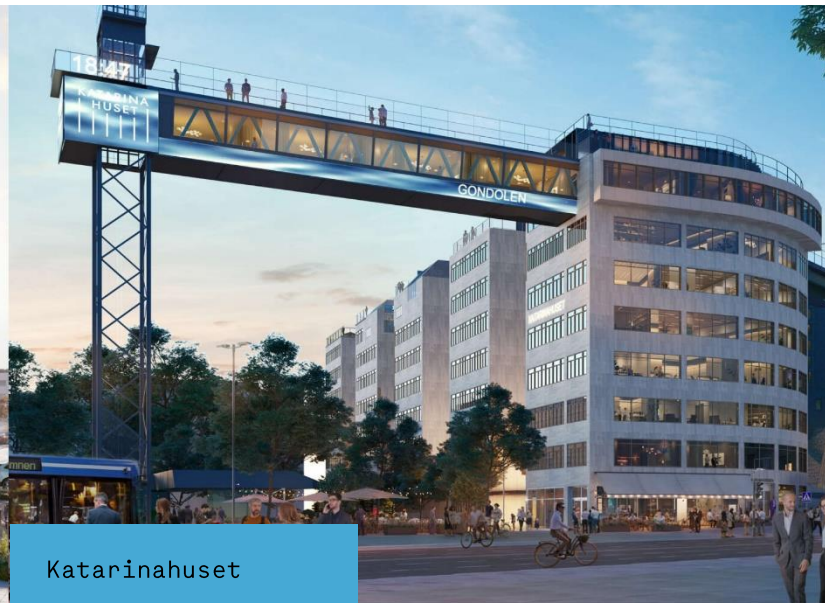
Ongoing projects



Sickla stationshus



Bas Barkarby



Katarinahuset



Life City



Slakthushallarna phase 1



Parkhusen block 2

Decided projects Q4 2021



Sickla Stationhus

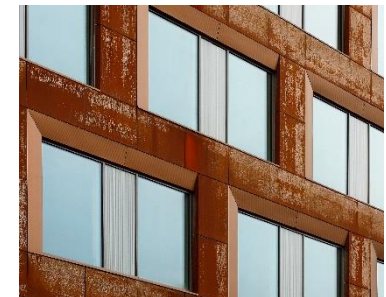
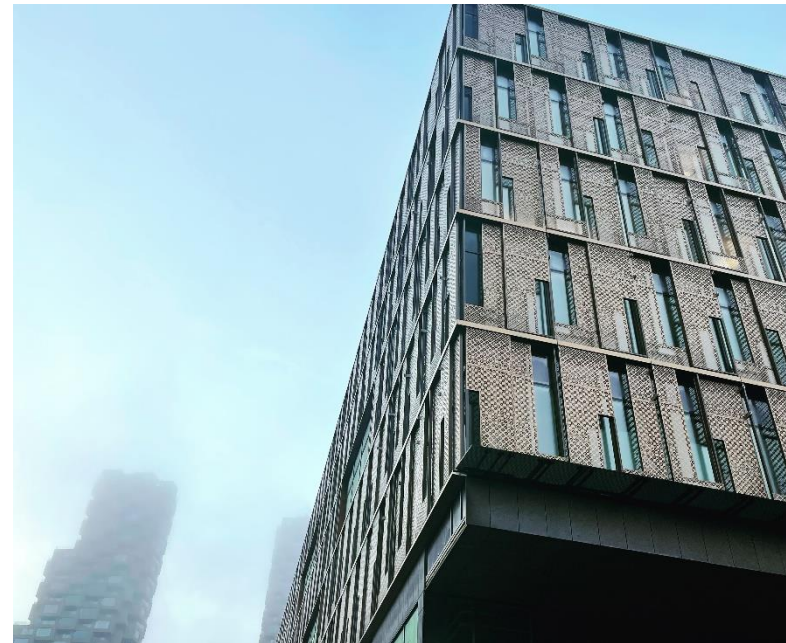


Konstharts Nobelberget

Genuine
urban development.



Our city – where everyone thrives

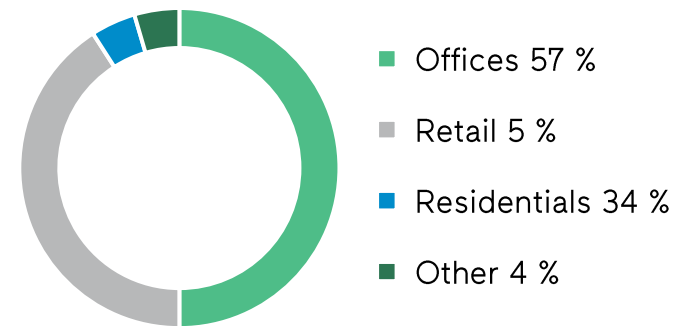


Large project portfolio



Remaining investments, SEK million

Decided projects	2,660
Potential projects (approx.)	35,000
<hr/>	
Total (approx.)	37,660



87% of projects at existing and future underground stations



More than 300,000 m² GFA
Investment SEK 13 billion

Sickla





DIESELVERKSTADEN

SICKLA

THE IDEA-DRIVEN CITY

Sickla 2020



Sickla 2030

Sickla
stationshus

Centrala
Sickla

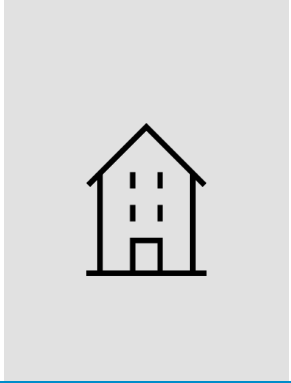




SICKLASTRÅKET NOBELBERGET
Construction start 2020
Residentials



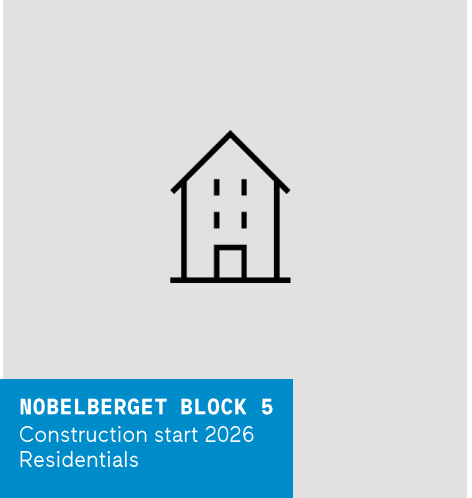
KONSTHARTS NOBELBERGET
Construction start 2022
Residentials



NOBELBERGET BLOCK 4
Construction start 2024
Residentials



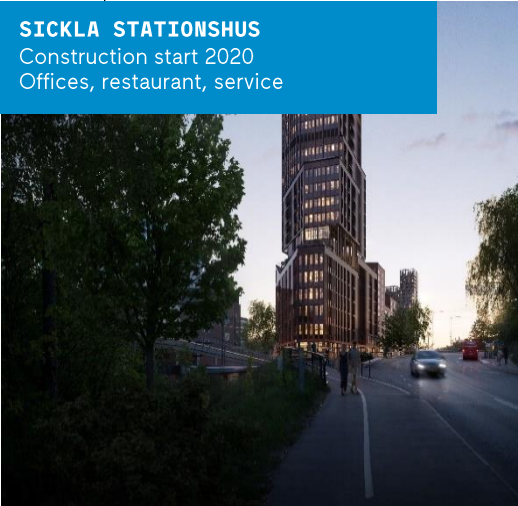
KYRKVIKEN
Construction start phase 1 2025
Residentials



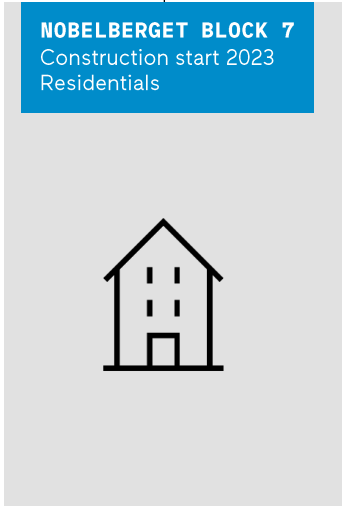
NOBELBERGET BLOCK 5
Construction start 2026
Residentials

2020

2030



SICKLA STATIONSHUS
Construction start 2020
Offices, restaurant, service



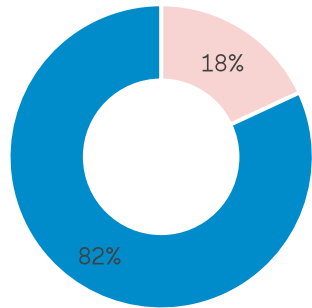
NOBELBERGET BLOCK 7
Construction start 2023
Residentials



CENTRAL SICKLA
Construction start phase1 2024
Offices, residentials, commercial premises

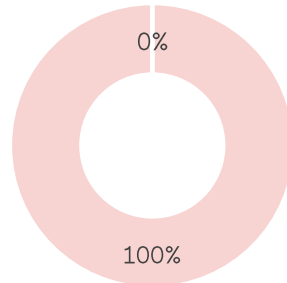
Sickla – investment SEK 13 billion

Management 130,000 m² GFA



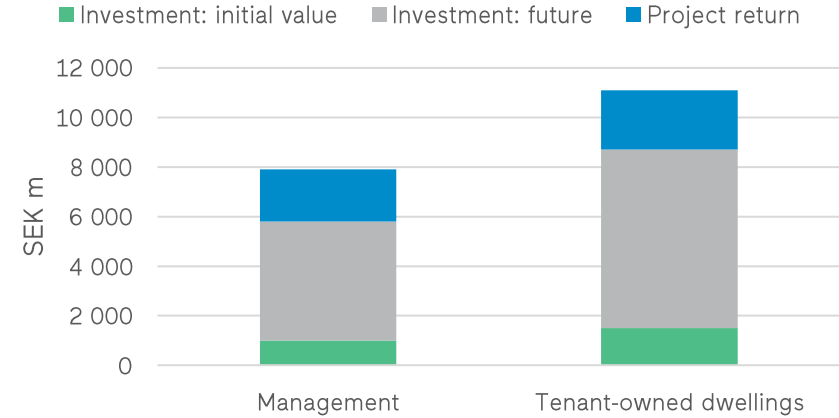
■ Detailed development plan adopted

Own land/land allocations

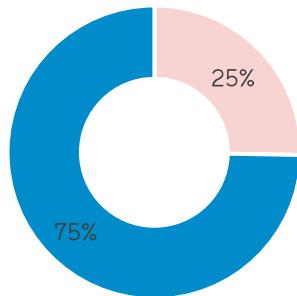


■ Already own the property

Investment and project return

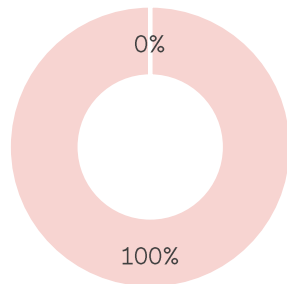


Tenant-owned dwellings 170,000 m² GFA



■ Detailed development plan adopted

Own land/land allocations



■ Already own the property

330

SEK million
Operating surplus

4.5

SEK billion
Project returns

Sickla 2035

Sickla
stationshus

Nobelbenget

Centrala
Sickla



Approx. 200,000 m² GFA
Investment SEK 9 billion

Slakthus området





**STOCKHOLM'S NEW
MEETING PLACE
FOR FOOD, CULTURE
AND EXPERIENCES**

**SLAKTHUSOMRÅDET
SLAKTHUSOMRÅDET
SLAKTHUSOMRÅDET**

BÖRSHUSET
Construction start 2022
Offices

KYLFACKET
Construction start 2023
Offices, restaurant, cafe

HUS 33
Construction start 2025
Offices

STATIONSKVARTERET
Construction start 2025
Underground station entrance, offices, restaurant, services

2020

2030

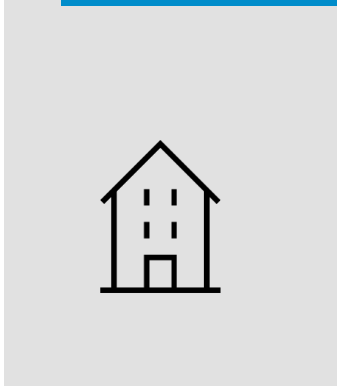
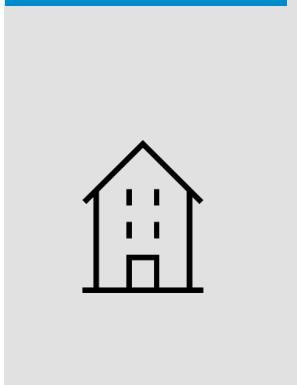
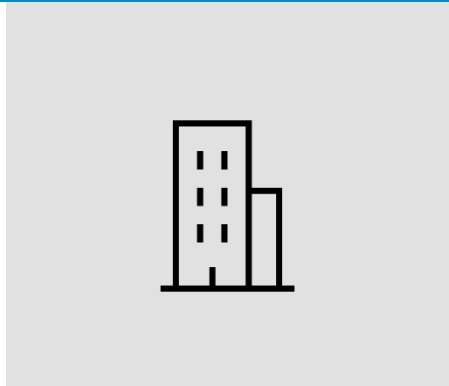
SLAKTHUSHALLARNA, PHASE 1
Construction start 2021
Restaurant, offices, culture, stores

MARKNADSHALLARNA
Construction start 2022
Offices, culture, cafe

EVENEMANGSKVARTEREN
Construction start 2025
Education, offices, restaurant, culture

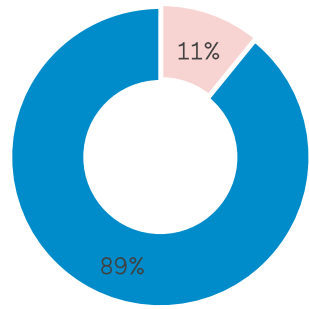
HUS 32 BLOCK B
Construction start 2026
Residential

BLOCK 2
Construction start 2027
Residential



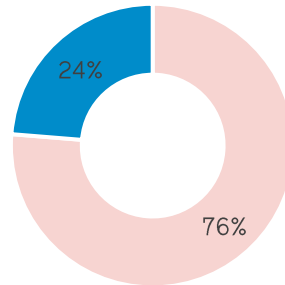
Slakthusområdet – investment SEK 9 billion

Management 175,000 m² GFA



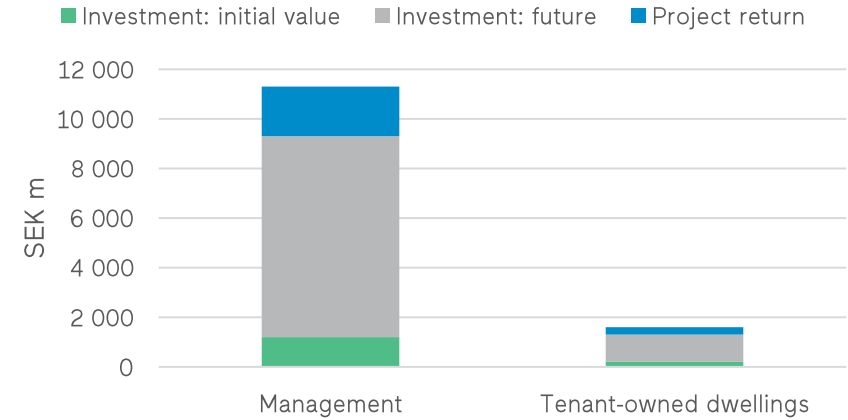
■ Detailed development plan adopted

Own land/land allocations

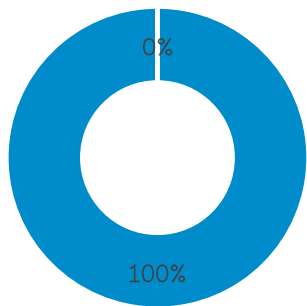


■ Already own the property

Investment and project return

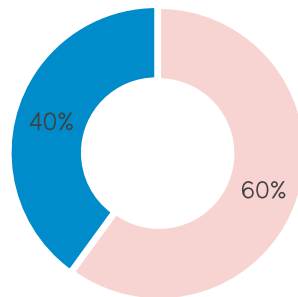


Tenant-owned dwellings 25,000 m² GFA



■ Detailed development plan adopted

Own land/land allocations



■ Already own the property ■ Land allocations, etc.

420

SEK million
Operating surplus

2.3

SEK billion
Project returns



More than 100,000 m²
Investment SEK 7 billion

Hagastaden



A person's silhouette is shown in profile, facing left. Inside the silhouette, a detailed cityscape is visible, with buildings and streets. The background of the silhouette is a warm, golden-yellow color, suggesting a sunrise or sunset. The overall image is framed by a dark border.

Med utsikt mot världen

Atrium Ijungberg i
HAGASTADEN

Södermalmsp

Life city

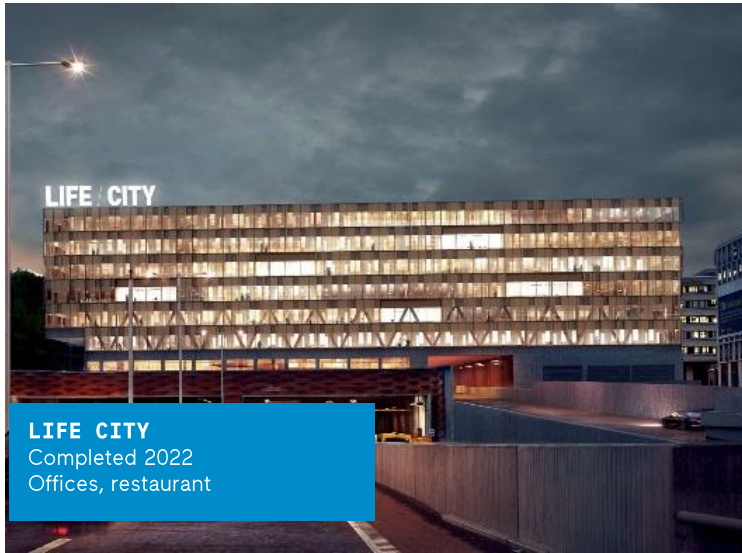
Stanford

Cambridge

Pisa

Kvarter 15





LIFE CITY

LIFE CITY
Completed 2022
Offices, restaurant



STANFORD
Construction start 2024
Residentials

CAMBRIDGE
Construction start 2026
Residentials

2020

2030



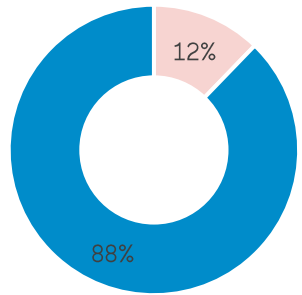
PISA
Construction start 2025
Offices



BLOCK 15
Construction start 2025
Offices

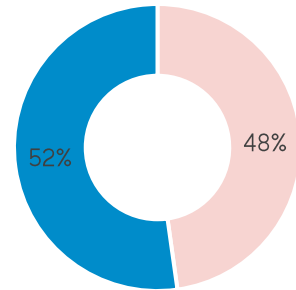
Hagastaden – investment SEK 7 billion

Management 90,000 m² GFA



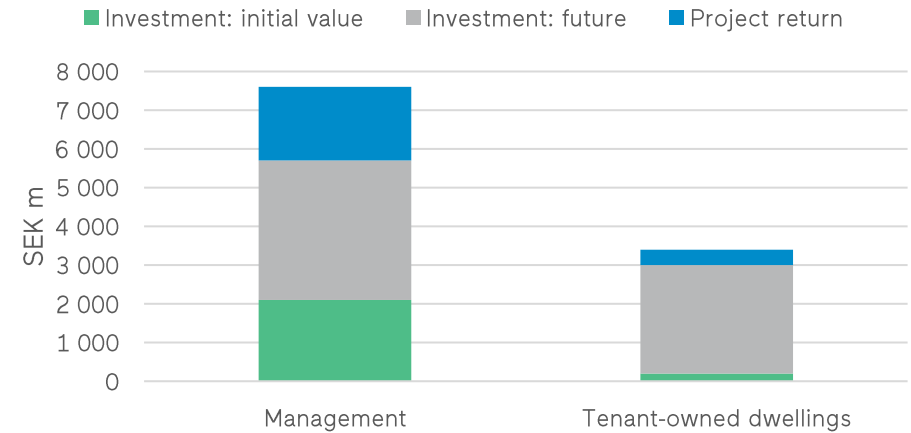
■ Detailed development plan adopted

Own land/land allocations

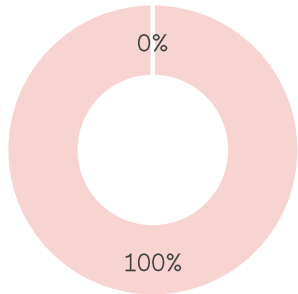


■ Already own the property ■ Land allocations, etc.

Investment and project return

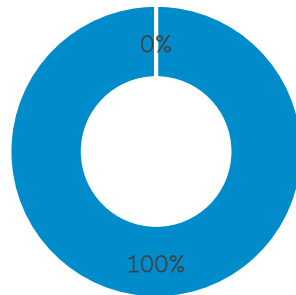


Tenant-owned dwellings 39,000 m² GFA



■ Detailed development plan adopted

Own land/land allocations



■ Already own the property ■ Land allocations, etc.

270

SEK million
Operating surplus

2.3

SEK million
Project returns, of which
approx SEK 1 billion
recognised



Area 30,000 m²

Investment SEK 2 billion

Slussen





1847

KATARINA
Huset

GONDOLEN

KATARINA
Huset

SÖDRA TEatern

innen

SPANNING

2 Minuter

SLUSSEEN





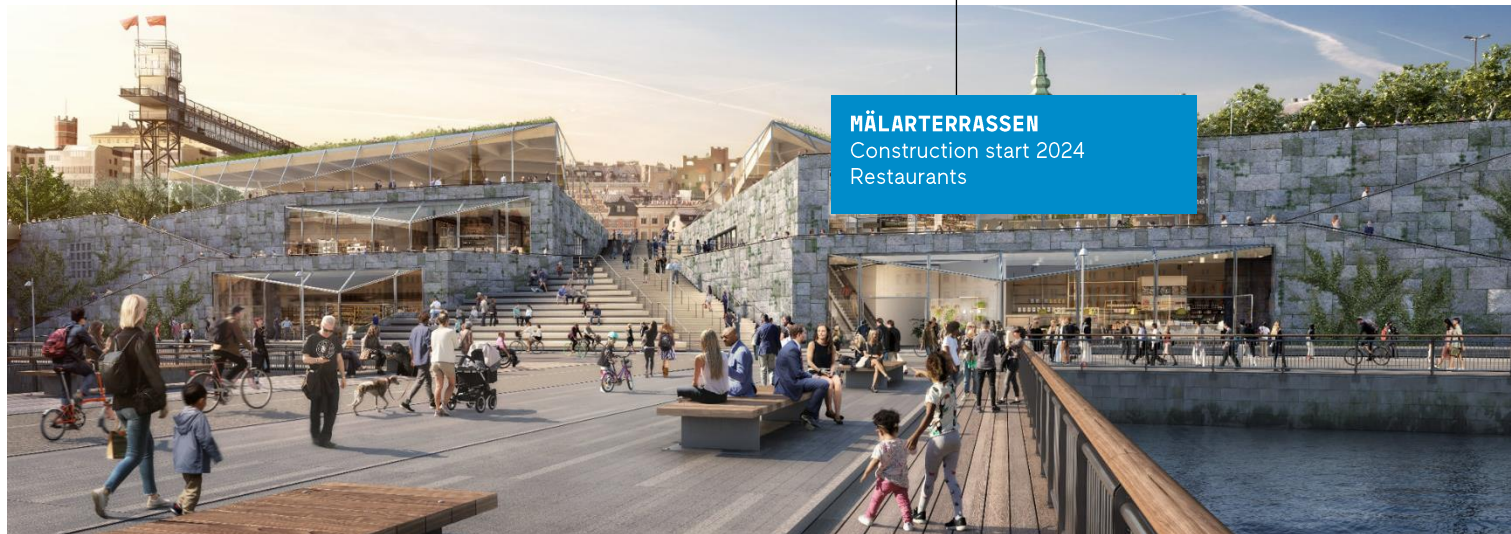
KATARINAHUSET
Construction start 2020
Offices, restaurant



HANDELSPLATSEN
Construction start 2024
Retail

2020

2030



MÄLARTERRASSEN
Construction start 2024
Restaurants

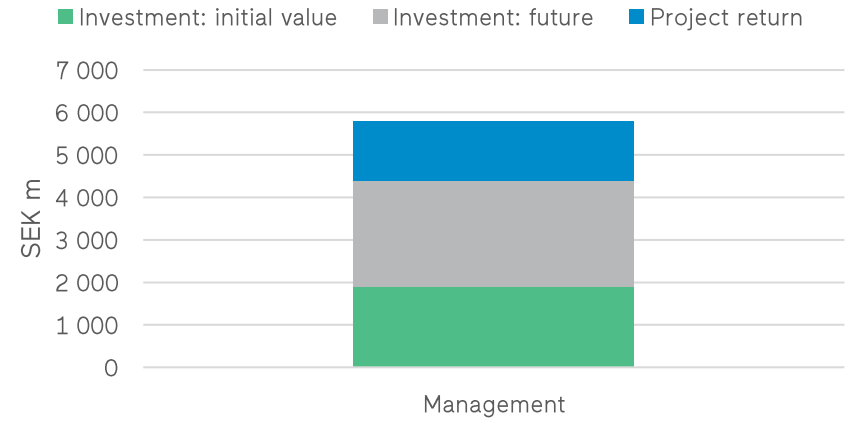


KONTORSHUS
Construction start 2026
Offices

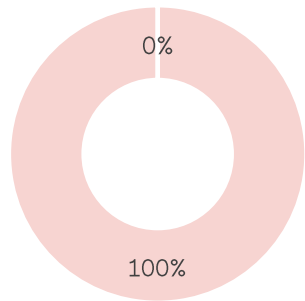
Slussen – investment SEK 2 billion



Investment and project return

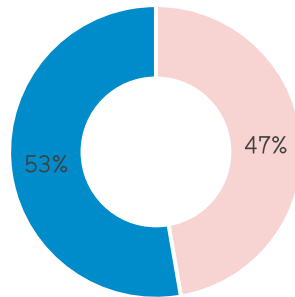


Management 55,000 m² GFA



■ Detailed development plan adopted

Own land/
land allocations



■ Already own the property

210

SEK million
Operating surplus

1.4

SEK billion
Project returns



Goals Atrium

Ljungberg

2030.

Project portfolio

<u><i>Investment properties</i></u>	GFA, sq.m.	Total invest., SEKm	Initial value, SEKm	Remaining invest., SEKm	Market value, SEKm	NOI, SEKm
Stockholm						
- Hagastaden	90,000	5,700	2,100	3,600	7,500	270
- Sickla	118,000	5,100	900	4,200	7,000	300
- Slakthusområdet	171,000	9,000	1,200	7,800	11,300	420
- Slussen	55,000	4,400	1,900	2,500	5,800	210
- Stockholm, other areas	75,000	4,300	2,200	2,100	5,000	205
Uppsala	84,000	2,700	0	2,700	3,500	140
Gothenburg/Malmö	28,400	1,050	310	740	1,380	65
Total	621,400	32,250	8,610	23,640	41,480	1,610
Remove: existing NOI						-130
New NOI						1,480
<u><i>Tenant-owned dwellings</i></u>						
- Hagastaden	39,000	3,000	0	3,000	3,400	
- Uppsala	20,000	700	0	700	800	
- Slakthusområdet	15,000	1,000	0	1,000	1,200	
- Sickla	120,000	6,500	1,100	5,400	8,000	
Total	194,000	11,200	1,100	10,100	13,400	

The information about projects is based on assessments of the size, goals and scope of these projects, and the dates when they are assessed to start and be completed. The information is also based on current project costs, rental levels and market yields. The assessments and assumptions should not be seen as a forecast. There are uncertainties surrounding these assessments and assumptions, in relation to the projects' implementation, design and size, schedules, project costs and future operating net.

Until 2030 we will:

Double our property value
and operating net to SEK
100 bn in property value and
SEK 3 bn in operating net.

How?

- Invest SEK 30 bn and deliver SEK 8 bn in project returns.
- Focusing on operating nets in investment properties.



Q&A

Sustainability

Saga Jernberg
Head of Sustainability



Sustainability work

- Integrated into our business model and an important part of the work to achieve our vision, “Our city – where everyone thrives”.
- Proactive sustainability work enables us to manage risks in a structured way and identify new business opportunities.
- The materiality analysis resulted in four focus areas:
 1. Climate
 2. Social sustainability
 3. Business ethics
 4. Sustainable employees



Sustainability goals 2014–2021



The goals for 2014–2021 were:

- 100% of our properties will be environmentally certified → **96%**
- 50% of our contracted annual rent will have green lease contracts → **59%**
- Energy consumption will be reduced by 30% between 2014–2021, from 265kWh/m² to 188kWh/m² → **26% (198kWh/m²)**
- Sweden's best workplace (GPTW) with an index of at least 85% → **89%**

New sustainability goals 2022

- Climate-neutral by 2030
- Our locations will achieve at least 90% in our new index for social sustainability by 2030.
- 100% of our main purchases will be evaluated by 2025.
- A minimum of two development programmes for suppliers every year.
- Sweden's best employer.



Climate-neutral by 2030

- Halving by 2025 for construction projects, measured using LCA analyses, kgCO₂e/GFA.
- Climate neutral by 2030, measured in kgCO₂e/GFA for construction projects and kgCO₂e/m² for management.

There are four focus areas in our work to reduce our climate impact.

1. Energy consumption.
2. Materials for new builds and tenant adaptations.
3. Collected waste.
4. Transport to and from our locations.



Focus areas



Energy

1. Reduce energy consumption.
2. Increase the proportion of fossil-free energy that we generate ourselves.



Materials

1. Reduce the climate impact of our sourced materials.
2. Increase the proportion of circular flows.



Waste

1. Prevent waste.
2. Increase the proportion of sorted waste.



Transport

1. Streamline transport-
2. Increase the amount of fossil-free transport.

The ambition is to be net-zero.
Compensate for the remaining emissions by 2030.

Socially sustainable locations

- Monitor how our activities contribute to making our locations more sustainable, which will therefore help us achieve our vision, “Our city – where everyone thrives”.
- Index with five different areas. Each area has a number of measurable indicators that are scored.
- The goal is measured as a percentage, although each indicator receives a score from 0–3; this enables us to track the development in a more nuanced way.
- We have chosen a goal of over 90% as it is an ambitious, but still achievable for all our locations.



Index – Our City

Security, well-being and accessibility

- Active ground floors
- No crime
- Balance daytime/night-time population
- 24/7 city
- Sense of security

Closeness, togetherness and flexibility

- Varied district
- Recreational location
- Public space for activation
- Sustainable travel behaviour
- Easy to find your way around

Ecosystem services and climate adaptation

- Green areas/parks /walkways
- Green space factor
- Climate adaptation
- Good microclimate

Identity, history and diversity

- Location identity
- Location identity activation
- Visitors
- Location for everyone

Dialogue and participation

- Dialogue and target groups
- Feedback
- Cooperation with tenants

Business ethics

- In 2025, 100% of all our main purchases will be evaluated based on Atrium Ljungberg's Supplier Policy.
- Our main suppliers are (one or both of the following).
 - Framework agreement suppliers.
 - Supplies more than SEK 100,000/year.
- Run a minimum of two development programmes for suppliers every year. The aim is to work together to develop our sustainability work and find new solutions.



Sustainable employees



- The overall goal will still be linked to GPTW, maintaining a level of >85%, and being one of Sweden's best employers.

Thank you!



If you have any questions
please contact me.

Saga Jernberg

Head of Sustainability

mob: +46(0)70-883 98 54

Saga.jernberg@al.se



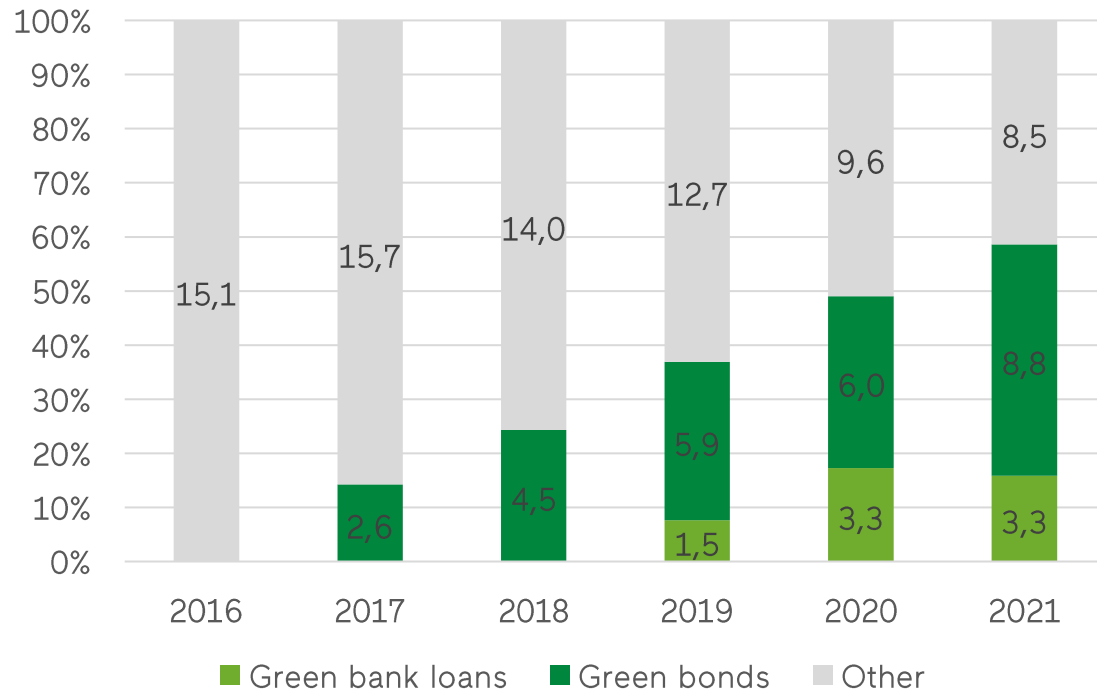
From green
to sustainable
financing.

Tomas Fröcklin
Head of Finance

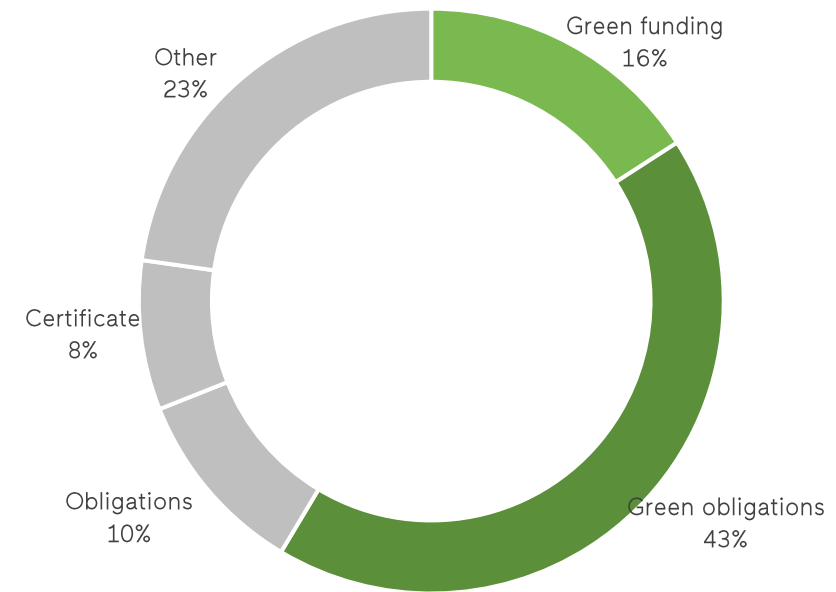
Background

Atrium Ljungberg has been working with green financing since 2017.

Development of green financing sources, SEK million



Borrowing mix 2021, SEK million



Green financing

Green loans

- Borrowed funds are allocated to assets and investments that meet the climate criteria in the green framework.
- Non-qualifying assets have to be financed in a different way.
- Green framework with a second opinion from Cicero.
- New green framework launched in February.
- Conforms to the standard, based on the International Capital Markets Association (Green Bond Principles).



Future for green financing

General:

- The definition of, and interest in, sustainability and sustainable financing are constantly expanding.
- Demand for thematic borrowing.

EU Green Bond Standard

- Financing of activities that are sustainable in accordance with the EU Taxonomy.
 - Contributes to at least one of the six identified environmental objectives
 - Top 15%
- Does no significant harm to any of the environmental objectives (DNSH).
- Minimum social safeguards
- External audit for allocation, follow-up and reporting.
- Voluntary or obligatory?

EU's six environmental objectives

1. Climate change mitigation.
2. Climate change adaptation.
3. Sustainable use and protection of water and marine resources.
4. Transition to a circular economy.
5. Pollution prevention and control.
6. Protection and restoration of biodiversity and ecosystems.

Sustainability-linked financing

- New framework for sustainability-linked financing.
- Borrowing linked to our sustainability goals.
- All sections of ESG.
- Encourages our progress towards climate neutrality and socially sustainable locations by 2030.
- Second opinion from Cicero and the International Institute for Social Development (IISD).
- Conforms to the standard, based on the International Capital Markets Association (Sustainability-Linked Bond Principles).



Reason for sustainability-linked financing.

- A lot of focus historically on the 'E' of ESG – we can now highlight all our sustainability work.
- Enhances transparency and creates greater awareness of our far-reaching sustainability work.
- Adds additional financial incentives for our sustainability work.
- Strengthens sustainability work as an integrated part of our financial strategy.
- Increases our financial flexibility.
- Enables sustainable growth to continue.



Sustainability goal 1

Environmental
Social
Governance

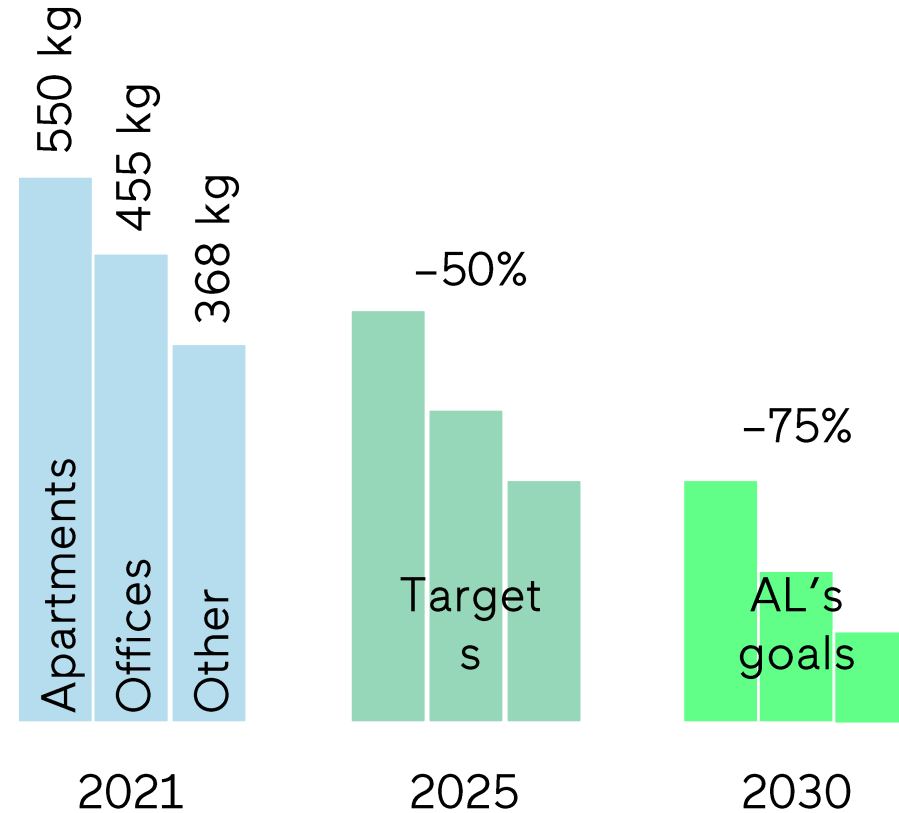
Sustainability indicator 1

Climate-neutral new builds by 2030.

— More ambitious goal than the Fossil Free Roadmap for Construction Activities and the Swedish Climate Act.

Sustainability goal 1

50% reduction (kg CO₂e/GFA) by 2025.



Sustainability goal 2

Environmental
Social
Governance

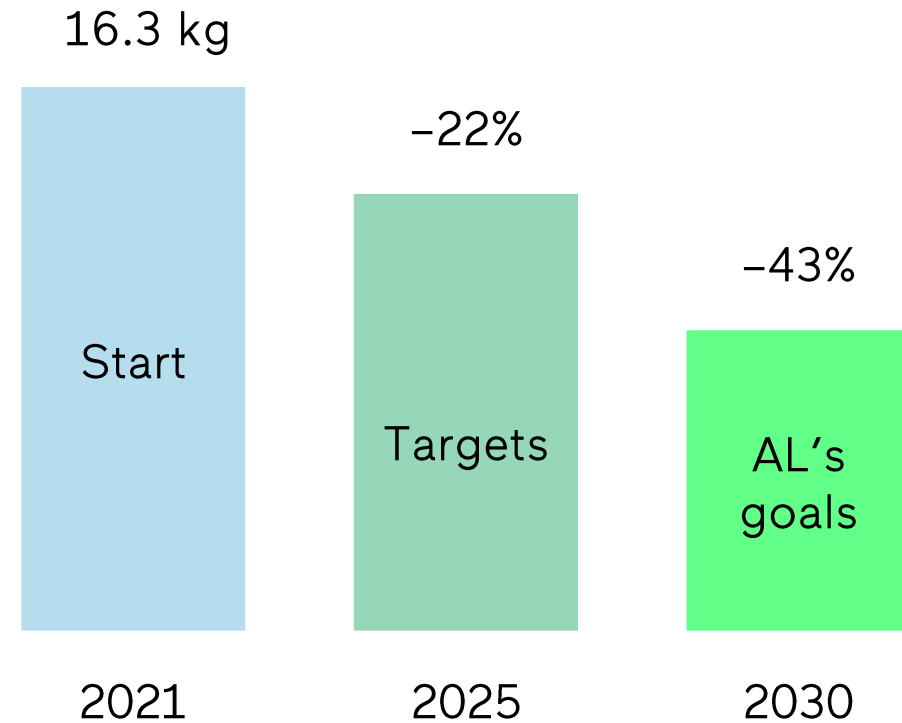
Sustainability indicator 2

Climate-neutral property management

- Ambitious goal that includes tenants and visitors in Scope 3.
- Significant emission reductions over a short period of time.
- More ambitious than the Swedish Climate Act.

Sustainability goal 2

22% reduction (kg CO₂e/m²) by 2025.



Sustainability goal 3

Environmental
Social
Governance

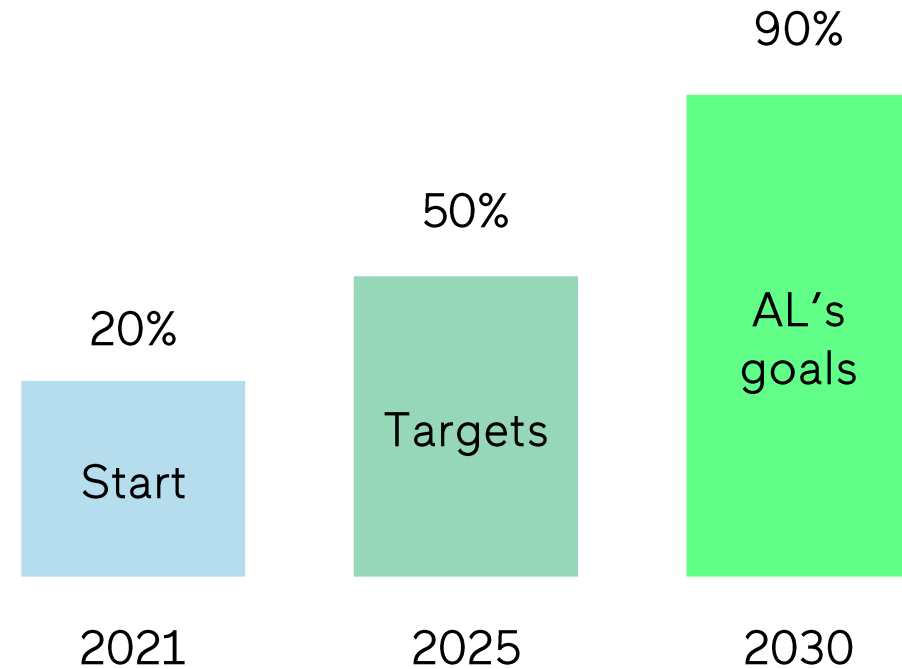
Sustainability indicator 3

Significant increase in the results for “Our city – where everyone thrives”

- New innovative index for social sustainability.
- Wide range of indicators and measurement tools.
- The model is available on our website al.se.

Sustainability goal 3

Reach the goal of 50% by 2025.



Sustainability goal 4

Environmental
Social
Governance

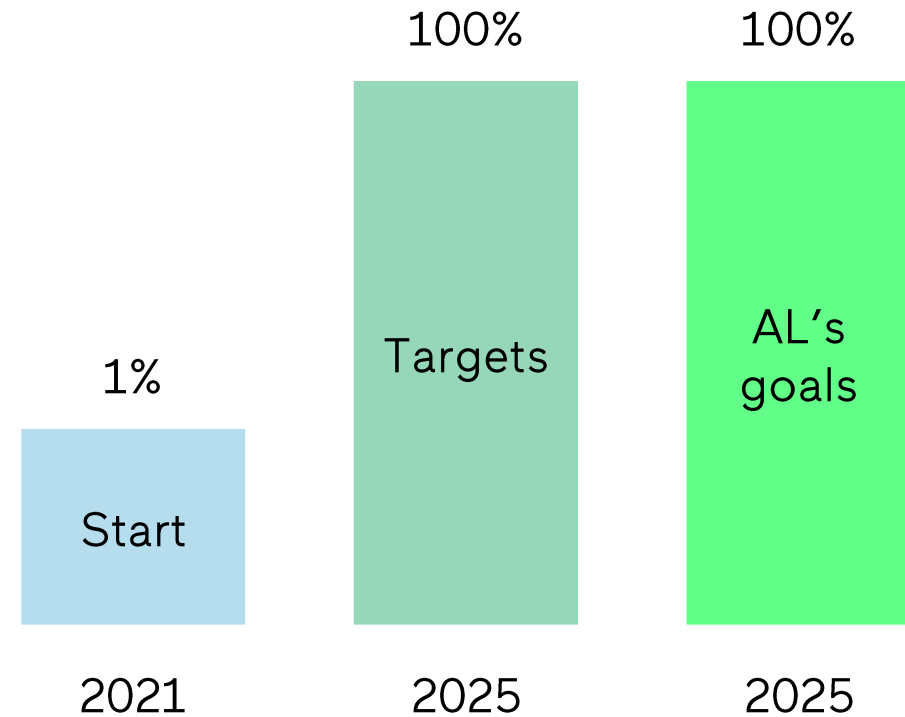
Sustainability indicator 4

All our main suppliers will be evaluated based on our Supplier Policy by 2025

- Evaluation of compliance with our Supplier Policy in terms of its social and climate aspects.
- Ambitious schedule that requires an immediate start.

Sustainability goal 4

100% by 2025.



The first issue as part of this new framework

- There is a mandate on the market.
- We intend to issue a sustainability-linked bond in the near future.
- Two separate investor meetings will be held on this issue this afternoon.
- The sustainability-linked framework, the Second Party Opinion from Cicero and IISD, and the updated base prospectus are available on our website, al.se.



Thank you!



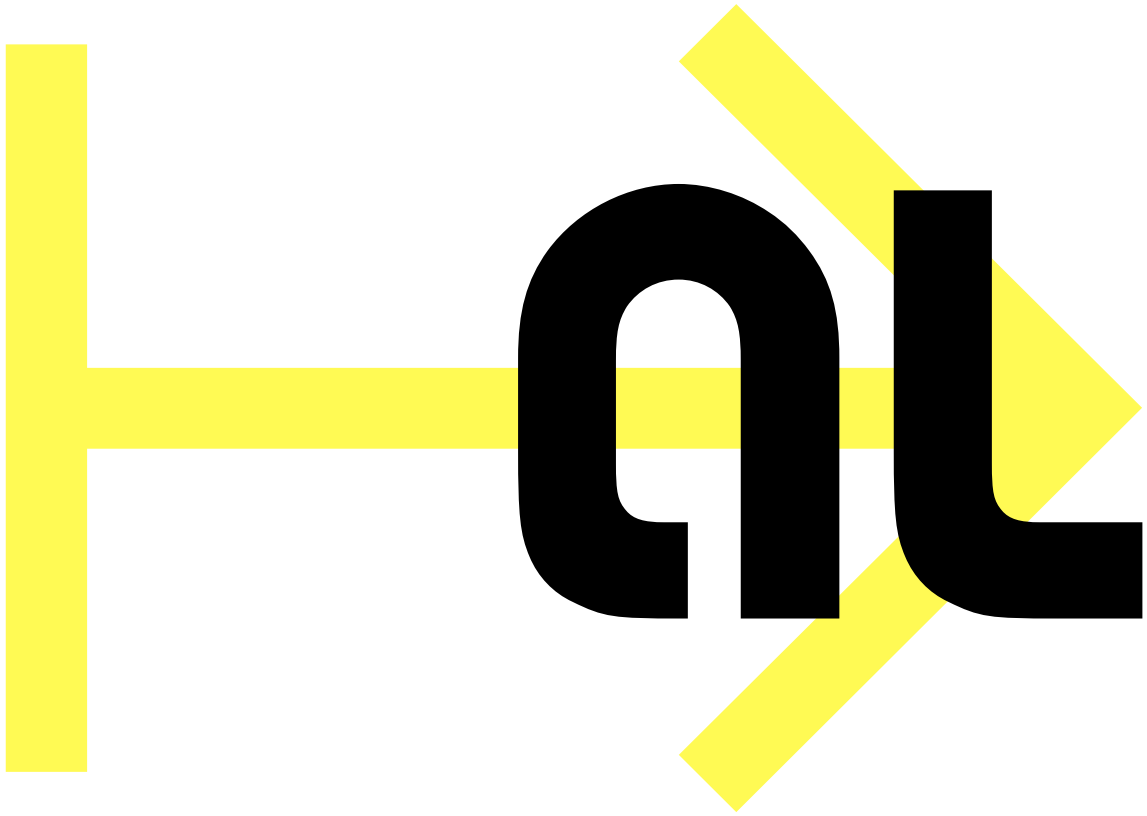
If you have any questions
please contact me.

Tomas Fröcklin

Head of Finance

mob: +46 (0)76-850 63 47

Tomas.frocklin@al.se



**ATRIUM
LJUNGBERG**