

Properties for the logistics of the future

Presentation Q4 2023



Q4 2023 Presentation



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Agenda

1. Summary
2. Business overview
3. Business update
4. Sustainability
5. Financial update
6. Takeaways from today
7. Q&A

Q4 2023 summary: Favourable conditions for continued growth

- Rental income increased by 17 percent mainly due to indexation and acquisitions
- Profit from property management increased by 16 percent to SEK M 1,107 (954)
- Profit from property management per share increased to SEK 22,15 (21,35)
- Positive value changes due to new zoning-plans NRV/share 392 SEK
- Strong balance sheet gives favorable conditions for continued growth



+17% Rental income YoY, Q4 2023	+19% Net operating surplus YoY, Q4 2023	+4% PFPM per share, YoY Q4 2023	37.1% Loan to value	96.6% Letting ratio	5.1 WALE
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Business overview

Sector-leading portfolio and prime customer base.

Market update

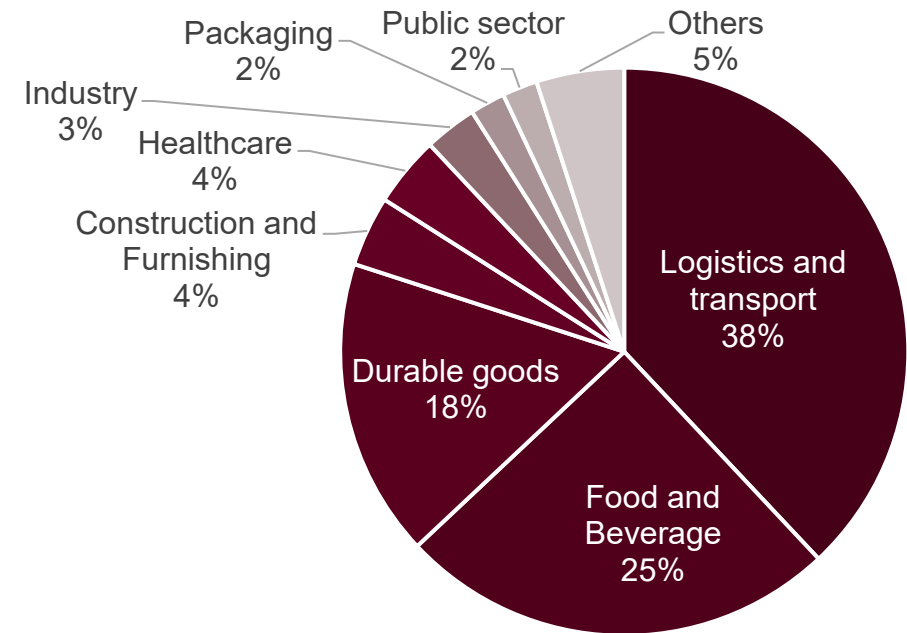
More activities in the market

- Sellers and buyers starting to agree on values
- E-commerce is down in terms of value but up in volume
- More ongoing dialogues regarding new projects
- Energy investments
- Oversupply



Customer base

Customers	Share of contractual value
DHL	10%
ICA	8%
Martin & Servera	6%
Postnord	5%
Boozt	3%
Nowaste Logistics	3%
DKI Logistics	3%
Dagab	2%
Intervare	2%
Menigo Foodservice	2%
Top 10	44%








Portfolio

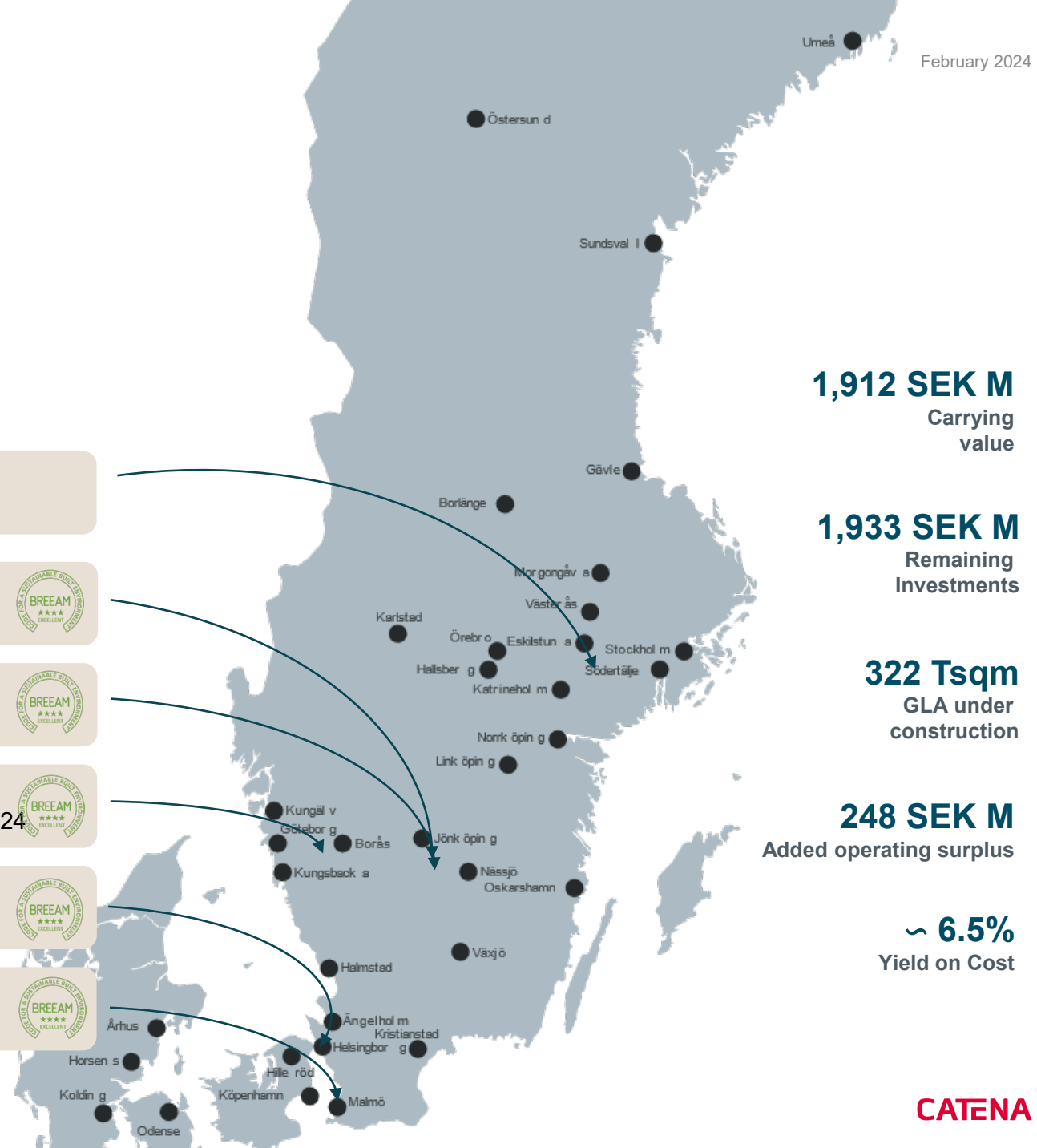
Regions	Number of properties	Lettable area, Tsqm	Fair Value, SEK M	Rental value, SEK M	Economic letting ratio, %	Contractual annual rent, SEK M ¹	Surplus ratio, % ²
Göteborg	22	372	5,351	316	97	305	85
Helsingborg	27	510	5,822	364	98	356	75
Jönköping	11	158	2,008	103	99	102	82
Malmö ³	24	386	5,655	357	95	340	76
Stockholm	48	852	12,036	757	96	729	82
Total	132	2,278	30,872	1,897	97	1,832	80
2022	125	2,185	27,219	1,645	97	1,599	79

Business update

Attractive growth enabled by our long-standing customer relationships, unique landbank and strong financial position.

Current development

Stenvreten 8:33, Enköping	Tenant: COOP Investment: 124 SEK M	Sqm: 5,800 Finalized: Q1 2024	
Hyltena 1:102, Jönköping	Tenant: Elgiganten Investment: 813 SEK M	Sqm: 86,600 Finalized: Q2 2024	
Stigamo 1.49, Jönköping	Tenant: Nowaste Logistics Investment: 379 SEK M	Sqm: 33,000 Finalized: Q4 2024	
Dansered 1:66, Härryda	Tenant: MM-Sport, Menigo Investment: 712 SEK M	Sqm: 50,990 Finalized: Q1 & Q4 2024	
Logistics position Ramlösa, Helsingborg	Tenant: Nowaste Logistics Investment: 950 SEK M	Sqm: 75,000 Finalized: Q1 2026	
Sockret 4, Malmö	Tenant: Rugvista Investment: 195 SEK M	Sqm: 13,700 Finalized: Q2 2025	



1,912 SEK M
Carrying value

1,933 SEK M
Remaining Investments

322 Tsqm
GLA under construction

248 SEK M
Added operating surplus

~ **6.5%**
Yield on Cost

Case

Malmö, Lodgatan

Location: Malmö municipality

Property: Sockret 4

Land area: 42,000 sqm

Status: Ongoing construction

Tenant: Rugvista

GLA: 13,700 sqm

Certification: BREEAM Very Good



Case

Jönköping, Stigamo

Location: Jönköping municipality

Property: Stigamo 1:49

Land area: 85,000 sqm

Status: Ongoing construction

Tenant: Nowaste Logistics

GLA: 33,000 sqm

Certification: BREEAM Excellent





Case

Jönköping, Hyltana

Location: Jönköping municipality

Property: Hyltana 1:102

Land area: 220,000 sqm

Status: On-going construction,
moving in May 2024

Tenant: Elgiganten

Expected GLA: 86,600 sqm

Certification: BREEAM Excellent
and WELL Core

Case

Logistikposition Landvetter

Location: Härryda municipality

Property: Dansered 1:66

Land area: 210,000 sqm

Status: On-going construction,

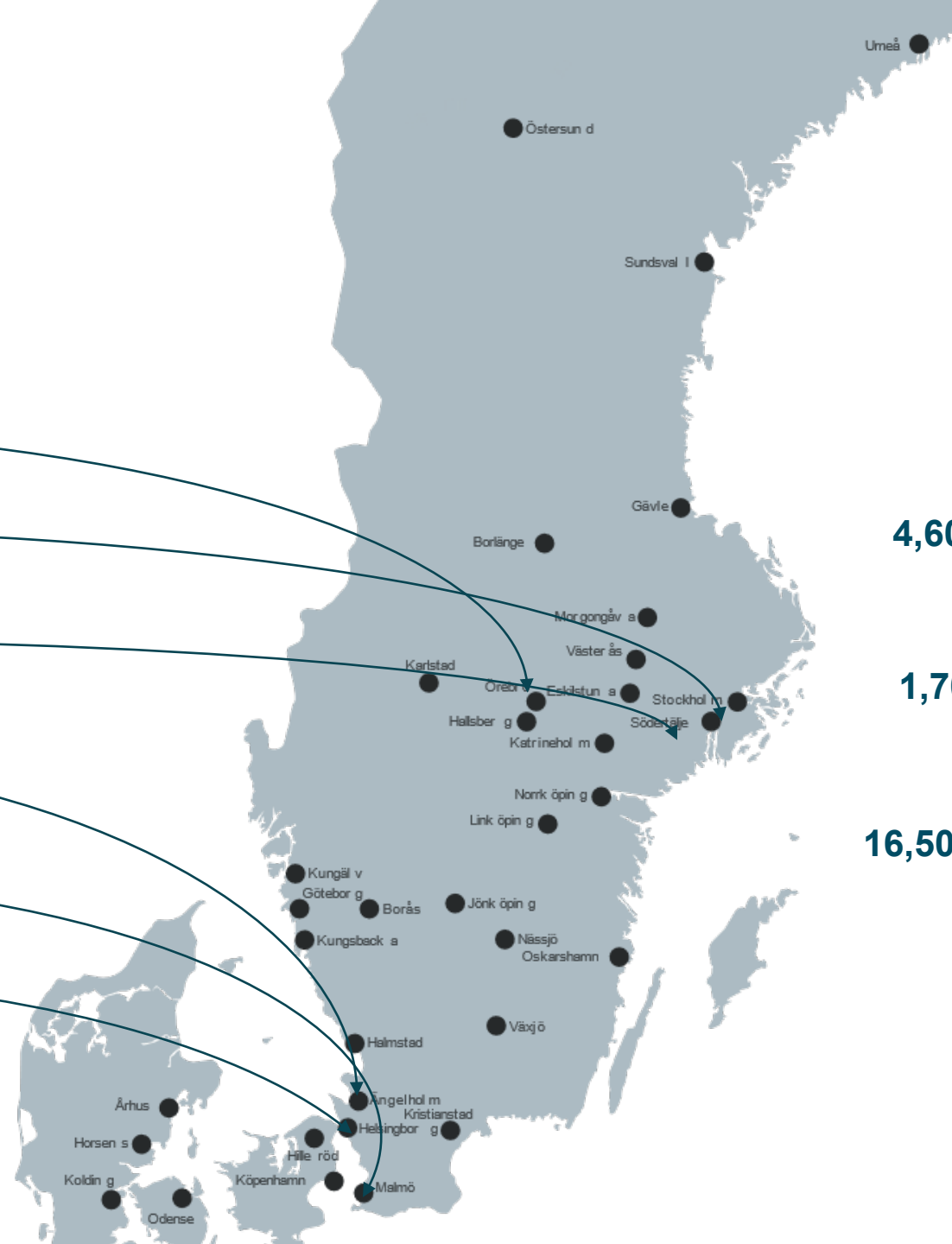
Tenant: MM-Sport

Expected GLA: 8 700 sqm

Certification: BREEAM Excellent

Future development

- Örebro South (JV, 50%), Törsjö** Land, Sqm: 920,000 Pending zoning plan
- Stockholm South, Nykvarn/Södertälje** Land, Sqm: 450,000 Zoning plan approved
- Logistics Position Järna Södertälje** Land Sqm: 1,000,000 Pending zoning plan
- E-city Engelholm, Ängelholm** Land, Sqm: 490,000 Pending zoning plan
- Logistics Position Sunnanå, Malmö** Land Sqm: 120,000 Zoning plan approved
- Logistics Position Söderåsen, Bjuv** Land Sqm: 560,000 Zoning plan approved



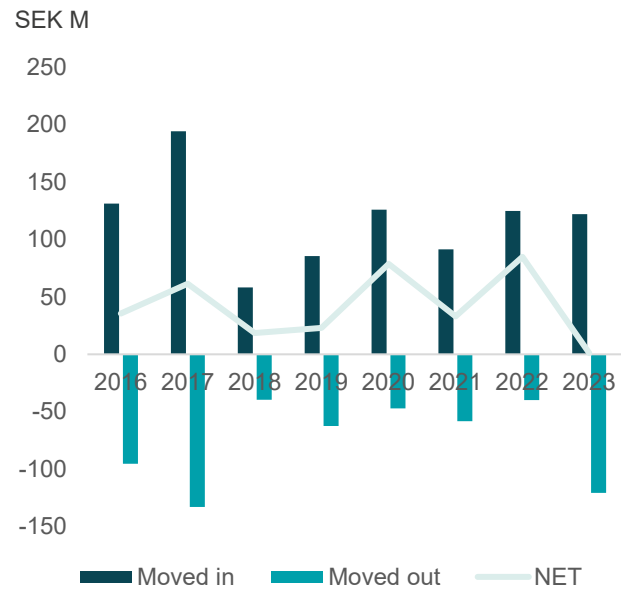
4,600 Ksqm
Land bank

1,700 Ksqm
Potential GLA

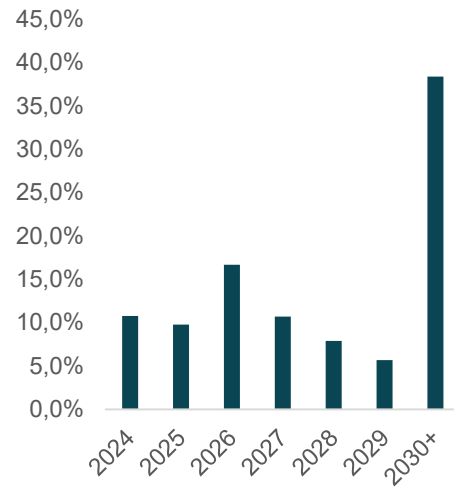
16,500 SEK M
Potential investment

Leasing update

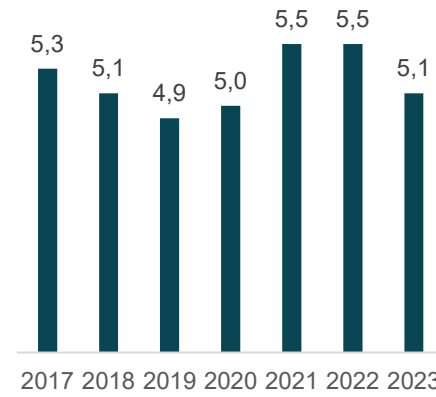
Net leasing



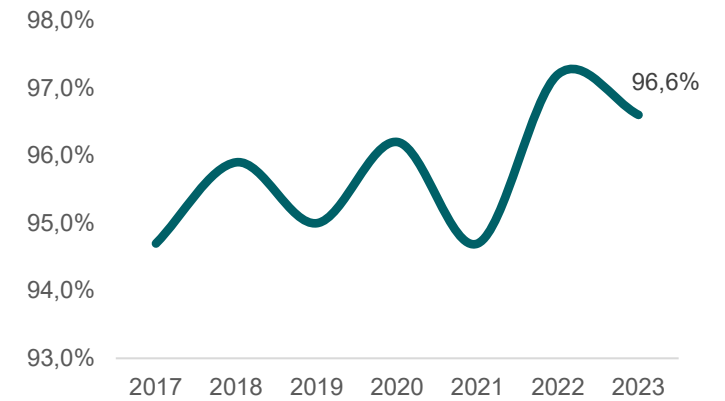
Maturity profile – contractual annual rent



WALE development



Letting ratio



Sustainability

We are taking long-term responsibility.

Sustainability

Continued progress towards 2030 targets

- 39 percent of lettable area is environmentally certified
 - Now totaling ~883,000 sqm
- Certified as Great Place to Work at 81 percent
- 21 percent increase of self-produced solar energy
 - 2023 of 7,934 MWh vs 2022 of 6,724 Mwh



- Achieved EPRA sBPR Gold for reporting

Sustainability targets	2023	2022	2021	Trend
Net-zero greenhouse gas emissions by 2023				
-Scope 1-2 (location based)	3,612	2,814	2,632	↓
-Scope 3 (locations based)	23,422	32,659	19,590	↑
The entire portfolio must be net-positive in terms of biodiversity by 2030	0.38	0.39	0.42	→
100 percent of the Group's lettable area must be environmentally certified by 2030	39	25	15	↑
Certified as a Great Place to Work with a TrustIndex of at least 85 percent	81	88	88	↓

EU taxonomy			
	2023 SEK M	"Eligible" %	"Aligned" %
Turnover ¹⁾	1,808	100%	56%
Investments ²⁾	3,148	100%	74%
Costs ³⁾	100	100%	42%

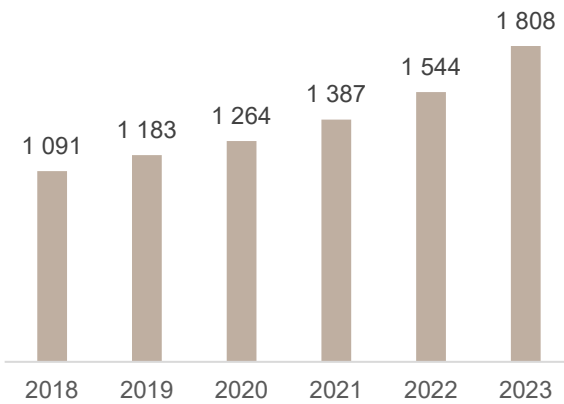
1. Turnover refers to total rental income in the income statement.
 2. Investments (Capex) refers to capitalized expenditure that increases the value of our properties, including conversions/extensions, acquisitions and new construction.
 3. Operating expenditure (Opex) refers to direct expenses for the servicing, repair and maintenance of properties.

Financial update

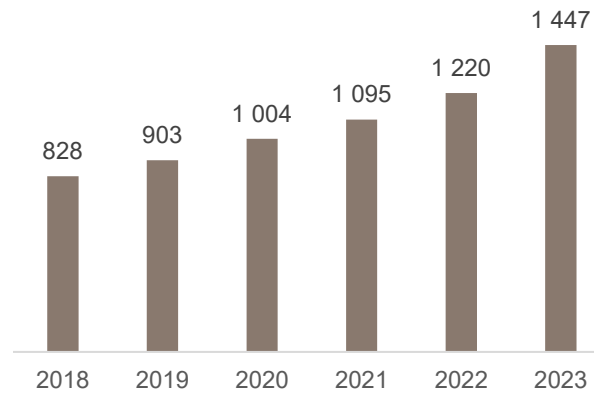
Strong cashflows and balance sheet provides flexibility and opportunity.

Income

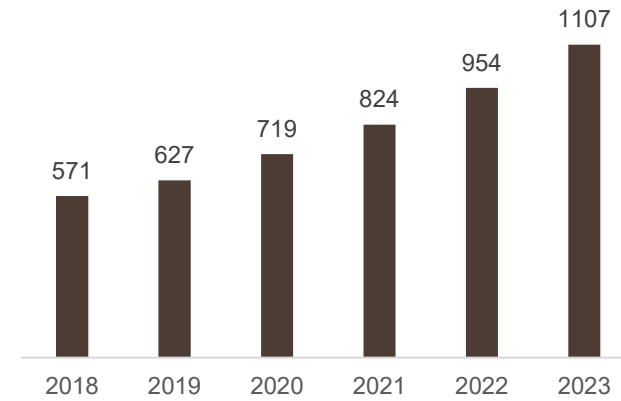
Rental income
SEK M



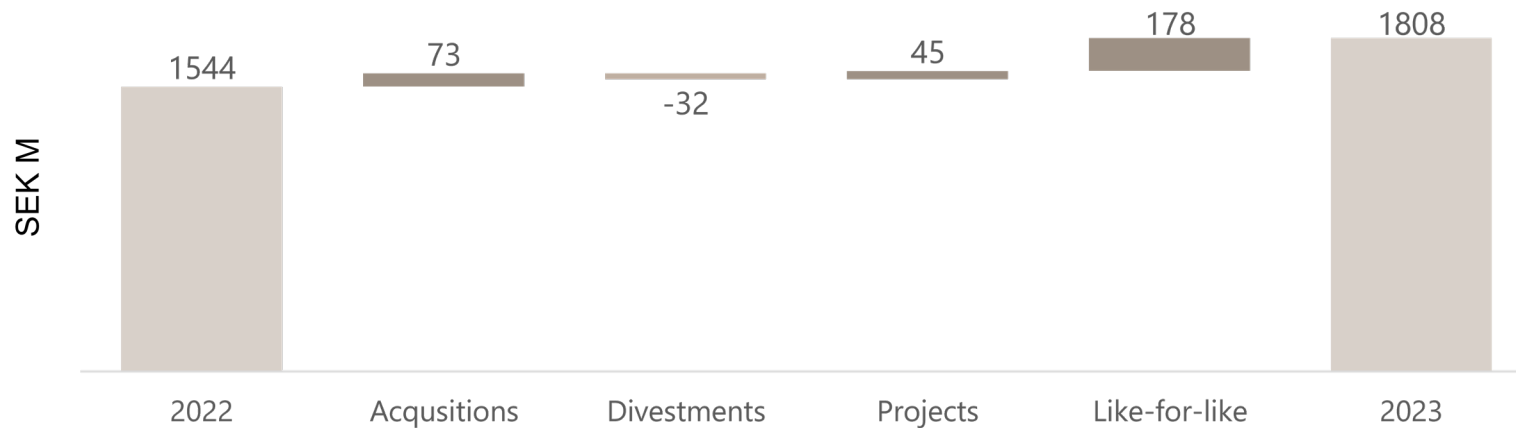
Net operating surplus
SEK M



Profit from property management
SEK M



Rental development



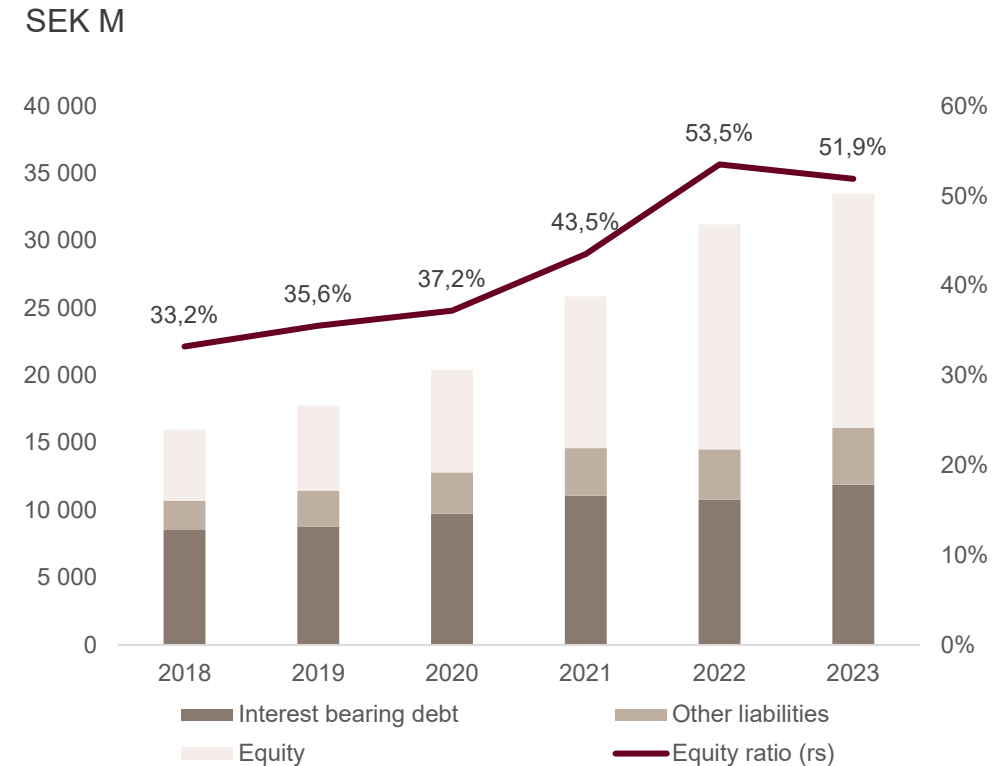
2023 YoY	
Like-for-like ¹	11,6 %
Project development	2,9 %
Acquisitions	4,7 %
Divestments	-2,1 %
Total	17,1 %

- Strong LFL driven by CPI increase
- Vanda and Fröträdet main drivers within divestments
- The acquisitions of two danish assets and two properties from ICA are main reason for positive effect

Capital structure management

Solid equity ratio enables optionality

- With interest rate peak likely behind us we expect investment sentiment to gradually pick up in 2024.
- Sound credit credentials is key to access debt capital markets and with credit spreads coming down significantly over last three months, we expect this to continue creating a viable alternative to grow.
- Opportunity to leverage if attractive opportunities arise.
- We continue to prioritize a safety of margin when assessing optimal debt/equity combination.

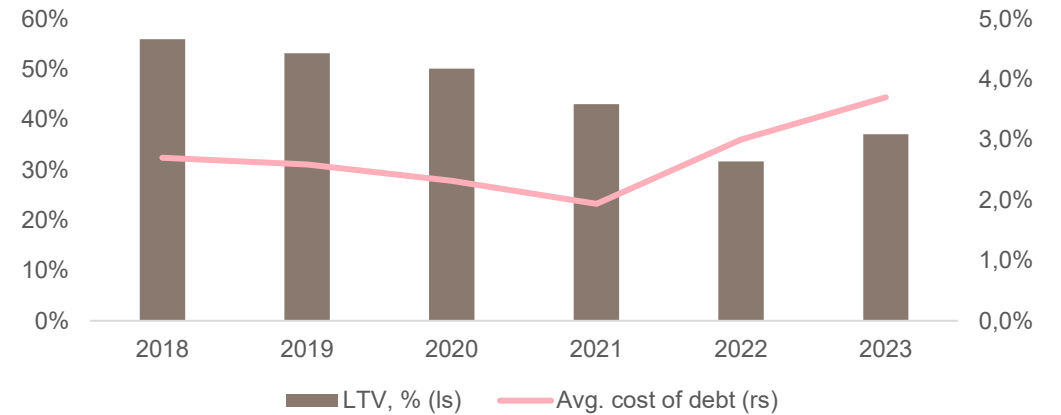
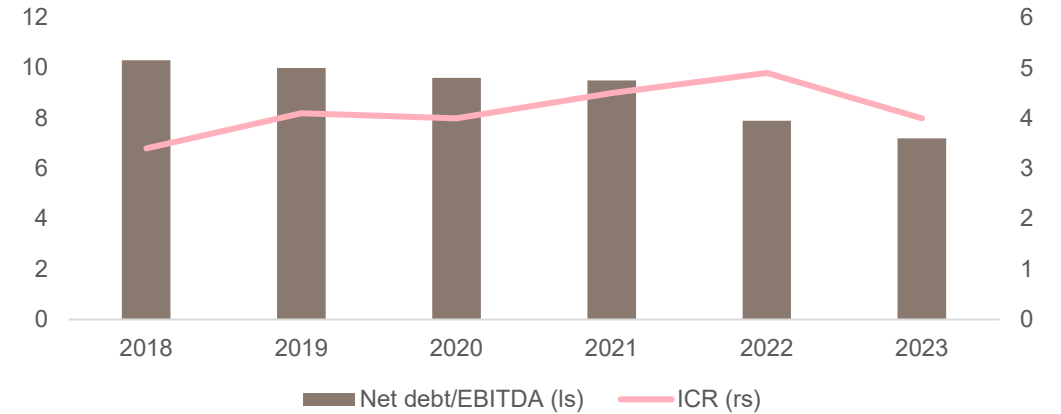


Financial position

Financial strategy has paid off

- Interest coverage of 4.0x and Net debt/EBITDA of 7.2x well within policy range
- LTV at satisfying levels
- Debt is gradually transformed into green/sustainable alternatives, coherent with operational ambitions

Outcome		Policy
7.2x	Net debt/ EBITDA	<9.0x
4.0x	ICR	>2.0x
37.1%	LTV	<50%
31.0%	Secured LTV	
3,7%	Cost of debt	
68.2%	Degree of fixed interest	
49%	Green share	>50% by 2025



Debt and money management

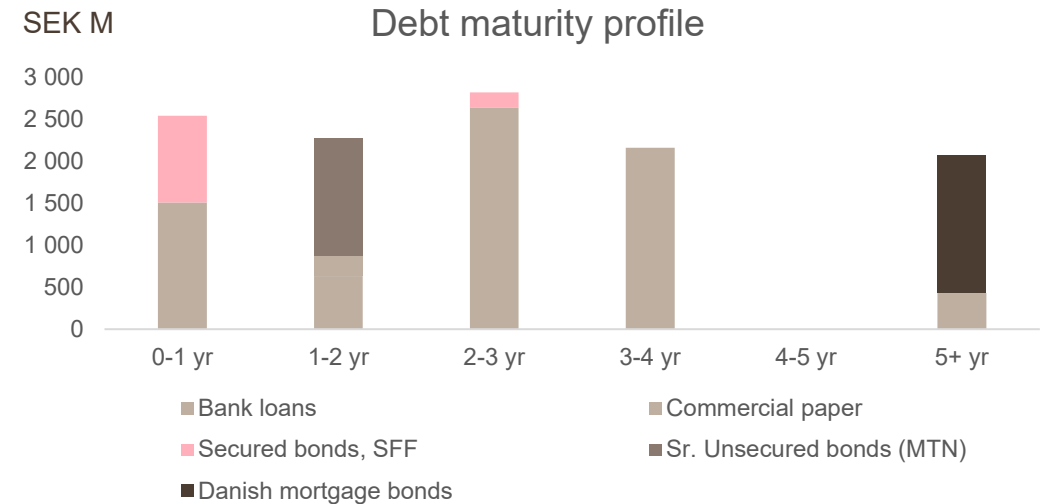
Capital market access starting to ease

Debt management

- Signs of compressed credit spreads on back of prudent financial policy and markets getting less concerned over macro development.
- Refinanced 1 bn of bank debt in fourth quarter at satisfying terms.
- 2.5 SEK bn of secured debt matures over next 12 months (21 percent of total debt) comfortably covered by cash flow and available liquidity.

Money management

- Liquid funds of 3.0 SEK Bn (incl commitments) brings flexibility and security.
- Cash on hand generates between 3.5% and 4.5% in return but expected to come down over next 12 months due to expected interest rate cuts.



3.8y
Debt
maturity

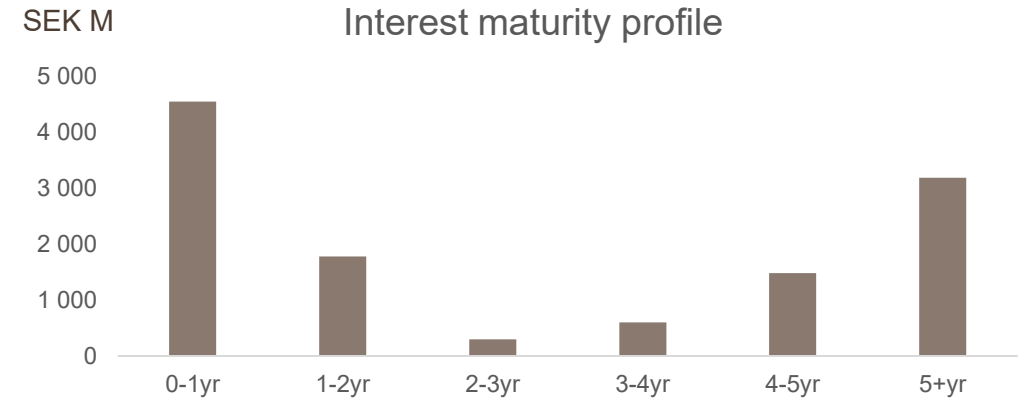
0.4 Bn SEK
Cash
holdings

2.6 Bn SEK
Unutilised credit
facilities

Interest management

Fixed interest strategy complies with long term operating strategy

- During the quarter, we acquired an interest rate swap of 500 SEK M at 2.4 percent with 5 years of maturity
- The loan portfolio reports a 68 percent hedge ratio, including fixed interest loans and interest rate swaps
- The swap portfolio of 6.6 SEK bn is evenly distributed between 1-10 years
- If market rates (Stibor, Cibor) moves out 1 percentage point momentarily all else equal P&L is impacted by 35 SEK M which also imply interest coverage still comfortably over 3x



Interest rate sensitivity		
Market interest rate (Stibor, Cibor)	1%	-1%
Interest expense increase/decrease, SEK M	35	-35

Capital deployment

Transactions

1,209

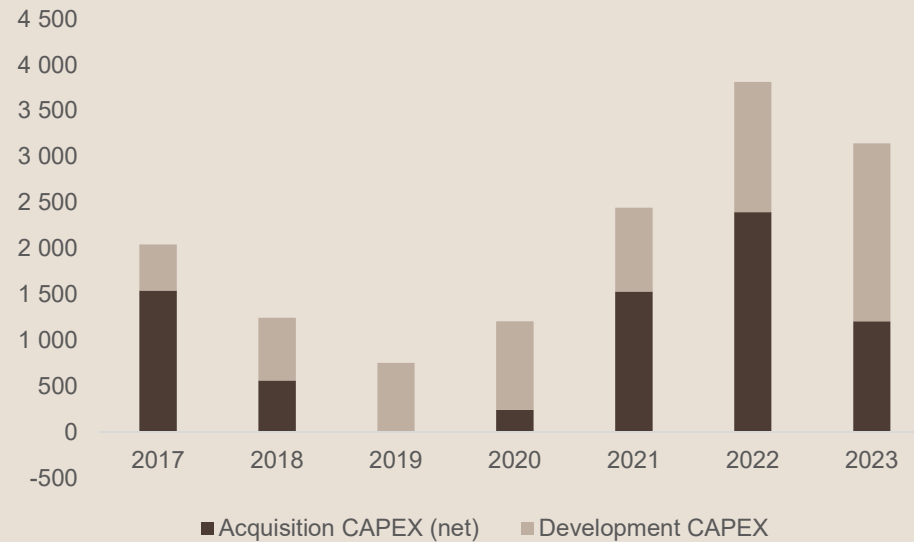
Acquisitions (SEK M)

-9

Divestments (SEK M)

1,939

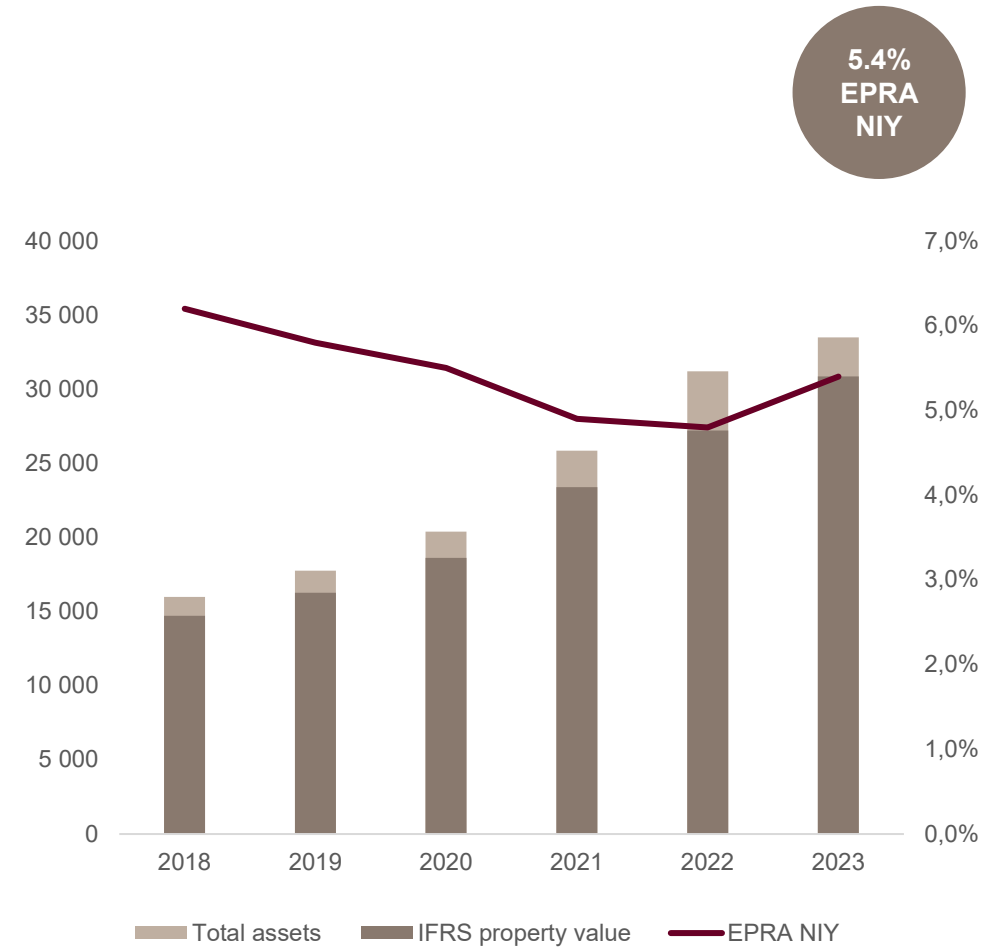
Development CAPEX (SEK M)



Property valuation

Higher yields mitigated by higher rent levels

- Value changes Year-End 2023
 - 524 Msek of unrealized value change
 - Driven by higher yields, mitigated by higher rent levels, project profits and a rise on land value
- Value changes Q4 2023
 - 1,127 Msek of unrealized value changes
 - Driven by higher yields, mitigated by higher rent levels and project profits and a rise on land value in Logistics Position Söderåsen and Stockholm South due to zoning plans gaining legal force
- Average weighted valuation yield (exit yield) of 5.8 percent compared to EPRA NIY of 5,4 percent



Takeaways from today

- 1. Catena delivers a record-breaking 2023**
- 2. Catena experiences favourable conditions for continued growth through acquisitions and new projects.**



Q&A



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CEO



Sofie Bennsten

CFO



David Silvesjö

Chief Treasury Officer

CATENA