

**STENHUS**

*Fastigheter*

**Randviken**

**Creation of a leading Swedish real estate company**

**Management presentation January-June 2022**

August 2022

- 1 **Stenus Fastigheter and Randviken in brief**
- 2 **The strategic rationale**
- 3 **Estimated earning capacity Stenus+Randviken**



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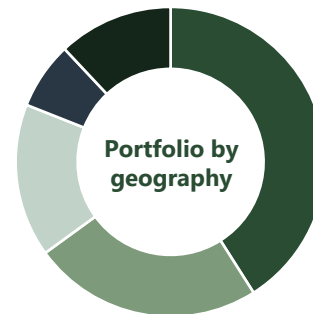
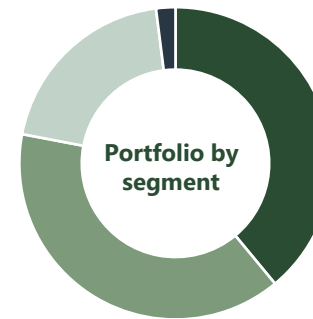
# **1. Stenhus Fastigheter and Randviken in brief**

# Stenhus Fastigheter in brief

## Stenhus Fastigheter, Key ratios January-June 2022

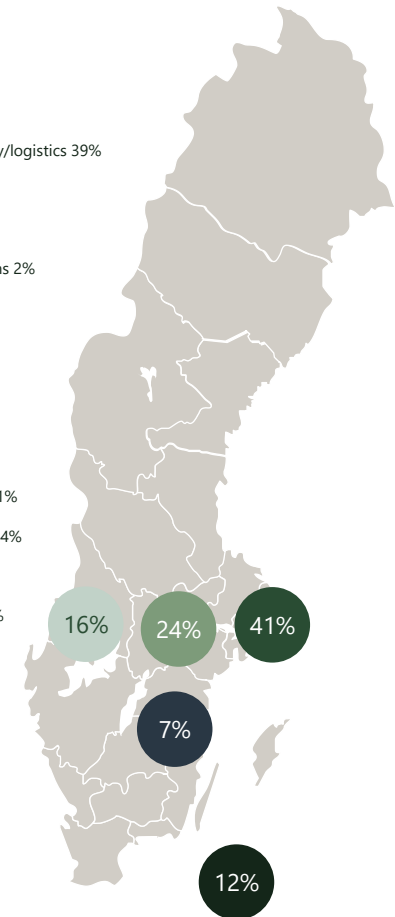
<b>21</b> employees	<b>450.9</b> thousand sq.m.	<b>123</b> properties
<b>SEK 7,768 m</b> property value	<b>97%</b> fully indexed lease contracts	<b>39%</b> light industry/logistics properties
<b>241.5 m</b> rental income	<b>128.0 m</b> income from property management	<b>45,6%</b> NET LTV
<b>3,6x</b> ICR LTM		

## Focus on light industry/logistics and grocery properties – Q2 2022



- Light industry/logistics 39%
- Grocery 39%
- Public 20%
- Building rights 2%

- Stockholm 41%
- Mälardalen 24%
- Karlstad 16%
- Linköping 7%
- Other 12%



# Examples of Stenhus Fastigheter's property portfolio

Samariten 1, Botkyrka



Kardanen 13, Örebro



Torlunda 1:276, Eskilstuna



Vattumannen 2, 3 & 4, Norrtälje



Stångberga 4:4, Vallentuna



Sigtuna Rosersberg 11:143, Sigtuna



Månskäraren 1, Södertälje



Glaskulan 17, Linköping



Sextanten 5, Södertälje

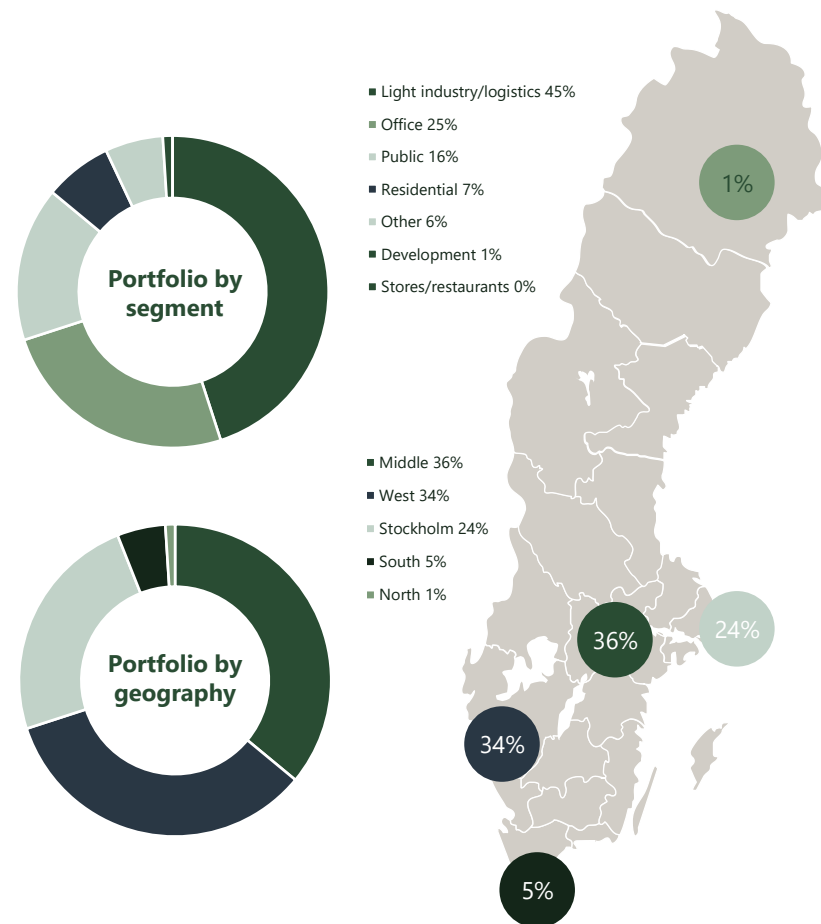


# Randviken in brief

## Randviken, Key ratios January-June 2022

<b>12</b> employees <sup>1)</sup>	<b>524.7</b> thousand sq.m.	<b>64</b> properties
<b>SEK 7,171 m</b> property value	<b>93%</b> fully indexed lease contracts <sup>2)</sup>	<b>45%</b> light industry/logistics properties <sup>3)</sup>
<b>199.7 m</b> rental income	<b>76.1 m</b> income from property management	<b>58,1%</b> NET LTV
<b>2,5x</b> ICR LTM		

## Focus on light industry/logistics and office properties – Q2 2022



Note: 1) Q2 2022. 2) Excluding residential properties. 3) Of total property value

# Examples of Randviken's property portfolio

Finnslätten 6, Västerås



Bryggaren 12, Karlstad



Pagen 4, Skara



Forellen 19, Tyresö



Svarven 4, Nässjö



Katrinedal 11, Borås



Personbilen 1, Skövde



Hammaren 1, Tibro



Vallentuna-Mörby 1:118, Vallentuna



# Selected projects

## STENHUS

Fastigheter



### Fyrislund 12:2, Uppsala

- Light industry/logistics
- Leased at the start of construction: 100%
- Wault: 15y
- Tenant: Hedin Bil

## Randviken



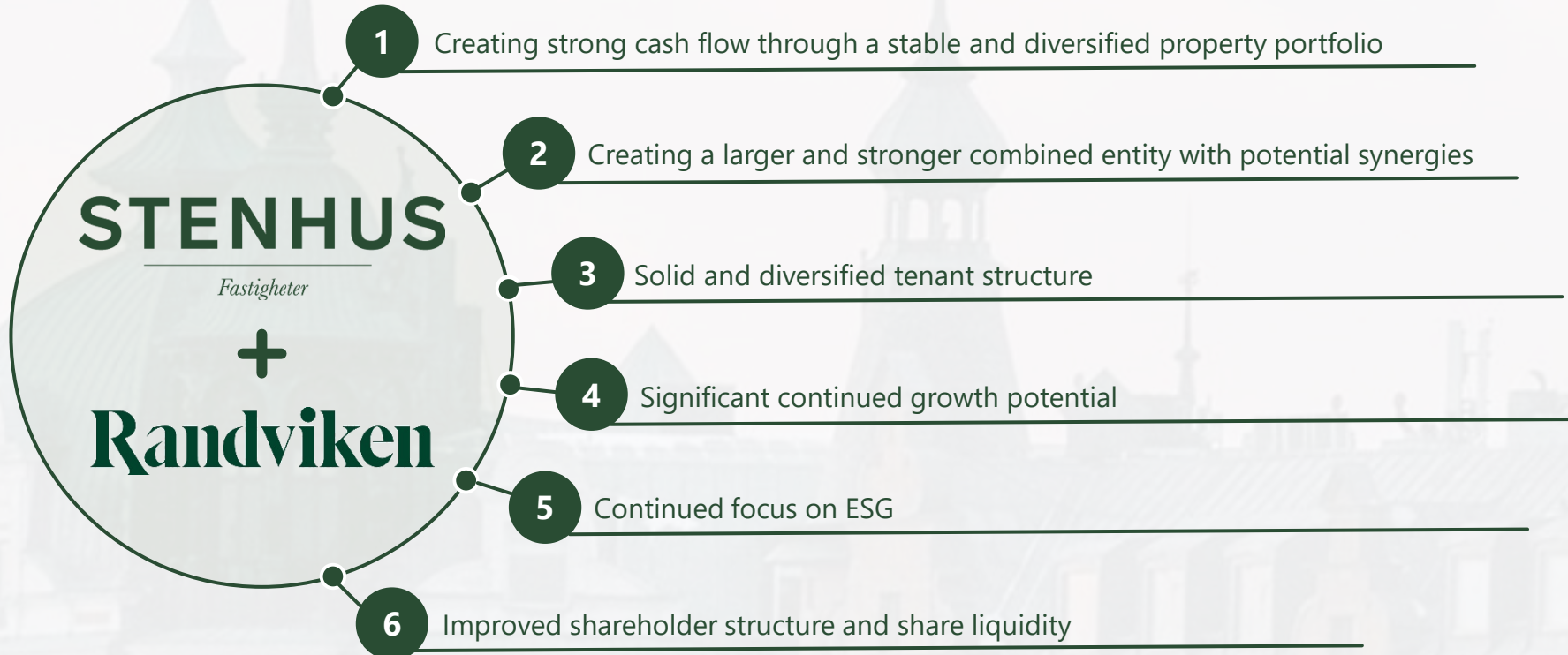
### Finnslätten 6, Västerås

- Office development on behalf of existing tenant
- Leased at the start of construction: 100%
- Wault: 10y
- Tenant: Alstom



## **2. The strategic rationale**

# Merger highlights

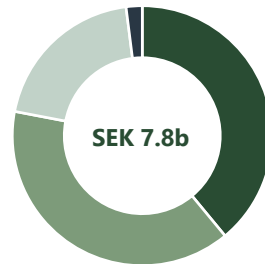


# Stable and diversified property portfolio

Portfolio by segment  
(by property value)

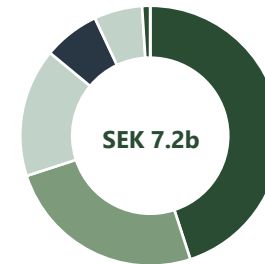
## STENHUS

*Fastigheter*



- Light industry/logistics 39%
- Grocery 39%
- Public 20%
- Building rights 2%

## Randviken



- Light industry/logistics 45%
- Office 25%
- Public 16%
- Residential 7%
- Other 6%
- Development 1%
- Stores/restaurants 0%

<b>Lettable area (thousand sq.m.)</b>	451	525
<b>Portfolio value (SEKbn)</b>	7.8	7.2
<b>Number of properties</b>	123	64

**Strong fit in storage/light industry/logistics, yet enhanced diversification of property type reduces risks**

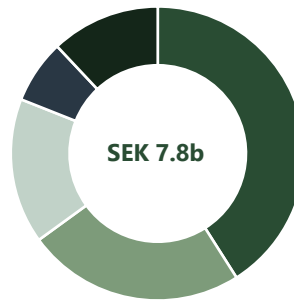
# Creating strong cash flow through a stable and diversified property portfolio

Portfolio by geography  
(by property value)

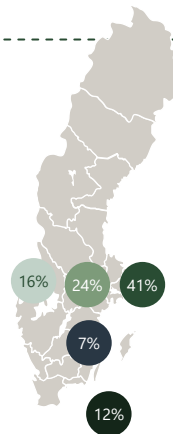
Geographic presence

## STENHUS

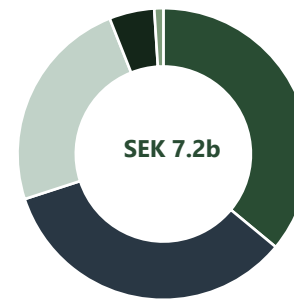
Fastigheter



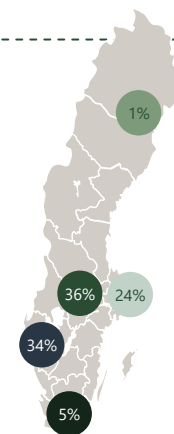
- Stockholm 41%
- Mälardalen 24%
- Karlstad 16%
- Linköping 7%
- Other 12%



## Randviken



- Middle 36%
- West 34%
- Stockholm 24%
- South 5%
- North 1%



Strong geographic overlap allows for synergies, yet geographic diversification reduces risks

# Creating strong cash flow through a stable and diversified property portfolio

## Business model and strategy

- Long-term strategy is to manage all properties and projects in-house to enable maximum customer knowledge and customer satisfaction
- Always attempt to find long-term lease agreements with customers to secure the business model
- Property management shall always be a central part of the business to optimise the property portfolio best way possible



**The investment strategy is anchored in the business model with a focus on cash flow and long lease terms**  
**All acquisitions should be done to uphold long-term stability and a diverse property portfolio**

### Diverse property portfolio

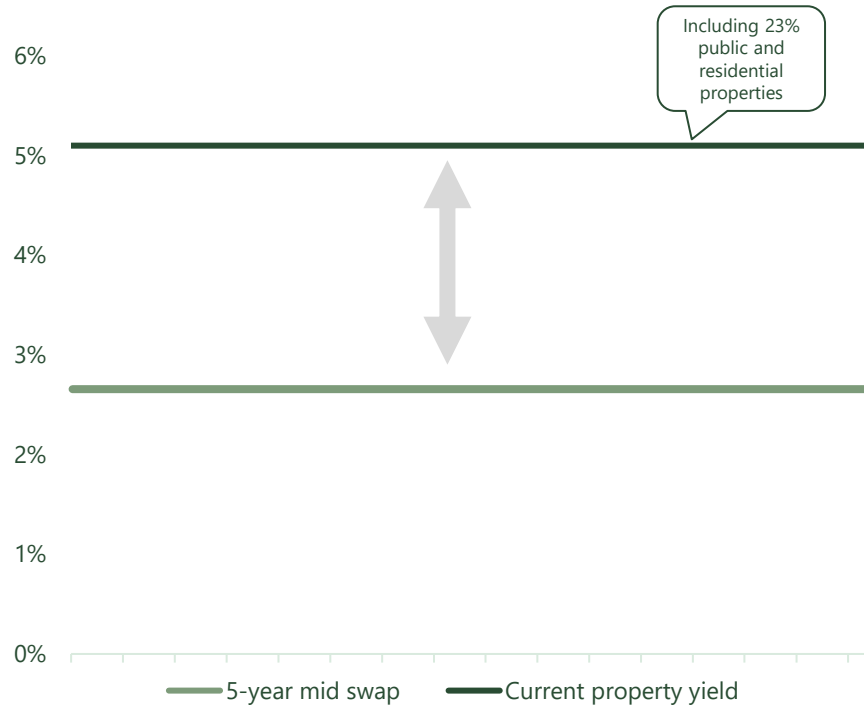
- Investments in different types of properties will be crucial in order to reach its return targets and to strengthen its cash flow over time
  - Public properties
  - Light industrial / logistics
  - Grocery anchored
  - Non-speculative development projects (100% pre-let)

### Long-term stability

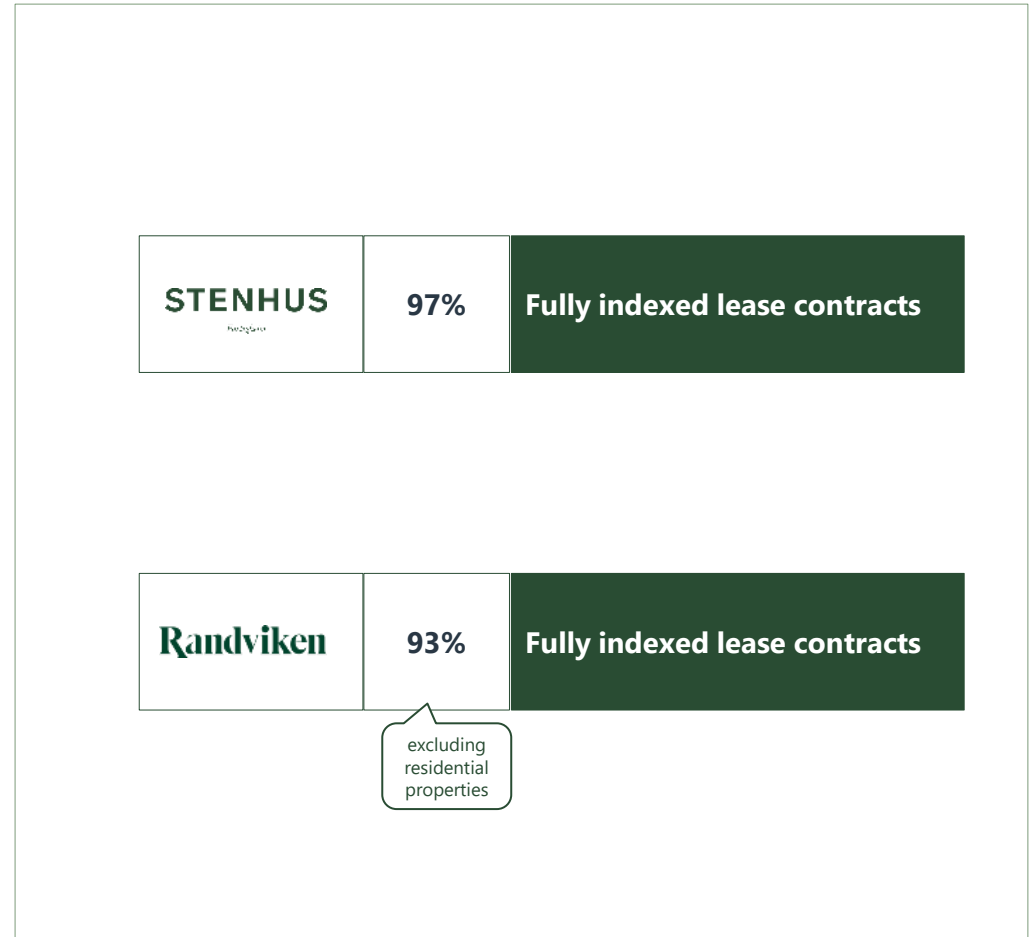
- In order to generate long-term and stable cash flow, targets should have the following characteristics:
  - Properties with long-term lease contracts, stable cash flows from creditworthy tenants and low vacancies
  - Opportunistic acquisitions with good opportunities for value creation where new cash flows can be created

# Creating strong cash flow through a stable and diversified property portfolio

## Property yield offers sizable headroom to interest rates



## High inflation protection through Indexation and recoverable expenses



# Creating a larger and stronger combined entity with potential synergies

	Jan-June , SEKm		
	STENHUS <small>Fastigheter</small>	Randviken	STENHUS + <small>Fastigheter</small> Randviken
Rental income	242	200	442
Property expenses	-58	-51	-109
<b>Net operating income</b>	<b>184</b>	<b>149</b>	<b>333</b>
Central administration	-19	-15	-34
Income from associated companies	11	0	11
Net financial items	-48	-58	-106
<b>Income from property management</b>	<b>128</b>	<b>76</b>	<b>204</b>
Weighted average number of shares after dilution	259 034 440	44 408 960	n/a
Income from property management/share, SEK	0,49	1.71	n/a

# Creating a larger and stronger combined entity with potential synergies

	Jan-June , SEKm	
	STENHUS <small>Fastigheter</small>	Randviken
<b>Assets</b>		
Investment properties	7,768	7,171
Leasehold assets	149	31
Financial assets	417	43
Cash and cash equivalents	424	245
Other assets	166	100
<b>Total assets</b>	<b>8,924</b>	<b>7,589</b>
<b>Total equity</b>	<b>4,298</b>	<b>2,856</b>
<i>Of which is minority interests</i>	0	15
<b>Liabilities</b>		
Long-term interest bearing liabilities	2,959	3,317
Long-term lease liabilities	149	31
Deferred taxes	286	127
Current interest bearing liabilities	1,010	1,095
Accounts payable	28	36
Other liabilities	194	127
<b>Total liabilities</b>	<b>4,626</b>	<b>4,734</b>
<b>Total equity and liabilities</b>	<b>8,924</b>	<b>7,589</b>



# Creating a larger and stronger combined entity with potential synergies



**Financing**



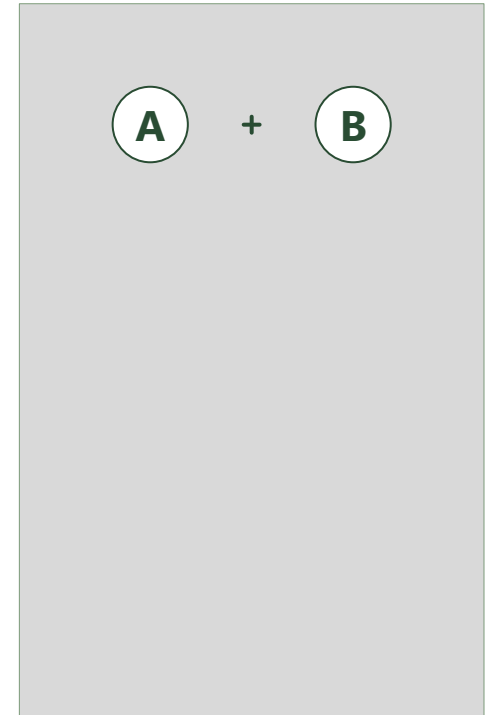
- Expected enhanced combined business profile with rating agencies, from strengthened market position and further diversification
- Improved credit rating estimated for the combined business over time, reducing the cost of funding for the combined group



**Operational**



- Complementary portfolios allow for synergies in both companies' local organisations
- Optimisations in form of one Board of directors, one listing fee, one auditor, etc.



**Synergies driving total shareholder return**

# Solid and diversified tenant structure

## STENHUS

Pastigheter

#	Tenant	%
1	<b>DOLLAR STORE</b> Mighty fine prices Every Day	7.4%
2	<b>BOTKYRKA KOMMUN</b>	6.7%
3	<b>bilia</b>	4.7%
4	<b>WILLY'S</b>	4.3%
5	<b>CITYGROSS</b>	3.1%
6	<b>GRANNGÅRDEN</b> ETABL. 1888	2.8%
7	<b>RUSTA</b>	2.8%
8	<b>LEO'S</b>	2.6%
9	<b>ICA</b>	2.4%
10	<b>ISKUBEN</b>	2.1%
	Other	61.1%
<b>Total</b>		<b>100%</b>

<b>6.2</b>	<b>96%</b>	<b>39%</b>
WAULT (years)	Economic occupancy	Top 10 tenant concentration

## Randviken

#	Tenant	%
1	<b>ALSTOM</b>	9.5%
2	<b>Capio</b>	3.8%
3	<b>IAC</b> International Automotive Components	3.6%
4	<b>tyresö kommun</b>	2.9%
5	<b>momentum group</b>	2.8%
6	<b>Quintus</b> TECHNOLOGIES	2.6%
7	<b>ITAB</b>	2.5%
8	<b>SVERIGES DOMSTOLAR</b>	2.5%
9	Kvarnholmen Support AB	2.3%
10	Rosholmen Education Academy	2.1%
	Other	65.3%
<b>Total</b>		<b>100%</b>

<b>5.9</b>	<b>94%</b>	<b>35%</b>
WAULT (years)	Economic occupancy	Top 10 tenant concentration

The merger creates an even more robust tenant base. Top 10 tenants account for less than 25% of rental value

# Solid and diversified tenant structure

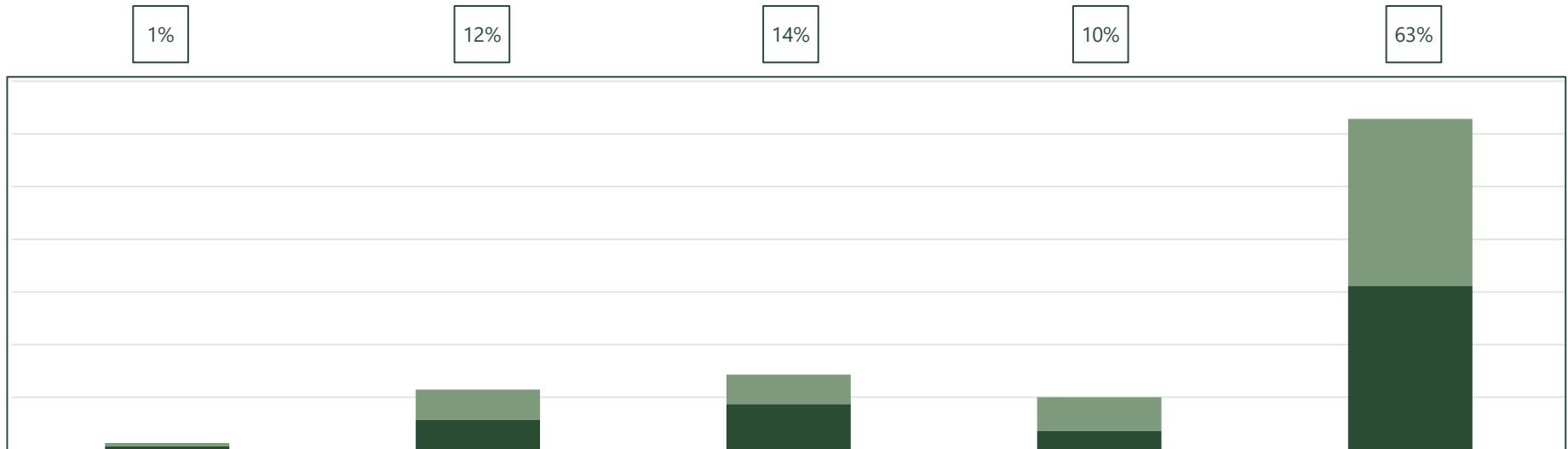
## Lease contract maturity

SEKm

□ Stenus Fastigheter + Randviken, % of total

■ Stenus Fastigheter

■ Randviken



### **3. Estimated earning capacity Stenhus + Randviken**

# Creating a larger and stronger combined entity with potential synergies

	Estimated earnings capacity, SEKm		
	STENHUS <small>Fastigheter</small>	Randviken	STENHUS + <small>Fastigheter</small> Randviken
Adjusted rental value	517	465	982
Vacancy	-22	-30	-52
Rental income	495	435	930
Property expenses	-92	-96	-188
<b>Net operating income</b>	<b>403</b>	<b>339</b>	<b>742</b>
Central administration <sup>1)</sup>	-32	-28	-60
Income from associated companies	16	0	16
Net financial items <sup>1) 2)</sup>	-162	-141	-303
<b>Income from property management</b>	<b>225</b>	<b>169</b>	<b>395</b>

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**Randviken**

**Thank You for Your participation**

**Management presentation**

August 2022