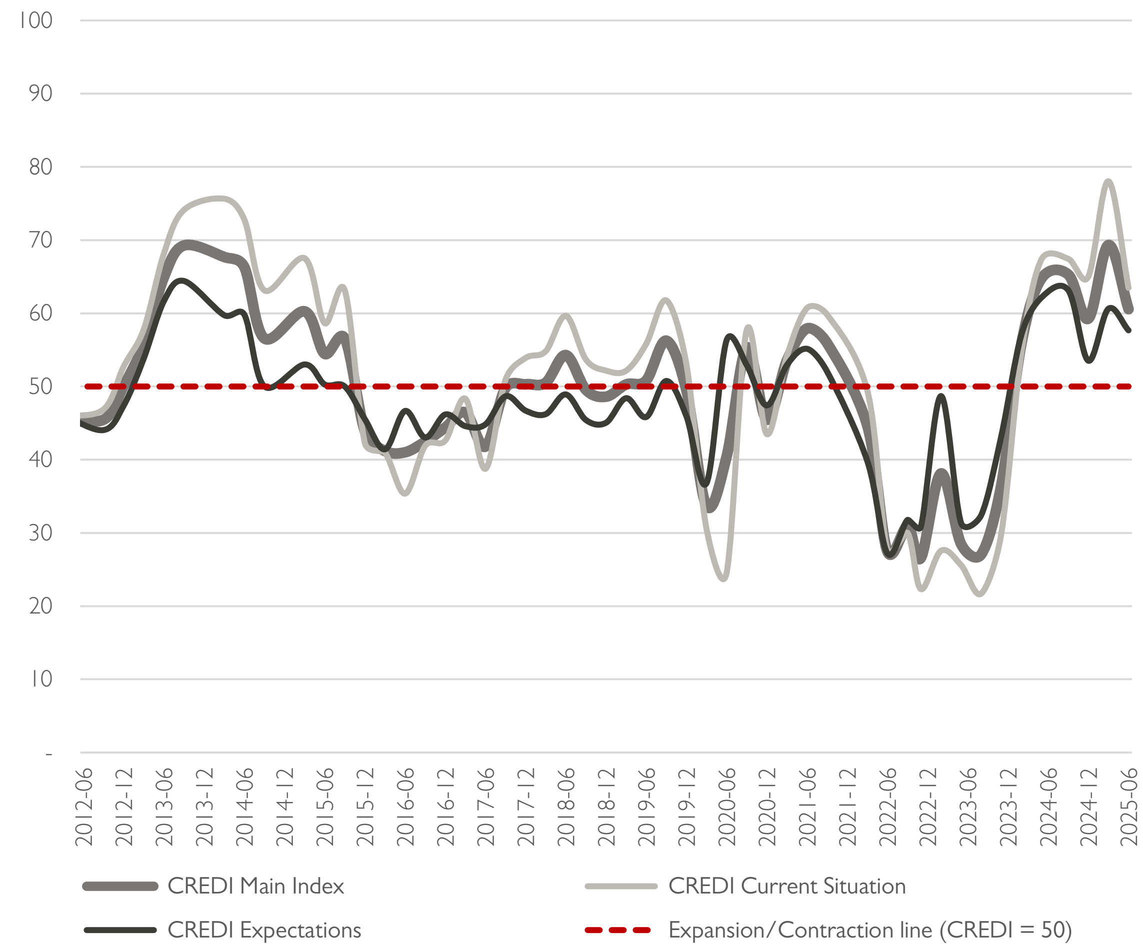
CREDI – June 2025

CATELLA

THE CREDI INDEX



COMMENTS TO THE CREDI INDEX

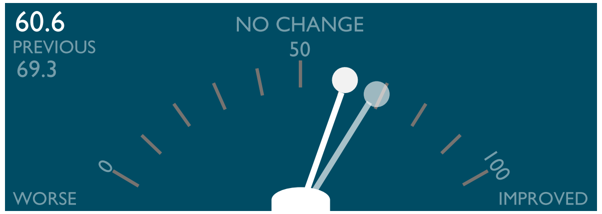
- The CREDI Index continues to be firmly positive. Following the very strong reading the positive momentum have eased somewhat.
- Both the sub-index for Current Situations and Expectations falls back somewhat from the all-time high level in the previous quarter. Both banks and property owners expect the current trend of improving financial conditions to continue.
- The index for Banks Expectations is unchanged vs. the previous quarter.
- Since the radical shift in equity markets in March, which began as the Trump-tariffs went from possible to actual, markets have rebounded, and the impact on the index appears to have been minimal with a continued positive outlook.

ABOUT THE CREDI SURVEY

CREDI is a market sentiment indicator for the Swedish real estate debt market. The indicator is based in part on a quarterly current and forward-looking survey of Swedish listed property companies, and banks providing real estate financing on the Nordic market. This part of the indicator is called the CREDI survey. The CREDI survey contains four questions about recent changes in credit availability and credit conditions, and four questions about expectations regarding changes in credit availability and credit conditions in the next three months. The CREDI survey results are computed as separate diffusion indices per question, where answers are weighted according to their direction of change in the variable. As such, the final index figure represents an average of all weighted answers. Weights are applied such that a "no change"-answer equals 50 index points. Consequently, the turning point in sentiment is 50 and any reading below this level indicates more difficult financing conditions while any reading above indicates less difficult financing conditions. Separate indices are aggregated per respondent category. The Main index and its components are then computed as an unweighted average of these two categories – ensuring that the answers of borrowers and lenders are equally weighted in the Main index.

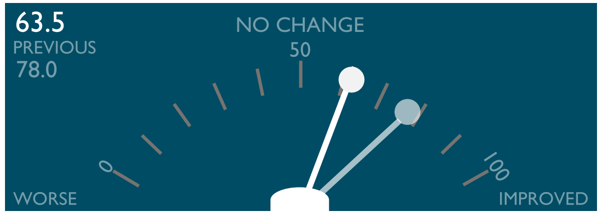
CREDI Index – Q2 2025

CREDI MAIN INDEX



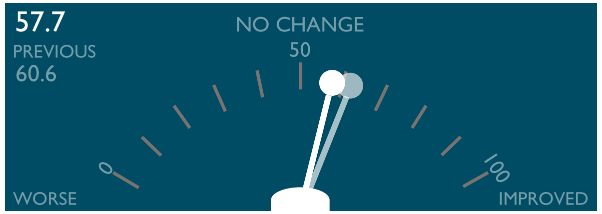
Banks	Corporates
58.8	62.4
65.0	73.7

CREDI CURRENT SITUATION



Banks	Corporates
65.0	62.0
77.5	78.6

CREDI EXPECTATIONS

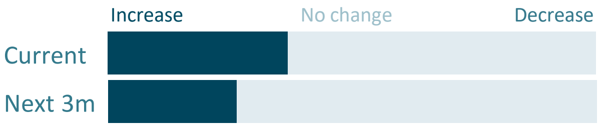


Banks	Corporates
52.5	62.8
52.5	68.8

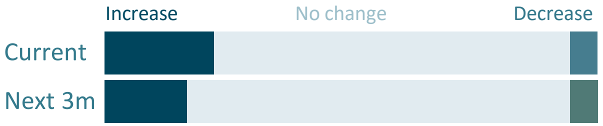
CREDI Sub-indices

The CREDI sub-indices present survey data question by question. The bars represent the distribution of actual answers per question, separated into the components Current Situation and Expectation for the coming three months.

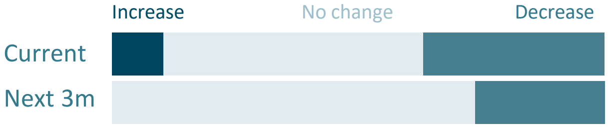
CREDIT AVAILABILITY



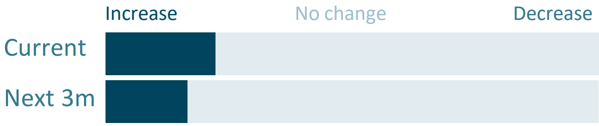
LEVERAGE



CREDIT MARGINS



DURATION



COMMENTS TO THE SUB-INDICES

- The view on Credit Availability and Credit Margins continues to be very positive.
- All sub-segments, Availability, Margins, Leverage, Duration declined. Still, all segments remains well above 50.
- During the quarter it is imminent that conditions for the property market have been benign and supportive for the property market.

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CATELLA REAL ESTATE DEBT INDICATOR

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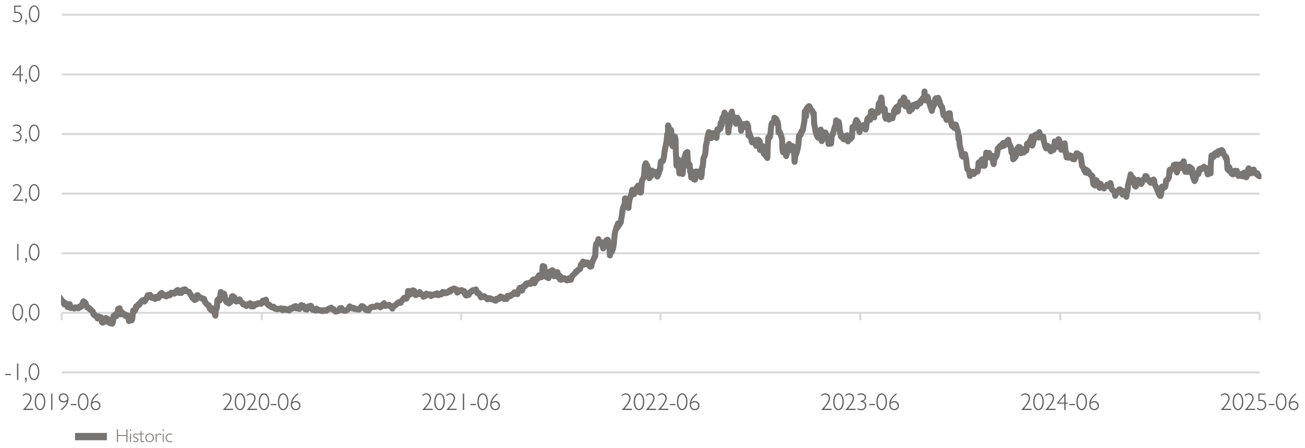
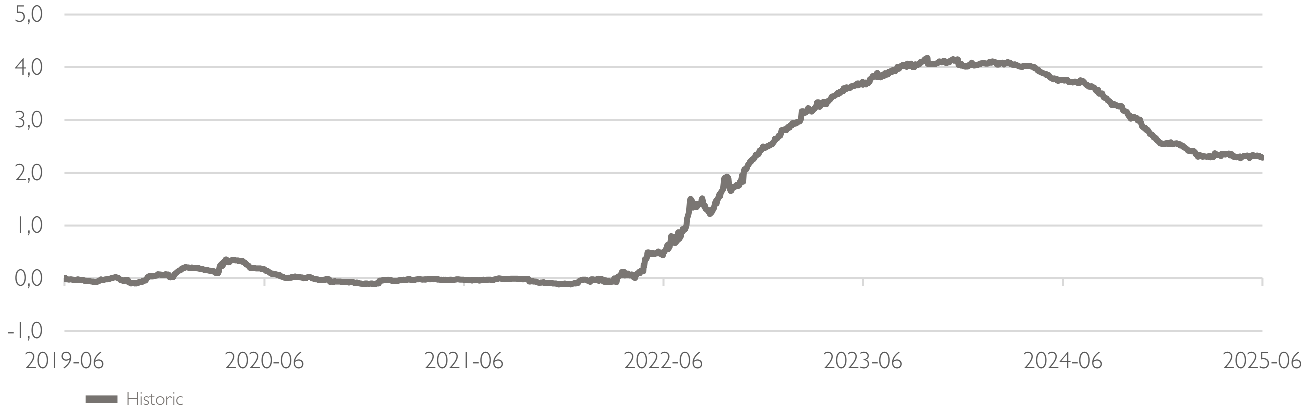
5-YEAR SWAP RATES, HISTORIC (%)

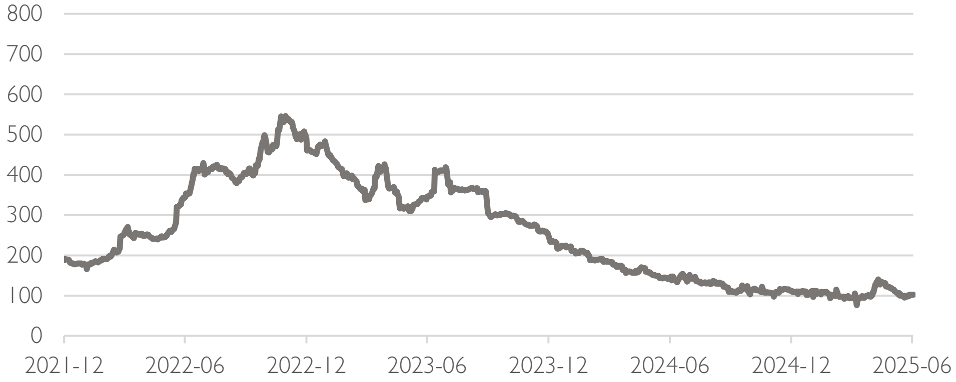


Fastighets AB Balder FRN 13-APR-2027 – Z Spread

STIBOR, HISTORIC (%)



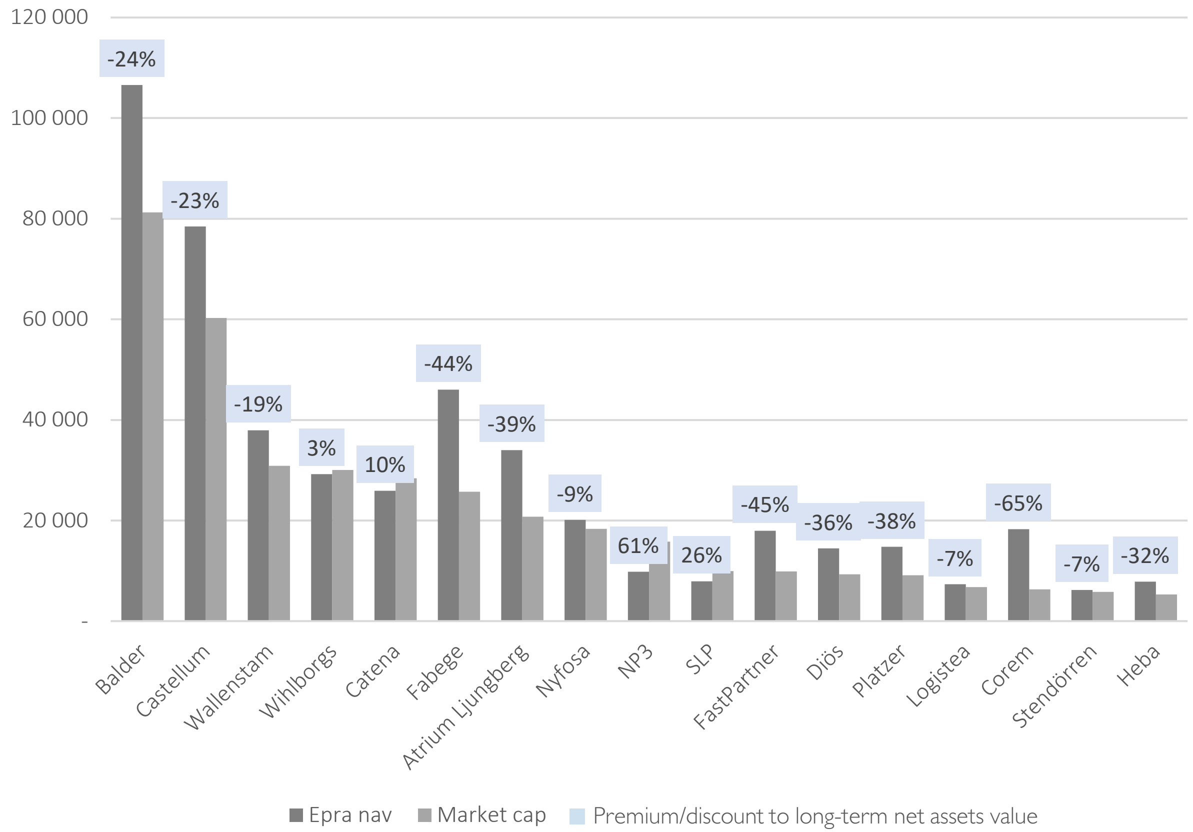
Atrium Ljungberg AB FRN 01-OCT-2026 – Z Spread



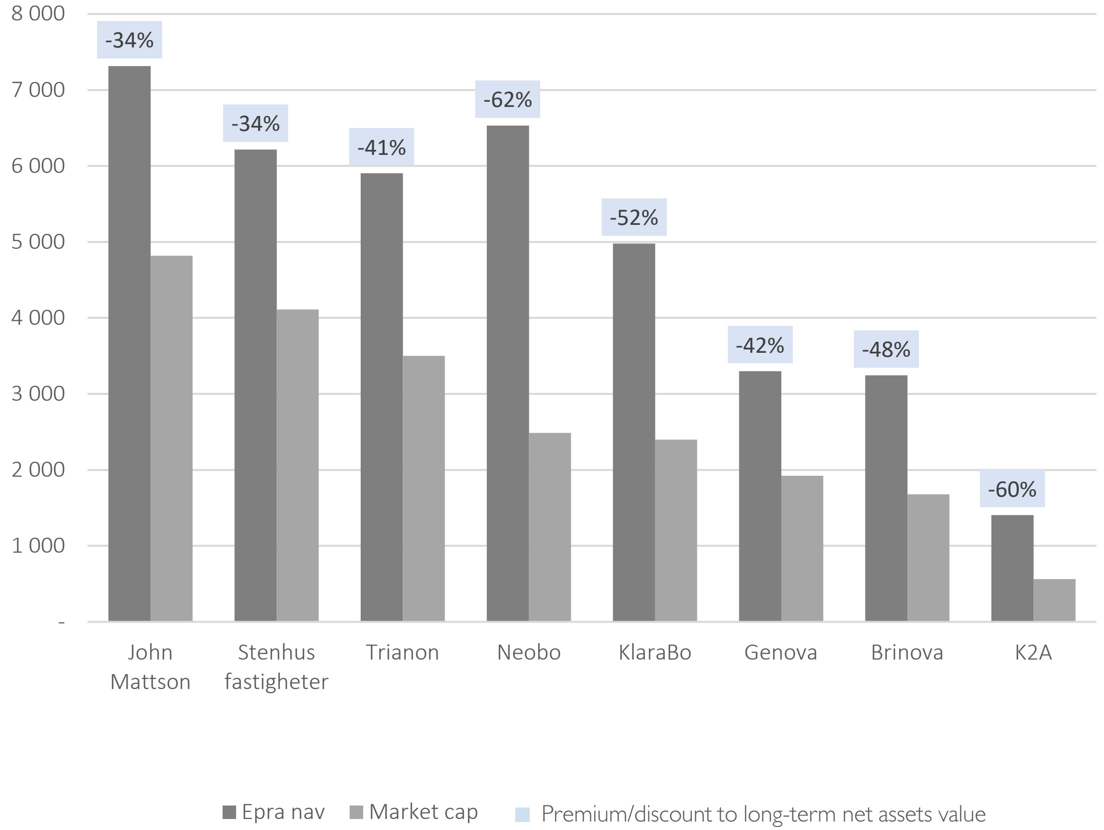
The volatility in swap rates continues to be relatively high. Still the trend with decreasing swap and interest rates in Sweden and in Europe have continued. Swap rates in Norway and the US continues to be significantly higher than in Europe including Sweden.

Equity market premium/discount to long-term net asset value

SEKm (Companies with a market cap exceeding ~ SEK 5 billion)



SEKm (Companies with a market cap under ~ SEK 5 billion)



Equity markets remain hesitant regarding book values of property assets in most companies. The average discount among the selected companies amounts to 26 per cent, a slight decrease since the last CREDI report. This discount is still most prevalent among residential companies, with an average discount of 43 per cent.

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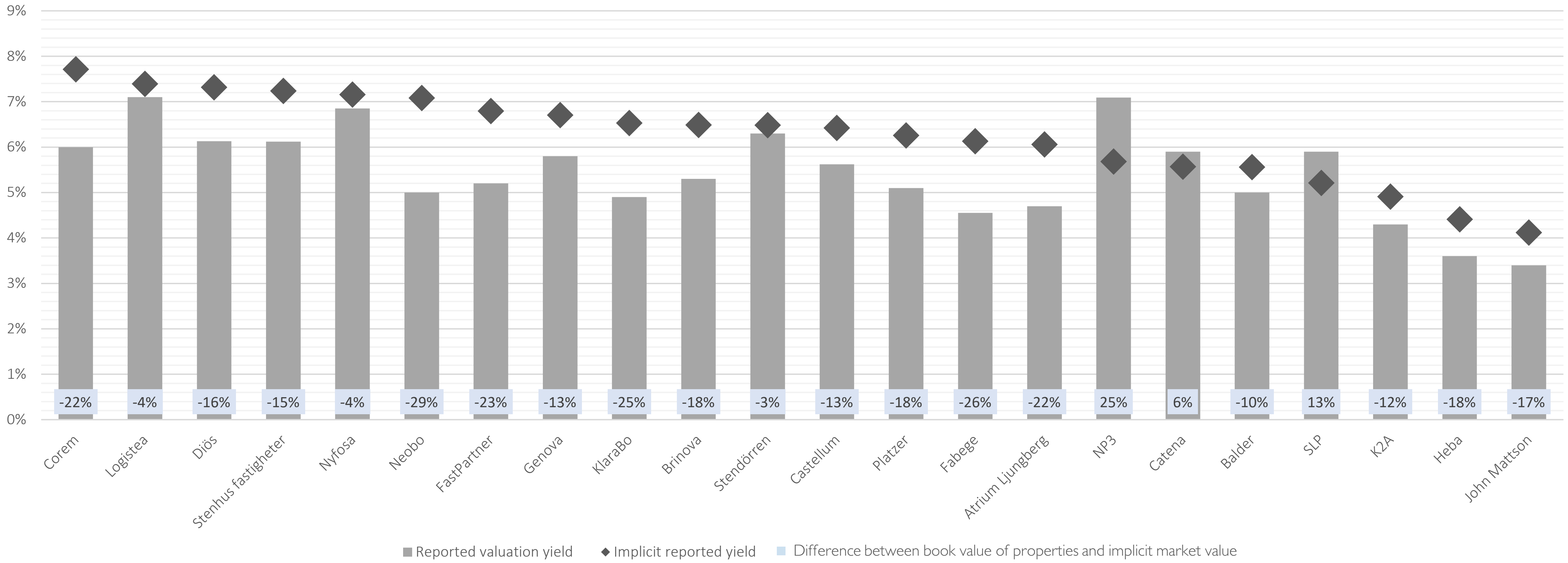
Reported valuation yields, implicit reported valuation yields and equity market premium/ discount on property values



The average discount on property values amounts to 12 per cent, indicating that equity markets still is expecting property values to decrease. The average reported valuation yield of the selected companies is 5.4 per cent and the average implicit (adjusting for premium/discount in the equity market) market valuation yield is 6.2 per cent.

 Source: SEDIS and public reports. Stock prices are per 10/6/2025.

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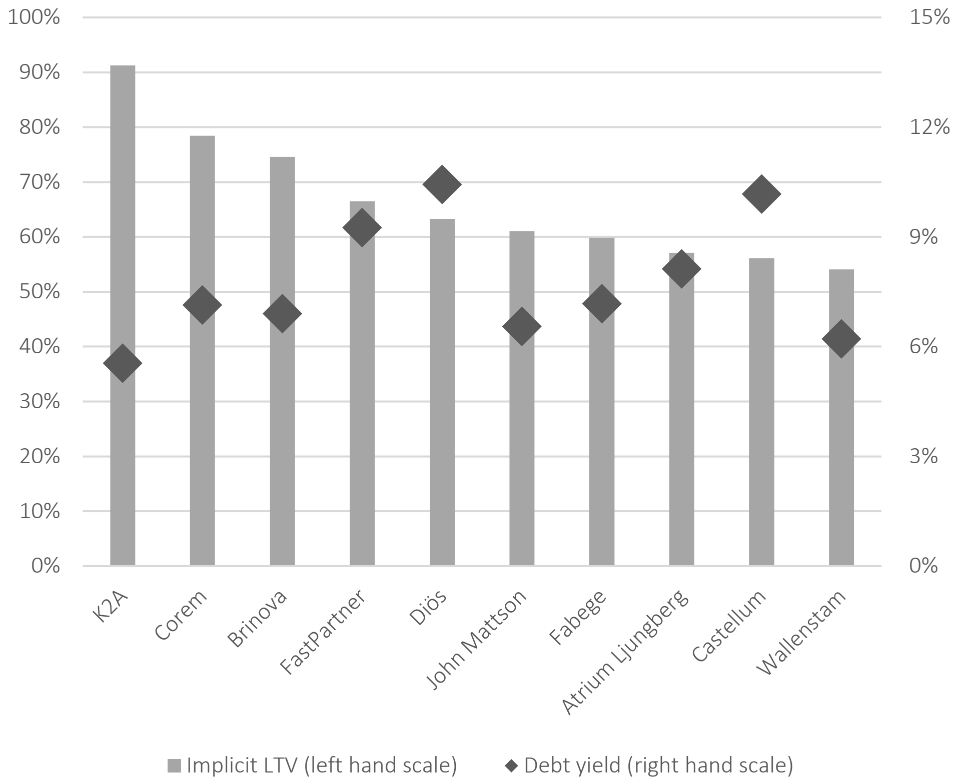
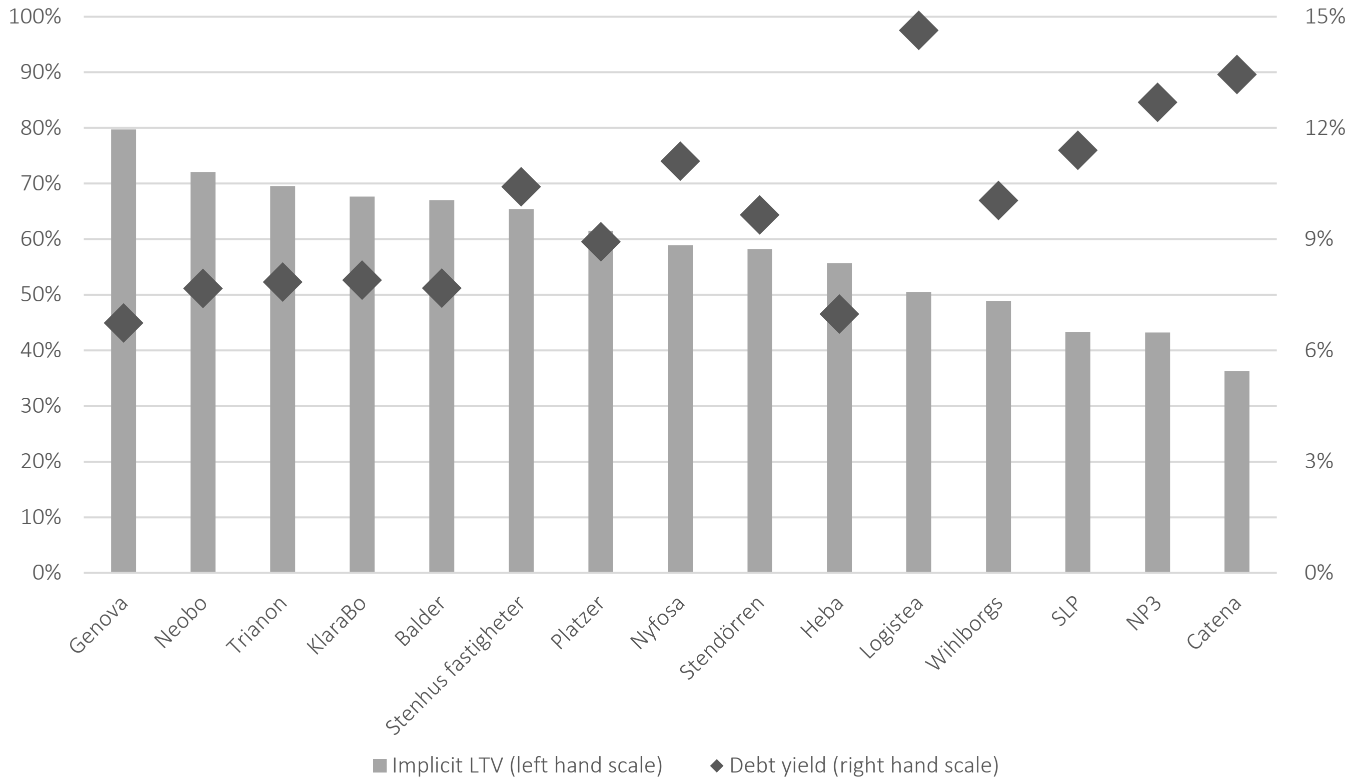
Debt yield and implicit LTV (including hybrids)

DEBT YIELD AND IMPLICIT LTV
Debt yield based on **reported LTM NOI**



DEBT YIELD AND IMPLICIT LTV
Debt yield based on **reported income capacity**



About 64 per cent of the 25 companies in our sample have either debt yields at or below 7.5 per cent and/or implied LTV ratios above 60 per cent. In selective cases there is need to further strengthen the balance sheets. On an overall basis companies continues to take advantage of benign financing conditions.

 Source: SEDIS and public reports. Stock prices are per 10/6/2025.

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