

QUARTIERS TIERS

P R O P E R T I E S

**INVESTOR PRESENTATION
DECEMBER 2018**

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EXECUTIVE SUMMARY

- Operating in the profitable and growing Costa del Sol property market with strong macro and microeconomic fundamentals.
- Active within two business segments, home building activity and value creation in underperforming assets, developing the assets with an experienced management team in Spain and with local partners.
- Listed in Sweden with sound corporate governance practices as required by the Stockholm Nasdaq First North market.
- Trading at a discount to NAV (based on most recent valuation) and the share price as of December 12 2018, with additional estimated value potential of 67.4 MEUR in the existing, already acquired, portfolio. To be achieved with the three following actions:
 - 1 - Refurbishment of the 99 apartments in Benahavis.
 - 2 - Development of a high-end hotel in a prime area, with potential increases in buildability.
 - 3 - Profits from the home building activity with potential increases in buildability.
- Constantly looking for new projects in addition to those presented in this document. Currently evaluating projects in the region with an estimated acquisition cost of 50 MEUR.



BACKGROUND & HISTORY

2015

- Operation starts.
- Quartiers acquires 58 apartments in the community of Hacienda de Cifuentes in Benahavis. The apartments were acquired from Aliseda.
- Project 22byQuartiers is acquired.

2016

- Shares are issued at a total value of approximately SEK 86 million during the year.
- Additional 41 apartments are acquired in Hacienda de Cifuentes from Aliseda.
- The Ocean View project is acquired.
- Quartiers' preference shares are admitted for trading on NGM Nordic MTF.
- The Company signs an agreement to buy Centro Forestal Sueco from a Swedish state owned foundation.

2017

- The Company's ordinary and preference shares are listed on Nasdaq First North Stockholm.
- The Company carries out share issues of approximately SEK 200 million during the year.
- Quartiers takes over the Centro Forestal Sueco property in Marbella's Golden Mile district.

2018

- Obtains financing and has ongoing engagements with BBVA, Banco Sabadell, Banco Popular and Frux Capital.
- Marcus Johansson Prakt appointed CEO.
- Renovation of hotel on the Golden Mile in Marbella starts.
- Construction completed of project 22byQuartiers and apartments delivered to end-buyers.

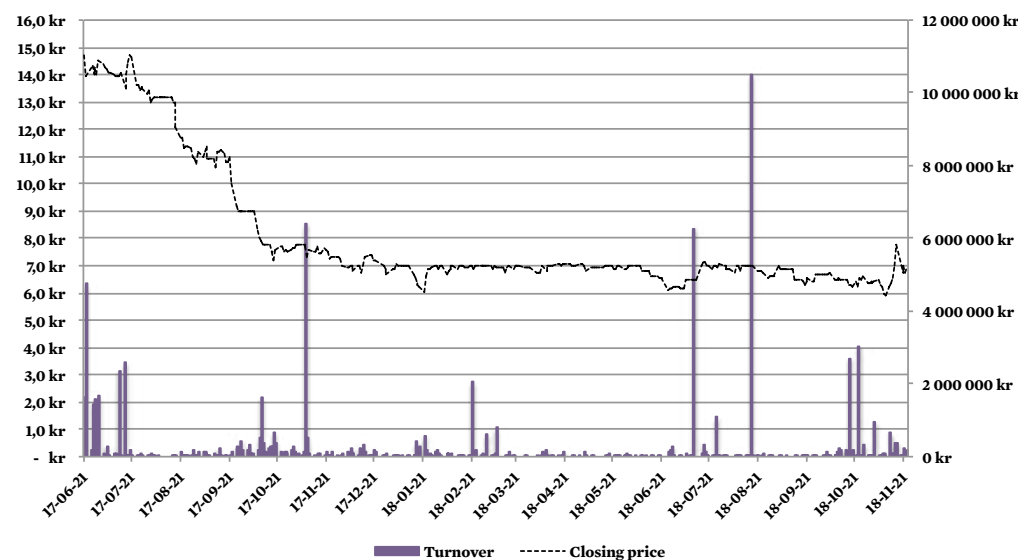
SHAREHOLDER STRUCTURE

- Quartiers has two outstanding share classes. Outstanding ordinary shares amounts to 48,462,896 and the number of outstanding preference shares is 7,274,617. The preference share distributes SEK 0.96 (EUR 0.09) per annum.
- The market cap of the ordinary share on December 12, 2018 was approx. MEUR 32.0.
- Several investors of institutional character invested in Quartiers Properties in the IPO 2017, at 15 SEK per share. These investors included for instance Swedbank Robur, which is Sweden's largest asset manager, and an American based real estate fund.

TEN LARGEST SHAREHOLDERS - 30 JUNE 2018

#	Shareholder	Capital	Votes
1	Economics AB	18.4%	20.4%
2	Fastighets Aktiebolag Bränneröd	11.3%	12.5%
3	Rocet AB	7.1%	7.9%
4	LMK Companies & Foundation	8.7%	7.5%
5	Bosmac Invest AB	4.4%	4.9%
6	Swedbank Robur Funds	3.7%	4.2%
7	Bernt Lundberg Fastigheter Lund AB	3.9%	4.1%
8	JP Morgan Securities, New York	3.6%	4.0%
9	Alden AS	3.2%	3.0%
10	Leif Edlund	2.4%	2.7%
	Other	33.3%	28.8%
	Total	100%	100%

SHARE PRICE DEVELOPMENT - ORDINARY SHARE



TEAM IN SPAIN

Marcus Johansson Prakt

*CEO
Born 1990*

- Master's degree in finance from the Faculty of Economics of Gothenburg University, part of education at the ESSEC Business School in Paris and HEC in Montreal.
- Quartiers' CFO since 2016 and appointed CEO 2018. Experience in property development and finance. Advised in most of the hotel establishments carried out in Annordia by some of the largest real estate companies in Scandinavia. Formerly a project manager in Mangold responsible for capital acquisitions, stock listings, M & A transactions and business development. Head hunted by Quartiers in 2016. Holds 107,975 ordinary shares in Quartiers.

Lars Åke Olofsson

*Property manager
Born 1956*

- Civil engineer with a master's degree from the Chalmers University of Technology in Gothenburg.
- Has lived in Benahavis since 1989 and is the property manager of Quartiers. He has a long international career having held management positions at Skanska, Tailor Woodrow in Spain and Tailor Wimpey. He is also a member of the City Council of Benahavis, Spain, responsible for urban planning, roads, construction and public housing. Former project manager and responsible for the development of Los Arqueros Golf Club in Benahavis in addition to multiple projects in Spain, South America and Africa.

Maria Cepero

*Head of finance and
administration Spain
Born 1973*

- Economist, registered at Malaga Economists Association with a degree in Business & Economic Science by University of Granada, Spain and exchange studies at University of Limerick and Dublin Institute of Technology in Ireland.
- Has over 20 years of experience in tax, legal and finance in Spain. Former management consultant of Accenture within the Transitions and global business intelligence department and previously senior analyst with Symantec (Software Corporation) focused towards development of CRM-systems.

TEAM IN SPAIN

Henric Person

*Service &
hospitality manager
Born 1988*

- Bachelor of Science in Hospitality Management by Endicott College, Beverly, MA, Swiss Hotel Diploma and Associate of Business Administration, Food and Beverage Operations by Les Roches Hotel Management School in Bluche, Switzerland.
- Held prime hotel and restaurants management positions in Sweden and internationally including hotel manager of Falkenberg Strandbad which obtained the award as the Best luxury spa resort in Europe 2017 by Worlds Spa Awards and The Little Nell, a 5 star/5 diamond asset in Aspen, USA.

Juan Barrero

*Financial controller
Born 1969*

- Master of Science degree in Economics and Business Administration by University of Seville, Spain with a stay at University of Charles de Gaulle – Lille, France.
- More than fifteen years' experience in Control, Management Accounting in different company sectors across Spain, UK and Asian subsidiaries including positions at Landcorp International Realty, from Canada, KS International Consulting Group from the United Kingdom and United Bio-Source Inc. in London. Domestic banking experience from work at Banco de Andalucia.

Antonio Díaz-Barcelo

*IR Director
Born 1965*

- Engineering Degree by Universidad Politécnica de Madrid, Bachelor in Business Administration by UNED, Master of Business Administration by Georgetown University and Cum Laude Ph.D. by Universidad Politécnica de Madrid.
- Has over 25 years of experience having managed real estate investments over €20 billion. Has worked for Deloitte, ABN AMRO in Madrid and London, and at BBVA as an analyst and auditor and then served as the director of Bankia business at Sareb, of corporate development and strategy at Acciona and Quabit Inmobiliaria and board member of Bestinver SASVB, Marina Port Forum and Rayet Geriatricos and president of Georgetown Club of Spain.

WHAT WE DO - BUSINESS SEGMENTS

VALUE CREATION IN UNDERPERFORMING ASSETS

Create value in existing properties through optimizing activities and capex. Properties are developed with Scandinavian knowledge and expertise, targeting a North European market.

HOME BUILDING ACTIVITY

Buy or sell apartments and villas primarily targeting the North European market and people looking for a second resident.



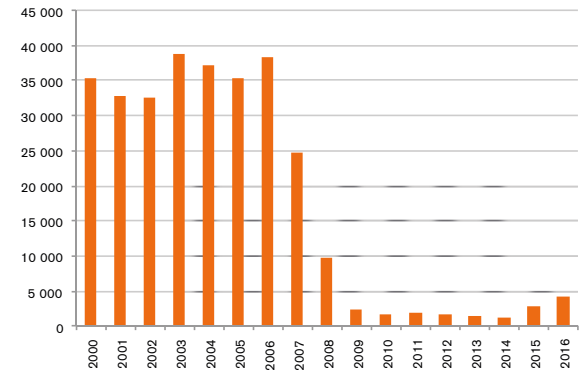
COMPLEMENTARY ACTIVITIES

- Established sales channel through our commercial sales office in Puerto Banús. Joint venture with local entrepreneur, Construcciones Otero.
- Concierge service offered to all tenants and buyers of apartments in the home building segment.
- Holds a 50% stake in the hotel operator company that will run the hotel and the restaurant at Boho Club.

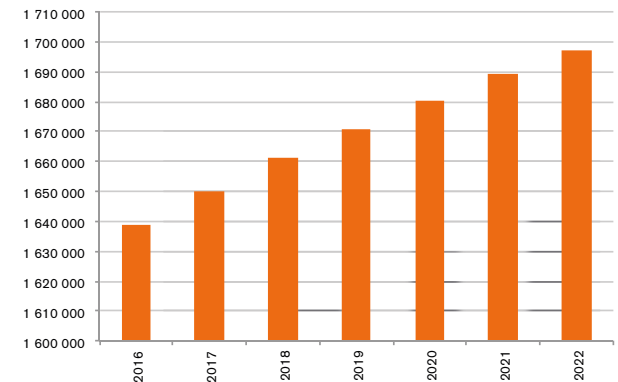
MARKET FUNDAMENTALS AND THE REAL ESTATE SECTOR

- Spain is one of the fastest growing economies in Europe with a GDP growth in 2017 of 3.1% and expected GDP growth for 2018 of 2.7% (source: Eurostat).
- The Costa del Sol is a 160 kilometre long stretch of coast beginning at Nerja in the east and ending at La Duquesa just outside Estepona in the west, enjoying the best climate in Europe with more than 300 days of sunshine per year.
- Spain, and in particular the Malaga region, is now entering a recovery phase in earnest, with high activity in the region and rising property prices. Due to the financial crisis 2008, production starts fell sharply which has caused a lack of modern, newly produced housing.
- There has been a significant increase in foreign buyers on the Spanish property market over the past decade. As an example, the proportion of foreign buyers rose from around 5% in 2009 to 16.3% in 2016.
- British buyers account for roughly 19% of the market and comprise the largest group of foreign buyers. However, other markets are on the rise, in particular the Swedish market, which with its 7% share is fast becoming an increasingly significant target group.

HISTORIC PRODUCTION STARTS OF RESIDENTIAL PROPERTIES IN THE MALAGA PROVINCE



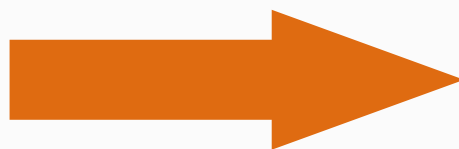
HISTORIC AND FORECASTED POPULATION INCREASE IN THE MALAGA REGION



Source: Instituto Nacional de Estadística.

RISK FACTORS AND SOLUTIONS

CONSTRUCTION COSTS ARE TRENDING UPWARDS



Construction costs are rising due to increased activity in the production sector. However, construction costs only represent approximately 50% of the average selling price of a home, so a 1% increase in price outweighs a 1% increase in construction costs.

INTEREST RATES ARE ON THE RISE



Increased interest rates may lower demand for real estate. Quartiers' typical clients has a low LTV-ratio between 0-70% with an average of 40%. This target group is considered to be less sensitive for marginal increases in interest rates.

A more normalized and stable banking sector in Spain might however contribute to higher LTV-ratios during the coming years, which can have a positive impact on sales prices in the region.

INCREASED LAND PRICES



Increased land prices in the region can have a negative effect on developers' possibility to build a profitable land bank for the future. Quartiers has today a property portfolio with an estimated capacity to create additional shareholder value of approx. 67.4 MEUR.

CORPORATE GOVERNANCE

- **Governance involves upholding:**
 - Efficient organisational structure.
 - Risk management and internal control systems.
 - Transparent internal and external reporting.
- Quartiers follows Nasdaq's rulebook for listed companies and adheres to the MAR regulation imposed by the European union.
- Quartiers has filed prospectuses with the Swedish FSA (Finansinspektionen) that have been approved after review, and due diligence processes conducted by independent legal advisors in Spain and in Sweden.
- The Company's auditor is PwC.
- The company's Articles of Association state that the Board of Directors shall comprise a minimum of three and maximum of nine members, including the Chairman. The Board currently consists of four ordinary members, including two members who are independent in relation to both the company and company management, as well as the company's major shareholders. One member is independent in relation to the company and company management, and one member is independent in relation to the company's major shareholders
- A decision was made at the 2018 AGM that the members of the Nomination Committee prior to the 2019 AGM shall consist of representatives of the two largest shareholders in the company in terms of voting rights at 30 November 2017. The Nomination Committee currently consists of Andreas Bonnier, Jörgen Cederholm and Mats Lundberg.

A TRANSPARENT COMPANY CLOSE TO ITS SHAREHOLDERS AND INVESTORS

APARTMENTS IN BENAHAVIS - HACIENDA DE CIFUENTES

MAIN PURPOSE

Conduct active value creation.

SECONDARY PURPOSE

Apply different sales channels such as short-term rental, long-term rental and sales related to shared economy in order to produce income.

TIME HORIZON

Value creation strategy that lasts over seven years. Two years have elapsed and five years remains.

ACTION # 1 - REFURBISHMENT OF APARTMENTS

- Previous actions have since 2015 generated a value increase from an average value per apartment of 156,000€ to 316,000€ per apartment in the end of 2017. These apartments were originally sold 2006/2007 by the old promoter for around 500,000€.
- Invest approx. 20,000€ per apartment to reach similar standard as the apartments that are being sold in 22byQuartiers and generate value increase of approx. 100,000€ per apartment, on average.



156,000€ x 99

=

15,444,000€



2015/2016

+

15,444,000€
in added equity value

Achieved...

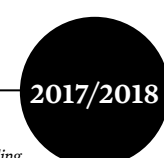
Start of rental business and value adding activities.

Focus on exterior facilities e.g. gardens, façades, security.

316,000€ x 99

=

31,284,000€



2017/2018

+

7,920,000€*
in added equity value

... to be achieved.

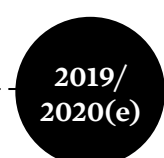
Renovation of apartments and improved rental operations.

Focus on interior facilities, e.g. kitchens, bathrooms

416,000€ x 99

=

41,184,000€



2019/
2020(e)

* Calculation of future value increase: Value increase minus investment per apartment.
1. 100,000€ - 20,000€ = 80,000€. 2. 80,000€ x 99 = 7,920,000€.

BEFORE AND AFTER PICTURES



HOTEL ON THE GOLDEN MILE - BOHO CLUB

MAIN PURPOSE

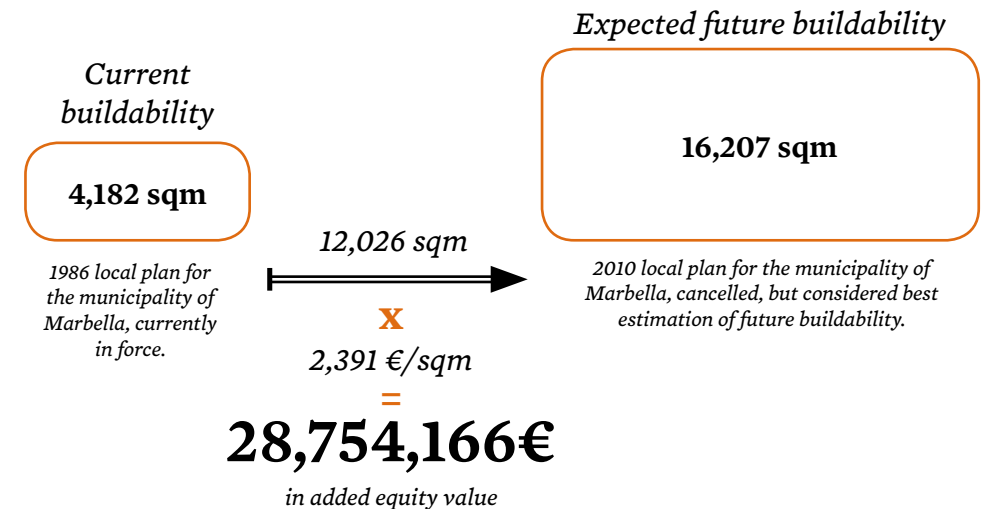
Increase the value of the property through increased buildability.

TIME HORIZON

Value creation strategy to 2023.

ACTION # 2 - DEVELOPMENT OF A HIGH-END HOTEL IN A PRIME AREA, WITH POTENTIAL INCREASES IN BUILDABILITY.

- Develop and open the hotel and the restaurant with existing buildability during 2019. Currently under construction.
- Work actively to recover the buildability of the 2010 local plan in Marbella. The expected future buildability is based on the parameters from the cancelled plan, which allowed 16,207 sqm buildability above ground for hotel use (60%).
- Current valuation of the property (from 31 December 2017) indicates a value per sqm buildability of 2,391 €/sqm.
- A possible change in the planning status of the property can increase the value of the property by approx. 29.0 MEUR.



HOME BUILDING ACTIVITY

ACTION # 3 - HOME BUILDING ACTIVITY

- Pipeline of 104 villas and apartments to sell with an estimated sales value of approximately 79.0 MEUR.
- Estimated profit after taxes not considered in the NAV calculation of approx. 30.5 MEUR.
- All projects except for CFS Residential are scheduled within the next three years. CFS Residential has a time plan of six years and the calculation is based on the expected future buildability of the plot.*

22byQuartiers	MEUR
Sales value	8,6
Book value H1 report 2018	4,6
Estimated remaining development cost based on H1 report	0,9
Profit	3,1
Estimated profit after taxes	2,3
Ocean View	
Sales value	27,6
Book value H1 report 2018	3,0
Estimated remaining development cost based on H1 report	12,0
Profit	12,6
Estimated profit after taxes	9,4
Amapura	
Sales value	1,9
Book value H1 report 2018	0,6
Estimated remaining development cost based on H1 report	0,9
Profit	0,4
Estimated profit after taxes	0,3

Los Flamingos plots	MEUR
Sales value	5,5
Book value H1 report 2018	-
Acquisition cost	1,6
Estimated remaining development cost	3,2
Profit	0,7
Estimated profit after taxes	0,5
CFS Residential	
Sales value	35,5
Book value H1 report 2018	4,4
Estimated remaining development cost based on H1 report	7,2
Profit	23,9
Estimated profit after taxes	17,9
Total sum	
Sales value	79,0
Book value mentioned projects H1 report 2018	12,5
Acquisitions after H1 report	1,6
Estimated remaining development cost based on H1 report	24,2
Profit	40,7
Estimated profit after taxes	30,5

* The development of CFS Residential is dependent on our assumption that additional buildability will become available like the scenario of BOHO Club. Current estimates is based on the allowed buildability in the 2010 plan that was cancelled. This is considered by the Company as the most likely scenario of a future outcome.

Explanation to tables:
Sales value is the estimated sales of the project. Book value is the actual value in the company's accounting according to the half year report 2018. Estimated profit after taxes is the Company's best estimate of the future profit of the project.

FINANCIAL SUMMARY

FINANCIAL SITUATION AS PER JUNE 30, 2018 WITH EQUITY ADJUSTMENT*

ASSETS	MSEK (MEUR)	EQUITY AND LIABILITIES	MSEK (MEUR)
Non-current assets	437.1 (42.0)	Equity	425.5 (40.9)
Current assets	198.7 (19.1)	Per ordinary share	8.8 SEK (0.8 EUR)
Overvalue assets	64.8 (6.2)		
Total assets	700.7 (67.3)	Non-current liabilities	243.5 (23.4)
		Current liabilities	31.7 (3.0)
		Total liabilities	275.2 (26.4)
		Equity and liabilities	700.7 (67.3)

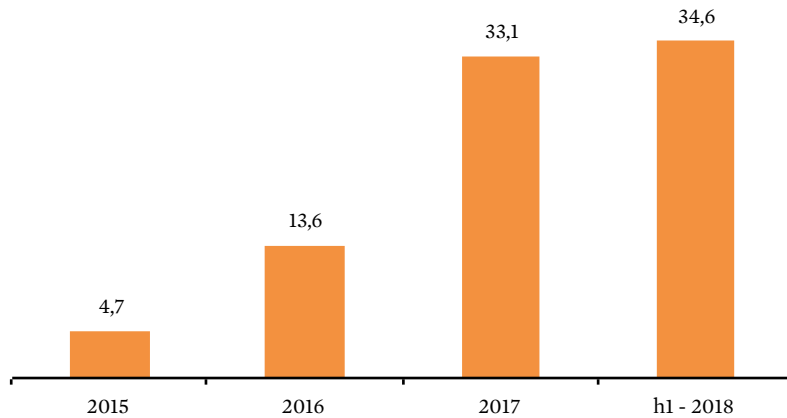
EXPLANATION - OVERVALUE ASSETS

MSEK (MEUR)			
Adjusted equity - Book to market adjustment	Market value	Book value	Added equity
Ocean View	67.7 (6.5)	31.1 (3.0)	36.6 (3.5)
22byQuartiers	60.0 (5.8)	47.5 (4.6)	12.5 (1.2)
Amapura	5.9 (0.6)	6.1 (0.6)	-0.2 (-0.0)
Hacienda de Cifuentes	326.1 (31.3)	326.1 (31.3)	-
CFS Residential	62.5 (6.0)	45.9 (4.4)	16.6 (1.6)
Boho Club	106.2 (10.2)	105.7 (10.2)	0.5 (0.0)
Other	-	1.1 (-0.1)	-1.1 (-0.1)
Sum	628.4 (60.4)	563.5 (54.1)	64.8 (6.2)

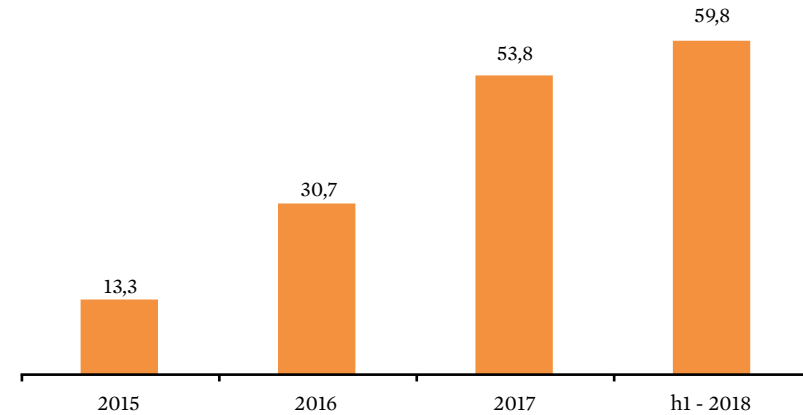
*Exchange rate SEK/EUR of 10.4114. Estimates of market values have been conducted by CBRE Spain.

FINANCIAL EVOLUTION

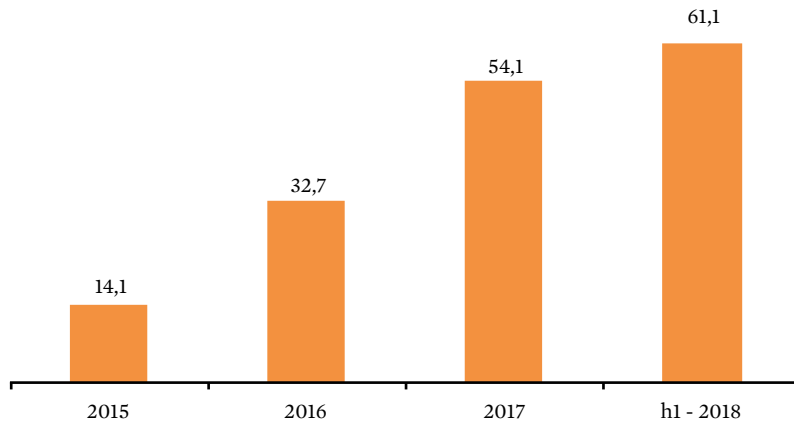
SHAREHOLDERS' EQUITY (MEUR)



PROPERTY VALUES (MEUR)



BALANCE SHEET TOTAL (MEUR)



Strong historic growth rate followed by value adding investments in the existing portfolio and acquisition of new assets.


NET ASSET VALUE AND ACTION SUMMARY

SUMMARY OF VALUES

- The net asset value of the Company before adjustment for preference shares amounts to 40.9 MEUR, corresponding to approx. 0.8 EUR per ordinary share.
- The value of Quartiers' planned and expected future value actions amounts to approx. 67.4 MEUR, and has not been considered in the net asset value calculation.
- The value of Quartiers' stakes in the joint ventures have not been considered in the NAV calculation.

ESTIMATED ADDED FUTURE VALUE ACTIONS	MEUR
Action 1 - Refurbishment of 99 apartments in Benahavis	7.9
Action 2 - Development of hotel	29.0
Action 3 - Profits in home building activity	30.5
Sum of value future value actions	67.4
Sum per ordinary share	1.4 €
Net asset value per ordinary share	0.8 €
Sum of NAV and estimated value creation	2.2 €



The background of the entire page is a light gray architectural wireframe of a modern building. It shows multiple levels, rooms, and structural elements like beams and columns, creating a complex geometric pattern.

QUARTIERS

P R O P E R T I E S

Thank you!

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