

YEAR-END REPORT

January–December 2024



SUMMARY

Stable development for net operating income

- Revenue increased to SEK 3,015 million (2,860), up 5.4%.
- Net operating income totalled SEK 1,955 million (1,861), up 5.1%. For the comparable property portfolio, net operating income rose 3.2%.
- Unrealised changes in the value of the properties during the year amounted to SEK –416 million (–5,227), a value decline of –0.7% (–8.5).
- The change in the value of financial instruments amounted to SEK –25 million (–1,114).
- Profit after tax for the year totalled SEK 314 million (–4,309).
- The market value of the properties was SEK 57,766 million (56,497) at the end of the period.
- Investments in the property portfolio amounted to SEK 809 million (1,605), of which SEK 444 million (985) relates to investments in existing properties and SEK 365 million (620) to property development.
- Two properties in Stockholm with 232 newly built apartments were acquired during the year and one property in Malmö with 250 apartments under production have been taken into possession.
- In December, Standard & Poor's confirmed Willhem AB's credit rating of A- and adjusted its outlook from negative to stable.
- To strengthen the company's financial position and to be prepared to make attractive acquisitions, Willhem received two unconditional shareholder contributions during the year totalling SEK 1.6 billion from Första AP-fonden.

Viksjö 2:595, Stockholm



This is Willhem

Willhem owns, manages and develops secure, sustainable residential properties in 13 growth regions in Sweden. We believe in a world with rental apartments for people to enjoy and be proud of. A home for everyone.

Since the outset in 2011, we have had a clear ambition to think innovatively and from a new perspective. We wanted to be inspired by other industries and create a residential real estate company for a new era. After more than a decade of business, we can look back on a journey that has made us into one of Sweden's leading private residential real estate companies.

Our starting point is the needs and expectations of customers, owners and society. The result is a living space that is economically, socially and environmentally sustainable and that creates long-term, secure and high returns for our owner, Första AP-fonden.

Number of apartments

29,645

Net operating margin

64.8%

Average total return
over 10 years 2015–2024

8.1%

Market value of properties, SEK million

57,766

Loan-to-value ratio

49.7%

Reduction in energy consumption kwh
per sq m since 2012

–34.7%



CEO COMMENTS

Strong results in the fourth quarter

During the cautious market environment that prevailed in 2024, we strengthened our net operating income while honing our organisation to take advantage of the opportunities ahead.

After a turbulent time in the property industry, interest rates and property values began moving in the right direction in 2024. During the year, we focused on strengthening our net operating income and, supported by our owner Första AP-fonden, we successfully maintained our A- rating. In December, Standard & Poor's raised the outlook for our rating to stable, which was very gratifying. We continue to stand strong and have a solid platform from which we can leverage opportunities as they arise.

Strong end to the year

Net operating income totalled SEK 1,955 million, up 5.1%. The net operating margin was 64.8% and the change in value of properties amounted to SEK –416 million. During the final quarter, we noted a positive change in our property values, which now amount to SEK 57,766 million. Total financing, which comprises both bank loans and capital market financing, amounted to SEK 31,032 million.

Our vacancy rate increased slightly during the year but ended with strong net lettings in the fourth quarter. During the year, we changed our approach to letting and hope and believe that the year's strong finish is confirmation that our actions are beginning to generate results. Over the past year, we have also used digitalisation to streamline the work of customer service and transferred a great deal of work from the property management organisation in our locations to customer service. This provides important scope for employees at our 13 locations to continue to focus on optimising operations and to advance our energy efficiency work, thereby

contributing to our net operating income and reducing our carbon footprint.

Good starting position for 2025

One important area of focus has been preparations ahead of the new CSRD framework for sustainability reporting. A central part of this work was the double materiality assessment, which meant that we have spent time specifying our targets and strategies so that we can effectively carry out our sustainability work moving forward.

Extensive work has also been carried out to prepare for a new system environment and we will be switching our ERP system to Microsoft Dynamics in early March. This will create a solid basis to streamline our operations through digitalisation and automation. It will make everyday lives easier for both ourselves and our customers.

To summarise, we have adjusted our organisation in 2024 and honed our capabilities. At the same time, we have preserved and strengthened our open and down-to-earth employee culture. With our strong financial position, we are positive about the future and well placed to take advantage of opportunities that arise. Exciting times await!

Mariette Hilmersson
Chief Executive Officer



VISION AND TARGETS

Broad perspective for long-term value creation



Vision

Rental apartments for people to enjoy and be proud of – a home for everyone.

Business idea

Willhem owns, manages and develops safe, sustainable residential properties in growth regions in Sweden, offering a level of service that makes life easier for tenants.

Targets



Finances

Willhem's target is to provide a stable total return that is higher than other privately-owned residential real estate companies.



Customers

Willhem is to have customers that are satisfied and loyal, who choose us and recommend us to others because we provide attractive and secure residentials and offer good service.



Property

Willhem's property portfolio is to be sustainable in the long term, and comprise well-maintained and attractive residential properties in carefully chosen growth regions in Sweden.



Employees

Willhem is to be the most attractive employer in the residential property sector, our employees recommend us to others.



Operating environment

Willhem is to be seen as an innovative and reliable company with a long-term perspective that contributes to sustainable development.

Core values

Value creating

We create value for our customers by constantly developing our offering. We create value for our owners by working efficiently and refining the portfolio in the long term. We create value for our employees through an open and creative corporate culture.

Business minded

We think and act with a long-term perspective, always aiming for increased profitability. Each decision is appraised from an overall perspective.

Customer focused

We base our actions on what is important to the customer and strive to exceed customer expectations. We treat customers with respect, are straightforward in our dealings and responsive. In all interaction, we are engaged, inquisitive and true to our word.

Innovative

We are creative, daring, see opportunities where others see problems and have the courage to try new and different ideas that benefit our customers. We have a high level of motivation and job satisfaction facilitated by an accepting environment.

Responsible

We act with responsibility and respect towards Willhem as a company, our customers and our surroundings, by minimising the impact we have on the environment, taking a long-term approach to managing and developing our properties, and creating sustainable and safe neighbourhoods.



SUSTAINABILITY INFORMATION

Sustainability on several fronts

Willhem is firmly committed at each stage to being responsive to external demands and takes responsibility for an economically, environmentally and socially sustainable development.

Willhem's sustainability initiatives

The platform for our sustainability agenda rests on ten identified areas of sustainability, where each area contributes to one or more of the UN's 17 Sustainable Development Goals.

The long-term economic value creation is conditional upon operations that are environmentally and socially sustainable and each area of sustainability has therefore a clear link to one of our five overall perspectives.

Measurable objectives important

Each area of sustainability is also broken down into one or more measurable objective that ensures that our sustainability practices reach all the way out into day-to-day operations. A selection of these objectives and outcomes for 2024 is shown to the right.

Guidance and policies

Willhem is to act responsibly and with respect to customers and its surroundings. Support and guidance are offered in various Codes of Conduct, guidelines and policies. These include Global Compact's ten principles, our core values and our Policy for sustainable development.

> Read more about our sustainability reporting in [Willhem's Annual and Corporate Responsibility Report 2023](#).

Finances

Total return

Long-term target: >5.5%
Outcome 2015–2024: 8.1%

Customer

Service index

Long-term target: >82.0%
Outcome 2024: 79.9%

Property

Energy consumption

Long-term target: 72 kWh/sq m Atemp
Outcome 2024: 95 kWh/sq m Atemp

Employees

ENPS

Long-term target: 40 units
Outcome 2024: 12 units

Operating environment

Emissions

Long-term target: Net zero emissions in Scope 1 and 2 by 2030
Outcome 2024: –34% tonnes of CO₂e since base year 2018



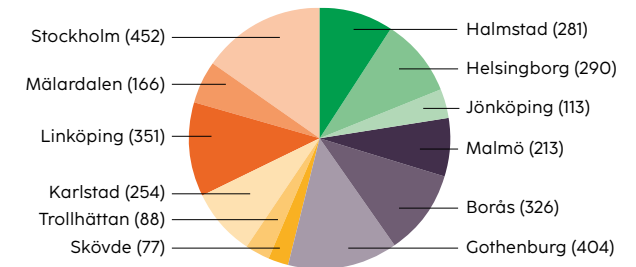
CONSOLIDATED FINANCIAL REPORTING

Consolidated income statement

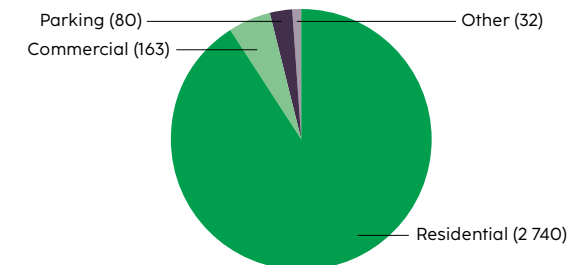
Amounts in SEK m	2024 Oct–Dec	2023 Oct–Dec	2024 Jan–Dec	2023 Jan–Dec
Rental revenues	764	725	3,015	2,860
Operating expenses	–198	–194	–722	–683
Repairs and maintenance	–30	–11	–104	–88
Property administration	–46	–47	–180	–175
Property tax	–14	–14	–54	–53
Total property expenses	–288	–266	–1,060	–999
Net operating income	476	459	1,955	1,861
Corporate administration expenses	–37	–34	–104	–103
Other operating expenses	0	0	–1	–1
Operating profit	439	425	1,850	1,757
Interest income	24	26	68	100
Interest expense	–206	–216	–833	–809
Leasehold fee	–5	–4	–17	–16
Exchange rate effects	–20	54	32	114
Other financial expenses	–18	–26	–83	–103
Total financial items	–225	–166	–833	–714
Income from property management	214	259	1,017	1,043
Change in value of investment properties, unrealised	466	–556	–416	–5,227
Change in value of financial instruments	353	–972	–25	–1,114
Total change in value	819	–1,528	–441	–6,341
Profit/loss before tax	1,033	–1,269	576	–5,298
Tax	–280	222	–262	989
Profit/loss for the period	753	–1,047	314	–4,309

Profit/loss for the period corresponds to comprehensive income for the Group.

Rental revenue per area 31 December 2024, SEK m



Rental revenue per category of revenue 31 December 2024, SEK m



CONSOLIDATED FINANCIAL REPORTING

Rental revenues

The Group's rental revenues rose to SEK 3,015 million (2,860), up 5.4%. The increase is due in part to growth in the property portfolio, but also to annual rent increases and the investments made in properties that have resulted in higher rents. For the comparable property portfolio, rental revenues rose SEK 106 million, up 3.8%.

The economic occupancy rate for residential housing was 97.5% (98.5). The total occupancy rate for the entire property portfolio, including commercial premises and other areas, amounted to 96.9% (97.9).

Property expenses

Property expenses amounted to SEK –1,060 million (–999). Operating expenses were SEK 39 million higher compared to the previous year. This is due primarily to higher electricity, heating and water costs as well as the electricity subsidy of SEK 20 million that was received last year. Repairs and maintenance were SEK 16 million higher compared to the previous year. During the final quarter of the year, maintenance work increased, in contrast to the beginning of the year when less maintenance work was performed due to the economic situation. Property administration increased SEK 5 million, due mainly to higher personnel costs.

For the comparable portfolio, property expenses were SEK 48 million higher, due primarily to the electricity subsidy that was received in 2023 as well as higher heating and water costs. In addition, maintenance work increased at the end of the year, which had a negative impact on the year.

Operating expenses normally vary with the seasons, with higher costs in the first and fourth quarters, compared with the other quarters, when costs for heating and property management are higher.

Net operating income

Net operating income for the period totalled SEK 1,955 million (1,861), up 5.1%. The improvement in net operating income is due to increased rental revenues. The net operating margin for the period was 64.8% (65.1). For the comparable property portfolio, net operating income rose SEK 58 million compared with the preceding year, up 3.2%.

Corporate administration expenses

Central administration costs amounted to SEK –104 million (–103).

Financial items

Interest income for the period amounted to SEK 68 million (100) and interest expenses amounted to SEK –833 million (–809).

Other financial expenses amounted to SEK –83 million (–103) and the period's exchange rate effects on bonds in NOK amounted to SEK 32 million (114). Currency risk is managed with currency derivatives, which means that when the bonds expire there are no currency effects.

The average interest rate was 2.5% (2.6). The interest coverage ratio for the period was 2.2 (2.2).

Change in value of investment properties

Unrealised changes in the value of the properties during the period amounted to SEK –416 million (–5,227), corresponding to a value decline of –0.7% (–8.5). The negative value performance is mainly attributable to changed yield requirements and cash flow. The average weighted yield was 4.1% (3.9).

Change in value of financial instruments

The value of derivatives decreased SEK –25 million (–1,114), mainly due to changes in the interest-rate market. Derivatives were redeemed early during the year and a realised change in value of SEK 29 million (23) arose. The change in value of the electricity derivatives was SEK –13 million (–59) at the end of the period.

Tax

Current and deferred tax have been calculated based on a nominal tax rate of 20.6%.

The total tax expense for the period was SEK –262 million (989), of which deferred tax amounted to SEK –247 million (989) and current tax to SEK –15 million (0). The reduction in deferred tax for the period is mainly due to lower investments and changes in value than in the previous year.

Deferred tax is mainly attributable to the period's unrealised value change, temporary differences on investment properties and financial instruments, as well as changes to deficits.



Profit/Loss

Income from property management for the period totalled SEK 1,017 million (1,043), a decrease of SEK 26 million due to increased financial expenses. Profit/loss after tax for the period totalled SEK –314 million (–4,309), mainly due to the negative changes in the value of the properties being lower compared to the previous year.

The presentation of the consolidated income statement has been changed for the 2024 interim reports. Read more on page 17.

Fourth quarter

Revenue in the fourth quarter rose to SEK 764 million (725), up 5.4%. The increase is mainly due to growth in the property portfolio, but also to annual rent increases and the investments made in properties that have resulted in higher rents. For the comparable portfolio, revenue rose 3.8%.

Property expenses amounted to SEK –288 million (–266), with the increase due primarily to repair and maintenance expenses that were higher than in the previous year. Net operating income amounted to SEK 476 million (459). For the comparable portfolio, net operating income rose 1.8% in the final quarter of the year.

Operating profit totalled SEK 439 million (425). The unrealised change in the value of properties amounted to SEK 466 million (–556), corresponding to 0.8% (–0.9). The change in the value of financial instruments had an impact on profit of SEK 353 million (–972). Profit after tax for the quarter totalled SEK 753 million (–1,047).

CONSOLIDATED FINANCIAL REPORTING

Consolidated balance sheet

Amounts in SEK m	31 Dec 2024	31 Dec 2023
Assets		
Non-current assets		
Investment properties	57,766	56,497
Right-of-use assets, leaseholds	554	510
Equipment	5	7
Intangible assets in progress	70	12
Derivatives	582	679
Non-current receivables	–	103
Total non-current assets	58,977	57,808
Current assets		
Inventory	24	27
Other current receivables	322	330
Derivatives	5	5
Cash and cash equivalents	2,347	2,313
Total current assets	2,698	2,675
Total assets	61,675	60,483

Amounts in SEK m	31 Dec 2024	31 Dec 2023
Equity and liabilities		
Equity attributable to Parent Company shareholders		
Equity	24,178	22,265
Total equity	24,178	22,265
Non-current liabilities		
Interest-bearing liabilities	22,422	19,505
Deferred tax liability	4,977	4,730
Derivatives	246	290
Right-of-use liabilities, leaseholds	554	510
Total non-current liabilities	28,199	25,035
Current liabilities		
Interest-bearing liabilities	8,610	12,495
Derivatives	12	11
Other non-interest-bearing liabilities	676	677
Total current liabilities	9,298	13,183
Total equity and liabilities	61,675	60,483

CONSOLIDATED FINANCIAL REPORTING

Investment properties

Property market

2024 was marked by geopolitical unrest and instability. The caution and uncertainty that has prevailed in the property market since autumn 2022 eased in 2024, although it remains to some extent. With falling inflation and better financing opportunities for many property companies, interest in property investments gradually increased during the year. Even if the number of registered residential property transactions remained relatively low in 2024, the segment recovered to some extent and the willingness to invest in residential housing increased.

During the second half of 2024, inflation fell below the Riksbank's long-term target of 2.0%. Inflation according to the consumer price index with a fixed interest rate (CPIF) was 1.5% in December, a

decrease from 1.8% in November. At the Riksbank's fiscal policy meeting in mid-December, the directors decided to lower the key interest rate a further 0.25 percentage points to 2.50%. In 2024, the key interest rate was cut five times by a total of 1.50 percentage points. The Riksbank announced at its meeting in December that the rate could be cut once more in the first half of 2025 if the outlook holds. Furthermore, the Riksbank communicated at this meeting that inflation is expected to remain close to the target in the years ahead and that economic activity is expected to strengthen in 2025.

The total transaction volume for the Swedish property market totalled SEK 135 billion in 2024, according to Newsec. This is an increase of around 30% from 2023. Residential housing is again the most traded segment, changing hands for approximately SEK 41 bil-

lion in 2024 and accounting for 30% of the total volume. Two large share transactions between listed companies (and one fund) accounted for almost 40% of the total volume for residential properties. Offices accounted for approximately 26% of the total volume, while logistics, warehousing and industry accounted for approximately 19%. The proportion of foreign investors was 15% of the total transaction volume.

The construction of new residential properties decreased significantly in 2023 and 2024 compared to recent years. High construction costs and interest rates, the abolition of investment subsidies and new rules on presumption rents, combined with higher yield requirements, have meant many house builders have found it difficult to turn a profit. In its latest forecast from mid-December, the National Board of Housing, Building and Planning concluded that there will be approximately 35,000 new housing starts, of which only 16,600 new rental properties. The December forecast indicates slightly more housing starts in 2025 compared with the National Board of Housing, Building and Planning's assessment in May 2024 as a result of improved market conditions, but nonetheless the figure was only about 3,000 more.

Our properties

Willhem owns and manages 557 properties (552) in carefully chosen growth regions in Sweden. The property portfolio was valued externally on 31 December 2024. The estimated market value was SEK 57,766 million (56,497). The total lettable area was 2,002,392 sq m, of which 93.0% relates to residential housing.

Valuation

The year's unrealised change in value was SEK -416 million (-5,227), corresponding to a value decline of -0.7% (-8.5). The average weighted yield was 4.1% (3.9). In accordance with Willhem's valuation model, the properties are subject to external valuation once per year at the end of the year. The valuation institutes engaged were Savills Sweden AB and Newsec Advice AB. An internal valuation is performed for the other quarters. The value assessment, both for external and for internal valuations, is derived from a cash-flow statement whereby the property's value is based on the present value of the forecast cash flows together with the residual value after the end of the calculation horizon. Valuation is conducted in accordance with level 3 of the fair value hierarchy in IFRS 13.

Valuation assumptions	2024 Jan–Dec	2023 Jan–Dec
Inflation assumption, %	1.8–1.9	2.0
Calculation horizon, years	5-16	5-15
Required yield, residential properties, %	2.5–5.9	2.4–5.7
Required yield, commercial properties, %	4.0–10.0	3.8–10.0
Cost of capital, %	4.3–11.7	4.5–12.2
Long-term vacancy rate, %	0.0–10.0	0.0–10.0
Rent assumption	Existing rent and market rent	
	Individual adapted on the basis of outcomes for the various types of property and the valuation agency's experience of similar objects.	
Operating and maintenance expenses		

Investment properties	2024 Jan–Dec	2023 Jan–Dec
Market value at the beginning of the period	56,497	59,886
+ Acquisitions (incl. acquisition costs)	876	233
+ Investments in existing property	444	985
+ Investments in development projects	365	620
+ Unrealised changes in value	-416	-5,227
- Divestments	-	-
Market value at the end of the period	57,766	56,497

CONSOLIDATED FINANCIAL REPORTING

Investments

Investments in the property portfolio amounted to SEK 809 million (1,605), of which SEK 444 million (985) relates to investments in existing properties and SEK 365 million (620) to property development. Willhemlyft accounted for SEK 112 million (293) of investments in existing property.

During the year, two properties in Stockholm with 232 newly built apartments were acquired. The contracted property value was SEK 618 million. A previously contracted acquisition, of a property in Malmö, has been taken into possession. 250 apartments are being built there, with occupancy planned for 2026/2027. In addition, final payments were also made on previous acquisitions, bringing the net amount for acquisitions for the period to SEK 876 million (233).

Development projects

Willhem's property development comprises proprietary projects and acquired projects. On the balance-sheet date, 219 apartments were in ongoing property projects on a proprietary basis and 250 apartments were in acquired projects.

78 properties in Karlstad were completed in May, 50 apartments in Gothenburg were completed in October and 232 apartments in Stockholm were completed in December.

Ongoing development projects

Property	Location	Type of project	Number of apartments	Residential area, sq m	Approved investment, SEK million	Costs incurred, SEK million	Planned occupancy
Lugnet 2	Västerås	Conversion	54	2,434	62	42	Q2 2025
Krusbäret 1	Halmstad	Development project	165	5,802	295	180	Q2 2025
Författaren 1	Malmö	Development project*	250	9,611	416	25	Q4 2026-Q1 2027
Total ongoing			469	17,847	773	247	

* Acquired development project

Completed development projects

Property	Location	Type of project	Number of apartments	Residential area, sq m	Approved investment, SEK million	Costs incurred, SEK million	Completion
Karmen 5	Karlstad	Development project	78	3,906	140	134	Q2 2024
Kviberg 28:4	Gothenburg	Development project	50	1,792	90	85	Q4 2024
Smedjan 2	Stockholm	Development project*	232	10,334	662	593	Q4 2024
Total completed			360	16,032	892	812	

* Acquired development project



CONSOLIDATED FINANCIAL REPORTING

Financing

Financial market

In the Swedish interest-rate market, long-term interest rates rose at the beginning of the year and then fell sharply, with the five-year swap rate reaching a low of 1.95%. Since then, long-term interest rates have risen again and ended the year at roughly the same level as they started. At the same time, Stibor 3M fell by approximately 150 points during the year and levelled off in December above 2.50%.

The Purchasing Managers Index (PMI) for the industrial sector in Sweden decreased to 52.4 in December, compared with 53.7 in the preceding month. Swedish industry remains in an expansive phase but is being impacted by a weaker global economy, and order intake has slowed.

The Riksbank cut the key interest rate in both November and December to 2.50%. Inflation has fallen and inflationary pressure stabilised in line with the target. The economy remains weak. According to the Riksbank, if the inflation and economic outlook remains unchanged, the key interest rate may be cut further during the first half of 2025.

The OMX S30 index developed negatively in the fourth quarter, down -5.9%, but closed the year as a whole up 3.6%.

Cash and cash equivalents and interest-bearing liabilities

Cash and cash equivalents totalled SEK 2,347 million (2,313) at the end of the period. In addition to cash and cash equivalents, Willhem has unutilised issue undertakings and credit facilities totalling SEK 15,800 million (18,600).

The Group's interest-bearing liabilities totalled SEK 31,032 million (32,000). Financing via the capital markets through bonds and certificates accounted for 65.0% (65.4) of financing.

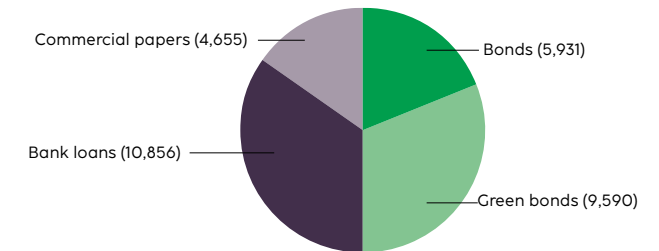
The loan-to-value ratio was 49.7% (52.5). According to Willhem's financial target, this should be below 60.0%. The average interest rate was 2.5% (2.6) on the balance-sheet date. The average fixed-interest tenor was 3.6 years (3.5) and the percentage of fixed-interest maturity was 29.4% (27.8) in the next 12 months.

The loan-to-maturity period was 2.4 years (2.2) and taking into account the commitments, the adjusted loan-to-maturity period was 3.3 years (3.7). The interest coverage ratio was 2.2 (2.2). Willhem's financial target is that this is to exceed 2.0.

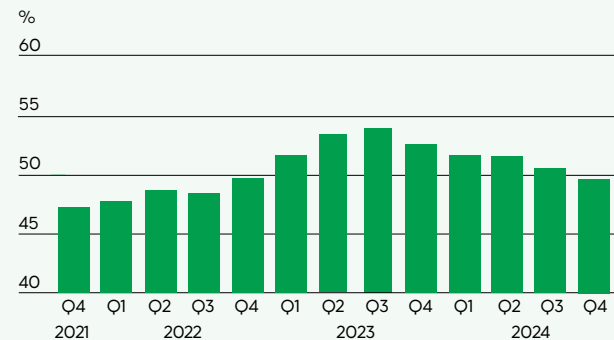
The company is subject to a number of covenants, meaning conditions required by a lender to provide credit, and if the conditions are not met, the credit falls due. All of the company's covenants were met during the year.

The market value of bonds totalled SEK 15,389 million (16,373). Given that the value is derived from an observable market, the valuation is conducted in accordance with level 2 of the fair value hierarchy in IFRS 13.

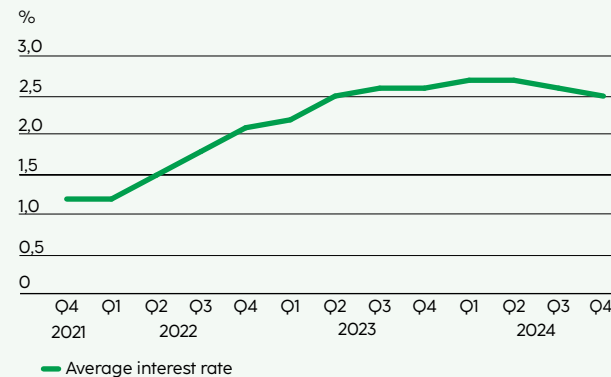
Sources of financing



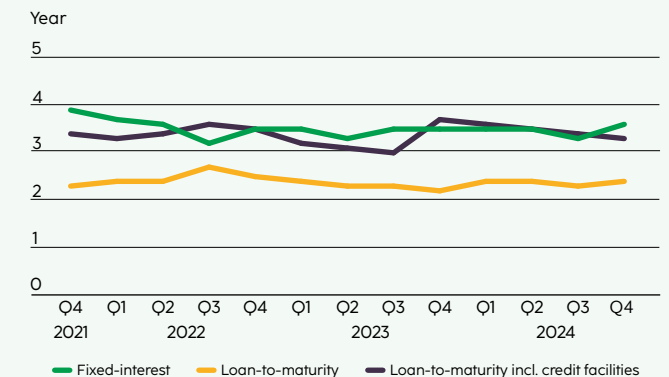
Loan-to-value ratio



Average interest rate



Fixed-interest and loan-to-maturity



CONSOLIDATED FINANCIAL REPORTING

Financing (cont.)

Interest and capital maturity structure

	Interest maturity	Interest, %	Capital maturity
Within 1 year*	9,145	4.0	8,611
1–2 years	3,925	1.4	4,400
2–3 years	4,578	2.0	8,094
3–4 years	2,800	1.7	4,000
4–5 years	1,620	2.6	5,463
5–6 years	2,600	1.0	–
6–7 years	980	1.7	380
7–8 years	1,050	2.9	–
8–9 years	1,500	3.1	–
9–10 years	2,450	2.4	–
10–11 years	–	–	–
11–12 years	300	2.2	–
12–30 years	200	1.8	200
Total	31,148	2.5	31,148

* Interest rates shorter than one year are not comparable with other durations, the average interest rate also includes credit margins with longer maturity periods. Capital maturity of SEK 8,611 million includes SEK 4,655 million in certificates. The statement of financial position included interest-bearing liabilities of SEK 31,032 million, the difference compared with the above table pertains to arrangement fees of SEK –29 million and exchange rate translation concerning foreign bonds of SEK –87 million.

Green financing

At the end of the period, green bonds amounted to SEK 9,590 million (7,032), which accounts for 61.8% of Willhem's total bonds outstanding.

Derivatives

The net market value of the Group's derivatives totalled SEK 329 million (383), of which SEK 587 million is recognised as an asset and SEK –258 million as a liability in the Group's statement of financial position. Net interest-rate and currency derivatives totalled SEK 341 million (382), of which SEK 587 million was recognised as an asset on the balance-sheet date.

Electricity derivatives totalled SEK –12 million (1). Derivatives are

used to address the Group's risk exposure with respect to interest rates, currencies and electricity prices. The valuation is conducted in accordance with level 2 of the fair value hierarchy in IFRS 13.

Group's interest-rate and currency derivatives outstanding (net volume)

	Nominal amount	Market value
Within 1 year	400	5
1–2 years	2,825	69
2–3 years	3,988	–86
3–4 years	2,350	94
4–5 years	400	35
5–6 years	2,600	190
>6 years	5,900	34
Total	18,463	341

Rating

In December 2024, Standard & Poor's confirmed Willhem's long-term credit rating of A- while its outlook was adjusted from negative to stable.

The rating reflects Willhem's strong capacity to meet its financial obligations and the adjusted outlook reflects Standard & Poor's expectation of a positive development for Willhem going forward.

Hörnan 2, Halmstad

CONSOLIDATED FINANCIAL REPORTING

Consolidated cash-flow statement

Amounts in SEK m	2024 Jan–Dec	2023 Jan–Dec
OPERATING ACTIVITIES		
Operating profit	1,850	1,757
Adjustments for items not affecting liquidity	–12	20
Interest paid, net	–837	–807
Taxes paid	–15	–
Cash flow from operating activities before changes in working capital	986	970
Change in current receivables	8	–105
Change in current liabilities	–38	–70
Cash flow from operating activities	956	795
INVESTING ACTIVITIES		
Investments in existing property	–809	–1,605
Acquisition of properties	–302	–173
Inventory	3	–27
Investments in other, net	–59	–11
Cash flow from investing activities	–1,167	–1,816
FINANCING ACTIVITIES		
Liabilities raised	12,570	14,119
Repayments of liabilities	–14,057	–16,255
Redemption of derivatives	29	23
Non-current receivables	103	–17
Shareholder contributions	1,600	1,000
Cash flow from financing activities	245	–1,130
Cash flow for the period	34	–2,151
Opening balance, cash and cash equivalents	2,313	4,464
Closing balance, cash and cash equivalents	2,347	2,313

Comments

Cash flow from operating activities totalled SEK 956 million (795). Investments in properties totalled SEK –809 million (–1,605).

Gross capital formation for the period pertaining to acquisitions of properties amounted to SEK –798 million (–243) and deductions for latent tax amounted to SEK –6 million (–1). SEK 551 million (55) in existing loans on acquired properties was repaid. Acquisition costs paid during the period amounted to SEK –6 million (–1), and a liability to sellers of SEK –53 million (–) arose, and accordingly SEK –302 million (–173) had a direct liquidity impact on cash flow.

During the period, SEK 12,570 million (14,119) was raised in new loans and SEK –14,057 million (–16,255) was repaid. As of 31 December 2024, the Group's cash and cash equivalents were SEK 2,347 million (2,313). In addition to cash and cash equivalents, Willhem has unutilised issue undertakings and credit facilities totalling SEK 15,800 million (18,600).

Consolidated statement of changes in equity

Amounts in SEK m	31 Dec 2024	31 Dec 2023
Opening equity	22,265	25,574
Dividends	–	–
Shareholder contributions	1,600	1,000
Comprehensive income for the year	314	–4,309
Closing equity	24,178	22,265

Equity totalled SEK 24,178 million (22,265). The equity/assets ratio was 39.2% (36.8).

CONSOLIDATED FINANCIAL REPORTING

Segment reporting

Amounts in SEK m	2024 Oct–Dec	2023 Oct–Dec	2024 Jan–Dec	2023 Jan–Dec
Rental revenues				
Southern Region	226	217	897	859
Western Region	226	215	895	848
Eastern Region	312	293	1,223	1,153
Total	764	725	3,015	2,860
Property expenses				
Southern Region	–81	–73	–292	–284
Western Region	–93	–91	–348	–330
Eastern Region	–114	–102	–420	–385
Total	–288	–266	–1,060	–999
Net operating income				
Southern Region	145	144	605	575
Western Region	133	124	547	518
Eastern Region	198	191	803	768
Total	476	459	1,955	1,861

Amounts in SEK m	31 Dec 2024	31 Dec 2023
Market value investment property		
Southern Region	17,987	17,822
Western Region	15,894	15,720
Eastern Region	23,885	22,955
Total carrying amount	57,766	56,497

The Group's internal reporting of operations is broken down into the segments above. Southern Region comprises Halmstad, Helsingborg, Jönköping and Malmö. Western Region comprises Borås, Gothenburg, Skövde and Trollhättan. Eastern Region comprises Karlstad, Linköping, Mälardalen and Stockholm.

The total net operating income corresponds to the recognised net operating income in the consolidated income statement. The difference between the net operating income of SEK 1,955 million (1,861) and profit/loss before tax of SEK 576 million (–5,298), consists of central administration costs of SEK –104 million (–103), other operating expenses of SEK –1 million (–1), financial items of SEK –833 million (–714), change in property values SEK –416 million (–5,227) and change in value of financial instruments SEK –25 million (–1,114).

During the period, the carrying amount of the properties changed as a result of investments completed, acquisitions, sales and unrealised changes in value totalling SEK 165 million (–1,415) in the Southern Region, SEK 174 million (–877) in the Western Region and SEK 930 million (–1,097) in the Eastern Region.

PARENT COMPANY FINANCIAL REPORTING

Parent Company income statement

Amounts in SEK m	2024 Jan–Dec	2023 Jan–Dec
Revenues	62	62
Administrative expenses	–165	–164
Operating loss	–103	–102
Interest income	609	620
Interest expense	–449	–437
Other financial items	–37	24
Change in value of financial instruments	73	–258
Profit/loss after financial items	93	–153
Appropriations, Group contributions	–671	–445
Appropriations, principal earnings	257	–131
Appropriations, tax allocation reserve	–24	–
Profit/loss before tax	–345	–729
Tax	–29	61
Profit/loss for the period	–374	–668

The Parent Company's operations consist of the performance of Group-wide services and analysing and conducting acquisitions and investments, as well as developing and managing strategy and ownership issues. Since January 2019, the Parent Company operates, in fiscal terms, on commission with its subsidiaries, with the exception of limited and general partnerships. All companies included in this arrangement are also members of a VAT group.

Sales for the year amounted to SEK 62 million (62), of which intra-Group revenue totalled SEK 62 million (62). The Parent Company's interest income amounted to SEK 609 million (620), of which intra-Group interest income totalled SEK 542 million (521). Other financial items includes exchange-rate effects of SEK 32 million (114) pertaining to bonds in NOK. Currency risk is managed with currency derivatives, which means that when the bonds expire there are no currency effects.

The unrealised change in the value of financial instruments, which predominantly pertains to interest-rate and currency derivatives, amounted to SEK 44 million (–281). Derivatives were redeemed during the year, which yielded a realised change in value of SEK 29 million (23). Loss before tax amounted to SEK –345 million (–729).

The total tax expense for the year was SEK –29 million (61), of which deferred tax amounted to SEK –14 million (61) and current tax to SEK –15 million (–).

PARENT COMPANY FINANCIAL REPORTING

Parent Company balance sheet

Amounts in SEK m	31 Dec 2024	31 Dec 2023
ASSETS		
Non-current assets		
Shares and participations in Group companies	4,672	4,664
Receivables from Group companies	24,252	23,371
Deferred tax assets	53	67
Equipment	2	4
Intangible assets in progress	70	12
Non-current receivables	–	33
Total non-current assets	29,049	28,151
Current assets		
Other receivables	231	170
Cash and cash equivalents	2,346	2,313
Total current assets	2,577	2,483
TOTAL ASSETS	31,626	30,634

Amounts in SEK m	31 Dec 2024	31 Dec 2023
EQUITY AND LIABILITIES		
Equity	4,162	2,936
Total equity	4,162	2,936
Untaxed reserves		
Untaxed reserves	24	–
Total untaxed reserves	24	–
Non-current liabilities		
Interest-bearing liabilities	12,144	11,207
Liabilities to Group companies	6,846	6,370
Derivatives	246	290
Total non-current liabilities	19,236	17,867
Current liabilities		
Interest-bearing liabilities	8,032	9,717
Derivatives	12	11
Other liabilities	160	103
Total current liabilities	8,204	9,831
TOTAL EQUITY AND LIABILITIES	31,626	30,634

OTHER INFORMATION

Other information

Personnel and organisation

Property management is organised into three regions comprising 12 management areas. The head office is located in Gothenburg and provides Group-wide functions. As of 31 December 2024, there were a total of 265 employees (301).

Significant risks and uncertainties

In its operations, Willhem is exposed to different types of risks. These risks are described in the 2023 annual report on pages 26–29. To be able to prepare statements in accordance with generally accepted accounting policies, executive management must make assessments and assumptions that may impact the content of the financial statements. For Willhem, the valuation of properties is such a material item.

Transactions with related parties

Relationships with related parties are described in Willhem's 2023 annual report on page 59. Första AP-fonden has an issue undertaking of SEK 8,000 million. During the period, fees were paid pertaining to the issue undertaking to Första AP-fonden. During the year, Första AP-fonden paid two unconditional shareholder contributions totalling SEK 1,600 million.

The Parent Company invoiced subsidiaries for Group-wide services. An internal rate of interest was charged between Group companies. Other than this, no other material transactions with related parties took place.

Accounting policies

The Group's interim report is presented in accordance with IAS 34 and for the Parent Company in accordance with RFR 2, published by Swedish Financial Reporting Board and follows the principles set out in Willhem's 2023 annual report.

The presentation of the consolidated income statement was changed in this interim report. Operating profit/loss is now recognised excluding changes in the value of investment properties, income from property management has been added and includes operating profit/loss and financial items and all changes in value are recognised thereafter.

Events after the balance-sheet date

Nothing to report.

Report signatures

The Board of Directors and CEO give their assurance that the interim report provides a true and fair account of the performance of the Parent Company's and Group's operations, financial position and earnings, and that it describes the significant risks and uncertainties faced by the Parent Company and the companies that form the Group.

Gothenburg, 20 February 2025

Fredrik Wirdenius
Chairman

Christel Armstrong Darvik
Member

Anders Ahlberg
Member

Ragnhild Backman
Member

Johan Temse
Member

Mariette Hilmersson
Chief Executive Officer

This year-end report has not been subject to examination by the company's auditors.

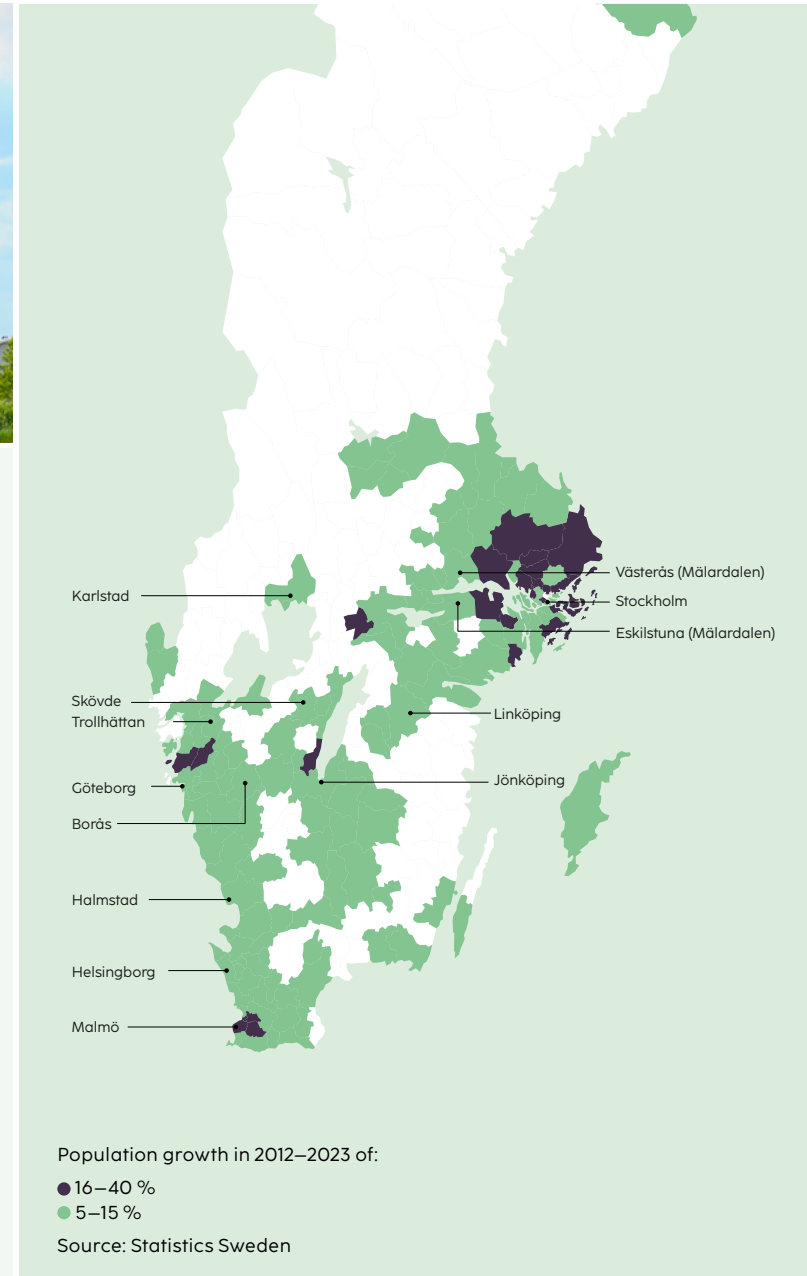
OTHER INFORMATION

Isstadion 21, Linköping



Property portfolio

Property portfolio	Number of properties	Number of apartments	Residential area, sq m	Commercial premises area, sq m	Total area, sq m	Total economic occupancy rate, %	Revenue, SEK m	Market value, SEK m
Halmstad	42	2,861	178,673	8,419	187,092	98.5	281	5,328
Helsingborg	73	2,452	169,706	14,708	184,414	97.6	290	5,789
Jönköping	19	1,206	59,338	3,206	62,544	99.5	113	2,201
Malmö	52	1,544	107,014	12,415	119,429	99.5	213	4,669
Southern Region	186	8,063	514,731	38,748	553,479	98.6	897	17,987
Borås	152	3,364	214,423	15,928	230,351	92.0	326	6,033
Gothenburg	34	4,128	268,162	12,644	280,806	99.4	404	7,297
Skövde	15	822	56,866	2,044	58,910	99.2	77	1,336
Trollhättan	28	985	57,987	8,144	66,131	98.4	88	1,228
Western Region	229	9,299	597,438	38,760	636,198	96.4	895	15,894
Karlstad	59	2,675	155,437	11,216	166,653	99.3	254	4,112
Linköping	29	3,536	241,918	24,076	265,994	91.8	351	6,092
Mälardalen	12	1,724	102,092	16,741	118,833	91.3	166	3,399
Stockholm	42	4,348	249,662	11,576	261,238	99.6	452	10,282
Eastern Region	142	12,283	749,109	63,609	812,718	96.0	1,223	23,885
Total	557	29,645	1,861,278	141,117	2,002,395	96.9	3,015	57,766



OTHER INFORMATION

Property transactions during the period

Acquisitions

Quarter	Property	Region	Location	Number of apartments	Residential area, sq m	Total area, sq m
Q3	Kolartorp 1:360	Eastern	Stockholm	112	4,884	4,884
Q3	Kolartorp 1:366	Eastern	Stockholm	120	4,675	4,675
Q3	Författaren 1*	Southern	Malmö	–	–	–
Total acquisitions				232	9,559	9,559

* Ongoing development projects



OTHER INFORMATION

Key metrics

Willhem presents certain financial metrics that are outside IFRS definitions (known as alternative performance measures, according to ESMA guidelines). The company believes these metrics offer valuable supplementary information for investors and the company's management as they enable an effective evaluation of the company's financial position and performance. Given that not all companies calculate financial metrics in the same way, these are not always comparable with metrics used by other companies but should be viewed as a complement to metrics defined under IFRS.

	2024 Jan–Dec	2023 Jan–Dec	2022 Jan–Dec	2021 Jan–Dec	2020 Jan–Dec
Property-related					
Total area, sq m	2,002,395	1,976,659	1,942,834	1,881,077	1,857,831
Number of properties	557	552	552	533	530
Number of residential properties	29,645	29,095	28,451	27,134	26,625
Market value, SEK m	57,766	56,497	59,886	56,560	46,347
Market value, SEK/sq m	28,848	28,582	30,824	30,068	24,946
Rental value, SEK m	3,229	3,020	2,799	2,600	2,480
Economic occupancy rate, %	96.9	97.9	98.6	98.8	98.8
Net operating margin, %	64.8	65.1	63.6	62.0	62.6
Financial					
Average interest rate, %	2.5	2.6	2.1	1.2	1.4
Average fixed-interest tenor, years	3.6	3.5	3.5	3.9	4.8
Average loan-to-maturity, years	2.4	2.2	2.5	2.3	2.3
Loan-to-value (LTV) ratio, %	49.7	52.5	49.6	47.2	51.7
Interest coverage ratio, multiple	2.2	2.2	3.1	3.5	3.3
Equity/assets ratio, %	39.2	36.8	38.4	40.4	35.8
Other					
Number of employees	265	301	298	279	278

OTHER INFORMATION

Reconciliation of alternative performance measures

	2024 Jan–Dec	2023 Jan–Dec
Loan-to-value ratio		
Interest-bearing liabilities, SEK m	31,032	32,000
Cash and cash equivalents, SEK m	–2,347	–2,313
Total interest-bearing liabilities, net	28,685	29,687
Net interest-bearing liabilities, SEK m	28,685	29,687
Market value of properties, SEK m	57,766	56,497
Loan-to-value (LTV) ratio, %	49.7	52.5
Interest coverage ratio		
Operating profit, SEK m	1,850	1,757
Net financial items excl. exchange-rate effects, SEK m	848	812
Interest coverage ratio, multiple	2.2	2.2
Equity/assets ratio		
Equity, SEK m	24,178	22,265
Total assets, SEK m	61,675	60,483
Equity/assets ratio, %	39.2	36.8
Net operating margin		
Net operating income, SEK m	1,955	1,861
Rental revenues, SEK m	3,015	2,860
Net operating margin, %	64.8	65.1

Partille 105:7,
Gothenburg

OTHER INFORMATION

Definitions

Property-related definitions

Total area, sq m¹

Total lettable floor space in residential housing and commercial premises at the end of the period.

Rental value, SEK m¹

Contracted rent together with the estimated market rent for unlet objects.

Economic occupancy rate residential property, %¹

Contracted rent for residentials in relation to the total rental value of residentials on the balance-sheet date.

Total economic occupancy rate, %¹

Total contracted rent in relation to the total rental value on the balance-sheet date.

Net operating margin, %

Net operating income as a percentage of rental revenues for the period.

Net operating income, SEK m

Rental revenues less operating and maintenance expenses, property administration and property tax.

Comparable property portfolio¹

The property portfolio included for the entire reporting period and for the comparative period.

Contracted rent, SEK m¹

Total rented objects running on the balance-sheet date.

Change in property values, %¹

Change in value for the period relative to closing market value less change in value for the period.

Yield, %¹

Net operating income divided by the properties' closing market value less changes to the market value of properties.

Total return, %¹

Yield as a percentage plus change in value as a percentage.

Financial definitions

Average interest rate, %

Average interest rate on the interest-bearing loan and derivative portfolio on the balance-sheet date.

Average fixed-interest tenor, years

The remaining average tenor until it is time to reset interest rates for all credits in the debt portfolio.

Average loan-to-maturity, years

The remaining average tenor until final maturity on interest-bearing liabilities and derivatives on the balance-sheet date.

Loan-to-value (LTV) ratio, %

Interest-bearing liabilities less cash and cash equivalents relative to the market value of properties at the end of the period.

Interest coverage ratio, multiple

Operating profit for the period in relation to financial income and expenses, excluding exchange-rate effects.

Equity/assets ratio, %

Equity in relation to total assets at the end of the period.

Other definitions

Number of employees¹

Number of permanent employees and employees with a fixed-term of more than six months at the end of the period.

¹ This metric is operational and is not considered an alternative performance measure under ESMA's guidelines.



Report dates

Annual and Corporate Responsibility Report 2024	10 April 2025
Interim report Jan–Mar 2025	13 May 2025
Interim report Jan–Jun 2025	18 July 2025
Interim report Jan–Sep 2025	13 November 2025
Year-end report 2025	19 February 2026

This information is such that Willhem AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation and the Securities Market Act.

The information was submitted for publication at 3:00 p.m. on 20 February 2025.