

Interim Report

JANUARY-MARCH 2023, PRESENTATION

Mikael Granath
CEO

Peter Malmén
CFO



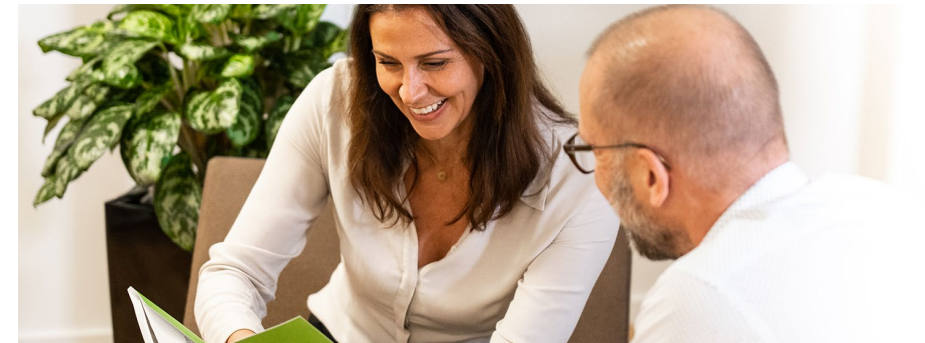
Mikroskopet 1, Stockholm

Content

- Willhem in brief
- Q1 in summary
- Financial results
- Financial position
- Funding
- Property portfolio
- Property development
- Outlook
- Q&A



We are one of Sweden's leading residential companies. Right from the start, we have been focusing on the customer and dared to think differently to create good customer service and safe living environments.

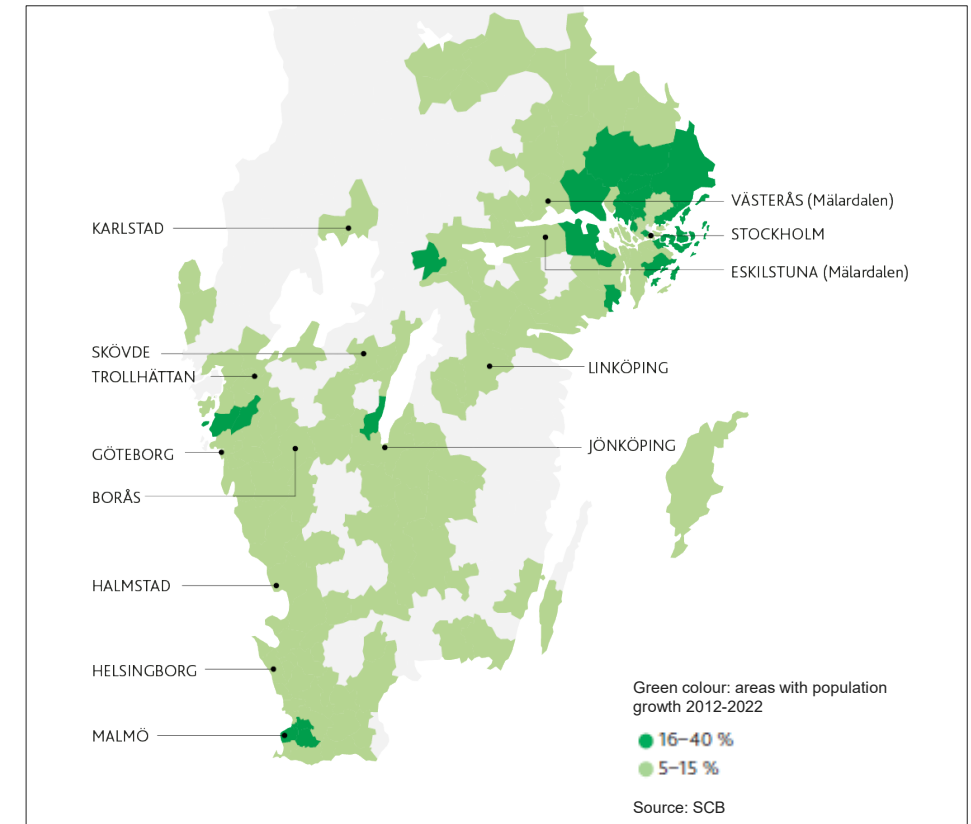


A leading Swedish residential company

- Founded 2010
- Owner: Första AP-fonden (AP1)
- Operating in 13 growth cities in Sweden, with HQ in Gothenburg
- Property portfolio of approx. 1,950,000 sqm area, 93 percent residential
- S&P Rating: A-
- Decentralized organization, local performance responsibility, and in-house property management
- Active and innovative organization

Property value
58,1 SEK bn
59,7 bn incl signed agreements

units
28,565
29,744 units incl signed agreements



Increasing NOI, decreasing property values

- Net operating income increased 5.1%
- Property value SEK 58,138 million
- 1,137 apartments in ongoing development projects
- Focus on building circularity, signed intent for circular market in Gothenburg
- Social sustainability – several initiatives and also a new recruitment to continue develop our work in this area

	2023 Jan-Mar	2022 Jan-Mar	2022 Jan-Dec
Rental revenues, SEK m	699	655	2,664
Net operating income, SEK m	395	376	1,695
Profit for the period	-1,753	1,383	1,316
Market value, SEK m	58,138	58,729	59,886
Net operating margin, %	56.5	57.4	63.6
Loan-to-value ratio, %	51.6	47.7	49.6
Interest coverage ratio, multiple	1.9	3.4	3.1
Equity/asset ratio, %	38.0	41.5	38.4

Net operating income

+5.1%

Q1 2023

Property value decreased by

-3.5%

Q1 2023

Investments in properties

355

SEK million

January-March 2023

INCOME STATEMENT IN SUMMARY

SEK m	2023 Jan-Mar	2022 Jan-Mar	2022 Jan-Dec
Rental revenues	699	655	2,664
Property expenses	-304	-279	-969
Net operating income	395	376	1,695
Corporate administration expenses	-24	-20	-95
Change in value of properties	-2,108	686	-1,072
Operating profit	-1,737	1,042	528
Interest income and expenses	-182	-92	-471
Change in value of financial instruments and other items	-285	822	1,707
Profit before tax	-2,204	1,772	1,764
Profit for the period	-1,753	1,383	1,316

- Rental revenues +6.7%
- Property expenses higher, mainly due to high energy costs
- Net operating income +5.1%
- Value of properties -3.5%
- Interest amounted to -182 SEKm
- Financial instruments and other items -285 SEKm
- Lower profit for the period attributable to lower unrealised change in value of properties and financial instruments

Stable finances

BALANCE SHEET IN SUMMARY

SEK m	31 Mar 2023	31 Mar 2022	31 Dec 2022
ASSETS			
Investment properties	58,138	58,729	59,886
Other non-current assets	615	1,276	567
Other current assets	401	228	225
Derivatives	1,209	621	1,541
Cash and cash equivalents	2,319	2,175	4,464
TOTAL ASSETS	62,682	63,029	66,683
EQUITY AND LIABILITIES			
Equity	23,821	26,142	25,574
Interest-bearing financial liabilities	32,344	30,164	34,194
Deferred tax liabilities	5,268	5,656	5,719
Derivatives	78	8	21
Other liabilities	1,171	1,059	1,175
TOTAL EQUITY AND LIABILITIES	62,682	63,029	66,683

- Properties 58,138 SEKm
- Cash 2,319 SEKm
- Equity 23,821 SEKm
- Financial liabilities 32,344 SEKm (net 30,025 SEKm)
- LTV 51,6%

Diversified funding

INTEREST & DEBT MATURITY

	Interest maturity SEK m	%	Debt maturity SEK m	%
Within 1 year	8,672	26.7	10,657	32.9
1-2 years	4,000	12.3	8,955	27.6
2-3 years	2,850	8.8	2,179	6.7
3-4 years	4,400	13.6	2,671	8.2
4-5 years	4,178	12.9	2,788	8.6
5-6 years	2,350	7.2	1,700	5.2
6-7 years	1,700	5.2	2,900	8.9
7-8 years	2,180	6.7	380	1.2
8-9 years	0	-	0	-
9-10 years	1,050	3.2	0	-
10-11 years	0	-	0	-
11-12 years	850	2.6	0	-
12-30 years	200	0.6	200	0.6
Total	32,430	100.0	32,430	100.0

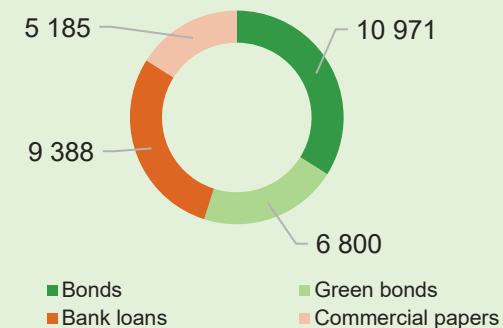
Interest maturity 3.5 years

Debt maturity 2.4 years

Debt maturity, including RCFs 3.2 years

- Total debt 32,430 SEKm (net 30,111 SEKm)
- Interest rate 2.2%
- ICR 1.9 (Rolling 12 months 2.7)
- RCFs from banks: 10,100 SEKm
- Undertakings from AP1: 8,000 SEKm (CP-program)
- S&P rating A-

FUNDING SOURCES



Value and transactions

SEK m	2023 Jan-Mar	2022 Jan-Mar	2022 Jan-Dec
Market value at the beginning of the period	59,886	56,560	56,560
+ Acquisitions (incl acquisitions costs)	5	1,067	2,429
+ Investments in existing properties	209	254	1,284
+ Investments in development projects	146	159	682
+ Unrealised changes in property value	-2,108	689	-1,069
- Divestments	-	-	-
Market value at the end of the period	58,138	58,729	59,886

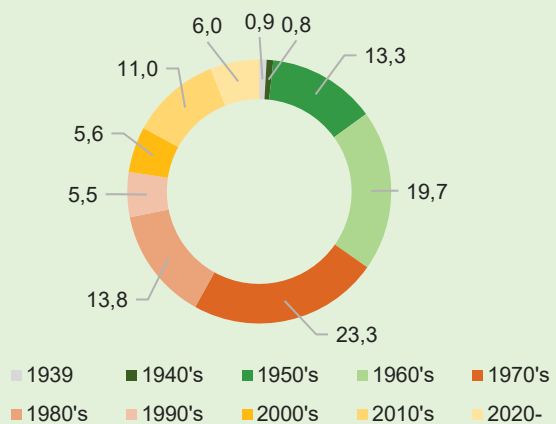
Property market

- Transaction volume, about 18 SEK bn
- Residential, about 16% of the transaction volume

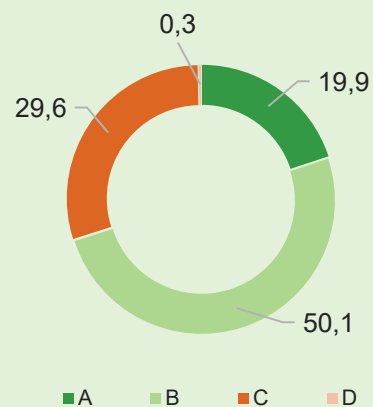
Our portfolio

- Yield expansion, -3.5% value change
- No acquisitions during Q1

PROPERTY VALUE PER DECADE, %



PROPERTY VALUATION PER LOCATION, %



Investments in existing properties

- **Mixed investments**

- Energy reducing
- Individual consumption for tenants
- Add-on options for tenants
- Converting other space to apartments

- **Willhemlyftet**

- Total renovation of single apartments
- Diversifies the portfolio and our offering
- Renovated between tenants, when the apartment is empty
- Efficient and sustainable production
- Purchasing and logistics centralized
- Target: 1,000 Willhemlyft per year



Logistics and storage

- **Willhem Logistics**
 - Purchase and stock material – ensure material supply
 - Improved negotiation position in terms of price
 - Better control of origin and production in the supply chain
 - Primarily Willhemlyft (but also development projects and conversions)



Our development projects

ONGOING DEVELOPMENT PROJECTS

Property	Location	Type of project	No of apartments	Residential area, sq m	Total investment, SEK m	Incurred cost, SEK m	Planned occupancy
Valsverket 5	Eskilstuna	Development projects*	337	14,604	487	449	Q2 2022-Q4 2023
Guldfisken 10	Linköping	Conversion	106	3,821	109	105	Q2 2023
Kolartorp 1:394	Haninge	Development projects*	135	5,639	255	241	Q2-Q3 2023
Kalhäll 9:4	Järfälla	Development projects	34	2,396	85	45	Q3 2023
Karmen 5	Karlstad	Development projects	78	3,906	140	50	Q2 2024
Smedjan 2	Ursvik	Development projects*	232	10,334	662	291	Q2-Q3 2024
Kviberg 28:4	Göteborg	Development projects	50	1,792	90	10	Q3 2024
Krusbäret 1	Halmstad	Development projects	165	5,802	295	2	Q2 2025
Total ongoing			1,137	48,294	2,123	1,193	

*Acquired development projects



Summary

OUR VIEW ON THE MARKET

- A few transactions but still a great deal of uncertainty, with gap in price expectations between seller and buyer
- Rent negotiations almost complete
- The number of new development projects will most likely continue to decrease
- Most municipalities has a deficit in residential units

Long term objective

70%

Net operating margin

OUR FOCUS LOOKING FORWARD

Property Management

We continue to focus on sustainable value creation in our everyday property operations

Development projects

Due to market conditions, a more restrictive approach is applied

Acquisitions

We continue to look for decently priced acquisitions add on our portfolio

Q&A

Mikael Granath

CEO

+46 70 577 15 84

mikael.granath@willhem.se

Peter Malmén

CFO

+46 70 568 31 83

peter.malmen@willhem.se



www.willhem.se

Willhem AB (publ), org.nr. 556797-1295 • Besöksadress: Vasagatan 45, 411 37 Göteborg • Telefon: 031-788 70 00

