

PRESENTATION

Interim report January-March 2022

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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. 1,900,000 sqm area, 92 percent residential
- S&P Rating: A-
- Decentralized organization, local performance responsibility, and in-house property management
- Active and innovative organization

Property value

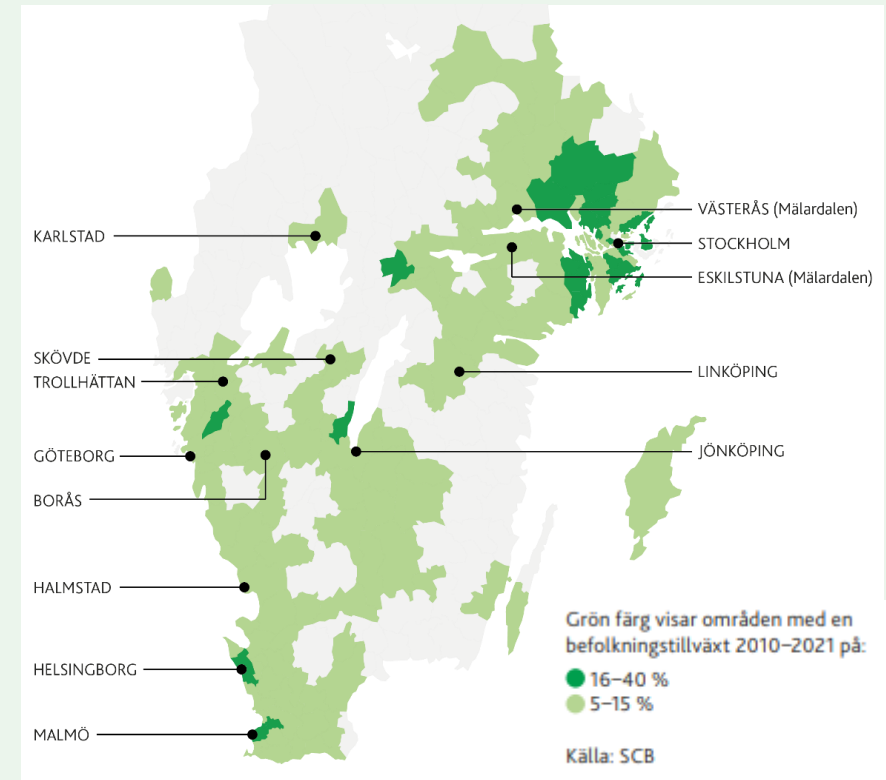
58,7 SEK bn

61,5 SEK bn incl signed agreements

units

27,598

29,416 units incl signed agreements



Global uncertainty

- **War in Ukraine**
 - The ongoing war has reinforced the general feeling of global uncertainty.
- **Capital market**
 - Higher interest rates and inflation will have an impact.
- **Materials and logistics**
 - Shortage of certain types of construction materials and also increasing costs.
- **Demand**
 - Demand for accomodation is still high, no signs of rising vacancies.

Strong and solid profit

- Net operating income increased 6.5%
- Property value SEK 58,729 million
- Rate of investment in our existent buildings remains high
- 810 apartments in ongoing development projects
- Road map to reduce CO2 emission – continued progress

	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Rental revenues, SEK m	655	615	2,491
Net operating income, SEK m	376	353	1,544
Profit for the period, SEK m	1,383	1,886	7,281
Market value, SEK m	58,729	48,829	56,560
Net operating margin, %	57.4	57.4	62.0
Loan-to-value ratio, %	47.7	50.3	47.2
Interest coverage ratio, multiple	3.4	3.0	3.4
Equity/asset ratio, %	41.5	38.3	40.4

Property value increased by

+1,2%

Q1 2022

Net operating margin

57.4%

Q1 2022

Investments in properties

1,480

SEK million



Strong result

INCOME STATEMENT IN SUMMARY

SEK m	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Rental revenues	655	615	2,491
Property expenses	-279	-262	-947
Net operating income	376	353	1,544
Corporate administration expenses	-20	-22	-90
Change in value of properties	686	1,917	7,654
Operating profit	1,042	2,248	9,108
Interest income and expenses	-92	-98	-388
Change in value of financial instruments and other items	822	263	507
Profit before tax	1,772	2,413	9,227
Profit for the period	1,383	1,886	7,281

- Rental revenues +6.5%
- Net operating income +6.5%
- Property expenses higher, mainly due to higher energy prices
- Value of properties +1.2% in Q1
- Interest amounted to -92 SEKm
- Financial instruments and other items +822 SEKm
- Lower profit for the period attributable to lower unrealised changes in the value of the properties

Stable finances

BALANCE SHEET IN SUMMARY

SEK m	31 Mar 2022	31 Mar 2021	31 Dec 2021
ASSETS			
Investment properties	58,729	48,829	56,560
Other non-current assets	1,276	768	1,166
Other current assets	228	263	252
Derivatives	621	29	59
Cash and cash equivalents	2,175	1,927	3,254
TOTAL ASSETS	63,029	51,816	61,291
EQUITY AND LIABILITIES			
Equity	26,142	19,865	24,759
Interest-bearing financial liabilities	30,164	26,509	29,937
Deferred tax liabilities	5,656	3,852	5,270
Derivatives	8	604	350
Other liabilities	1,059	986	975
TOTAL EQUITY AND LIABILITIES	63,029	51,816	61,291

- Properties 58,729 SEKm
- Cash 2,175 SEKm
- Equity 26,142 SEKm
- Financial liabilities 30,164 SEKm (net 27,989 SEKm)
- LTV 47.7%

FUNDING

Diversified funding

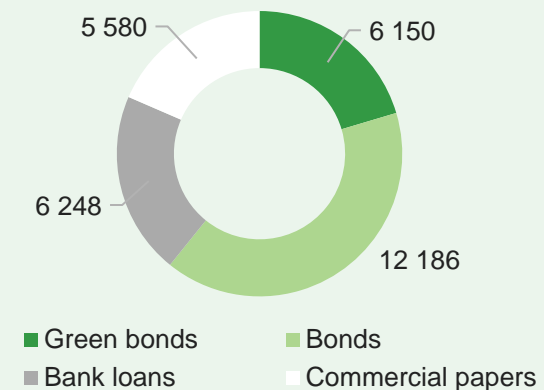
INTEREST & DEBT MATURITY

	Interest maturity SEK m	%	Debt maturity SEK m	%
Within 1 year	8,447	28.1	10,480	34.8
1-2 years	1,900	6.3	5,472	18.2
2-3 years	2,900	9.6	5,385	17.9
3-4 years	2,850	9.5	2,179	7.2
4-5 years	4,400	14.6	2,521	8.4
5-6 years	3,178	10.6	1,788	5.9
6-7 years	2,350	7.8	1,700	5.6
7-8 years	1,700	5.6	-	0.0
8-9 years	2,180	7.2	380	1.3
12-30 years	200	0.7	200	0.7
Total	30,105	100.0	30,105	100.0

Interest maturity 3.7 years
 Debt maturity 2.4 years
 Debt maturity, including RCFs 3.3 years

- Total debt 30,105 SEKm (net debt 27,930 SEKm)
- Interest rate 1.2%
- ICR 3.4
- RCFs from banks: 5,600 SEKm
- Undertaking from AP1: 8,000 SEKm (CP-program)
- S&P rating A-

FUNDING SOURCES

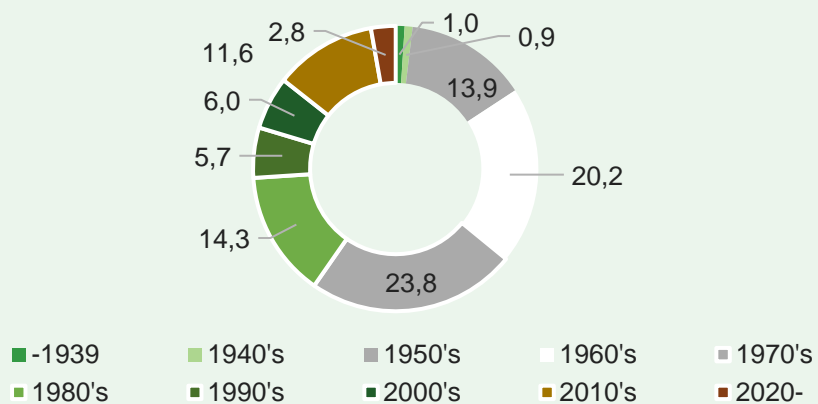


Property market

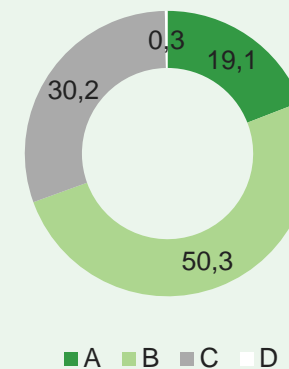
SEK m	2022 Jan-Mar	2021 Jan-Mar	2021 Jan-Dec
Market value at the beginning of the period	56,560	46,347	46,347
+ Acquisitions (incl. acquisitions costs)	1,067	185	1,039
+ Investments in existing properties	254	231	1,092
+ Investments in development projects	159	148	633
+ Unrealised changes in property value	689	1,918	7,653
- Divestments	-	-	-204
Market value at the end of the period	58,729	48,829	56,560

- Transaction volume, about 50 SEK bn
- Residentials, about one third of the transaction volume
- Yield compression, 1.2% value change
- Acquired eight properties in Gothenburg and Stockholm

PROPERTY VALUE PER DECADE, %



PROPERTY VALUE PER LOCATION, %



Investments in existing buildings

- **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: 1000 Willhemlyft per year



Focus on increased development projects

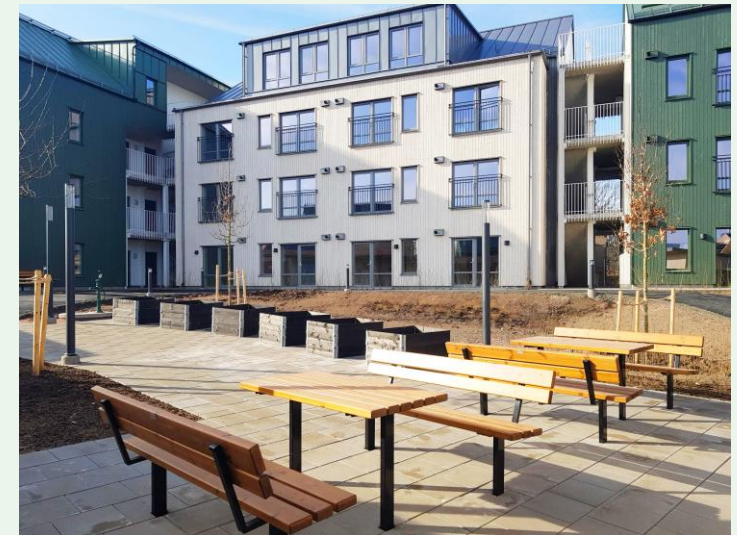
ONGOING DEVELOPMENTS PROJECTS

Property	Location	Type of project	No of apartments	Residential, sq m	Planned occupancy
Kronojägaren 2	Karstad	Extension	43	1,380	Q3 2022
Viksjö 2:595	Järfälla	Development projects	32	1,554	Q3 2022
Valsverket 5	Eskilstuna	Development projects*	337	14,604	Q2 2022-Q4 2023
Guldfisken 10	Linköping	Conversion	106	3,821	Q1 2023
Kolartorp 1:395	Haninge	Development projects*	157	4,255	Q2-Q4 2022
Kolartorp 1:394	Haninge	Development projects*	135	5,638	Q2-Q3 2023
Total ongoing			810	31,252	

COMPLETED DEVELOPMENT PROJECTS

Property	Location	Type of project	No of apartments	Residential, sq m	Completion
Vildkatten 3	Jönköping	Development projects	54	1,773	Q1 2022
Total completed			54	1,773	

* Acquired development projects



2022 will continue to be an interesting year



OUR VIEW ON THE MARKET

- The geopolitical situation is more unstable
- Increased interest rates will affect finance costs and probably the transactions market
- Increased prices and supply problems for materials
- Residential leasing market in Sweden looks very good, although new production apartments in some more peripheral locations might get harder to lease out

Long term objective

65%

Net operating margin



OUR FOCUS LOOKING FORWARD

Property Management

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

Development projects

We work hard to increase our volume of development projects, especially on land that we already own

Acquisitions

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

Q&A

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