

# PRESENTATION

## Year-End Report 2021

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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. 1,800,000 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

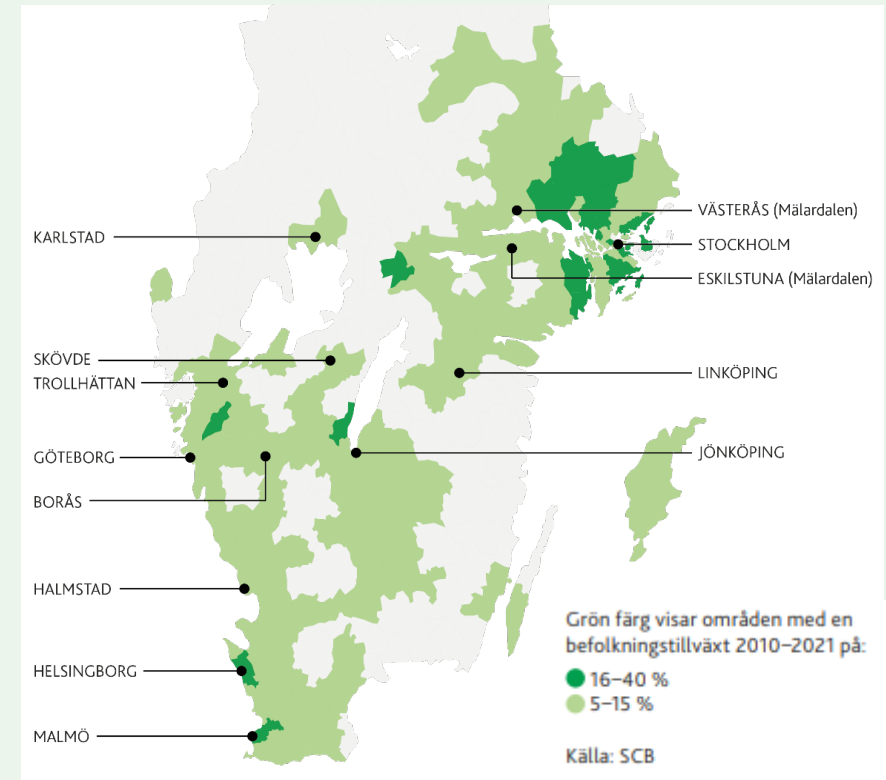
**56,6** SEK bn

60,6 SEK bn incl signed agreements

# units

**27,134**

29,339 units incl signed agreements



# Strong and solid profit

- Net operating income increased 3.8%
- Property value SEK 56,560 million
- 1,342 apartments in ongoing development projects
- Covid had only small impact
- Road map to reduce CO2 emission initiated

	2021 Jan-Dec	2020 Jan-Dec
Rental revenues, SEK m	2,491	2,374
Net operating income, SEK m	1,544	1,487
Profit for the period, SEK m	7,281	2,774
Market value, SEK m	56,560	46,347
Net operating margin, %	62.0	62.6
Loan-to-value ratio, %	47.2	51.7
Interest coverage ratio, multiple	3.4	3.2
Equity/asset ratio, %	40.4	35.8

Property value increased by  
**+15.6%**  
 2021

Net operating margin  
**62.0%**  
 2021

Investments in properties  
**2,764**  
 SEK million

# Strong result

## INCOME STATEMENT IN SUMMARY

SEK m	2021 Jan-Dec	2020 Jan-Dec
Rental revenues	2,491	2,374
Property expenses	-947	-887
<b>Net operating income</b>	<b>1,544</b>	<b>1,487</b>
Change in value of properties	7,654	2,677
<b>Operating profit</b>	<b>9,108</b>	<b>4,082</b>
Interest income and expenses	-388	-400
Change in value of financial instruments and other items	507	-229
<b>Profit before tax</b>	<b>9,227</b>	<b>3,453</b>
<b>Profit for the period</b>	<b>7,281</b>	<b>2,774</b>

- Rental revenues +4.9%
- Net operating income +3.8%
- Property expenses higher, due to colder climate and energy prices
- Value of properties +15.6% mainly due to yield compression
- Interest amounted to -388 SEKm
- Financial instruments and other items +507 SEKm
- Best result in Willhem's history

# Stable finances

## BALANCE SHEET IN SUMMARY

SEK m	31 Dec 2021	31 Dec 2020
<b>ASSETS</b>		
Investment properties	56,560	46,347
Other non-current assets	1,214	496
Other current assets	263	290
Cash and cash equivalents	3,254	3,113
<b>TOTAL ASSETS</b>	<b>61,291</b>	<b>50,246</b>
<b>EQUITY AND LIABILITIES</b>		
Equity	24,759	17,979
Interest-bearing financial liabilities	29,937	27,206
Deferred tax liabilities	5,270	3,325
Derivatives	350	969
Other liabilities	975	914
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>61,291</b>	<b>50,246</b>

- Properties 56,560 SEKm
- Cash 3,254 SEKm
- Equity 24,759 SEKm
- Financial liabilities 29,937 SEKm (net 26,683 SEKm)
- LTV 47.2%

## FUNDING

# Diversified funding

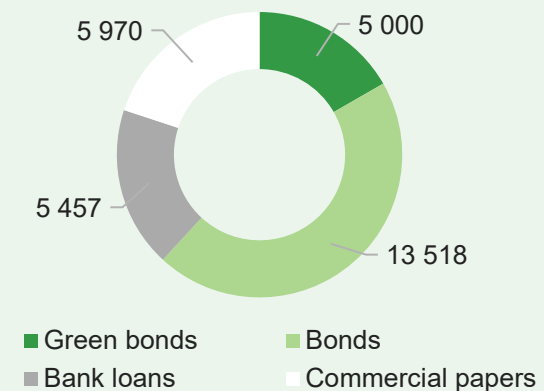
### INTEREST & DEBT MATURITY

	Interest maturity SEK m	%	Debt maturity SEK m	%
Within 1 year	7,287	24.3	11,449	38.2
1-2 years	2,650	8.8	4,300	14.4
2-3 years	2,200	7.3	4,679	15.6
3-4 years	3,800	12.7	4,078	13.6
4-5 years	4,000	13.4	2,171	7.2
5-6 years	3,578	11.9	1,788	6.0
6-7 years	2,350	7.8	900	3.0
7-8 years	400	1.3	-	0.0
8-9 years	2,600	8.7	-	0.0
9-10 years	880	2.9	380	1.3
11-30 years	200	0.7	200	0.7
<b>Total</b>	<b>29,945</b>	<b>100.0</b>	<b>29,945</b>	<b>100.0</b>

Interest maturity 3.9 years  
 Debt maturity 2.3 years  
 Debt maturity, including RCFs 3.4 years

- Total debt 29,945 SEKm (net debt 26,691 SEKm)
- Interest rate 1.22%
- ICR 3.4
- RCFs from banks: 5,600 SEKm
- Undertaking from AP1: 8,000 SEKm (CP-program)
- S&P rating A-

### FUNDING SOURCES



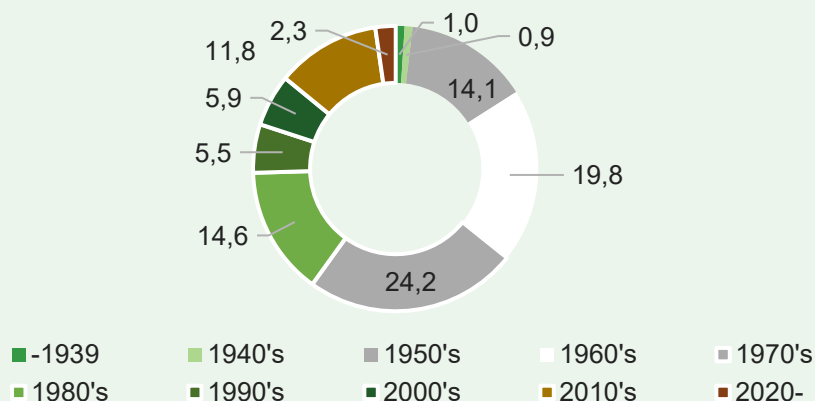


# Strong property market

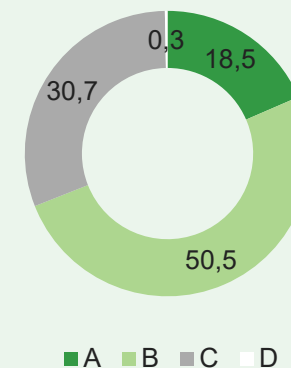
SEK m	2021 Jan-Dec	2020 Jan-Dec
Market value at the beginning of the period	46,347	40,075
+ Acquisitions (incl. acquisitions costs)	1,039	2,405
+ Investments in existing properties	1,092	1,126
+ Investments in development projects	633	271
+ Unrealised changes in property value	7,653	2,639
- Divestments	-204	-169
<b>Market value at the end of the period</b>	<b>56,560</b>	<b>46,347</b>

- All-time high transaction volume, close to 400 SEK bn
- Residential, 35% of the transaction volume
- Yield compression, 15.6% value change
- Acquired six properties in Stockholm, Malmö and Halmstad and a building right in Göteborg.
- Sold two properties outside Helsingborg and one in Borås.
- Signed agreements of additional 4,066 SEKm properties

PROPERTY VALUE PER DECADE, %



PROPERTY VALUE PER LOCATION, %





# Focus on increased development projects

## ONGOING DEVELOPMENTS PROJECTS

Property	Location	Type of project	No of apartments	Residential, sq m	Planned occupancy
Vildkatten 3	Jönköping	Development projects	54	1,773	Q1 2022
Kronojägaren 2	Karstad	Extension	43	1,380	Q3 2022
Viksjö 2:595	Järfälla	Development projects	32	1,554	Q2 2022
Valsverket 5	Eskilstuna	Development projects*	337	14,604	Q2-Q3 2022
Guldfisken 10	Linköping	Conversion	117	4,168	Q4 2022
Kolartorp 1:395	Haninge	Development projects*	157	4,255	Q2-Q4 2022
Kolartorp 1:394	Haninge	Development projects*	135	5,638	Q2-Q3 2023
<b>Total ongoing</b>			<b>875</b>	<b>33,372</b>	

## COMPLETED DEVELOPMENT PROJECTS

Property	Location	Type of project	No of apartments	Residential, sq m	Completion
Haga 10	Malmö	Development projects	22	1,444	Q3 2021
Topasen 5	Täby	Development projects*	178	8,702	Q4 2021
<b>Total completed</b>			<b>200</b>	<b>10,146</b>	

\* Acquired development projects

Fastigheten Haga 10 i Malmö.



# We look forward to an interesting 2022



## OUR VIEW ON THE MARKET

- The geopolitical situation is a little bit more unstable
- We will probably get some interest rate hikes from Federal Reserve.
- Residential leasing market in Sweden looks very good, although new production apartments in some more peripheral locations might get harder to lease out.
- Residential transactions market will continue to be competitive, with prices remaining high.

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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