

Q1

## Strong first quarter

## January-March

- Rent revenue for the period amounted to SEK 50.5 million (45.1)
- Net operating income amounted to SEK 41.4 million (37.2)
- Income from property management amounted to SEK 20.3 million (19.3)
- Earnings per share amounted to SEK 2.68 (0.69).
- Long-term net asset value per share amounted to SEK 44.4 (37.4).
- Investments in existing properties amounted to SEK 4.6 million (22.5)
- The fair value of investment properties amounted to SEK 4,160.3 million (3,406.1).

Valuations of investment properties yielded an increase in fair value of SEK 142.6 million (29.6)

Net operating income  
Jan- Mar 2022

SEK **41.4** million

Property value  
31 March 2022

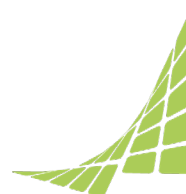
SEK **4,160** million

Economic occupancy rate  
31 March 2022

**95%**

## Summary of the Group's performance

Mkr	jan-mar		helår
	2022	2021	2021
Hysesintäkter	50,5	45,1	187,8
Driftnetto	41,4	37,2	155,8
Förvaltningsresultat	20,3	19,3	86,2
Förvaltningsresultat exkl. jämförelsestörande poster	20,3	19,3	86,2
Förvaltningsresultat exkl. jämförelsestörande poster per aktie, kr	0,34	0,33	1,46
Periodens resultat	158,3	40,8	209,7
Periodens resultat per aktie, kr	2,68	0,69	3,56
Nettobelåningsgrad, %	36,5	33,2	38,3
Soliditet, %	53,9	54,4	53,9
Räntetäckningsgrad, ggr	2,7	2,6	3,0
Räntetäckningsgrad exkl. jämförelsestörande poster, ggr	2,7	2,6	3,0
Ekonomisk uthyrningsgrad, %	95,1	94,9	93,0
Avkastning på eget kapital, %	6,5	1,9	9,2
Överskottsgrad, %	81,9	82,4	83,0



Annehem

# CEO's comments

## The world is not what it was three months ago

When we thought that the worst, in the form of the impact of the pandemic on our society, was over the political security landscape was radically redrawn. Russia's invasion in Ukraine has created waves of refugees and human suffering. The sanctions imposed have pushed up the prices of energy, materials and food, among other commodities, increasing inflation to levels we have not experienced for 30 years. One consequence of this is a rapid rise in long-term interest rates. The long bond yield has increased by approximately 150 base points since during the year. Annehem extended its interest rate hedging for a large share of its borrowing in December 2021 and now has fixed-interest period of 3.2 years.

Despite developments, the activity in the transaction market remains high, which entails that the return requirements for the type of properties that Annehem owns have declined somewhat compared with the preceding quarter.

## Our foundation remains stable

We are seeing a continued high demand for modern, flexible and environmentally compatible offices. The office is a meeting place where a sense of collectiveness is established and where people develop by sharing experiences. Well-being and security are placed at the centre and the importance of shared spaces for creative meetings is increasing.

## Strong financial position

On 31 March, we had cash of SEK 290.0 million and an unutilised credit framework of SEK 345.0 million, totalling SEK 635.0 million. We have signed agreements for the acquisition of a fully rented logistics property in Södertälje, and two housing projects, of which one in Malmö and one in Gothenburg, entailing a total investment of SEK 481.5 million. The current credit agreement gives a total acquisition capacity of approximately SEK 1.6 billion.

## Imminent challenges

Globalisation and the uncertain situation in world, which we find ourselves, which is resulting in the availability of a number of essential construction commodities, which leads to increased prices and longer delivery times. This affects tenant-specific modifications and projects related to new production. Overall, this means that we see that the potential for in general lower return requirements has reduced.

However, a high inflation entails that we will to a great extent be compensated through the indexation that applies to the vast majority of our leases.

## Positive trend in the first quarter

Quarters one and four are usually charged with higher operating costs related to low temperatures and snow. Despite the higher electricity prices, net operating income was in line with the first quarter of 2021. The economic occupancy rate was 95.1 percent at the end of the first quarter compared with 93.0 percent in the fourth quarter. The real estate value as per March 31<sup>st</sup> 2022 amounted to SEK 4,160.3 million, out of which 142.6 millions in value increase, the equivalent of 3.6 percent, driven primarily by lower return requirements and a higher net letting.

## Value-generating sustainability work

Annehem has initiated an external analysis of the Company's sustainability work with the help of CICERO Shades of Green. The outcome of the analysis was deemed to be very positive, entailing that Annehem will apply to Nasdaq for Designation Green Equity, a so-called green share. The assessment analyses, for example, how much of the Company's rent revenue derives from environmentally certified properties with the right energy classification A och B, according to the EU taxonomy's guidelines. The evaluation also assesses how much of the investments made are green. In summary, 73 percent (61) of the rental value, and 86 percent (79) of the fair value of properties, was green according to CICERO Shades of Green 2021.

Klippers municipality has as per March 23<sup>rd</sup> informed Migrationsverket, via Länsstyrelsen, that Annehems Park in Ljunghed has the capacity to offer 180 places for immigrants.

**Jörgen Lundgren**  
CEO



**Jörgen Lundgren, CEO**

# This is Annehem Fastigheter

## Business concept

Annehem Fastigheter owns and manages high-quality commercial, community service and residential properties located near good transport links. The properties are located in growth areas in the Nordics and possess a clear environmental profile. Annehem Fastigheter builds lasting relationships and value through management close to customers.

## Vision

Annehem Fastigheter is to always be the number one choice for customers and employees wherever we choose to operate.

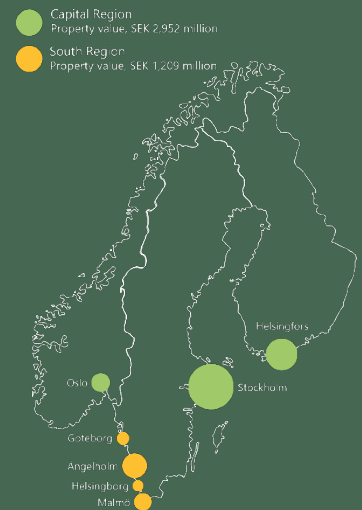
## Mission

Annehem Fastigheter creates attractive and sustainable meeting places and homes. We believe that workplaces, meeting places and homes are tools for nurturing growth and attractiveness. The positive development of our customers in turn creates growth and attractiveness in the cities in which we operate.

## Property portfolio

Annehem Fastigheter's current property portfolio has the following geographic range:

- Capital Region: Stockholm, Helsinki and Oslo
- South Region: Malmö, Ljungbyhed, Ängelholm, Gothenburg and Helsingborg



Sadelplatsen 4 in Solna

# Comments on the Group's performance

## Income statement

### First quarter

Rent revenue amounted to SEK 50.5 million (45.1), other property income amounted to SEK 10.4 million (9.6), and total property expenses to SEK 19.5 million (17.5), which means that net operating income increased to SEK 41.4 million (37.2). The positive trend for rent revenue was mainly attributable to the additional properties compared with the year-earlier period.

Other property income amounted to SEK 10.4 million (9.6) and comprised invoiced operating costs, income from short leases and from the rental guarantees issued (by Peab) for the properties Stenekullen 2, Ultimes I&II and Jupiter 11, which amounted to SEK 2.0 million for the quarter. Rental guarantees were issued for 100 percent of the vacant spaces in Stenekullen 2 (from 1 March 2020) and Ultimes I & II (from 1 July 2020) and Jupiter 11 (from 1 May 2021) by Peab. These guarantees are valid until the vacant spaces are let, but not longer than for 36 months from the issuing date.

Income from property management amounted to SEK 20.3 million (19.3) in the quarter. Interest expenses amounted to SEK 11.9 million (12.0), which is in line with the year-earlier period. Other financial items amounted to SEK -0.5 million (1.7) and mainly comprised currency effects of SEK 5.5 million (9.2) and changes in value of currency futures of SEK -6.0 million (-7.5).

The effects of unrealised changes in value of properties amounted to SEK 142.6 million (29.6). The effects of changes in value of fixed-interest derivatives amounted to SEK 35.5 million (0.0).

Tax expense for the period amounted to SEK 40.1 million (7.8). Tax expense is due primarily to deferred tax on the growth in value of the property portfolio and the fair value measurement of fixed-interest derivatives.

Income for the period amounted to SEK 158.3 million (40.8).

### Balance sheet

The value of the Company's investment properties amounted to SEK 4,160.3 million (3,406.1) on 31 March 2022. Of the total value, SEK 2.0 million comprised the effect of lease value of leasehold rights in the Kamaxeln 2 property.

The fair value of properties is based on internal valuations conducted on 31 March 2022. During the quarter, Annehem Fastigheter also invested in existing properties with a value amounting to SEK 4.6 million (22.5) at 31 March 2022. The value of the properties in Finland and Norway at 31 March 2022 was positively impacted by the stronger EUR/SEK rate compared with 31 December 2021, yielding a total effect of SEK 19.0 million.

The Company's equity amounted to SEK 2,437.1 million (2,106,6).

Interest-bearing liabilities totalled SEK 1,808.6 million (1,569,7), of which SEK 2.0 million comprised lease liability attributable to rent for leasehold sites. During the quarter, Annehem Fastigheter utilised a further SEK 75.0 million of the loan facility that the Group secured in December 2020, amounting to a total of SEK 1,912.0 million, distributed between SEK, NOK and EUR. At 31 March 2022, SEK 345.0 million remained unutilised.

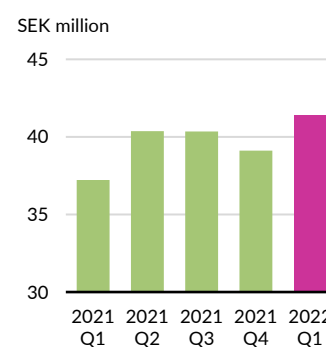
### Cash flow statement

Cash flow from operating activities amounted to SEK 31.3 million (11.9) during the quarter. The change was mainly attributable to higher income from property management, and higher operating receivables and higher operating liabilities.

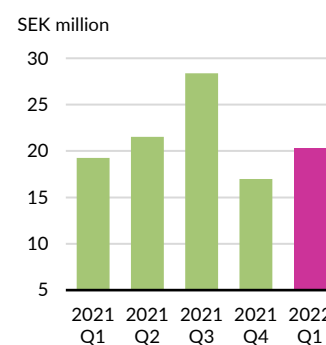
Cash flow from investing activities for the quarter amounted to SEK -5.9 million (-22.5), with the majority pertaining to additional investments for the completion of Ledvolten, which was acquired in December 2021.

Cash flow from financing activities amounted to SEK 75.0 million (-), derived from drawing on the existing credit facility.

### Net operating income per quarter



### Income from property management per quarter excl. items affecting comparability



Cash flow for the quarter amounted to SEK 100.4 million (-10.6).

## Our properties

Annhem Fastigheter owned assets in the form of fully developed properties on 31 March 2022 at a fair value of SEK 4,160.3 million. All properties are 100-percent owned by the Company. The properties largely comprise modern, flexible and environmentally compatible commercial, community service and residential properties.

As of March 2022, net letting amounted to SEK 5.3 million (9.0), distributed among newly signed leases amounting to SEK 7.2 million (11.3) less terminated leases amounting to SEK 1.9 million (2.3).

### Detailed description of property portfolio

#### Changes to the portfolio compared with the first quarter of 2021

Additional properties, names	City	From	Area, sqm	Annualised rental	
				value, SEK million	Fair value incl leasing, SEK million
Ledvolten	Stockholm	2021-12-07	4,268	12.9	329.1
Jupiter 11	Helsingborg	2021-05-01	4,807	8.4	135.0
		<b>Total</b>	<b>9,075</b>	<b>21.3</b>	<b>464.1</b>

#### Property portfolio at 31 March 2022

Property	Property name	City	Area, sqm	Rent-revenue SEK million	Annualised rental value, SEK million	Fair value incl leasing <sup>1</sup> , SEK million
Valhall Park, Ängelholm	Barkåkra 50:3	Ängelholm	51,564	35.7	37.3	419.0
Ljungbyhed Park	Sjöleden 1:5-1:17	Ljungbyhed	73,234	28.0	33.7	196.0
Kamaxeln	Kamaxeln 2	Malmö	950	1.4	1.4	18.6
Peab Center Malmö	Stenekullen 2	Malmö	4,937	14.0	14.0	244.1
Peab Center Helsingborg	Jupiter 11	Helsingborg	4,807	8.4	8.4	135.0
Peab Center Solna	Sadelplatsen 3	Stockholm	12,455	38.5	38.5	1,006.0
Sadelplatsen 4	Sadelplatsen 4 <sup>2</sup>	Stockholm	13,494	14.1	17.5	367.0
Ledvolten	Ledvolten	Stockholm	4,268	12.9	12.9	329.1
Partille Port	Partille 11:60	Partille	6,431	12.8	13.2	196.0
Ulimes I&II inkl Parking	Ulimes	Helsingfors	17,015	62.4	62.4	919.0
Carl Berner Torg	Carl Berner Torg	Oslo	3,640	14.2	14.2	330.5
		<b>Total</b>	<b>192,795</b>	<b>242.5</b>	<b>253.6</b>	<b>4,160.3</b>

1) Leasing refers to site leasehold rights amounting to SEK 2 million to Kamaxeln.

2) The property largely comprises a garage (475 spaces) and, in addition, office premises of 2,994 sqm.

#### Summary of value trend

Changes in the property portfolio SEK million	Jan-Mar		Full year
	2022	2021	2021
At beginning of the period	3,994.1	3,317.5	3,317.5
Acquired properties	-	-	410.9
Investments in existing properties	4.6	22.5	52.5
Unrealised changes in fair value	142.6	29.6	172.9
Currency effect on properties abroad	19.0	36.4	40.3
At end of the period	4,160.3	3,406.1	3,994.1

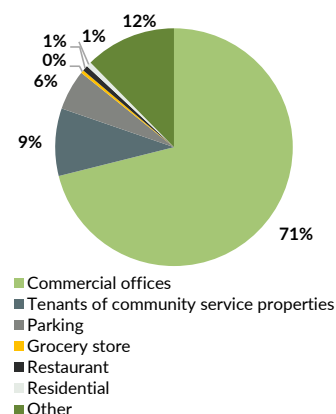
#### Acquisitions and investments

During 2022, investments were made in existing properties totalling SEK 4.6 million, with the investments primarily related to the Ledvolten property.

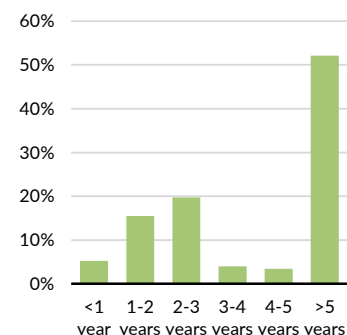
#### Acquired but not taken into possession

In 2020 and 2021, Annhem Fastigheter signed agreements with Peab to acquire properties when completed.

#### Specification of income 2022



#### Summary of lease terms (percentage of rental value for each year)



In addition, Annehem signed an agreement with Peab in 2020 for the acquisition of residential properties at an underlying property value of SEK 385.0 million, with possession to be taken in 2022/23 and 2024, respectively. In May 2021, Annehem entered an agreement for the acquisition of a logistics property in Södertälje at an underlying property value amounting to SEK 96.5 million, with planned takeover on 1 May 2022.

### Property valuation

At least once every year Annehem commissions complete valuations from external appraisal institutes for all properties in the portfolio. The appraisers who conduct the external fair-value calculations of the properties in Annehem's portfolio are to be a property appraiser authorised by Samhällsbyggarna, or similar Nordic association. The external valuations are to be conducted in accordance with guidelines from IPD Svenskt Fastighetsindex.

The fair value of properties is based on internal valuations on 31 March 2022. At 31 August, external valuations were conducted by independent appraisers. During the year, fair value increased by SEK 142.6 million, primarily due to lower return requirements. During the year, Annehem Fastigheter also invested in existing properties with a value amounting to SEK 4.6 million at 31 March 2022. Investments are primarily attributable to the completion of the Ledvolten property, which was acquired in December 2021. The properties are measured at fair value where classification is conducted at level 3 in accordance with IFRS 13.

Neither the war in Ukraine nor the coronavirus pandemic has led to any loss of revenue by Annehem Fastigheter to date in 2022.

### Current earnings capacity

Earnings capacity, SEK million	2021-12-31
Adjusted rent revenue	253.6
Vacancy	-11.0
<b>Rent revenue</b>	<b>242.5</b>
Property expenses	-67.4
Property tax	-10.6
<b>Net operating income</b>	<b>164.5</b>
Other operating income	4.4
Central administration	-38.3
Net financial items	-48.0
<b>Income from property management</b>	<b>82.6</b>

Annehem Fastigheter presents its earnings capacity on a 12-month basis on 31 March 2022 in the table above. The earnings capacity is not a forecast for the current year or the next 12 months but should only be viewed as a theoretical snapshot and is solely presented as an illustration. The current earnings capacity does not include an assessment of the future trends for rents, vacancy rates, property expenses, interest rates, changes in value, purchases or sales of properties or other factors.

The current earnings capacity is based on the properties owned on 31 March 2022 and their financing, after which the current earnings capacity illustrates the subsequent annualised earnings for Annehem Fastigheter. Transactions that took place after 31 December are therefore not included in the calculation.

Annehem Fastigheter's income statement is also affected by the value growth in the property portfolio and future property acquisitions and/or property sales. None of the above were taken into account in the current earnings capacity.

The earnings capacity is based on the property portfolio's contracted rent revenue, current property expenses and administration costs. Costs for interest-bearing liabilities used the Group's average interest-rate level.

### Comments on earnings capacity

The rental value, compared with the previous quarter, has risen as a result of renegotiations and also taking into account rental guarantees for a number of properties during the period. Rental guarantees were issued for vacant spaces in the properties Stenekullen 2 (from 1 March 2020), Ultimes I&II (from 1 July 2020) and Jupiter 11 (from 1 May 2021) by Peab, and apply for 36 months from the date of acquisition. If the vacancies are leased to other tenants, the guarantees are not paid. At the end of March 2022, the economic occupancy rate was 95.1 percent.

# Financing

## Description of the financing situation

On 31 March 2022, Annehem Fastigheter had interest-bearing liabilities of SEK 1,808.6 million, yielding a loan-to-value ratio of 36.5 percent. The interest-bearing liabilities on 31 March 2022 comprised external loans amounting to SEK 1,808.6 million and lease liabilities, pertaining to leaseholds, amounting to SEK 2 million.

## Change in loan structure during the period

SEK million	Jan-Mar		Full year
	2022	2021	2021
<b>Interest-bearing liabilities at beginning of the period</b>	<b>1 721.3</b>	<b>1 546.9</b>	<b>1 546.9</b>
New external bank loans	75.0	-	234.0
Change in lease liability <sup>2</sup>	-0.1	-	-87.9
Changes in capitalised loan costs	1.1	1.0	3.4
Currency effects	11.2	21.8	24.9
<b>Interest-bearing liabilities at end of the period</b>	<b>1 808.6</b>	<b>1 569.7</b>	<b>1 721.3</b>

1) Pertains to the redemption of lease liabilities in 2021 when exercising a call option in a ground lease agreement, attributable to Ultime's properties.

## Key figures relating to loan portfolio

	Jan-Mar		Full year
	2022	2021	2021
Debt / equity ratio, multiple	0.7	0.7	0.7
Average interest rate, %	2.2	2.2	2.2

## Available liquidity

SEK million	Jan-Mar		Full year
	2022	2021	2021
Cash and cash equivalents	290.0	439.4	190.2
Unused loan facility	345.0	420.0	420.0
<b>Total</b>	<b>635.0</b>	<b>859.4</b>	<b>610.2</b>

## Fixed-interest and loan maturity structure

Year	Capital <sup>2</sup>	Interest	Share, %
within a year	-	46.4	2%
1-2 years	1 806.4	46.4	97%
2-3 years	-	0.6	0%
3-4 years	-	0.6	0%
more than 4 years <sup>1</sup>	2.0	0.6	0%
<b>Total at the end of the period</b>	<b>1 806.6</b>	<b>94.5</b>	<b>100%</b>

1) Pertains to lease liability for leasehold rights that are regarded as perpetual.

2) The capital amount pertains to undiscounted values. The balance sheet includes borrowing fees in interest-bearing liabilities.

## Fixed-interest and loan maturity structure

Year	Fixed interest-rates		Capital <sup>1</sup>	
	SEK million	Share, %	SEK million	Share, %
within a year	75.0	5%	-	-
1-2 years	1,050.0	58%	1,806.6	100%
2-3 years	-	-	-	-
3-4 years	-	-	-	-
more than 4 years	683.6	38%	2.0	0%
<b>Total at the end of the period</b>	<b>1,808.6</b>	<b>100%</b>	<b>1,808.6</b>	<b>100%</b>

1) The capital amount pertains to undiscounted values. The balance sheet includes borrowing fees in interest-bearing liabilities.

## Sensitivity analysis

The average interest for the first quarter of 2022, based on a weighted average of interest-bearing liabilities on 1 January and 31 March, respectively, amounted to 2.2 percent. The effect of changes in average interest rates on profit is presented in the table below:

Change, %-points		SEK million
+/- 0,5%	+/-	9.0
+/- 1,0%	+/-	18.1
+/- 1,5%	+/-	27.1

# Sustainability

For the second year, Annehem has initiated an external analysis of the Company's sustainability work with the help of CICERO Shades of Green. The outcome of the analysis was deemed to be very positive, entailing that Annehem will apply to Nasdaq to become a so-called green share. The assessment analyses how much of the Company's rent revenue derives from environmentally certified properties with the right energy classification according to the EU taxonomy's guidelines. The evaluation also assesses how much of the investments made are green. This is an important step for the Company. In summary, 73 percent (61) of the rental value, and 86 percent (79) of the fair value of properties, was green according to CICERO Shades of Green 2021.

This is a good start, but based on Annehem's efforts in 2021 and what we will do in 2022, Annehem foresees the potential for further improvements related to our share of green income and investments. Annehem's property portfolio, which largely comprises modern, newly built office properties in expansive cities, provides the Group with favourable conditions to meet the demands made regarding green rent revenue.

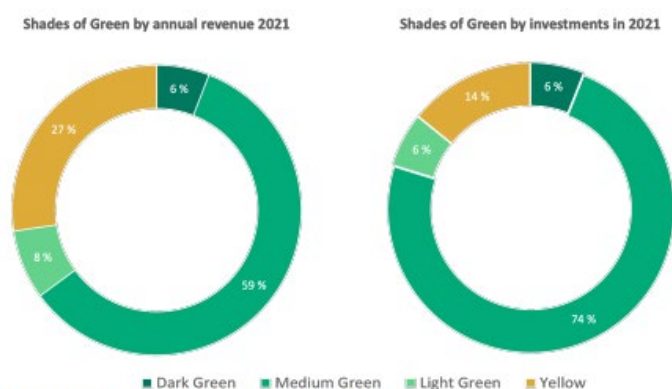


Figure 1 Annehem's 2021 revenue and investments by Shades of Green.

Annehem's sustainability work, which is focused on work processes, property management and property transactions, was further formalised in 2021 by setting goals and ensuring follow-up. Based on the 2021 outcome, Annehem has the goal of reducing its energy consumption by at least 9.0 percent by 2024. Moreover, Annehem has a goal for 90.0 percent of its property value to be sustainable by 2024 in accordance with the EU taxonomy regulation and to reduce carbon emissions by 30.0 percent by 2024<sup>1</sup>. An important focus area in sustainability for Annehem includes work environment, health and social issues, where work is conducted on the basis of the UN Sustainable Development Goals. The sustainability goals will be followed up and reported to the market annually.

Annehem works according to a sustainability strategy, which among other aspects, includes proactive efforts by Annehem Fastigheter to secure certification for its properties. To date, the Sadelplatsen 3 property in Solna is certified according to BREEAM Good, Carl Berner Torg, Oslo, and Ledvolten 1 are certified according to BREEAM Very Good, and Stenekullen 2, Malmö, and Jupiter 11 are certified in accordance with Swedish Green Building Council Silver. In Helsinki, Ultimes I&I are certified according to LEED Platinum. Partille Port 11:60 and Sadelplatsen 4 are certified in accordance with Breeam In Use Very Good. In addition, during the second quarter of 2021, Annehem signed and agreement for the

<sup>1</sup> Refers to Scope 2, according to the EU Taxonomy.



acquisition of a logistics property in Södertälje. The property is being built for Postnord, which has signed a ten-year lease. Environmental certification will take place in accordance with Swedish Green Building Council Silver with energy classification B. This acquisition also includes a development right in this expansive logistics area.

## Other information

### The Company's shareholders

Shareholders	Numbers of shares	Capital, %	Votes, %
Ekhaga Utveckling AB	12 394 067	21.0	48.4
Familjen Paulsson	2 394 105	4.1	7.7
Volito AB	4 800 000	8.1	6.2
Peabs Vinstandelsstiftelse	2 403 800	4.1	2.0
Carnegie Spin-off	1 750 000	2.9	1.4
UBS Switzerland AG, W8MY	259 769	2.9	1.4
Familjen Kamprads Stiftelse	1 720 000	2.3	1.1
Handelsbanken Microcap Norden	1 346 969	1.9	0.9
SEB Fastighetsfond Norden	1 128 246	0.4	0.9
Fredrik Paulsson	240 151	0.2	0.8
<b>10 largest share owners, sum</b>	<b>28 437 107</b>	<b>47.9</b>	<b>70.8</b>
Övriga aktieägare	30 555 441	52.1	29.2
<b>Totalt</b>	<b>58 992 548</b>	<b>100.0</b>	<b>100.0</b>

### Impacts of the coronavirus pandemic

The impact of the coronavirus pandemic has globally been huge. It remains difficult to assess when we will return to a fully stable situation, since the spread of infection is ongoing and new virus variants are appearing. The level of vaccination varies strongly between continents and between countries in Europe. The fact that people are now starting to return to work has also led to a discussion as to how the division between working from home and at the office will be in the future. For Annehem, this means that companies could seek more flexible contract solutions and that leasing efforts could thus take longer and be at lower rent levels than earlier. This could influence the value of our properties. For a more detailed description of Annehem's risks, refer to the Risks section on page 19, and the Risks and risk management section of Annehem's 2021 Annual Report.

The repercussions of the coronavirus pandemic on Annehem Fastigheter in 2022 have not resulted in any loss of revenue to date.

### Organisation and employees

Annehem Fastigheter had an average of 18 full-time employees in the first quarter of 2022. Including resources working on a consultative basis, the number of employees amounts to 20. Annehem Fastigheter had 16 employees and four resources on consulting basis during the 2021 comparative period.

### Significant events after the end of the period

There were no significant events after the end of the period.

## Review

This report has not been reviewed by the Company's auditors.

## Financial calendar

2022 Annual General Meeting	19 May 2022 -Ängelholm
Half-year report January-June 2022	20 July 2022
Interim report January-September 2022	27 October 2022

## Assurance of the CEO

The CEO gives assurance that the interim report provides a true and fair overview of the development of the Parent Company's and the Group's operations, their financial position and performance, and describes material risks and uncertainties facing the Parent Company and other companies in the Group.

Ängelholm, 27 April 2022

Jörgen Lundgren  
CEO

*This information is information that Annehem Fastigheter AB (publ) is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out below, on 28 April 2022 at 8:00 a.m. CEST.*

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## Consolidated income statement

SEK million	Jan-Mar		Full year
	2022	2021	2021
Rent revenue	50.5	45.1	187.8
Other property income	10.4	9.6	39.1
<b>Total income</b>	<b>60.9</b>	<b>54.7</b>	<b>226.9</b>
<i>Property expenses</i>			
Operating costs <sup>1</sup>	-12.5	-9.9	-37.5
Maintenance costs	-0.8	-2.0	-9.2
Property tax	-2.6	-2.4	-9.6
Property administration <sup>1</sup>	-3.6	-3.2	-14.8
<b>Net operating income</b>	<b>41.4</b>	<b>37.2</b>	<b>155.8</b>
Central administration <sup>1</sup>	-8.4	-7.3	-30.4
Other operating income	0.6	1.9	9.9
Other operating costs	-0.9	-2.3	-4.9
Interest expenses	-11.9	-12.0	-44.1
Other financial items <sup>2</sup>	-0.5	1.7	0.0
<b>Income from property management</b>	<b>20.3</b>	<b>19.3</b>	<b>86.2</b>
Changes in values of properties, unrealised	142.6	29.6	172.9
Changes in values of derivatives	35.5	0.0	3.0
<b>Income before tax for the period</b>	<b>198.4</b>	<b>48.9</b>	<b>262.1</b>
Current tax	-	-0.2	0.2
Deferred tax	-40.1	-7.8	-52.6
<b>Net income for the period attributable to the company shareholders</b>	<b>158.3</b>	<b>40.8</b>	<b>209.7</b>
<b>Average numbers of shares, before and after dilution</b>	<b>58,992,548</b>	<b>58,992,548</b>	<b>58,992,548</b>
<b>Earnings per share, before and after dilution, SEK</b>	<b>2.68</b>	<b>0.69</b>	<b>3.56</b>

1) Other financial expenses comprise primarily non-recurring currency effects and realised and unrealised effects of currency future.

## Consolidated statement of profit or loss and other comprehensive income

SEK million	Jan-Mar		Full year
	2022	2021	2021
<b>Profit for the period</b>	<b>158.3</b>	<b>40.8</b>	<b>209.7</b>
<b>Other comprehensive income</b>			
<i>Items that will be reclassified to profit or loss</i>			
Change in market value of derivative instruments	-0.2	1.1	1.5
Fiscal effect on derivative instruments	0.0	-0.2	-0.3
Translation differences from foreign operations for the period	3.2	7.0	7.1
<b>Total other comprehensive income</b>	<b>3.0</b>	<b>7.9</b>	<b>8.3</b>
<b>Comprehensive income for the period attr. to parent company shareholders</b>	<b>161.3</b>	<b>48.7</b>	<b>218.0</b>

## Consolidated balance sheet

SEK million	2021-12-31	2021-03-31	2021-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	0.1	0.1	0.1
Investment properties	4,160.3	3,406.1	3,994.1
Equipment and machinery	4.2	4.1	4.2
Derivative instrument	47.2	-	0.7
Other fixed assets	0.9	0.5	0.8
<b>Total fixed assets</b>	<b>4,212.7</b>	<b>3,410.9</b>	<b>3,999.8</b>
<b>Current assets</b>			
Accounts receivables	4.6	4.0	3.1
Current receivables	17.4	17.1	24.4
Derivative instruments	-	1.3	5.6
Cash and cash equivalents	290.0	439.4	190.2
<b>Total current assets</b>	<b>312.0</b>	<b>461.8</b>	<b>223.3</b>
<b>TOTAL ASSETS</b>	<b>4,524.7</b>	<b>3,872.6</b>	<b>4,223.1</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	0.5	0.5	0.5
Other contributed capital	1,786.9	1,786.9	1,786.9
Reserves	5.4	4.5	5.0
Retained earnings including net income for the year	644.3	314.6	483.5
<b>Equity attributable to parent company shareholders</b>	<b>2,437.1</b>	<b>2,106.6</b>	<b>2,275.9</b>
<b>Non-current liabilities</b>			
Current interest-bearing liabilities	1,808.6	1,569.7	1,721.3
Derivative instruments	6.7	-	1.4
Other non-current liabilities	3.1	1.6	3.1
Deferred tax liabilities	179.5	98.4	139.1
Provisions for pensions	1.1	2.4	1.0
<b>Total non-current liabilities</b>	<b>1,998.9</b>	<b>1,672.2</b>	<b>1,865.9</b>
<b>Current liabilities</b>			
Derivative instruments	0.0	0.2	1.7
Accounts payable and other liabilities	6.4	9.6	11.9
Current tax liabilities	0.0	15.6	4.0
Other current liabilities	82.2	68.5	63.6
<b>Total current liabilities</b>	<b>88.6</b>	<b>93.9</b>	<b>81.3</b>
<b>Total liabilities</b>	<b>2,087.5</b>	<b>1,766.0</b>	<b>1,947.2</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>4,524.7</b>	<b>3,872.6</b>	<b>4,223.1</b>

## Consolidated cash flow statement

	Jan-Mar	Full year	
SEK million	2022	2021	2021
Income from property management	20.3	19.3	86.2
<i>Items not affecting cash flow</i>			
Depreciation	0.3	0.3	1.2
Unrealised currency effects	-7.2	1.7	-8.3
<b>Changes in working capital</b>			
Operating receivables	-12.5	-16.1	-18.4
Operating liabilities	30.4	6.8	-4.6
<b>Cash flow from operating activities</b>	<b>31.3</b>	<b>11.9</b>	<b>56.1</b>
<i>Investing activities</i>			
Investments in existing properties	-4.6	-22.5	-52.5
Acquisitions of investment properties	-	-	-410.9
Divestment of fixed assets	-	-	4.9
Investments in machinery and equipment	-1.3	-	-0.5
<b>Cash flow from investing activities</b>	<b>-5.9</b>	<b>-22.5</b>	<b>-458.9</b>
<i>Financing activities</i>			
Borrowings	75.0	-	234.0
Repayment of loans	-	-	-87.9
<b>Cash flow from financing activities</b>	<b>75.0</b>	<b>-</b>	<b>146.1</b>
<b>Cash flow for the period</b>	<b>100.4</b>	<b>-10.6</b>	<b>-256.7</b>
Cash and cash equivalents at the beginning of the period	190.2	448.0	448.0
Exchange rate difference in cash and cash equivalents	-0.6	2.0	-1.1
Transactions with shareholders	-	-	-
<b>Cash and cash equivalents at the end of the period</b>	<b>290.0</b>	<b>439.4</b>	<b>190.2</b>

## Consolidated statement of changes in equity

SEK million	2022-03-31	2021-03-31	2021-12-31
<b>Opening balance, equity</b>	<b>2,275.9</b>	<b>2,057.9</b>	<b>2,057.9</b>
Net income for the period	158.3	40.8	209.7
Other comprehensive income for the period	3.0	7.9	8.3
<b>Comprehensive income for the period</b>	<b>161.3</b>	<b>48.7</b>	<b>218.0</b>
<b>Closing balance, equity attributable to Parent Company shareholders</b>	<b>2,437.2</b>	<b>2,106.6</b>	<b>2,275.9</b>

## Parent Company Income statement

SEK million	Jan-Mar		Full year
	2022	2021	2021
Revenue	10.3	7.4	34.5
Administration costs	-8.3	-7.8	-32.0
<b>Operating result</b>	<b>2.1</b>	<b>-0.4</b>	<b>2.5</b>
<b>Financial items</b>			
Result from shares in Group companies	-	-	-
Financial net	19.9	2.7	30.8
<b>Result after financial items</b>	<b>22.0</b>	<b>2.3</b>	<b>33.4</b>
Appropriations	-	-	-3.1
<b>Result before tax</b>	<b>22.0</b>	<b>2.3</b>	<b>30.3</b>
Current tax	-	-	-
Deferred tax	-3.3	-	0.1
<b>Result for the period</b>	<b>18.7</b>	<b>2.3</b>	<b>30.4</b>

## Parent Company Balance sheet

SEK million	2022-03-31	2021-03-31	2021-12-31
<b>ASSETS</b>			
<b>Fixed assets</b>			
Intangible fixed assets	0.1	0.1	0.1
Equipment and machinery	1.8	0.4	0.8
<b>Financial fixed assets</b>			
Shares in Group companies	16.6	12.5	16.6
Long-term receivables, Group companies	1,931.5	1,790.5	1,998.8
Other fixed assets	0.9	0.5	0.8
<b>Total financial fixed assets</b>	<b>1,948.9</b>	<b>1,803.5</b>	<b>2,016.2</b>
<b>Total fixed assets</b>	<b>1,950.8</b>	<b>1,803.9</b>	<b>2,017.1</b>
<b>Current assets</b>			
Accounts receivables	35.7	8.1	17.0
Accounts receivables from related parties	1.8	6.1	5.9
Derivative instruments	21.6	0.2	0.7
Cash and cash equivalents	75.7	190.6	8.7
<b>Total current assets</b>	<b>134.8</b>	<b>205.0</b>	<b>32.2</b>
<b>TOTAL ASSETS</b>	<b>2,085.6</b>	<b>2,008.9</b>	<b>2,049.3</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	0.5	0.5	0.5
<b>Unrestricted equity</b>			
Retained earnings	2,023.9	1,993.5	1,993.5
Result for the year	18.7	2.3	30.4
<b>Total equity</b>	<b>2,043.1</b>	<b>1,996.3</b>	<b>2,024.4</b>
<b>Provisions</b>			
Provision for pensions and similar obligations	1.1	0.6	1.0
Provision for deferred tax	3.3	-	0.0
<b>Total provisions</b>	<b>4.4</b>	<b>-</b>	<b>0.9</b>
<b>Current liabilities</b>			
Derivative instruments	6.7	0.2	3.2
Liabilities to Group companies, accounts payable	3.1	-	5.4
Accounts payable	1.3	4.4	1.8
Current tax liabilities	0.0	-	3.3
Other current liabilities	27.1	7.4	10.4
<b>Total current liabilities</b>	<b>38.2</b>	<b>12.1</b>	<b>24.0</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,085.6</b>	<b>2,008.9</b>	<b>2,049.3</b>

## Parent Company Cash flow statement

SEK million	Jan-Mar	Full year	
	2022	2021	2021
Result before tax	22.0	2.3	27.7
<i>Items not affecting cash flow</i>			
Depreciations	0.2	0.1	0.4
Unrealised currency effects	-7.2	-	1.7
Tax paid	-	-0.1	-
<b>Changes in working capital</b>			
Operating receivables	-5.7	-13.7	-21.8
Operating liabilities	-8.0	-34.0	-22.6
<b>Cash flow from operating activities</b>	<b>1.2</b>	<b>-45.4</b>	<b>-14.4</b>
<i>Investing activities</i>			
Shares in group companies	-	-	-4.1
Investments in machinery and equipment	-1.6	-0.1	-0.5
<b>Cash flow from investing activities</b>	<b>-1.6</b>	<b>-0.1</b>	<b>-4.6</b>
<i>Financing activities</i>			
Changes interest-bearing receivables, Group companies	67.4	235.6	27.3
<b>Cash flow from financing activities</b>	<b>67.4</b>	<b>235.6</b>	<b>27.3</b>
Cash and cash equivalents in the beginning of the period	8.7	0.4	0.4
<b>Cash and cash equivalents at the end of the period</b>	<b>75.7</b>	<b>190.6</b>	<b>8.7</b>

### Comments on Parent Company

The Parent Company had revenues related to management fees and expenses related to personnel and external services, including communication, legal and auditing.

No special risks exist for the Parent Company, in addition to those named for the Group in the Risks section.



# Notes

## NOTE 1 BASIS OF PREPARATION AND ACCOUNTING POLICIES

The interim report is designed in accordance with the EU endorsed IFRS standards and the EU endorsed interpretations of applicable standards, IFRIC. This condensed consolidated interim report was prepared in accordance with IAS 34 Interim Financial Reporting, and applicable provisions of the Swedish Annual Accounts Act. The interim report for the Parent Company was prepared in accordance with Chapter 9 of the Swedish Annual Accounts Act, Interim reports. The accounting policies for the Group and the Parent Company are the same accounting policies and applied calculation bases as in the most recent annual report.

Disclosures in accordance with IAS 34.16A occur in the financial statements and also in associated notes in other parts of the interim report.

## NOTE 2 ESTIMATIONS AND ASSESSMENTS

The preparation of the interim report requires management to make assessments, estimations and assumptions that affect the application of accounting policies and the recognised amounts of assets, liabilities, income and expenses. The final outcome can deviate from the results of these estimations and assessments.

### Valuation of investment properties

Annhem Fastigheter's portfolio is measured in the balance sheet at fair value and changes in value are recognised in profit or loss. The fair value is based on internal measurements that are performed regularly and the properties are also valued each year by external independent appraisers, in accordance with the valuation policy. The value of properties is not only affected by the supply and demand in the market but by several other factors, partly property-specific factors such as leasing rate, rent level and operating costs, partly market-specific factors such as direct-return requirement and cost of capital derived from comparable transactions in the property market. A deterioration in property as well as market-specific conditions can lead to a drop in the value of properties, which could have an adverse impact on Annhem Fastigheter's operations, financial position and earnings.

The valuation requires an assessment of and assumptions on future cash flows and determination of the discount factor (return requirement). As a means of reflecting this uncertainty in assumptions made and assessments, the property value is normally stated in an uncertainty range of +/- 5-10 percent.

The properties are measured at fair value where classification is conducted at level 3 in accordance with IFRS 13.

### Tax assessments

At the end of 2021, there was approximately SEK 2 million in loss carry forwards that had not been capitalised.

## NOTE 3 SEGMENTS

Annhem Fastigheter's operations comprise two operating segments, meaning the operations consist of one business operation that generates income and costs. The operating segment is organisationally divided into two different segments:

1. **Capital Region**, including Stockholm, Helsinki and Oslo
2. **South Region**, including Malmö, Ljungbyhed, Ängelholm, Gothenburg and Helsingborg

2022	Jan-Mar			
	Capital Region	South Region	Staff	Total
Rent revenue	29.1	21.5	0.0	50.5
Net operating income	29.0	12.6	-0.2	41.4
Income from property management	10.3	2.9	7.0	20.3
Income before tax	114.5	43.0	40.8	198.4
Investment properties, fair value	2,951.6	1,208.7	-	4,160.3

Staff includes the Parent Company and holding companies within the Group, which are not operational companies. Transactions within Group staff include management fees and other administrative expenses.

2021 SEK million	Jan-Mar			Total
	Capital Region	South Region	Staff	
Rent revenue	25.9	19.3	0.0	45.1
Net operating income	26.8	11.0	-0.6	37.2
Income from property management	9.7	5.0	4.6	19.3
Income before tax	36.8	13.8	-1.7	48.9
Investment properties, fair value	2,451.5	954.7	-	3,406.1

#### NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

SEK million	Jan-Mar	Full year	
	2022	2021	2021
Property tax	1.6	1.3	5.9
Rental guarantees	2.0	3.0	9.4
Other property revenue	6.8	5.3	23.8
<b>Total other property revenue</b>	<b>10.4</b>	<b>9.6</b>	<b>39.1</b>

Other property income largely comprises invoiced media costs (electricity, heating, water) to tenants, invoiced property tax, compensation related to airports, rental guarantees, and income from leasing ad hoc housing.

#### NOTE 5 FINANCIAL INSTRUMENTS MEASURED AT FAIR VALUE

Annehem Fastigheter holds forward exchange contracts and fixed-interest derivatives to mitigate the impact of fluctuations in currency and interest rates. The derivatives are used solely for financial hedging purposes as part of Annehem Fastigheter's financial policy, and not for speculation.

For certain hedging relationships entered into before 30 June 2021, hedge accounting was applied and the interest rate derivatives identified as cash flow hedging instruments were initially reported at fair value on the transaction date for the derivatives and subsequently revalued to fair value at the end of each reporting period. The effective portion of changes in the fair value of derivatives, which are referred to as cash flow hedges, is reported in other comprehensive income and accumulated in the fair value reserve in equity. For all hedged forecast transactions, the accumulated amount in the hedging reserve is reclassified to profit or loss in the same period or periods as the hedged expected cash flow affects profit. The ineffective part of changes in the fair value of the derivative is reported immediately in the result within other financial items. Fair values are based on quotations from brokers. Similar contracts are traded in an active market and the prices reflect actual transactions on comparable instruments. All of the Group's derivative instruments are classified at level 2 in accordance with IFRS 13. The accumulated amount in the hedge reserve amounts to SEK 1.1 million on 31 March 2022.

The Group holds interest rate derivatives in NOK, SEK and EUR, as well as currency futures in NOK and EUR. Until 30 June 2021, the Group hedged interest rate derivatives in NOK and SEK. As of 1 July 2021, the hedge accounting ceased and all derivatives are thus valued at fair value via the income statement and are presented on the line "Change in value of derivative instruments" in the consolidated income statement. If the hedge no longer meets the criteria for hedge accounting or the company cancels the identification or the hedging instrument has been sold, matured, wound up or redeemed, the hedge accounting will cease in the future. When the hedge accounting for cash flow hedges has ceased, the amount that has accumulated in the hedging reserve is retained in equity until it is reclassified to profit or loss in the same period or periods as the hedged expected cash flow affects earnings. As of 31 March 2022, the market value of interest rate derivatives amounted to SEK 40.5 million (1.0) and currency derivatives to SEK 0.0 million (0.0).

The Group deems that other carrying amounts for the stated financial assets and liabilities recognised at cost and amortised cost correspond approximately to fair value, due to short maturity dates, that reservations have been made for doubtful receivables and that any penalty interest will be charged.

# Risk factors

## Risks in the value of the properties

Annehem Fastigheter is exposed to risk related to changes in the value of and incorrect valuation of its properties. Annehem Fastigheter's investment properties are measured at fair value in the balance sheet and realised and unrealised changes in value are recognised in profit or loss. According to Annehem Fastigheter's valuation policy, external valuation reports are to be obtained at least once each year for all properties.

## Macroeconomic risks

The Company's operations are affected by macroeconomic factors such as the overall economic trends, national and regional economic trends, employment, production of properties, infrastructure developments, population growth, inflation and interest rates, as well as war and crises. Annehem Fastigheter operates in Stockholm, Helsinki, Oslo, Malmö and Gothenburg, which are geographic markets that the Company considers particularly attractive, based on historical data. Consequently, Annehem Fastigheter is primarily exposed to the regional economic climate in these geographic markets and there is a risk that these geographic markets will not develop as anticipated by the Company or in the same way as the markets' historical development, which could have a material negative impact on Annehem Fastigheter's operations and financial position.

## Environmental risks

Annehem Fastigheter's operations entail environmental risks and the Company is subject to environmental regulations that mean that the Company could be liable to claims in the event of non-compliance. Even if Annehem Fastigheter will conduct inspections in conjunction with the acquisition of individual properties, there is a risk that the previous property owner, or Annehem Fastigheter, failed to comply with environmental regulations or that previous property owners or operators caused pollution.

See also the section Impact of the coronavirus pandemic on page 10 and the Risks and risk management section in the 2021 Annual Report.

# Financial key figures

## Number of shares

Number of shares	Jan-Mar		Full year
	2022	2021	2021
A-shares	6,863,991	6,863,991	6,863,991
B-shares	52,128,557	52,128,557	52,128,557
<b>Total average number of shares</b>	<b>58,992,548</b>	<b>58,992,548</b>	<b>58,992,548</b>

## Income from property management

Annhem Fastigheter's operations focus on growth in cash flow from day-to-day administration, meaning growth in income from property management. The target is that income from property management per share will double within 12 to 18 months and then increase over time by an average of 20.0 percent per year. Shown below is the income from property management, excluding items affecting comparability, which are related to Annhem Fastigheter's listing and refinancing processes.

SEK million	Jan-Mar		Full year
	2022	2021	2021
Income before tax	198.4	48.9	262.1
Add back			
Changes in fair value on investment properties	-142.6	-29.6	-172.9
Changes in fair value of derivatives	-35.5	-	-3.0
Listing costs	-	11.3	-
Financing costs	-	5.1	-
Exchange rate effects	-	4.9	-
<b>Income from property management excl. Items affecting comparability</b>	<b>20.3</b>	<b>40.6</b>	<b>86.2</b>

## Income from property management per share

SEK million	Jan-Mar		Full year
	2022	2021	2021
Income from property management	20.3	19.3	86.2
Items affecting comparability	0.0	21.3	-
<b>Income fr. property management excl. Items affecting comparability</b>	<b>20.3</b>	<b>40.6</b>	<b>86.2</b>
Number of shares	58,992,548	58,992,548	58,992,548
<b>Income fr. property management excl. Items affecting comparability</b>	<b>0.34</b>	<b>0.69</b>	<b>1.46</b>

## Long-term net asset value

Net asset value is the accumulated capital managed by the Company on behalf of its owners. Using this capital, the Company aims to generate return and growth at a low level of risk. Net asset value can be determined in various ways, with the main influence from a time perspective and the turnover rate of the property portfolio. The long-term net asset value is based on the balance sheet and adjusted for items that do not require payment in the near future, such as in the Company's case deferred tax liabilities.

SEK million	2022-03-31	SEK/share	2021-03-31	SEK/share	2021-12-31	SEK/share
Equity according to balance sheet	2,437.1	41.3	2,106.6	35.7	2,275.9	38.6
Add back						
Deferred tax according to balance sheet	179.5	-	98.4	-	139.1	-
<b>Long-term net asset value</b>	<b>2,616.6</b>	<b>44.5</b>	<b>2,205.0</b>	<b>37.4</b>	<b>2,415.0</b>	<b>40.9</b>

## Interest-coverage ratio

SEK million	Jan-Mar		Full year	
	2022	2021	2021	
Income from property management	20.3	19.3	86.2	
Add back				
Interest net	11.9	12.0	44.1	
<b>Interest coverage, multiple</b>	<b>2.7</b>	<b>2.6</b>	<b>3.0</b>	
Add back				
Items affecting comparability	-	-	-	
Income from property management excl. items affecting comparability and interest net	32.2	31.2	130.3	
<b>Interest coverage excl. items affecting comparability, multiple</b>	<b>2.7</b>	<b>2.6</b>	<b>3.0</b>	

## Loan-to-value ratio

SEK million	2022-03-31	2021-03-31	2021-12-31
Interest-bearing liabilities	1 808.6	1 569.7	1 721.3
Cash and cash equivalents	-290.0	-439.4	-190.2
Net interest-bearing liabilities	1 518.6	1 130.3	1 531.1
Investment properties	4 160.3	3 406.1	3 994.1
<b>Net loan-to-value ratio, %</b>	<b>36.5%</b>	<b>33.2%</b>	<b>38.3%</b>

## Surplus ratio

SEK million	Jan-Mar		Full year	
	2022	2021	2021	
Income from property management	20.3	19.3	86.2	
Add back				
Property expenses	21.1	18.0	69.6	
Net operating income	41.4	37.2	155.8	
Rent revenue	50.5	45.1	187.8	
<b>Surplus ratio, %</b>	<b>81.9%</b>	<b>82.4%</b>	<b>83.0%</b>	

## Return on equity

SEK million	Jan-Mar		Full year	
	2022	2021	2021	
Net income for the period attributable to the Parent Co's shareholders	158.3	40.8	209.7	
Equity attributable to the Parent Company's shareholders	2,437.1	2,106.6	2,275.9	
<b>Return on equity, %</b>	<b>6.5%</b>	<b>1.9%</b>	<b>9.2%</b>	

# Glossary and definitions

<b>Return on equity</b>	Profit for a rolling 12-month period in relation to the average equity during the interim period. Purpose: The key figure shows the return generated on the capital attributable to the shareholders.
<b>Gross rent</b>	Gross rent is defined as rent revenue at a yearly basis excluding supplements and discounts.
<b>Yield</b>	Net operating income for a rolling 12-month period in relation to the properties' carrying amount, adjusted for the properties' holding period for the period. The key figure shows the return from operational activities in relation to the value of the properties. Purpose: The key figure shows the return from operational activities in relation to the value of the properties.
<b>Net operating income</b>	Net operating income includes the revenue and expenses that are directly linked to the property, that is to say, rent revenue and the expenses required for running the property, such as operating costs and maintenance costs. Purpose: The metric is used to provide comparability with other property companies and also to show the performance of the business.
<b>Economic occupancy rate<sup>1)</sup></b>	Vacancy rent as a percentage of the gross rent at the end of the period. Purpose: The key figure facilitates the assessment of estimated rent for vacant spaces in relation to the total value of the rented and unrented floor space.
<b>Property</b>	Property held with property rights or leasehold rights.
<b>Fair value of properties</b>	Property value recognised according to balance sheet at the end of the period. Purpose: The key figure provides greater understanding of the value growth in the property portfolio and the Company's balance sheet.
<b>Income from property management</b>	Income from property management is comprised of net operating income plus property management and administrative expenses and financial income and expenses. The earnings measure does not include the effects of changes in value of the investment properties and derivatives.
<b>Income from property management excl. items affecting comparability</b>	Income from property management is comprised of net operating income excluding items affecting comparability, plus property management and administrative expenses and financial income and expenses. The earnings measure does not include the effects of changes in value of the investment properties and derivatives.
<b>Rent revenue</b>	Rent revenue less vacancies, rent discount and lost rent.
<b>Rental value<sup>1)</sup></b>	Rent revenue with deductions for rent discount, plus rent surcharges and property tax for the rented space, as well as an estimate of market rent for vacant space. Purpose: The key figure enables an assessment of the total potential rent revenue as surcharges are added to the charged rent revenues with an estimated market rent for vacant spaces.
<b>Items affecting comparability</b>	Annehem Fastigheter regards items of a non-recurring nature as items affecting comparability.
<b>Long-term net asset value</b>	Equity per share with the reversal of fixed-interest derivatives and deferred tax according to balance sheet. Purpose: Long-term net asset value is a metric that reflects the long-term value of a property portfolio, instead of equity.
<b>Net loan-to-value ratio</b>	Interest-bearing liabilities, including lease liabilities, less cash and cash equivalents as a percentage of the carrying amount of the properties. Purpose: Net loan-to-value ratio is a measure of risk that indicates the degree to which the operations are encumbered with interest-bearing liabilities.
<b>Net letting<sup>1)</sup></b>	New letting taken out during the period less terminations with notice of vacancy.
<b>Interest-bearing liabilities</b>	Interest-bearing liabilities mean all liabilities on which Annehem pays interest. These items in the balance sheet are: non-current and current liabilities to related parties,

non-current and current interest-bearing liabilities (including lease liabilities) and Group account.

<b>Interest-coverage ratio</b>	Income from property management, including reversal of financial income, expenses and exchange-rate effects related to financial items and depreciation/amortisation as a percentage of financial income and expenses. The interest-coverage ratio is a financial target that shows how many times the Company can pay its interest charges with its profit from operational activities. Purpose: The interest-coverage ratio is a measure of financial risk that shows how many times the Company can pay its interest charges with its profit from operational activities.
<b>Debt/equity ratio</b>	Interest-bearing liabilities in relation to equity. Purpose: The debt/equity ratio is a measure of financial risk that shows the Company's capital structure and sensitivity to interest rate changes.
<b>Equity/assets ratio</b>	Equity in relation to total assets. Purpose: Shows how large a share of the Company's assets are financed with equity and has been included to enable investors to assess the Company's capital structure.
<b>Lettable area</b>	The total floor area that can be rented out. Purpose: Reflects the total area the Company can rent out.
<b>Underlying property value</b>	Agreed transaction price for the property.
<b>Vacancy rent</b>	Estimated market rent for vacant spaces. Purpose: The key figure specifies the potential rent revenue for fully leased spaces.
<b>Surplus ratio</b>	Net operating income for the period as a percentage of rent revenue. Purpose: The surplus ratio shows the percentage of each Swedish krona earned that the Company can keep. The key figure is a measure of efficiency that is comparable over time.

1) The key figure is property-related and not considered to be an alternative performance measure in accordance with ESMA's guidelines.



Ledvolten 1 in Solna