

Q1

NASDAQ CONGRATULATES

ANNEHEM FASTIGHETER

1ST ANNIVERSARY

NASDAQ GREEN EQUITY

DESIGNATION



Annehem



Nasdaq



Prepared to face a challenging market

January–March

- Rent revenue for the period amounted to SEK 61.1 million (50.5)
- Net operating income amounted to SEK 50.6 million (41.4)
- Income from property management amounted to SEK 17.7 million (20.3)
- Income from property management excl. currency effects amounted to SEK 20.4 million (20.3)
- Earnings per share amounted to SEK -1.59 (2.68).
- Investments in existing properties amounted to SEK 14.3 million (4.6)
- Valuations of investment properties yielded a decrease in fair value of SEK -122.0 million (142.6)
- The fair value of investment properties amounted to SEK 4,336.3 million (4,160.3)



Carl Florman 1 in Malmö, taken into possession in January 2023

Net operating income
January–March 2023

SEK million
50.6

Property value
31 March 2023

SEK million
4,336

Economic occupancy rate
31 March 2023

95%

Summary of the Group's performance

Summary of the Group's performance	Jan-Mar		Full year	
	2023	2022	2022	2021
Rent revenue, SEK million	61.1	50.5	217.9	187.8
Net operating income, SEK million	50.6	41.4	181.3	155.8
Income from property management, SEK million	17.7	20.3	74.2	86.2
Income from property management excl. currency effects, SEK million	20.4	20.3	90.5	86.2
Income from property management excl. currency effects per share, SEK	0.35	0.34	1.53	1.46
Income for the period, SEK million	-93.6	158.3	207.3	209.7
Earnings per share for the period, SEK	-1.59	2.68	3.51	3.56
Net loan-to-value ratio, %	40.7	36.5	38.3	38.3
Equity/assets ratio, %	51.7	53.9	53.4	53.9
Interest-coverage ratio, multiple RTM	2.5	3.0	2.7	3.0
Economic occupancy rate, %	95.0	95.1	95.0	93.0
Return on equity, %	-3.9	6.5	8.3	9.2
Surplus ratio, %	82.8	81.9	83.2	83.0

Growth and returns	Target	Outcome 2022	Outcome 2021
Average growth in property portfolio over time	20%	8%	20%
Fair value of property portfolio in 2027	SEK 8 billion	SEK 4.3 billion	SEK 4.0 billion
Average annual growth in income from property management over time	20%	-14%	52%
Return on equity	At least 10 percent per year	8.3%	9.2%

Risk and dividends	Target	Outcome 2022	Outcome 2021
Equity/assets ratio	> 30%	53.4%	53.9%
Net loan-to-value ratio over time	< 60%	38.3%	38.3%
Interest-coverage ratio, long-term	> 2.2x	2.7x	3.0x
Dividend policy	The profits shall essentially be reinvested in order to utilise growth opportunities and achieve Annehem's growth targets.		-

Sustainability	Target	Outcome 2022	Outcome 2021
Energy intensity (kWh/Atemp, property energy)*	9% reduction by 2024	79 (-6%)	85 (base year)
Proportion of property portfolio that is sustainable in accordance with the EU Taxonomy Regulation	90%	81%	85%
CO ₂ emissions (tonnes CO ₂ e, Scope 1 & 2)*	30% reduction by 2024	527 (-23%)	683 (adjusted base year**)

* Reduction compared with 2021.

** Adjusted base year for net zero, based on new measurement and reporting principles for climate statement

CEO's comments

The precarious global situation remains. More than one year has passed since Russia invaded Ukraine and unfortunately a solution still seems to be a long way off. We can see that the electricity market remains highly volatile and was marked by high prices in January, a dramatic downturn in February and sustained low levels in March compared with January. Unfortunately, the rate of inflation was higher than expected in January and February, which meant the Riksbank continued to indicate significant key policy rate increases. The fall in inflation in March to 10.6 percent is a positive sign. However, additional interest rate increases are expected, though with the prospect of a more stable interest rate path as we move forward. As interest rates rise, we will be affected by higher interest expenses moving forward.

Earnings

We reported net operating income for the first quarter of SEK 50.6 million (41.4), an increase of 22 percent year-on-year. The increase is primarily attributable to our acquisitions and indexed rent increases. 96 percent of our rental value consists of leases that are subject to indexation. Our occupancy rate remains high at 95 percent (95), and the majority of our tenants are stable and long-term. Many companies are reviewing their costs and some of our smaller tenants are signalling a change in circumstances. We are engaging in proactive dialogues with our tenants to find solutions and our close relationship with them offers us a major advantage in this process.

Income from property management, adjusted for currency effects in net financial items, amounted to SEK 20.4 million (20.3). Net financial items for the first quarter were weighed down by increased interest expenses, compared with the year-earlier period, due to the higher key policy rate.

The return requirement, with the higher interest rate environment, also rose during this quarter by an average 15 basis points, which had a negative impact of SEK 122 million on property values in the portfolio, equivalent to 2.8 percent. For the quarter, our interest-coverage ratio RTM was 2.5 (3.0). Given the continued rise in interest rates, the interest-coverage ratio (RTM) is expected to continue to fall.

Transaction market

The transaction market remains quiet and the quarter was the weakest first quarter for a decade, according to Colliers. In Sweden, volume declined 75 percent year-on-year and in the Nordics as a whole volume fell 69 percent. The forecast for a general recovery has also been postponed until the autumn, given the sustained high inflation and volatile interest rates. Our view of the market remains positive in the years ahead with business opportunities that will arise over time when the interest rate path has stabilised and uncertainty decreased.

Climate statement indicates reduced emissions

We are working systematically to move towards our vision to be the most sustainable property company in the Nordics. This means we are continually improving our property management and the measurability of sustainability actions. In conjunction with the year-end report, I said we had further raised the level of ambition in relation to our sustainability target with a target of net zero CO₂e emissions by 2030 for Scope 1 and 2. During the quarter, we prepared our climate statement, which was adjusted following recommendations from Fastighetsägarna for Scope 3 reporting. The main change compared with previously is that we have included more emissions categories such as electricity consumption by tenants, emissions from the purchase of goods and services and from our projects. The result shows that in 2022 we reduced emissions in Scope 1 and 2 by 23 percent against comparable categories in 2021. This is a result of lower energy and fuel consumption as well as improved environmental values at our district heating suppliers.

During the quarter, our share also qualified for Nasdaq Green Equity Designation for the second consecutive year, for which I am very happy and proud. Read more about our climate statement and our sustainability targets on pages 9–10 in the report and in our 2022 Annual Report.

Diversified and sustainable growth

As previously communicated, we strengthened our presence in Malmö in January when we took possession of Carl Florman 1, our first residential property. The property is located in Johanneslust in eastern Malmö and comprises 60 apartments. 55 percent of the property is financed through bank loans and the rest in cash.

Carl Florman adds residential homes to Annehem's mix of property types. The departure point in our strategy is to be a diversified property company. Currently, commercial properties dominate our portfolio, but we believe a diversification of our risks and opportunities is important looking ahead and a select share of our portfolio will comprise other property types, such as community service and logistics properties and residential homes. We require all acquisitions to have a high level of sustainability potential. Carl Florman



Monica Fallenius, CEO

"I am proud that during the quarter we qualified for Nasdaq Green Equity Designation for the second consecutive year"

is Nordic Swan ecolabelled. Given that we already operate in Malmö, we can leverage our efficient property management activities close to our tenants.

Prepared for the future

Following the refinancing with our banks in the fourth quarter and with our long-term, stable owners, we are in a good position to face a challenging market. We are monitoring and active in the market in order to be ready when the situation stabilises. Our property portfolio, with modern and sustainable properties in locations with good transport links, is positioned for the future where we can see that companies are seeking efficient premises in good locations in response to new and changing working practices. It is also more important than ever to rent from a property owner that has sustainability high on its agenda.

Ängelholm, 27 April 2023

Monica Fallenius
CEO

This is Annehem

Annehem manages and develops a sustainable and modern property portfolio in attractive locations in Nordic growth areas. Most of the portfolio comprises office properties that are complemented with selected properties in the segments of logistics properties, community service properties, and residential homes.

Our properties have a high and measurable environmental performance. Together with our sustainable, efficient management and development, this strengthens the value of our portfolio.

Vision

We are to be the most sustainable property company in the Nordics.

Our values

Professionalism – Committed – Long-term – Enablers

Our overall strategies

A sustainable and modern property portfolio in attractive locations in Nordic growth areas

Newly built, environmentally certified properties in locations with good transport links attract long-term tenants.

A diversified and green property portfolio offers risk diversification over time

The fundamental portfolio of office properties is complemented with selected properties in the segments of community service and logistics properties, and residential homes – all featuring a high sustainability performance and/or potential.

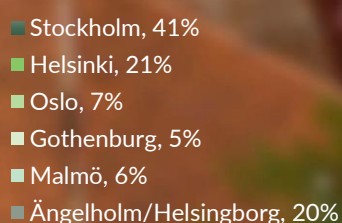
Focus on sustainable and effective property management and development

Annehem Fastigheter has a high and measurable environmental performance. The company strives to increase the value of its existing portfolio through sustainable, effective management and development.

Profitable growth is enabled through a focus on acquisitions and a stable financial position

Annehem Fastigheter has a clear growth plan for the property portfolio, enabled by a strong financial position with a high equity/assets ratio and low loan-to-value ratio.

Property value by geography



Rent revenue by property type



Market

Comments on the business environment

During the first quarter, the situation in the banking sector created further turbulence in the market in the wake of events related to Silicon Valley Bank (SVB) and a number of minor US banks. The problem had a global impact, and resulted in the acquisition of Credit Swiss by UBS following intervention by the Swiss central bank.

Concerns about wider disruption to the global financial system meant the market believed the US central bank (Fed) and others could possibly slow the pace of interest rate hikes. When the general concern for major disruption had subsided, focus returned to the rate of inflation. And therefore expectations rose again for higher interest rates. Inflation in Sweden was higher than expected at the beginning of the quarter, but fell slightly in March. We believe interest rate increases will continue for some time yet. Inflation in the EU is also still at relatively high levels, given the objective of 2 percent.

We expect the key policy rate will continue to be raised, albeit at perhaps a slower pace and in smaller steps than previously. The Swedish key policy rate will need to rise to at least the same level as the ECB to ensure the Swedish krona does not weaken too much. A weak krona would lead to imported inflation. The GDP trend is weak and according to some analyses, negative for Sweden. Moreover, unemployment in Sweden has risen slightly.

High interest rates lead to higher return requirements, which we noted during the autumn of 2022 if the start of the year is compared with the end. If interest rates remain high, we can anticipate further adjustments to market values albeit with some delay. The market remains cautious and buyers and sellers are still some distance apart, and thus it is likely that it will take some time before they meet. This is also reflected in the drop in transaction volume, by 61 percent in Norway, 75 percent in Sweden and 84 percent in Finland (Colliers Nordic, April). This leads to some uncertainty in the market since the appraisers have few transactions to fall back on. During 2022, the lower return requirement was met with high indexation. Despite the higher rents, we are yet to see higher vacancies or more terminations than normal.

Macro data Nordics*

Country	Inflation	GDP (Dec 2022)	Number of unemployed	Key policy rate
Sweden	12.0%	0.9%	8.2%	3.0%
Finland/ECB	8.8%	0.0%	6.7%	3.5%
Norway	6.3%	0.2%	3.1%	3.0%

* Trading Economics 5 Apr 2023

Comments on the Group's performance

Income statement

First quarter

Rent revenue amounted to SEK 61.1 million (50.5), other property income amounted to SEK 12.0 million (10.4), and total property expenses to SEK 22.5 million (19.5), which means that net operating income increased to SEK 50.6 million (41.4). The positive trend for rent revenue was mainly attributable to the additional properties compared with the year-earlier period and indexation of leases.

Other property income amounted to SEK 12.0 million (10.4) and comprised invoiced operating costs, income from short-term leases and from the rental guarantees issued by Peab for the properties Ultimes I&II and Jupiter 11, which amounted to SEK 1.5 million (2.0) for the quarter. Rental guarantees were issued for 100 percent of the vacant spaces in 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 leased, but for no longer than 36 months from the issuing date.

Income from property management amounted to SEK 17.7 million (20.3) in the quarter. Interest expenses amounted to SEK 29.0 million (11.9), which are higher than the year-earlier quarter, due to increased borrowing in order to finance the additional properties and higher key policy rates. Other financial items amounted to SEK -2.7 million (-0.5) and mainly comprised currency effects of SEK -5.6 million (5.5) and changes in value of currency futures of SEK 3.0 million (-6.0), which had a negative impact on income from property management.

The effects of unrealised changes in value of properties amounted to SEK -122.0 million (142.6). The effects of changes in value of fixed-interest derivatives amounted to SEK -13.2 million (35.5).

Tax expense for the period amounted to SEK 23.8 million (-40.1). The tax effect 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 -93.6 million (158.3).

Balance sheet

The value of the company's investment properties amounted to SEK 4,336.3 million (4,160.3) on 31 March 2023. 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 measurements conducted on 31 March 2023. During the quarter, Annehem Fastigheter also invested in existing properties with a value amounting to SEK 14.3 million (4.6) at 31 March 2023. The value of the properties in Finland at 31 March 2023 was positively impacted by the stronger EUR/SEK rate compared with 31 December 2022, while properties in Norway were negatively impacted by the weaker NOK/SEK rate, yielding a total effect of SEK -5.1 million.

The company's equity amounted to SEK 2,411.2 million (2,437.1).

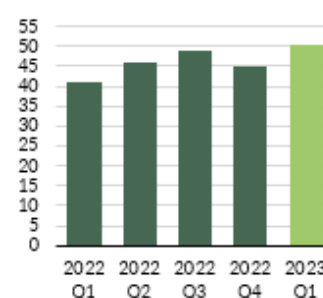
Interest-bearing liabilities totalled SEK 1,956.1 million (1,808.6), of which SEK 2.0 million comprised lease liabilities attributable to ground rents. During the first quarter, Annehem took possession of the Carl Florman 1 property and therefore raised financing of SEK 75.9 million. At 31 March 2023, SEK 125.0 million remained unutilised.

Cash flow statement

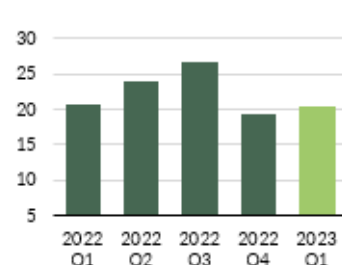
During the quarter, cash flow from operating activities amounted to SEK 29.2 million (31.3). The change was attributable to lower income from property management adjusted for unrealised currency effects and an increase in operating liabilities.

Cash flow from investing activities for the quarter amounted to SEK -149.3 million (-5.9), and pertained to acquisition of Carl Florman. Cash flow from financing activities for the quarter amounted to SEK 73.0 million (75.0), related to the financing of Carl Florman and repayment of the credit facility. Cash flow for the quarter amounted to SEK -47.2 million (100.4).

Net operating income per quarter
SEK million



Income from property management per quarter excl. currency effects
SEK million



Sustainable development

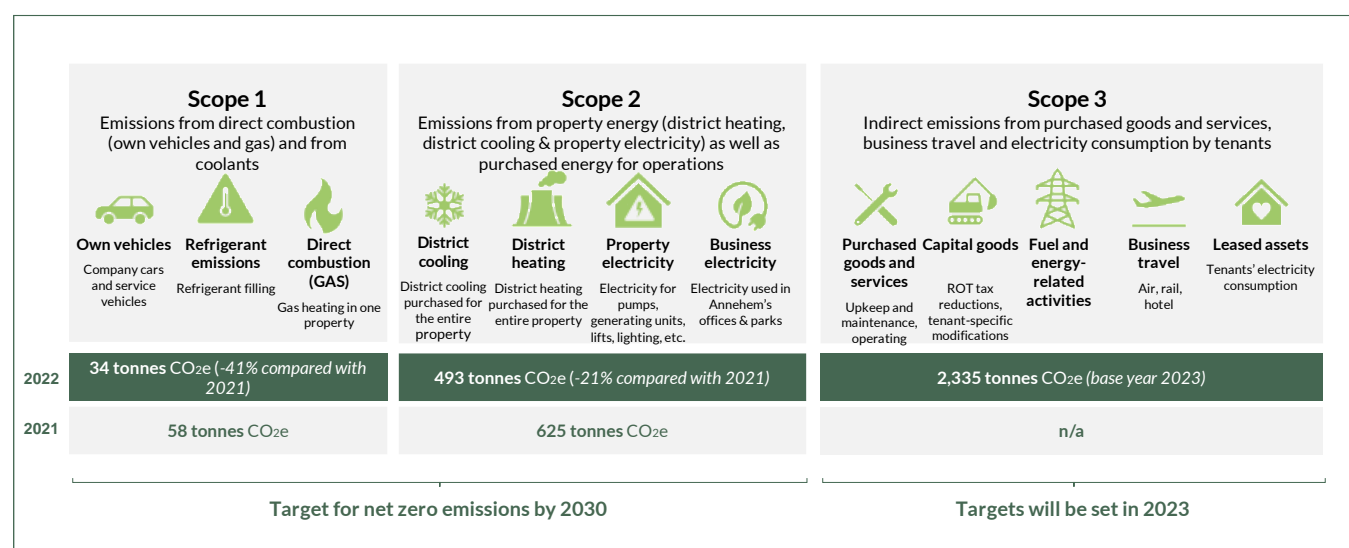
We are working systematically to move towards our vision to be the most sustainable property company in the Nordics. This means we are continually improving our property management and the measurability of sustainability actions.



Highlights during the quarter

During the quarter, our Nasdaq Green Equity Designation was renewed. We are now celebrating our second year as a green share. The supporting data, which was reviewed in accordance with CICERO Shades of Green, shows that 74 percent of our income is from green properties. The assessment recognises that Annehem has taken steps to improve sustainability governance, performed climate-related risk and vulnerability analyses on a large share of the portfolio and adopted a new target for net zero climate emissions for Scope 1 and 2.

We prepared our climate statement, which was adjusted following recommendations from Fastighetsägarna for Scope 3 reporting. The main change compared with previously is that we have included more emissions categories, predominantly in Scope 3. The result shows that in 2022 we reduced emissions in Scope 1 and 2 by 23 percent against comparable categories in 2021. The improvements were from lower energy and fuel consumption, improved environmental values at our district heating suppliers and that we had no refrigerant emissions during the year.



Sustainability targets and follow-up

The outcome for the sustainability targets in 2022 have been summarised (see next page). We are moving in a positive direction in terms of the efficient use of property energy, where intensity for the year was 79 kWh/sqm Atemp, which entails a 6-percent decrease year-on-year.

Water consumption, which includes tenants' usage, increased during the year to 214 l/sqm from 185 l/sqm in 2021. This is because of increased utilisation of our premises following the return to work after COVID-19 and that we have built a gym and spa facility at one of the hotels in our portfolio. As regards biodiversity, we have adopted a new target, whereby we will draw up an inventory and promote the establishment of more species over time. This will be measured through inventories of nature values, which identified 175 species in 2022.

Sustainability target and follow-up, cont.

Followed up on an annual basis		Unit	Long-term target	Target 2022	Outcome 2022	Outcome 2021
1. We create a sustainable property portfolio	Environmentally certified property value	Share	90%	83	76%	85%
	Property value that is aligned with the taxonomy	Share	90%	>80%	81%	85%
	Green financing	Share	90%	16%	86%	14%
	Property value with climate and vulnerability analysis	Share	90%	>80%	82%	-
	Property value with energy class A and B	Share	90%	-	72%	80%
2. We optimise energy consumption in our properties	Property energy	GWh	to be set in 2023	-	16.9	17
	Intensity Property energy	kWh/sqm	3 percent reduction/year	82	79	85
	Scope 2: CO2e emissions from property energy	tonnes CO2e	Net zero by 2030	-	493	625
	Self-generated renewable energy	kWh/sqm	3	0.5	0.4	0.5
	Intensity Tenant energy	kWh/sqm	to be set in 2023	-	44	-
3. We help our tenants to be sustainable	Scope 3: CO2e emissions from tenant energy	tonnes CO2e	to be set in 2023	-	737	594
	Green leases	Share of contract value	80%	>24%	27%	24%
	Tenant access to waste recycling	Share	100%	100%	100%	100%
	Water consumption	l/sqm	1 percent reduction/year	183	214	185
	Training in Annehem's sustainability policy (incl. CoC)	Share of employees	100%	-	33%	-
4. We take responsibility	Audit of strategic suppliers	Share	100%	100%	100%	100%
	Biodiversity: Inventoried species in our properties	number	Draw up an inventory and promote	-	175	-
	Share of fossil-free fuel in service vehicles	Share	100%	-	5%	-
	Scope 1: CO2e emissions from company cars and service vehicles	tonnes CO2e	Net zero by 2030	-	24	29
	Proportion of environmentally certified company cars	Share	100%	100%	100%	100%
5. We create satisfied tenants and long-term relationships	Scope 3: CO2e emissions from business travel	tonnes CO2e	to be set in 2023	-	70	14
	Scope 3: CO2e emissions from projects and maintenance	tonnes CO2e	to be set in 2023	-	1,217	-
	Scope 1: CO2e emissions from refrigerants	tonnes CO2e	Net zero by 2030	-	0	28
	Customer satisfaction index	index 0-100	Above industry average	>76 (industry average)	77	77
	Average contract period	years	Seek long-term relationships	-	5.2	6
6. We care about each other	Satisfied employees, confidence index	index 0-100	>70	>70	83	73
	Attendance rate	Share	>97%	>97%	97.33	99.7%
	Gender distribution	Board (% women men) Management team (% of women men) Employees (% of women men)	50% ±10	50% ±10	25% 75% 50% 50% 65% 35%	29% 71% 50% 50% 56% 44%
	Perceived inclusion	index 0-100	High level of inclusion	-	94	-

Our properties

Annehem Fastigheter owned assets in the form of fully developed properties on 31 March 2023 at a fair value of SEK 4,336.3 million. All properties are 100-percent owned by the company. The properties largely comprise modern and sustainable commercial, community service and logistics properties.

As of 31 March 2023, net letting amounted to SEK 8.0 million (5.3), distributed among newly signed leases amounting to SEK 9.5 million (7.2) less terminated leases amounting to SEK 1.5 million (2.3).

Detailed description of property portfolio

Change in portfolio during 2023

Additional properties, names	City	From	Area, sqm	Annualised rental value,	Fair value incl leasing,
				SEK million	SEK million
Carl Florman	Malmö	2023-01-19	3,259	6.3	139.9

Property portfolio on 31 March 2023

Property	Property name	City	Area, sqm	Rent-revenue SEK million	Annualised rental value, SEK million	Fair value incl leasing ¹ , SEK million
Valhall Park, Ängelholm	Barkåkra 50:3	Ängelholm	51,564	41.2	41.2	480.0
Ljungbyhed Park	Sjöleden 1:5-1:17	Ljungbyhed	73,234	29.5	35.4	219.1
Kamaxeln	Kamaxeln 2	Malmö	950	1.6	1.6	19.2
Peab Center Malmö	Stenekullen 2	Malmö	4,937	13.0	14.8	235.0
Peab Center Helsingborg	Jupiter 11	Helsingborg	4,807	9.7	9.7	136.0
Peab Center Solna	Sadelplatsen 3	Stockholm	12,455	42.7	42.7	941.0
Sadelplatsen 4	Sadelplatsen 4 ²	Stockholm	13,494	15.7	19.1	369.0
Ledvolten	Ledvolten	Stockholm	4,268	14.7	14.7	318.1
Almnäs	Almnäs 5:28	Södertälje	2,158	5.3	5.3	103.0
Partille Port	Partille 11:60	Partille	6,431	13.8	14.4	191.0
Ulimes I&II inkl Parking	Ultimes	Helsingfors	17,015	72.6	72.6	924.0
Carl Berner Torg	Carl Berner Torg	Oslo	3,640	14.5	14.5	266.9
Total			198,212.0	280.3	292.2	4,336.3

1) Leasing refers to ground leases 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
	2023	2022	2022
At beginning of the period	4,309.2	3,994.1	3,994.1
Acquired properties	139.9	-	103.0
Investments in existing properties	14.3	4.6	32.8
Unrealised changes in fair value	-122.0	142.6	98.0
Currency effect on properties abroad	-5.1	19.0	81.2
At end of the period	4,336.3	4,160.3	4,309.2

Acquisitions and investments

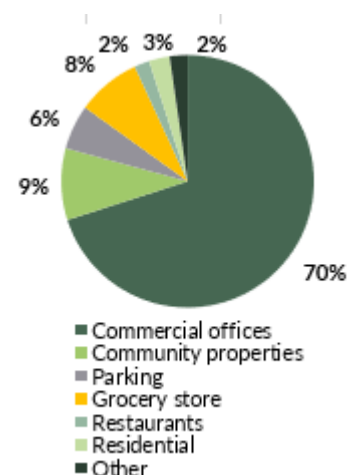
During January–March 2023, investments were made in existing properties totalling SEK 14.3 million, with the investments primarily related to the Valhall Park and Ljungbyhed Park properties.

Acquired but not taken into possession

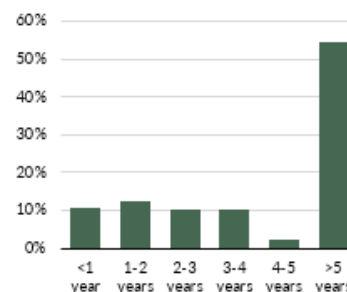
In addition, Annehem signed an agreement with Peab in 2020 for the acquisition of residential properties at an underlying property value of SEK 250.0 million, with possession to be taken in 2023 and 2024, respectively. Possession will be taken of the property in Partille, Partille Port Bostäder 11:70, in autumn 2024.

At least once every year Annehem commissions complete valuations from external appraisal institutes for all properties in the portfolio. The external appraisers are to be property appraisers authorised by

Specification of income 2023



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



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 conducted on 31 March 2023. At 30 September 2022, external valuations were conducted by independent appraisers. During the quarter, fair value decreased by SEK 122.0 million, primarily due to changed to return requirements. During the quarter, Annehem Fastigheter also invested in existing properties with a value amounting to SEK 14.3 million at 31 March 2023. Investments are primarily attributable to the completion of the preschools in Valhall Park and Ljungbyhed Park properties. The properties are measured at fair value where classification is conducted at level 3 in accordance with IFRS 13.

Current earnings capacity

Earnings capacity, SEK million	2023-03-31
Rent revenue	292.2
Vacancy	-12.0
Rent revenue	280.2
Property expenses	-84.7
Property tax	-12.4
Net operating income	183.1
Other operating income	-1.1
Central administration	-37.2
Net financial items	-79.2
Income from property management	65.6

Annehem Fastigheter presents its earnings capacity on a 12-month basis on 31 March 2023 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 2023 and their financing, after which the current earnings capacity illustrates the subsequent annualised earnings for Annehem Fastigheter. Transactions that took place after 31 March 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 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 2023, the economic occupancy rate was 95.0 percent.

Financing

Description of the financing situation

On 31 March 2023, Annehem Fastigheter had interest-bearing liabilities of SEK 1,956.1 million, yielding a loan-to-value ratio of 40.7 percent. The interest-bearing liabilities on 31 March 2023 comprised external loans amounting to SEK 1,956.1 million including lease liabilities, pertaining to ground leases, amounting to SEK 2 million.

Change in loan structure during the period

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Interest-bearing liabilities at beginning of the period	1,889.6	1,721.3	1,721.3
New external bank loans	75.9	75.0	132.9
Change in lease liability ¹	-0.1	-0.1	-0.1
Amortisations of external bank loans	-2.9	-	-7.9
Changes in capitalised loan costs	-1.0	1.1	-1.8
Currency effects	-5.4	11.2	45.2
Interest-bearing liabilities at end of the period	1,956.1	1,808.6	1,889.6

1) Pertains to the redemption of lease liabilities in 2021 when exercising a call option in a ground lease attributable to Ultimes I&II incl Parking.

Key figures relating to loan portfolio

	Jan-Mar	Full year	
	2023	2022	2022
Debt / equity ratio, multiple	0.8	0.7	0.7
Average interest rate, %	3.2	2.2	2.2

Available liquidity

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Cash and cash equivalents	190.2	290.0	190.2
Unused loan facility	125.0	345.0	420.0
Total	315.2	635.0	610.2

Fixed-interest and loan maturity structure

Year	Capital ²	Interest	Share, %
within a year	232.8	79.2	14%
1-2 years	57.0	77.2	6%
2-3 years	1,542.5	76.9	71%
3-4 years	123.9	74.9	9%
more than 4 years ¹	0.0	0.6	0%
Total at the end of the period	1,956.1	308.9	100%

1) Pertains to lease liability for ground leases 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 ¹	
	SEK million	Share, %	SEK million	Share, %
within a year	1,126.6	58%	232.8	12%
1-2 years	0.0	0%	57.0	3%
2-3 years	0.0	0%	1,542.5	79%
3-4 years	829.5	42%	123.9	6%
more than 4 years	-	-	-	-
Total at the end of the period	1,956.1	100%	1,956.1	100%

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 2023, based on a weighted average of interest-bearing liabilities on 1 January and 31 March, respectively, amounted to 3.2 percent. The effect of changes in average interest rates on profit is presented in the table below:

Change, %-points	SEK million	
+/- 0.5%	+/-	9.8
+/- 1.0%	+/-	19.6
+/- 1.5%	+/-	29.3

Other information

The company's shareholders

Shareholders	Numbers of shares	Capital, %	Votes, %
Ekhaga utveckling AB	13,587,282	23.0	49.4
Familjen Paulsson	3,470,290	5.9	11.3
Volito AB	4,900,000	8.3	6.3
Verdipapirfondet, Odin Eiendom	2,816,432	4.8	2.3
Peabs vinstandelsstiftelse	2,403,800	4.1	2.0
UBS Switzerland AG, W8IMY	259,549	0.4	1.4
Familjen Kamprads stiftelse	1,720,000	2.9	1.4
Carnegie spin off	1,398,600	2.4	1.2
Handelsbanken Microcap Norden	1,446,969	2.5	1.2
SEB Fastighetsfond Norden	240,151	0.4	0.9
10 largest share owners, sum	32,243,073	54.6	77.4
Other share owners	26,749,475	45.4	22.6
Total	58,992,548	100.0	100.0

Risk

For a description of Annehem's risks, refer to the Risks section on page 24, and the Risks and risk management section of Annehem's 2022 Annual Report.

Organisation and employees

Annehem Fastigheter had an average of 17 full-time employees in the first quarter of 2023. Including resources working on a consultative basis, the number of employees amounts to 18. Annehem Fastigheter had 17 employees and two resources on consulting basis during the 2022 comparative period.

Significant events after the end of the period

No significant events to note.

Financial calendar

2022 Annual General Meeting

Half-year report January–June 2023

Interim report January–September 2023

23 May 2023 - Ängelholm

20 July 2023

26 October 2023

Review

This report has not been subject to review by the company's auditors.

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 2023

Monica Fallenius

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 27 April 2023 at 8:00 a.m. CEST.

Consolidated income statement

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Rent revenue	61.1	50.5	217.9
Other property income	12.0	10.4	44.7
Total income	73.1	60.9	262.6
<i>Property expenses</i>			
Operating costs	-14.4	-12.5	-44.2
Maintenance costs	-1.8	-0.8	-10.2
Property tax	-3.1	-2.6	-12.6
Property administration	-3.2	-3.6	-14.3
Net operating income	50.6	41.4	181.3
Central administration	-11.1	-8.4	-36.2
Other operating income	0.9	0.6	7.7
Other operating costs	-1.3	-0.9	-9.3
Interest income	10.2	0.0	9.5
Interest expenses	-29.0	-11.9	-62.5
Other financial items ¹	-2.7	-0.5	-16.4
Income from property management	17.7	20.3	74.2
Changes in values of properties, unrealised	-122.0	142.6	98.0
Changes in values of derivatives	-13.2	35.5	90.9
Income before tax for the period	-117.4	198.4	263.0
Current tax	-0.2	-	-1.0
Deferred tax	24.0	-40.1	-54.7
Net income for the period attributable to the company shareholders	-93.6	158.3	207.3
 Average numbers of shares, before and after dilution	 58,992,548	 58,992,548	 58,992,548
Earnings per share, before and after dilution, SEK	-1.59	2.68	3.51

1) Other financial expenses comprise currency effects and realised and unrealised effects of currency futures.

Consolidated statement of profit or loss and other comprehensive income

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Profit for the period	-93.6	158.3	207.3
Other comprehensive income			
<i>Items that will be reclassified to profit or loss</i>			
Change in market value of derivative instruments	-0.2	-0.2	-1.6
Fiscal effect on derivative instruments	0.0	0.0	0.3
Translation differences from foreign operations for the period	3.8	3.2	19.1
Total other comprehensive income	3.6	3.0	17.8
Comprehensive income for the period attr. to parent company shareholders	-90.0	161.3	225.1

Consolidated Balance Sheet

SEK million	2023-03-31	2022-03-31	2022-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.1	0.1	0.1
Investment properties	4,336.3	4,160.3	4,309.2
Equipment and machinery	5.0	4.2	5.2
Derivative instrument	88.9	47.2	104.5
Other fixed assets	1.3	0.9	1.3
Total fixed assets	4,431.6	4,212.7	4,420.3
Current assets			
Accounts receivables	2.7	4.6	1.9
Current receivables	32.4	17.4	22.9
Derivative instruments	2.5	-	0.9
Cash and cash equivalents	190.2	290.0	237.9
Total current assets	227.7	312.0	263.6
TOTAL ASSETS	4,659.4	4,524.7	4,684.0
EQUITY AND LIABILITIES			
Equity			
Share capital	0.5	0.5	0.5
Other contributed capital	1,786.9	1,786.9	1,786.9
Reserves	22.8	5.4	22.0
Retained earnings including net income for the year	600.9	644.3	691.7
Equity attributable to parent company shareholders	2,411.2	2,437.1	2,501.1
Non-current liabilities			
Current interest-bearing liabilities	1,722.1	1,808.6	1,655.6
Derivative instruments	8.2	6.7	10.4
Other non-current liabilities	3.2	3.1	3.2
Deferred tax liabilities	170.4	179.5	195.6
Provisions for pensions	1.6	1.1	1.6
Total non-current liabilities	1,905.6	1,998.9	1,866.5
Current liabilities			
Current interest-bearing liabilities	234.0	-	234.0
Accounts payable and other liabilities	15.6	6.4	22.1
Current tax liabilities	1.0	0.0	1.8
Other current liabilities	92.0	82.2	58.5
Total current liabilities	342.7	88.6	316.4
Total liabilities	2,248.2	2,087.5	2,182.9
TOTAL EQUITY AND LIABILITIES	4,659.4	4,524.7	4,684.0

Consolidated cash flow statement

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Income from property management	17.7	20.3	74.2
<i>Items not affecting cash flow</i>			
Depreciation	0.1	0.3	0.4
Unrealised currency effects	-4.0	-7.2	-16.3
Other non-cash items	-1.1	-	-4.6
Income tax paid	-	-	-
Changes in working capital			
Operating receivables	-10.1	-12.5	-2.1
Operating liabilities	26.5	30.4	2.6
Cash flow from operating activities	29.2	31.3	54.2
<i>Investing activities</i>			
Investments in existing properties	-14.3	-4.6	-32.8
Acquisitions of investment properties	-135.0	-	-99.8
Investments in machinery and equipment	-	-1.3	-1.5
Cash flow from investing activities	-149.3	-5.9	-134.1
<i>Financing activities</i>			
Borrowings	75.9	75.0	132.9
Repayment of loans	-2.9	-	-7.9
Cash flow from financing activities	73.0	75.0	125.0
Cash flow for the period	-47.2	100.4	45.2
Cash and cash equivalents at the beginning of the period	237.9	190.2	190.2
Exchange rate difference in cash and cash equivalents	-0.6	-0.6	2.5
Cash and cash equivalents at the end of the period	190.2	290.0	237.9

Consolidated Statement of Changes in Equity

SEK million	2023-03-31	2022-03-31	2022-12-31
Opening balance, equity	2,501.1	2,275.9	2,275.9
Net income for the period	-93.6	158.3	207.3
Other comprehensive income for the period	3.6	3.0	17.8
Comprehensive income for the period	-90.0	161.3	225.1
Closing balance, equity attributable to Parent Company shareholders	2,411.1	2,437.2	2,501.1

Parent Company Income Statement

	Jan-Mar		Full year
SEK million	2023	2022	2022
Revenue	18.0	10.3	47.2
Administration costs	-10.2	-8.3	-38.3
Operating result	7.8	2.1	8.9
Financial items			
Financial net	24.9	19.9	47.2
Result after financial items	24.9	22.0	47.2
Appropriations	-	-	18.4
Result before tax	32.7	22.0	74.5
Deferred tax	0.6	-3.3	-6.2
Result for the period	33.3	18.7	68.3

Parent Company Balance Sheet

SEK million	2023-03-31	2022-03-31	2022-12-31
ASSETS			
Fixed assets			
Intangible fixed assets	0.1	0.1	0.1
Equipment and machinery	1.6	1.8	1.7
Financial fixed assets			
Shares in Group companies	18.9	16.6	18.8
Long-term receivables, Group companies	1,897.2	1,931.5	1,810.9
Derivative instruments	39.5	-	-
Other fixed assets	1.3	0.9	1.3
Total financial fixed assets	1,956.9	1,948.9	1,831.0
Total fixed assets	1,958.5	1,950.8	1,877.2
Current assets			
Accounts receivables	59.9	35.7	43.8
Accounts receivables from related parties	3.6	1.8	2.9
Derivative instruments	2.5	21.6	44.5
Cash and cash equivalents	142.2	75.7	208.4
Total current assets	208.2	134.8	255.9
TOTAL ASSETS	2,166.7	2,085.6	2,133.2
EQUITY AND LIABILITIES			
Equity			
Restricted equity			
Share capital	0.5	0.5	0.5
Unrestricted equity			
Retained earnings	2,092.2	2,023.9	2,023.9
Result for the year	33.2	18.7	68.3
Total equity	2,126.0	2,043.1	2,092.7
Provisions			
Provision for pensions and similar obligations	1.7	1.1	1.6
Provision for deferred tax	5.6	3.3	7.9
Total provisions	7.2	4.4	9.5
Total non-current liabilities	8.2	-	10.4
Current liabilities			
Derivative instruments	-	6.7	-
Liabilities to Group companies, accounts payable	5.4	3.1	5.4
Accounts payable	1.3	1.3	1.4
Other current liabilities	18.6	27.1	13.8
Total current liabilities	25.3	38.2	20.6
TOTAL EQUITY AND LIABILITIES	2,166.7	2,085.6	2,133.2

Parent Company Cash Flow Statement

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Result before tax	32.7	22.0	74.5
<i>Items not affecting cash flow</i>			
Depreciations	0.1	0.2	0.4
Unrealised currency effects	-4.4	-7.2	-37.4
Tax paid	-	-	-
Changes in working capital			
Operating receivables	-14.6	-5.7	-23.8
Operating liabilities	6.3	-8.0	-0.6
Cash flow from operating activities	20.1	1.2	13.1
<i>Investing activities</i>			
Investments in machinery and equipment	-	-1.6	-1.3
Cash flow from investing activities	-	-1.6	-1.3
<i>Financing activities</i>			
Changes interest-bearing receivables, Group companies	-86.3	67.4	187.9
Cash flow from financing activities	-86.3	67.4	187.9
Cash flow for the period	-66.2	67.0	199.7
Cash and cash equivalents in the beginning of the period	208.4	8.7	8.7
Cash and cash equivalents at the end of the period	142.2	75.7	208.4

Comments on Parent Company

The Parent Company had income related to invoiced 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

Annehem Fastigheter's portfolio is measured in the balance sheet at fair value and changes in value are recognised in the income statement. 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 occupancy 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 and market-specific conditions can lead to a drop in the value of properties, which could have an adverse impact on Annehem Fastigheter's operations, financial position and earnings.

The valuation also 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 the first quarter 2023, there was approximately SEK 3.2 million in loss carryforwards that had not been capitalised.

NOTE 3 SEGMENTS

Annehem 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. **Sweden Region**, including Stockholm, Malmö, Ljungbyhed, Ängelholm, Gothenburg and Helsingborg
2. **Rest of Nordics Region**, including Helsinki and Oslo

2023	Jan-Mar			
SEK million	Sweden	Other Nordics	Staff	Total
Rent revenue	43.5	17.6	0.0	61.1
Net operating income	32.9	17.2	0.5	50.6
Income from property management	29.5	8.2	-20.0	17.7
Income before tax	-63.5	-25.1	-28.8	-117.4
Investment properties, fair value	3,145.4	1,190.9	-	4,336.3

Group 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.

2022	Jan-Mar			
SEK million	Sweden	Other Nordics	Staff	Total
Rent revenue	36.3	14.2	0.0	50.5
Net operating income	27.4	14.2	-0.2	41.4
Income from property management	26.9	10.7	-17.3	20.3
Income before tax	176.7	5.2	16.5	198.4
Investment properties, fair value	2,788.5	1,371.8	-	4,160.3

NOTE 4 REVENUE FROM CONTRACTS WITH CUSTOMERS

SEK million	Jan-Mar	Full year	
	2023	2022	2022
Property tax	2.0	1.6	7.7
Rental guarantees	1.5	2.0	7.7
Other property revenue	8.6	6.8	29.3
Total other property revenue	12.0	10.4	44.7

Other property income largely comprises reinvoiced media costs (electricity, heating, water) to tenants, reinvoiced 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 fixed-interest 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 was reclassified to profit or loss in the same period or periods when the hedged expected cash flow impacts earnings. The ineffective portion of changes in the fair value of derivatives is recognised immediately in profit or loss in other financial items. Fair value is based on quotations from brokers. Similar contracts are trading in an active market and the rates reflect actual transactions in 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 0.4 million on 31 March 2023.

The Group holds fixed-interest derivatives in NOK, SEK and EUR, and currency futures in NOK and EUR. Until 30 June 2021, the Group hedged fixed-interest 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 "Changes 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 2023, the market value of fixed-interest derivatives amounted to SEK 80.7 million (40.5) and currency derivatives to SEK 2.5 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, Gothenburg and Helsingborg/Ängelholm, 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 Risks and risk management section in the 2022 Annual Report.

Financial key figures

Number of shares

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

Income from property management

Annehem 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 increase over time by an average of 20.0 percent per year. Shown below is the income from property management, excluding currency effects, which relate to the Group's currency swap derivatives and the revaluation of internal loans in NOK and EUR.

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Income before tax	-117.4	198.4	263.0
Add back			
Changes in fair value on investment properties	122.0	-142.6	-98.0
Changes in fair value of derivatives	13.2	-35.5	-90.9
Income from property management excl. items affecting comp.	17.7	20.3	74.2

	Jan-Mar	Full year	
Mkr	2022	2021	2022
Currency swaps	2.9	-5.3	-30.4
Revaluation of internal loans	-5.6	3.9	14.0
Currency effects	-2.7	-1.4	-16.4

Income from property management per share

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Income from property management	17.7	20.3	74.2
Currency effects	2.7	0.0	16.4
Income fr. property management excl. currency effects	20.4	20.3	90.6
Number of shares	58,992,548	58,992,548	58,992,548
Income fr. property management excl. currency effects per share	0.35	0.34	1.54

Long-term net asset value

Net asset value is the accumulated capital managed by the company on behalf of its owners. Using this capital, Annehem 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 Annehem's case deferred tax liabilities.

	2023-03-31	SEK/share	2022-12-31	SEK/share
Equity according to balance sheet	2,411.2	40.9	2,501.1	38.6
Add back				
Deferred tax according to balance sheet	170.4	-	195.6	-
Interest rate derivatives	-80.7	-	-94.1	-
Long-term net asset value	2,500.8	42.5	2,602.6	40.9

Interest-coverage ratio

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Income from property management	17.7	20.3	74.2
Add back			
Interest net	18.7	11.9	53.0
Currency effects	2.7	0.0	16.4
Interest coverage, multiple	2.1	2.7	2.7
Interest coverage, multiple rolling 12 month	2.5	3.0	2.7

Net loan-to-value ratio

SEK million	2023-03-31	2023-03-31	2022-12-31
Interest-bearing liabilities	1,956.1	1,808.6	1,889.6
Cash and cash equivalents	-190.2	-290.0	-237.9
Net interest-bearing liabilities	1,765.9	1,518.6	1,651.7
Investment properties	4,336.3	4,160.3	4,309.2
Net loan-to-value ratio, %	40.7%	36.5%	38.3%

Surplus ratio

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Income from property management	17.7	20.3	74.2
Add back			
Property expenses	32.9	21.1	107.1
Net operating income	50.6	41.4	181.3
Rent revenue	61.1	50.5	217.9
Surplus ratio, %	82.8%	81.9%	83.2%

Return on equity

	Jan-Mar	Full year	
SEK million	2023	2022	2022
Net income for the period attrib. to the Parent Co's shareholders	-93.6	158.3	207.3
Equity attributable to the Parent Company's shareholders	2,411.2	2,437.1	2,501.1
Return on equity, %	-3.9%	6.5%	8.3%

Glossary and definitions

Return on equity	Profit for RTM 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.
Gross rent	Gross rent is defined as rent revenue at a yearly basis excluding supplements and discounts.
Yield	Net operating income for RTM 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.
Net operating income	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.
Economic occupancy rate¹⁾	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.
Property	Property held with property rights or leasehold rights.
Fair value of properties	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.
Income from property management	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.
Income from property management excl. items affecting comparability	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.
Income from property management excl. currency effects	Income from property management is comprised of net operating income excluding currency effects, 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.
Rent revenue	Rent revenue less vacancies, rent discount and lost rent.
Rental value¹⁾	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.
Items affecting comparability	Annehem Fastigheter regards items of a non-recurring nature as items affecting comparability.
Long-term net asset value	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.
Net loan-to-value ratio	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.
Net letting¹⁾	New letting taken out during the period less terminations with notice of vacancy.

Interest-bearing liabilities	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.
Interest-coverage ratio	Income from property management, including reversal of financial income, expenses and currency 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.
Debt/equity ratio	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.
Equity/assets ratio	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.
Lettable area	The total floor area that can be rented out. Purpose: Reflects the total area the company can rent out.
Underlying property value	Agreed transaction price for the property.
Vacancy rent	Estimated market rent for vacant spaces. Purpose: The key figure specifies the potential rent revenue for fully leased spaces.
Currency effects	Currency effects attributable to currency futures and the translation of internal loans in EUR and NOK.
Surplus ratio	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



Contact persons

MONICA FALLENIOUS, CEO

Telephone: +46 (0)70-209 01 14

E-mail: monica.fallenius@annehem.se

JAN EGENÄS, CFO

Telephone: +46 (0)70-593 71 38

E-mail: jan.egenas@annehem.se

Annehem Fastigheter AB
Corp. ID. No. 559220-9083
Address:
Drottning Kristinas Esplanad 2
SE-170 67 Solna
info@annehem.se