

WALLENSTAM Q4 2023

Financially strong with attractive properties

SAMHÄLLSBYGGARE



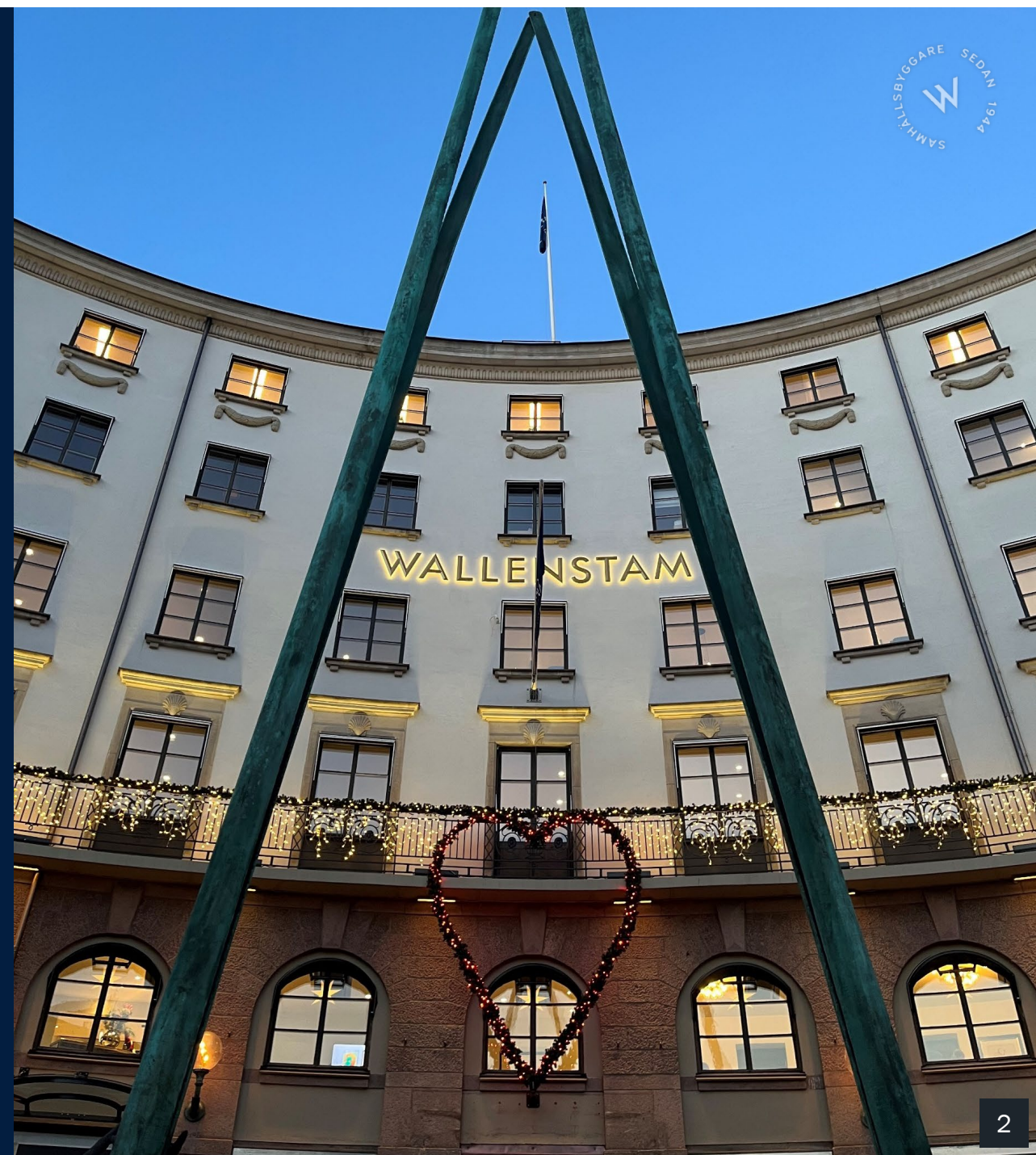
SEDAN 1944



GRANDPA

Events during Q4

- Repurchased 1.5 million shares
- Vacated property New York 8 at Gärdet in Stockholm
- Vacated development property Kvarngärdet 71:1 in Uppsala
- A number of large commercial lettings
- Dividend proposal SEK 0.50/share



Wallenstam's Group Management



Hans Wallenstam, CEO



Mathias Aronsson, vice CEO &
Regional director Stockholm/Uppsala



Marina Fritsche, vice CEO &
Regional director Gothenburg



Susann Linde,
CFO and Head of Investor Relations



Elisabeth Vansvik,
Communications director



Erik Klang,
Business strategist

Wallenstam today



208 properties



1.4 million sq m



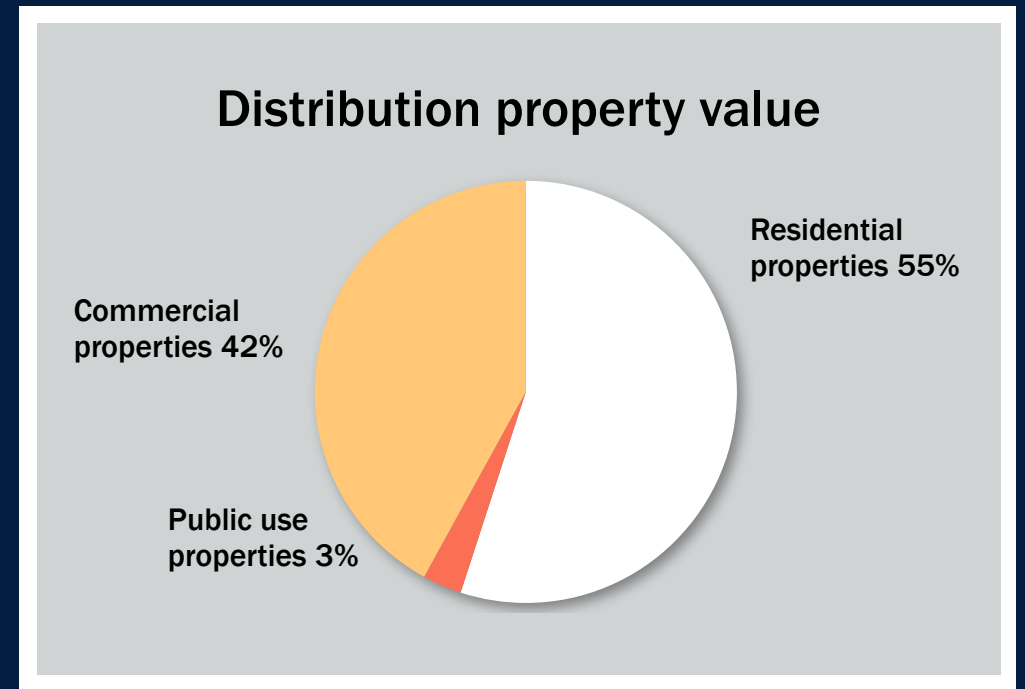
SEK 63 billion
in property value



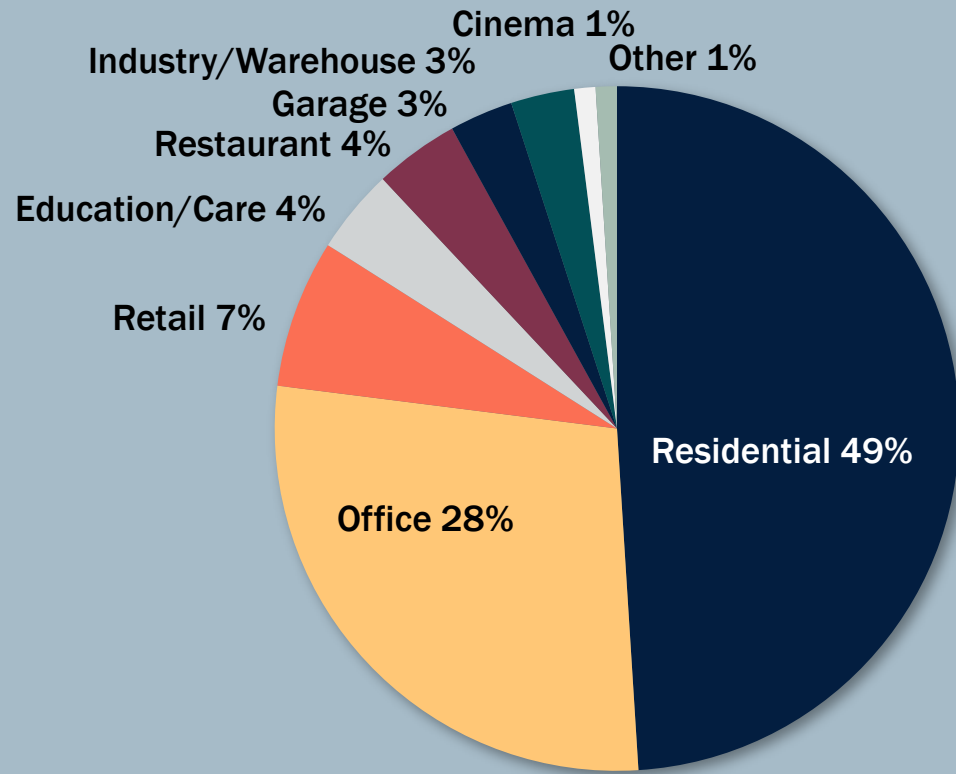
97%
in occupancy rate



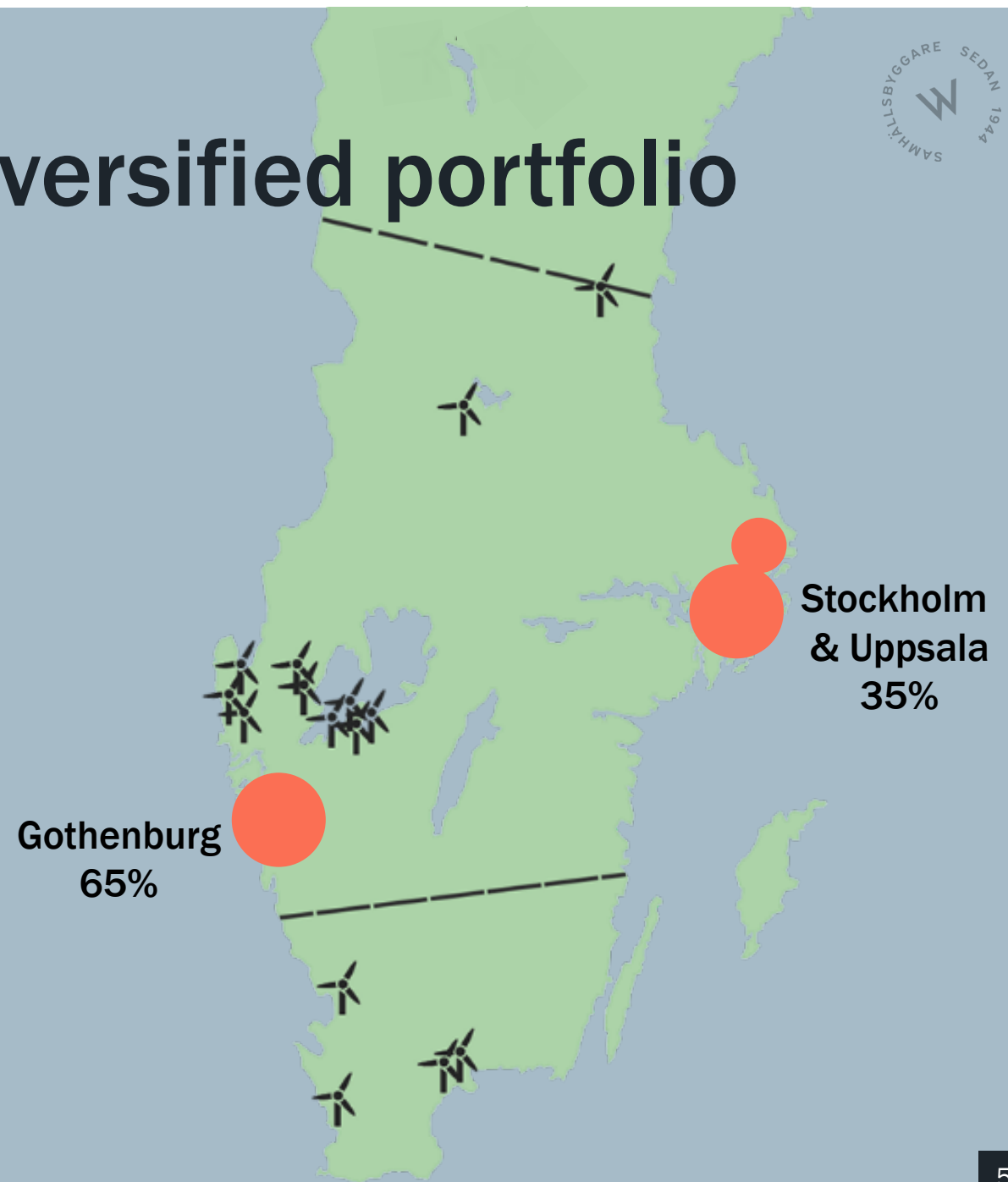
1,081 apartments
under construction



Attractive locations – diversified portfolio



Rental value



Wallenstam's climate targets

SCOPE 1

Direct emissions

Combustion of fuel and refrigerant leakage



Target: -50%

Base year: 695 tons CO₂e

2023: 444 tons CO₂e

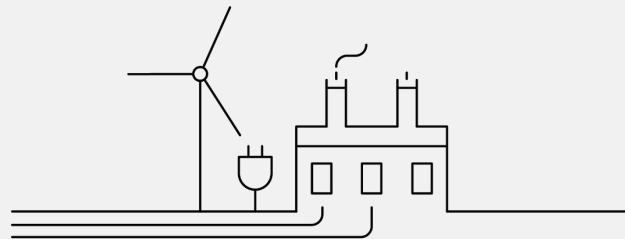
Outcome: -36%

- Some cooling systems with refrigerants have been replaced.

SCOPE 2

Indirect emissions

Purchased energy



Target: -50%

Base year: 5,097 tons CO₂e

2023: 3,888 tons CO₂e*

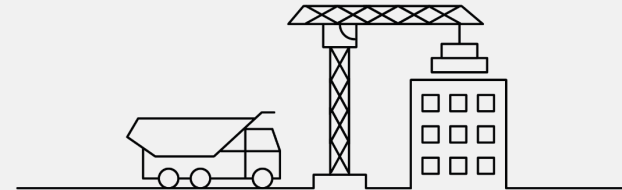
Outcome: -24%*

- Optimizing property operations.
- Energy efficiency projects, including technical equipment updates, window replacement, additional insulation and solar cell installations.

SCOPE 3

Other indirect emissions

Purchasing of construction materials



Target: -55%

Base year: 340 kg CO₂e/GFA

2023: 277 kg CO₂e/GFA

Outcome: -19%

- Climate calculations.
- Climate-smart material choices and reduced amount of material.
- Drawn up climate roadmap.

*As data for actual emissions from certain district heating providers for 2023 was not available during preparation of this report, the values are based to a lesser extent on emission data for 2022.



EU Taxonomy

KEY PERFORMANCE INDICATORS, EU TAXONOMY

2023	SEK million	Share Taxonomy-aligned, %
Turnover	1,255 (1,010)	42 (37)
CapEx	1,263 (1,649)	52 (37)
OpEx	95 (95)	25 (33)*

Information in parenthesis refers to outcomes in 2022.

* Corrected data for 2022.



Net operating income, properties

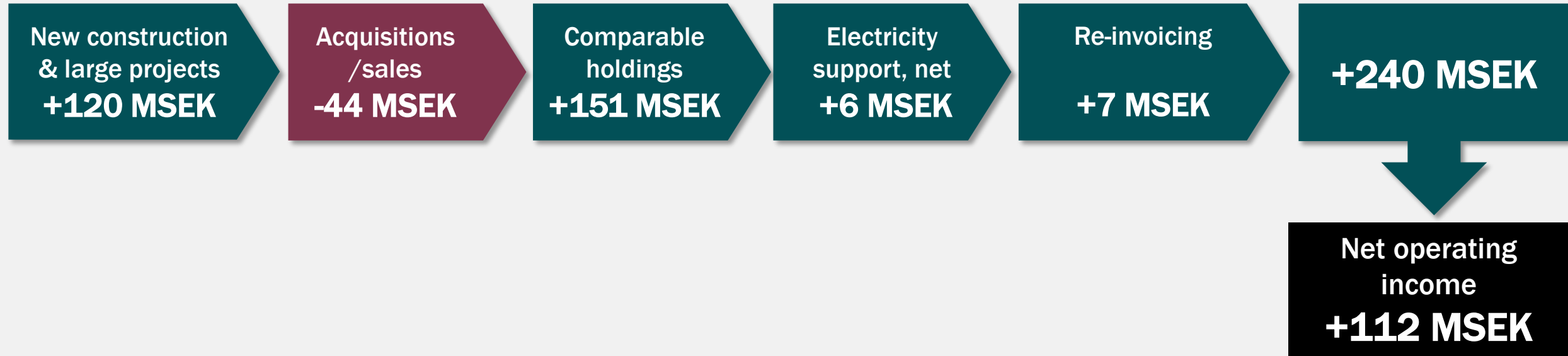
SEK million	2023 Jan-Dec	2022 Jan-Dec	2023 Oct-Dec	2022 Oct-Dec
Rental income	2,730	2,490	694	627
Operating expenses	-730	-602	-212	-179
Net operating income, properties	2,000	1,888	482	448

Surplus ratio: 73.3%



Net operating income change

Rental income



Operating expenses



Completed in Q4 2023

Kompositören, Rosendal

UPPSALA



82 RENTAL APARTMENTS (OCCUPATION DECEMBER)



Good demand for commercial premises

- Commercial occupancy rate Gothenburg: 95%
- Commercial occupancy rate Stockholm: 71% (10% of the commercial property holding)
- Great demand for commercial premises in Gothenburg city.
- Extended agreements with many tenants during the current agreement period.

Kriminal-
vården,
3,700 sq m

TryggHansa,
810 sq m

Falck,
1,070 sq m

Surgical
Science
Sweden AB,
890 sq m

Slettvoll,
540 sq m

ECCO,
370 sq m

CTEK
Sweden AB,
250 sq m

Gothenburg
University
3,670 sq m

City of
Gothenburg,
780 sq m

Restaurant
Noema,
730 sq m

Income from property management

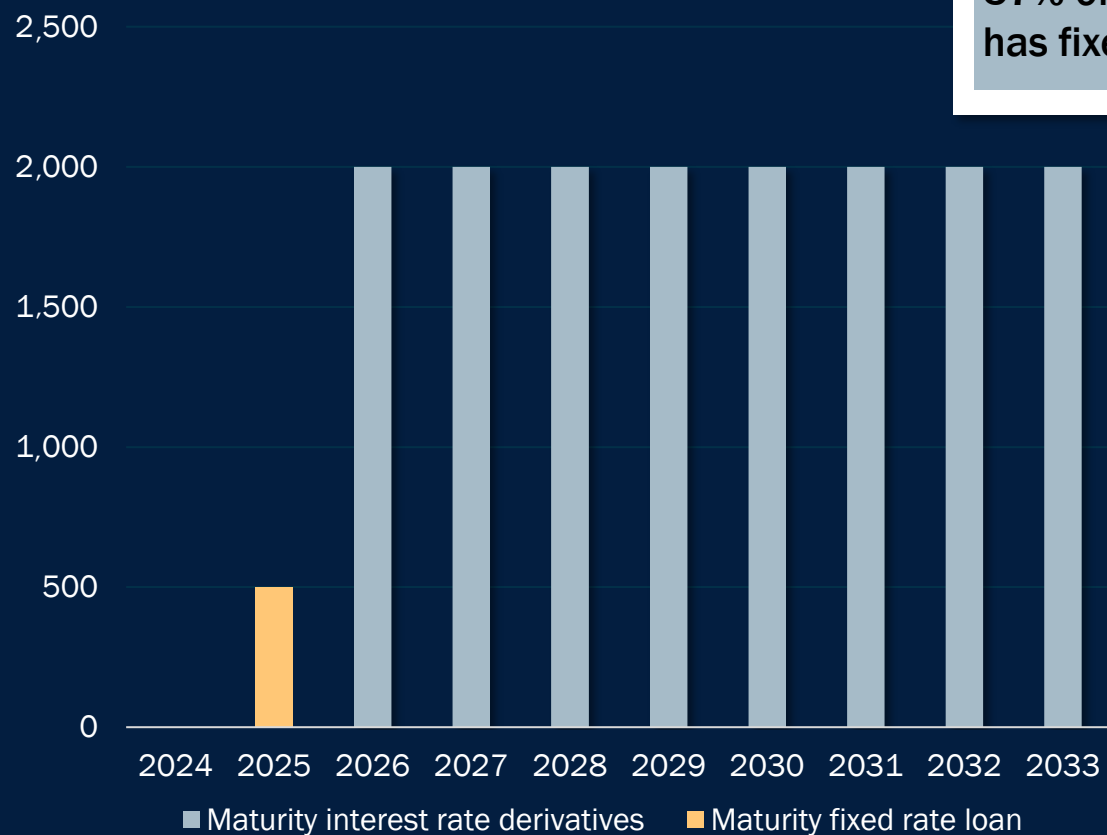
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Management costs and administrative expenses	-293	-272	-75	-68
Financial income	7	6	4	2
Financial expenses	-675	-370	-200	-123
Income from property management	1,040	1,252	211	259

Average interest rate on closing day: 3.24%



Average fixed interest rate term, 40 months

SEK million



Profit before changes in value

SEK million	2023 Jan-Dec	2022 Jan-Dec	2023 Oct-Dec	2022 Oct-Dec	
Income from property management	1,040	1,252	211	259	
Participation in profits/losses of associated companies	-3	-3	-1	-1	
Revenues, development property sales	348	79	324	17	} • Sales development property
Expenses, development property sales	-254	-49	-241	-21	
Other income	273	283	68	85	} • Mainly Result energy
Other expenses	-176	-156	-48	-43	
Financial expenses, other	-38	-14	-10	-3	
Profit before changes in value and impairment losses	1,190	1,392	304	292	



Changes in value

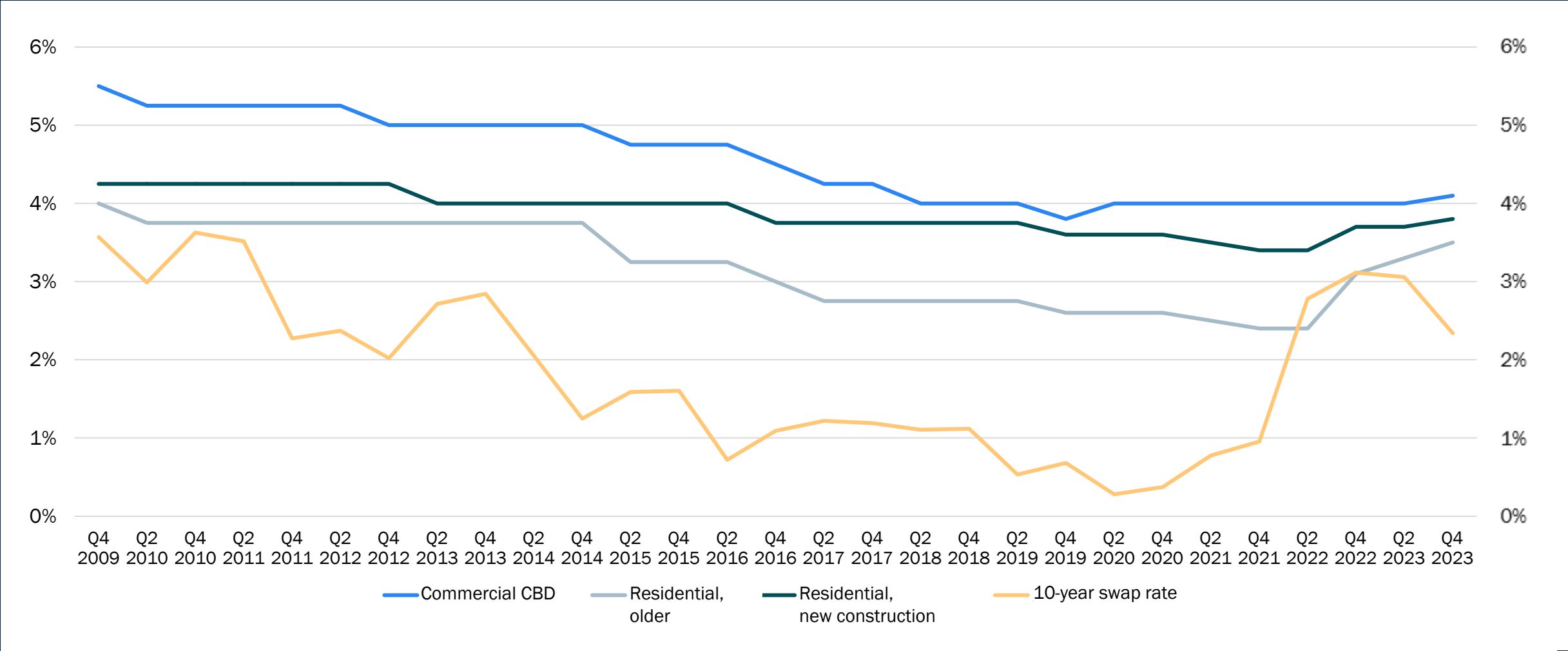
SEK million	2023 Jan-Dec	2022 Jan-Dec	2023 Oct-Dec	2022 Oct-Dec
Profit before changes in value and impairment losses	1,190	1,392	304	292
Changes in value, investment properties	-847	-2,627	-37	-3,001
Changes in value, financial instruments	-916	1,646	-904	-77
Changes in value, synthetic options	-68	-	-39	-
Reversal of impairment loss on wind turbines	59	300	-	-
Profit before tax	-582	711	-677	-2,786
Current tax	-2	-4	-2	-1
Deferred tax	134	397	187	986
Profit after tax	-450	1,103	-492	-1,801

Adjusted direct yield requirements:

- Residential: 10-30 points
- Commercial: 10 points



Direct yield requirements and swap rate



Balance sheet – Assets

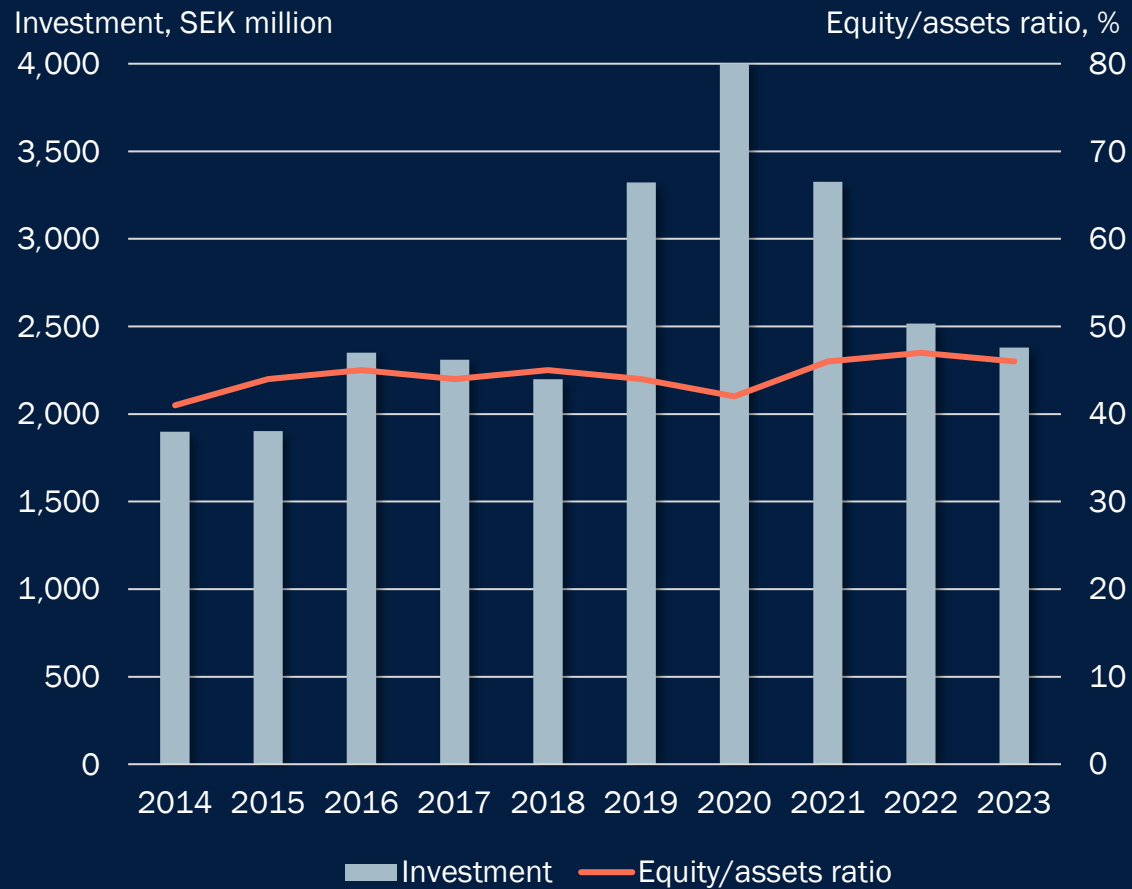
Assets, SEK million	23-12-31	22-12-31
Investment properties	63,090	62,092
Development properties	77	217
Wind turbines	985	1,017
Cash and cash equivalents	50	181
Financial derivative instruments	1,018	1,900
Other	1,621	1,642
Total	66,841	67,049

INVESTMENT PROPERTIES, SEK MILLION

Investment properties in operation	58,103
Projects in progress, rental apartments	2,014
Land and projects for future new construction	2,973
Total investment properties	63,090



Investments in construction



1,081 apartments in ongoing new construction

Occupation starts 2024

Stampgatan (commercial)
Reconstr., Gothenburg

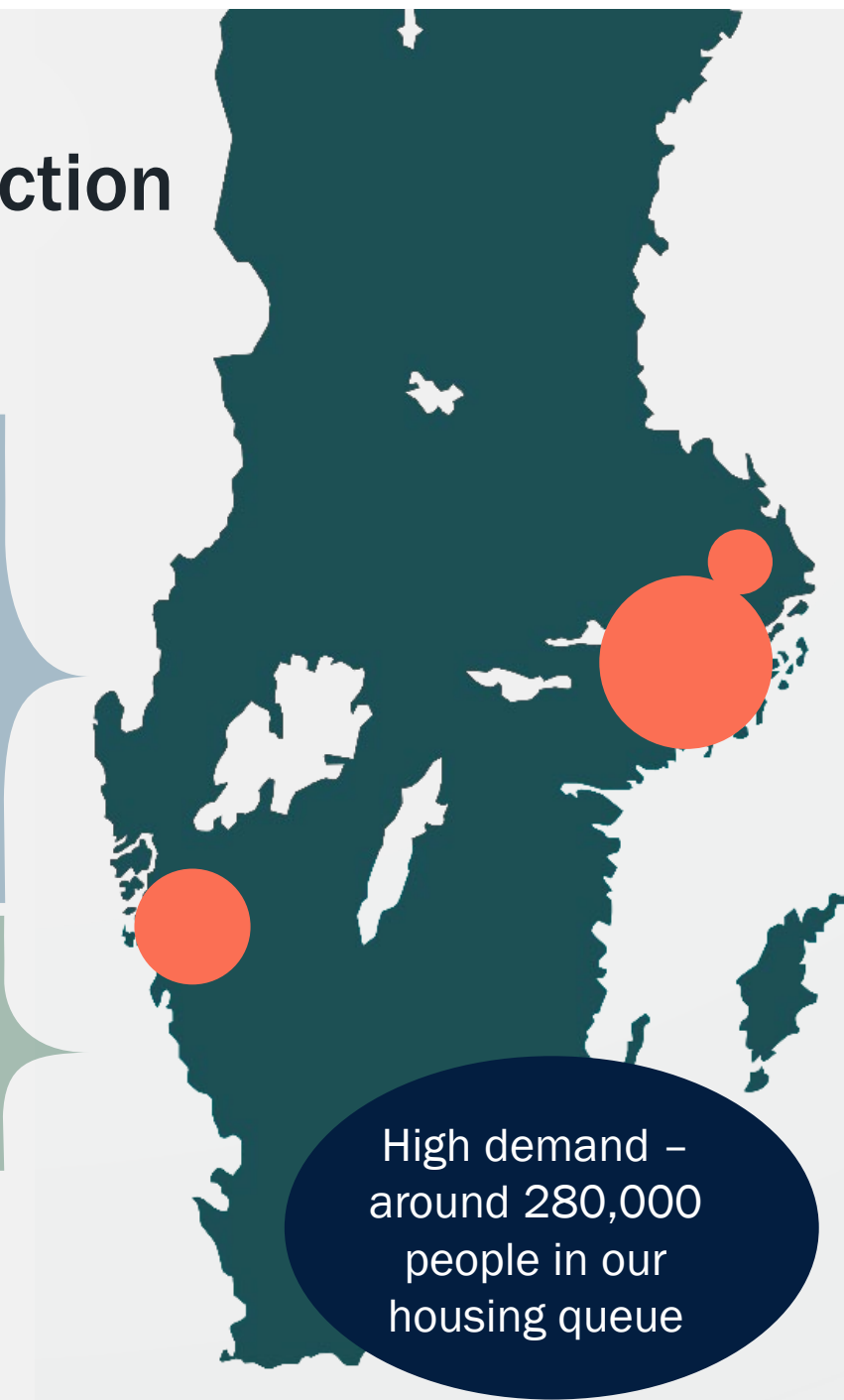



Kallebäcks Terrasser Kvarter 5
Gothenburg, 182 apts.



Occupation starts 2025

Kallebäcks Terrasser Kvarter 6
Gothenburg, 298 apts.



High demand – around 280,000 people in our housing queue

Occupation starts 2023

Kompositören
Uppsala, 69 apts.



Occupation starts 2024

Älta Torg Kv. 1
Nacka, 191 apts.




Nacka Grace
Nacka, 169 apts.



Occupation starts 2025

Ädellövet
Stockholm, 172 apts.



Balance sheet – Liabilities and equity

Liabilities and equity, SEK million	23-12-31	22-12-31
Equity	30,500	31,432
Interest-bearing liabilities	29,075	28,283
Financial derivative instruments	18	26
Lease liability	544	511
Other	6,704	6,798
Total	66,841	67,049



Funding sources



BANK LOANS

Investment properties



BONDS

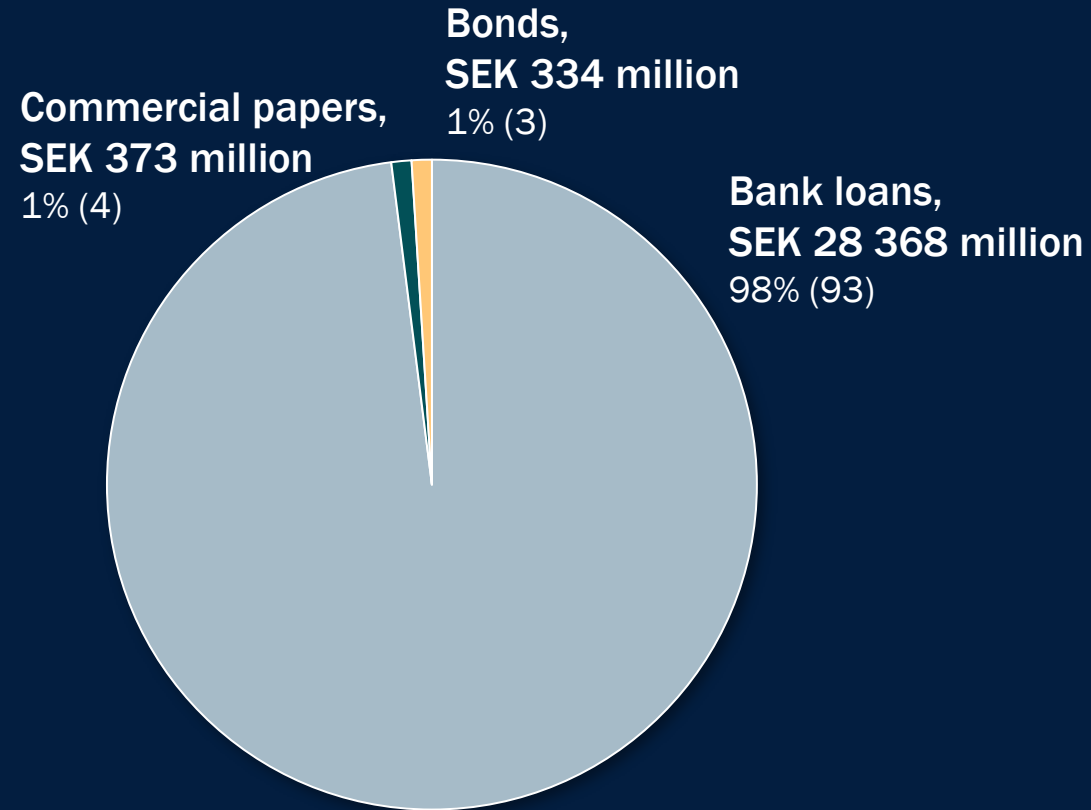
Wind turbines



COMMERCIAL PAPERS

New construction

Funding sources



Financing, distribution Q4

Key ratios

	Q4 2023	Q4 2022
NOI, SEK million	2,000	1,888
Surplus ratio, %	73.3	75.8
Average interest rate, %	3.24	2.21
Interest coverage ratio, times (rolling 12 months)	2.6	4.7
Loan-to-value ratio, %	46	45
Equity/assets ratio, %	46	47
Repurchased shares, thousands	3,000	1,000
Equity/share, SEK	46.40	47.70
Net asset value/share, SEK	56.20	57.40



Summary 2023



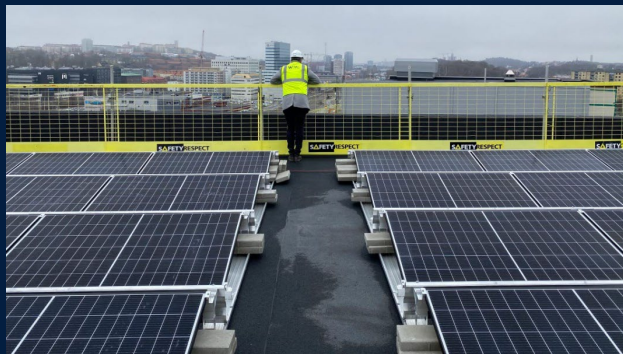
Investment in construction:
SEK 2.4 billion



New construction starts:
172 apts.



Completed new construction:
837 apts.



Installed solar cells:
5,460



Sales:
SEK 0.5 billion



New commercial agreements:
26,000 sq m

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