

**HOLMSTRÖM**  
FASTIGHETER HOLDING

YEAR-END REPORT  
JANUARY – DECEMBER  
2022



# INTERIM YEAR REPORT

## JANUARY – DECEMBER 2022

**In March 2021, Holmströmgruppen carried out a restructuring of the Group. Through combining companies with residential and community service properties and shareholdings in Magnolia Bostad and Vincero Fastigheter, a new sub-group was created under a new parent company, Holmström Fastigheter Holding AB (publ), (“Holmström Fastigheter”).**

### COMMENTS TO THE RESULTS

#### JANUARY - DECEMBER 2022

- Rental income amounted to SEK 53 m (84). The decrease from previous year is due to the sale of Klippudden Fastigheter to a jointly-owned JV.
- Net operating income was SEK 26 m (52).
- Operating losses from associated companies was SEK -437 m (573).
- Changes in the value of investment properties of SEK -28 m (311) are attributable to the sale of the Klippudden Fastigheter to a jointly-owned JV, generating a profit of SEK 10 m, as well as an unrealized change in value of investment properties amounting to SEK -38 m.
- Profit for the period was SEK -455 m (826).

#### OCTOBER - DECEMBER 2022

- Rental income amounted to SEK 10 m (28). The decrease from previous year is due to the sale of Klippudden Fastigheter to a jointly-owned JV.
- Net operating income was SEK 3 m (16).
- Profit from associated companies was SEK -193 m (313) which consists of a loss in Magnolia Bostad AB of SEK -110

m, profit in Ankarhagen of SEK 9 m, as well as loss in Klippudden Fastigheter and Vincero Fastigheter of about SEK -58 m and preliminary SEK -34 m respectively.

- Changes in the value of investment properties of SEK -38 m (182) are attributable to an unrealized change in value of SEK -21 m as well as a SEK -17 m reclassification to deferred tax as part of the divestment of Klippudden to the co-owned joint venture.
- The operating profit was SEK -226 m (508).
- Profit for the period was SEK -215 m (454).

#### IMPORTANT EVENTS OCTOBER - DECEMBER 2022

- Holmström Fastigheter acquired shareholding in Ankarhagen Holding AB from Holmströmgruppen at book value. The holdings is recognised as shares in associated companies as of Q4.

#### IMPORTANT EVENTS AFTER THE END OF THE QUARTER

- No significant events after the end of the quarter.

### KEY PERFORMANCE INDICATORS, THE GROUP

SEK M	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
Rental income	10	28	53	84
Net operating income	3	16	26	52
Change in value of investment properties, realized	-17	0	10	0
Change in value of investment properties, unrealized	-21	182	-38	311
Profit/loss from shares in associated companies and joint ventures	-193	313	-437	573
Profit/loss after financial items	-235	495	-478	898
Operating profit/loss, rolling 12 m	-448	927	-448	927
Number of investment properties	25	67	25	67
Market value of the properties, SEK m	832	2,259	832	2,259
Property value, SEK per m <sup>2</sup>	21,457	22,810	21,457	22,810
Annual rental income, SEK per m <sup>2</sup>	1,155	1,165	1,155	1,165
Property yield, %	3.6%	3.2%	3.6%	3.2%
Vacancy rate (economic), %	4.1%	4.1%	4.1%	4.1%
Lettable area, m <sup>2</sup>	38,784	99,038	38,784	99,038
Return on equity on a yearly basis, %	-53.0%	83.2%	-27.7%	59.6%
Adjusted equity/assets ratio, %	61.21%	56.6%	61.2%	56.6%
Interest coverage ratio, multiple	0.9	1.3 *	0.9	1.9 *

\* Interest coverage ratio is calculated using rolling 12m. As the group was formed Q1 2021, the first period to have a complete rolling 12m is Q2 2022.

Definitions are presented at the end of the report.

# A WORD FROM THE CEO

**The market situation has given us higher interest rates and yield requirements, which has a negative effect on us. However, we believe that the tougher times ahead can offer us great business opportunities that we hope to take advantage of in cooperation with our partners.**

2022 developed into an exceptional year. At the start of the year, the Covid pandemic was still raging. In February, Russia launched its war of aggression against Ukraine, and this was followed by an energy crisis, rising inflation and sharply increased interest rates. Like the rest of the Swedish economy, the capital markets were negatively affected, with the Stockholm stock exchange falling and an anxious, cautious, bond market. The property market saw falling valuations as a result of increasing yield requirements.

As a result, Holmström Fastigheter's operating profit for the full year 2022 decreased to SEK -448 m (927). All parts of the Group saw deteriorating results, but Magnolia Bostad, which focuses on housing development, has had a particularly difficult year as a result of the deteriorating macroeconomic situation.

Despite this, I still look to the future with confidence. We believe in the long term and are working on establishing long-term collaborations with strong partners. During the second half of 2021, we started collaborating with Areim, when we jointly bought out Magnolia Bostad from the stock exchange. Areim plans to add SEK two billion in capital to Magnolia Bostad, of which over one billion has already been added. At the beginning of 2022, we started another collaboration with a strong partner, Slättö. We will jointly own and develop Klippudden Fastigheter, a company that was previously part of Holmström Fastigheter. Klippudden Fastigheter has plans to expand its property portfolio, with Slättö contributing the majority of the financing for this expansion.

I am convinced that the solid experience, great knowledge and access to capital that our collaborations offer will lead us to exciting new opportunities in the future.

## INVESTMENT PROPERTIES

As a result of our collaboration with Slättö, which entailed Slättö buying half of our subsidiary Klippudden Fastigheter at the beginning of 2022, the book value of our investment properties has decreased and now accounts for around 33% of our total assets. We continue to make investments with sound profitability in our property portfolio. During the year, we have, among other things, completed heat and exhaust air recycling projects and converted attics into apartments. In 2022, we conducted an energy inventory of all our properties, which showed great potential for continued investment in the portfolio.

## ANKARHAGEN

At the end of 2022, Holmströmgruppen continued the restructuring of its property assets with the sale of the associated company Ankarhagen from Holmströmgruppen to Holmström Fastigheter. We own 20% of Ankarhagen, while our partner Areim owns an equal share. The main owner is founder and CEO Markus Sjöwall.

The business concept is to acquire, manage and renovate commercial properties in the warehouse and light industry sec-

tors, in locations close to towns in expanding regions in Central Sweden. The company performed well in 2022 despite the market situation and sees great opportunities in continuing to develop the existing portfolio and acquiring attractive properties in its segment.

## SUSTAINABILITY

Sustainability issues are an obvious and important part of Holmström Fastigheter's business. In 2022, we carried out climate risk assessment of parts of the portfolio to ensure compliance with certain parts of the EU Green Taxonomy Regulation. We also invested in a web-based platform for the collection, processing, analysis and visualization of energy data and implemented a whistleblower function. In addition, we continued with our long-term sustainability investments. These include, among other things, energy mapping our properties and implementing energy-saving measures in the stock. In order to increase security for our tenants, we offer a package that includes the installation of security doors, access systems, LED lighting and refurbishment of common areas.

## MAGNOLIA BOSTAD

Magnolia Bostad faced difficult market conditions during the year. Falling values of the end products coupled with rising turnkey contract prices have meant that Magnolia Bostad, like many colleagues in the sector, has postponed a number of construction starts. The company therefore carried out a review of its fixed costs and adapted its workforce. We judge that the uncertain market situation will last for some time but that this will open up opportunities to acquire attractive building rights. The underlying demand for new housing remains strong and the general slowdown in new construction in Sweden will affect the housing shortage. When the market stabilizes, good conditions will therefore be in place for new production to start again in the markets where Magnolia Bostad operates.

## VINCERO FASTIGHETER

Holmström Fastigheter owns 50% of Vincero Fastigheter, which owns a number of commercial properties with good transport links in Greater Stockholm and Uppsala. The intention is to develop building rights for residential units in these properties.

In 2022, the company's most important project, Sjödalén in Huddinge, went into the consultation phase. This is an important milestone and a completed zoning plan is expected to be available in 2024. The project includes around 2,000 residential units with good transport links to central Stockholm.

I would like to thank our employees, the Board and our partners for good cooperation during a challenging 2022. We are now tackling 2023 with the hope that the market will gradually stabilize.

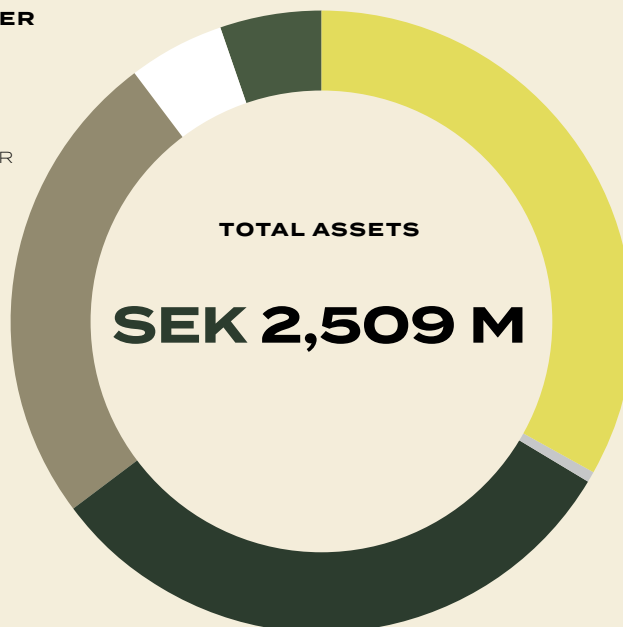
Stockholm, February 2023

Erik Rune  
CEO



**ASSETS, HOLMSTRÖM FASTIGHETER**  
BOOK VALUE

- » INVESTMENT PROPERTIES  
SEK 832 M (33.2%)
- » SHARES IN KLIPPUDDEN FASTIGHETER  
SEK 9 M (0.4%)
- » SHARES IN HAM NORDIC  
SEK 791 M (31.5%)
- » SHARES IN VINCERO FASTIGHETER  
INCLUDING SHAREHOLDER LOANS  
SEK 618 M (24.6%)
- » SHARES IN ANKARHAGEN  
SEK 130 M (5.2%)
- » OTHER ASSETS  
SEK 129 M (5.1%)



# THIS IS HOLMSTRÖM FASTIGHETER

**OVERVIEW**

Holmström Fastigheter Holding AB (publ) (“Holmström Fastigheter”) is a wholly-owned subsidiary of Holmströmgruppen and primarily focuses on residential rental properties in prime locations in metropolitan as well as regional cities throughout Sweden.

Holmström Fastigheter holds 35.5% of the shares in HAM Nordic, which holds 100% in the property developer Magnolia Bostad. Additionally, Holmström Fastigheter holds 50% of the shares in Vincero Fastigheter 5 AB (“Vincero Fastigheter”), who specialise in commercial and residential properties in the Greater Stockholm and Uppsala area. Since December 2022 Holm-

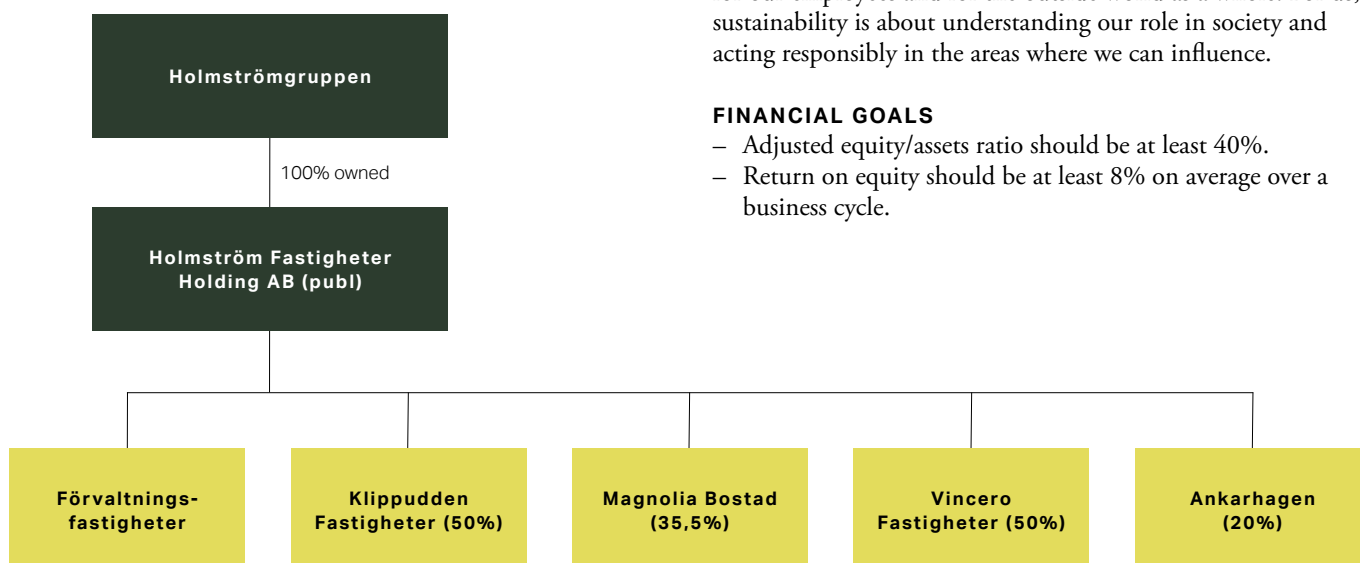
ström Fastigheter also holds 20% in Ankarhagen Fastigheter (“Ankarhagen”), specialising in investment properties within light industry. Holmström Fastigheter owns 50% of Klippudden Fastigheter. The ownership is a JV between Holmström Fastigheter and Slättö whose ownership amounts to 50%.

**SUSTAINABILITY**

Holmström Fastigheter works for sustainable development, and we see sustainability issues as a natural part of our work. We consider the environment and people and take responsibility for future generations. We are convinced that a healthy approach to sustainability issues brings great benefits for us as a company, for our employees and for the outside world as a whole. For us, sustainability is about understanding our role in society and acting responsibly in the areas where we can influence.

**FINANCIAL GOALS**

- Adjusted equity/assets ratio should be at least 40%.
- Return on equity should be at least 8% on average over a business cycle.



# INVESTMENT PROPERTIES

In February, a JV was formed where Holmström Fastigheter and Slättö will develop Klippudden Fastigheter. As a result of the partnership, Holmström Fastigheter's own housing portfolio has decreased as part of the assets are now in the associated company Klippudden Fastigheter.

## LOCATIONS

The properties are located in Stockholm, Nynäshamn and Österåker (Mälaren Region) and in Örnsköldsvik. The properties are located in central, attractive locations in areas that show good economic growth, positive population growth and a shortage of housing.

## TYPE OF PROPERTIES

Residential properties make up the largest segment of the portfolio, in line with Holmström Fastigheter's strategy. 77% of the portfolio (calculated according to lettable area) is residential. Commercial spaces are typically located on the ground floor of the residential properties.



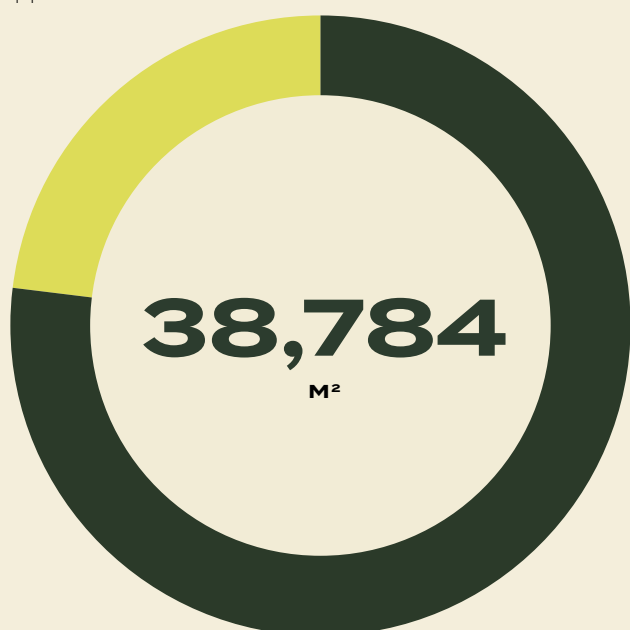
Storängsvägen 16, Åkersberga.

## SUMMARY OF HOLDING HOLMSTRÖM FASTIGHETER

	31/12/2022
Number of investment properties	25
Properties' market value, SEK m	832
Property value, SEK per m <sup>2</sup>	21,457
Annual rental income, SEK per m <sup>2</sup>	1,155
Property yield, %	3.6%
Vacancy rate (economic), %	4.1%
Lettable area, m <sup>2</sup>	38,784

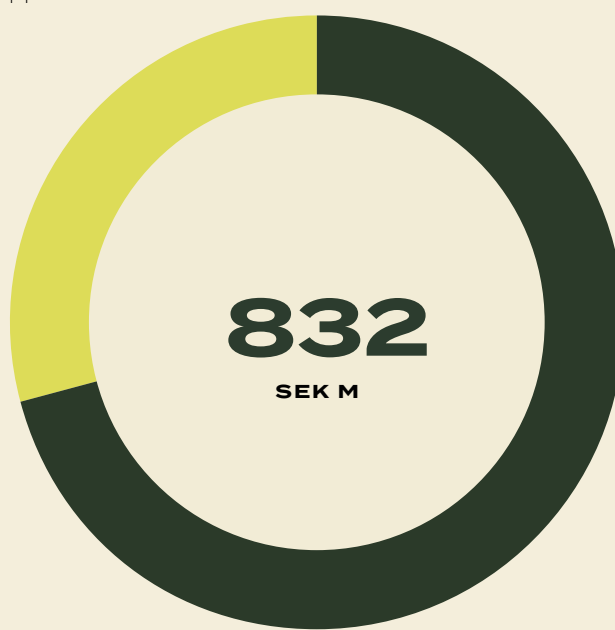
Definitions are presented at the end of the report.

INVESTMENT PROPERTIES, DISTRIBUTION BY TYPE OF PROPERTY  
M<sup>2</sup>



- » RESIDENTIAL, 77%
- » COMMERCIAL PREMISES, 23%

INVESTMENT PROPERTIES, DISTRIBUTION BY MARKET VALUE  
M<sup>2</sup>



- » MÄLAREN REGION, 71%
- » ÖRNSKÖLDSVIK, 29%

# MÄLAREN REGION

Mälaren is a region defined as the catchment area of Lake Mälaren and has an aggregated population of around 3.2 million people or close to a third of Sweden's population.

The Mälaren portfolio accounts for 71% of Holmström Fastigheter's property portfolio in terms of market value.

## LOCATIONS

The Mälaren portfolio is concentrated around the urban areas of Stockholm, Nynäshamn and Österåker.

## TYPE OF PROPERTIES

Residential properties make up the largest segment of the portfolio. The portfolio consists of five properties. The largest accounts for just under half of the rental income and is a residential and commercial property in a prime location in Nynäshamn.



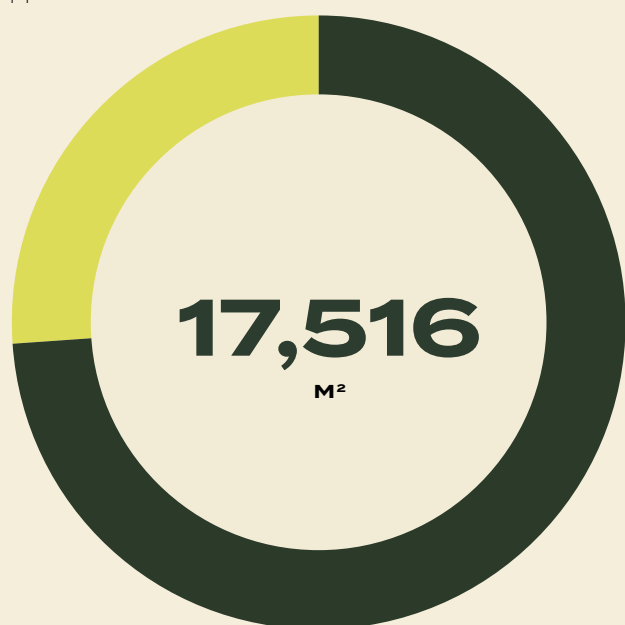
Norrbackagatan 28, Stockholm, 26 apartments.

## KPIs, MÄLAREN REGION

	31/12/2022
Number of investment properties	5
Properties' market value, SEK m	587
Property value, SEK per m <sup>2</sup>	32,076
Annual rental income, SEK per m <sup>2</sup>	1,311
Property yield, %	3.0%
Vacancy rate (economic), %	5.4%
Lettable area, m <sup>2</sup>	17,516

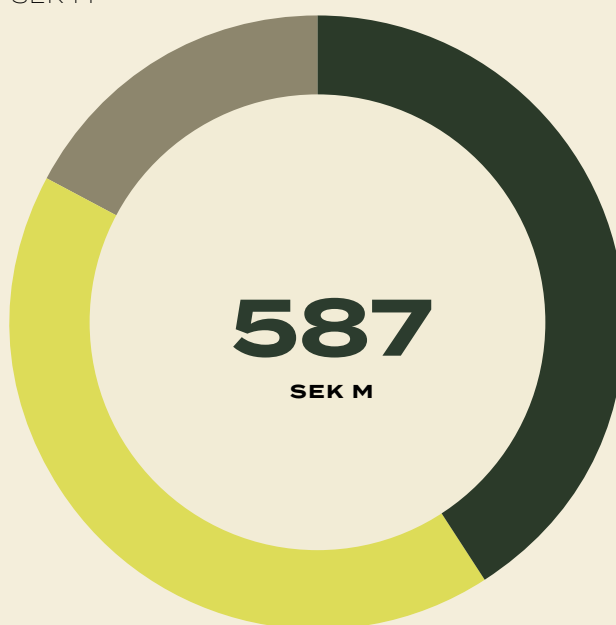
Definitions are presented at the end of the report.

MÄLAREN REGION,  
DISTRIBUTION BY TYPE OF PROPERTY  
M<sup>2</sup>



- » RESIDENTIAL, 74%
- » COMMERCIAL PREMISES, 26%

MÄLAREN REGION,  
DISTRIBUTION BY MARKET VALUE  
SEK M



- » STOCKHOLM, 41%
- » NYNÄSHAMN, 42%
- » ÖSTERÅKER, 17%

# ÖRNSKÖLDSVIK

Örnsköldsvik is situated in the north of Sweden with a population of around 33,000. The Örnsköldsvik portfolio accounts for 30% of Holmström Fastigheter's property portfolio in terms of market value.

## LOCATIONS

All properties are located within Örnsköldsvik municipality and split between Örnsköldsvik and Husum, the latter a regional village located around 25 minutes by car from Örnsköldsvik.

## TYPE OF PROPERTIES

The Örnsköldsvik portfolio consists primarily of residential properties situated in central locations, complemented by commercial properties with reputable tenants such as the local municipality and the social democrats party.



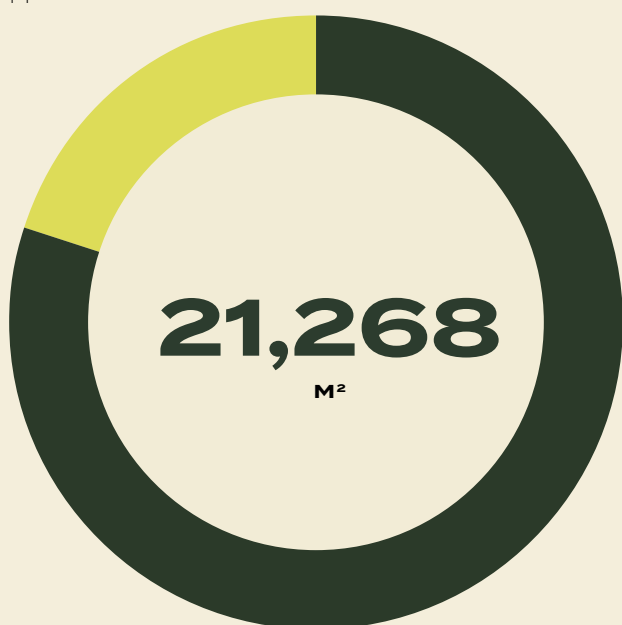
Nygatan 21, Örnsköldsvik, 8 apartments.

## KPIs, ÖRNSKÖLDSVIK

	31/12/2022
Number of investment properties	20
Properties' market value, SEK m *	245
Property value, SEK per m <sup>2</sup>	11,174
Annual rental income, SEK per m <sup>2</sup>	1,027
Property yield, %	4.9%
Vacancy rate (economic), %	2.8%
Lettable area, m <sup>2</sup>	21,268

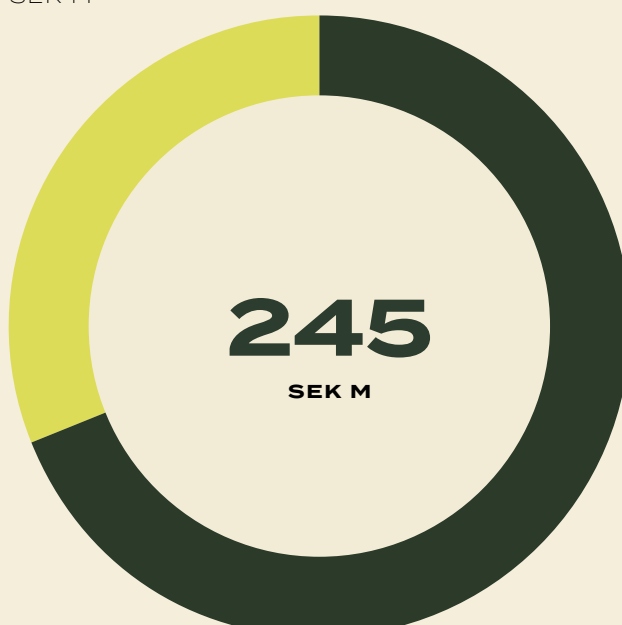
\* Holmström Fastigheter owns 60% of the properties. Definitions are presented at the end of the report.

ÖRNSKÖLDSVIK,  
DISTRIBUTION BY TYPE OF PROPERTY  
M<sup>2</sup>



- » RESIDENTIAL, 80%
- » COMMERCIAL PREMISES, 20%

ÖRNSKÖLDSVIK,  
DISTRIBUTION BY MARKET VALUE  
SEK M



- » ÖRNSKÖLDSVIK, 69%
- » HUSUM, 31%

# ASSOCIATED COMPANIES

**Together with our partners in associated companies, there is capital that, regardless of economic conditions, enables business transactions when the right investment opportunities arise.**

## INVESTMENT STRATEGY

### KLIPPUDDEN FASTIGHETER

- The main focus is on existing residential and community properties in carefully selected cities in Sweden.
- The goal is long-term ownership where active management, value creation, customer satisfaction and energy efficiency are at the centre of our thinking.
- Stable cash flows with a high occupancy rate and low risk exposure in strong markets.
- Holmströmgruppen is the asset manager for Klippudden Fastigheter.



*Duvan 7, Kalmar.*

## INVESTMENT STRATEGY

### MAGNOLIA BOSTAD

- Properties are developed for sale as residential units, community service properties or hotels based on current market conditions and each property's individual potential and characteristics.
- Projects are also developed for self-management to strengthen the balance sheet, generate a continuous cash flow and create long-term value growth.
- Collaboration with strong, long-term partners.



*Liljedal Entré, Kungälv.*

## INVESTMENT STRATEGY

### VINCERO FASTIGHETER

- Management of commercial properties in locations close to transport links in the Stockholm region with development potential for housing.
- Innovative urban development to create unique large-scale housing areas with qualities for housing that contribute to sustainable urban environments.
- Long-term management of self-produced and acquired housing in the Stockholm region and other growth locations.



*Fjärdingen 27:5, Uppsala.*

## INVESTMENT STRATEGY

### ANKARHAGEN

- The business concept includes acquiring, managing and renovating commercial properties in the warehouse and light industry sectors, in locations close to towns in expanding regions in Central Sweden.
- The company also manages the project development of previously unused land where it builds premises for new and current customers.



*Östanvinden 4, Karlstad.*



# KLIPPUDDEN FASTIGHETER

Klippudden Fastigheter is a joint venture owned by Holmström Fastigheter (50%) and Slättö (50%). The company and its owners aim is to continuously grow the property holding portfolio, where Slättö will provide the majority of the funding. The properties are managed by Holmströmgruppen.

## LOCATION

Klippudden Fastigheter's portfolio is situated in central locations in Kalmar, Nybro, Linköping, Norrköping and Borgholm and currently consists of 81% residential properties, 11% community service properties and 8% commercial premises.

## IMPORTANT EVENTS OCTOBER – DECEMBER 2022

- During the period, Klippudden took over six properties located in Kalmar.

## IMPORTANT EVENTS AFTER THE END OF THE QUARTER

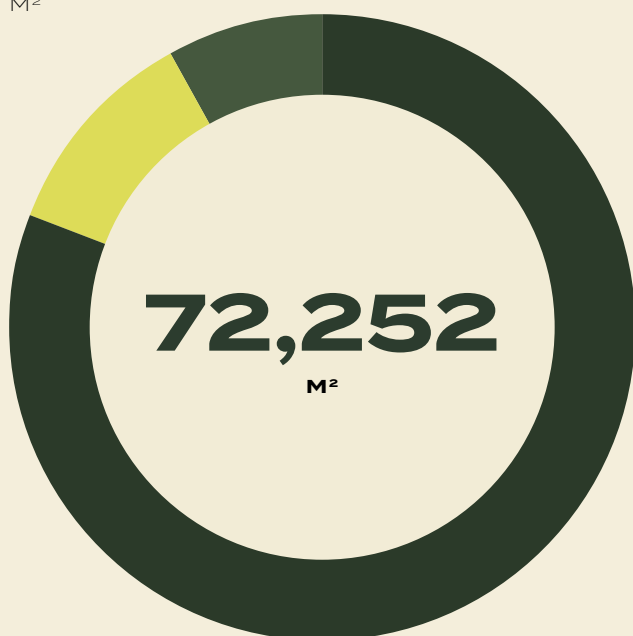
- No significant events after the end of the quarter.

## KPIs, KLIPPUDDEN FASTIGHETER

	31/12/2022
Number of investment properties	53
Properties' market value, SEK m	1,675
Property value, SEK per m <sup>2</sup>	22,840
Annual rental income, SEK per m <sup>2</sup>	1,278
Property yield, %	3.6%
Vacancy rate (economic), %	2.0%
Lettable area, m <sup>2</sup>	72,252

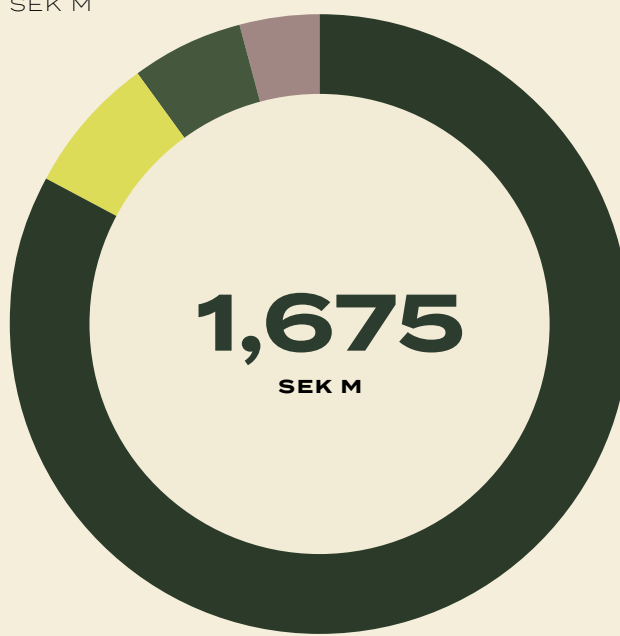
Definitions are presented at the end of the report.

**KLIPPUDDEN FASTIGHETER,  
DISTRIBUTION BY TYPE OF PROPERTY**  
M<sup>2</sup>



- » RESIDENTIAL, 81%
- » COMMUNITY SERVICE PROPERTIES, 11%
- » COMMERCIAL PREMISES, 8%

**KLIPPUDDEN FASTIGHETER,  
DISTRIBUTION BY MARKET VALUE**  
SEK M



- » KALMAR (INCL. NYBRO), 83%
- » NORRKÖPING, 6%
- » BORGHOLM, 7%
- » LINKÖPING, 4%

# MAGNOLIA BOSTAD



Öresjö Ängar project in Borås.

Magnolia Bostad is an urban developer that develops and manages attractive and sustainable living environments. Magnolia Bostad mainly develops rental apartments, but also tenant-owned apartments, community service properties and hotels. Development mainly takes place in Sweden's growth areas and major cities.

#### **IMPORTANT EVENTS JULY - SEPTEMBER 2022**

- Carried out a major review of the building rights portfolio to make it better balanced for prevailing market conditions
- Received two unconditional shareholder contributions totalling SEK 300 m from Magnolia Bostad's owner HAM Nordic AB.

#### **SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER**

- No important events after the end of the quarter.

For more information on Magnolia Bostad please see <https://magnoliabostad.se/>

# VINCERO FASTIGHETER



*Vincero Fastigheter's property on Instrumentvägen 29-31 in Stockholm consists of offices and warehouses.*

Vincero Fastigheter 5 AB is part of the Vincero Group and owns and manages commercial properties in attractive locations with good transport links in and around Stockholm and Uppsala. The properties often have possible added value by developing existing properties into residential buildings.

#### **IMPORTANT EVENTS OCTOBER - DECEMBER 2022**

- The group took over the property Ängen 2 in Segeltorp for an amount of SEK 27.8 m, adjusting for deferred tax.

#### **SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER**

- No significant events after the end of the quarter.

# ANKARHAGEN



*Klubban 7, Karlstad.*

Ankarhagen is a property company that acquires, manages and renovates properties, mainly focusing on warehouses and light industry. The company also manages the project development of previously unused land where it builds premises for new and current customers.

#### **IMPORTANT EVENTS OCTOBER - DECEMBER 2022**

- Ankarhagen received its first green loan as the property Hjulsmiden 5, Västerås, was certified Energy grade B.
- Ankarhagen acquired one investment property during the fourth quarter.
- Ankarhagen Fastigheter AB was registered as a public company.

#### **SIGNIFICANT EVENTS AFTER THE END OF THE QUARTER**

- No significant events after the end of the quarter.

# CONSOLIDATED INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Rental income	10	28	53	84
Operating and maintenance costs	-7	-12	-26	-31
Property tax	0	0	-1	-1
<b>Net operating income</b>	<b>3</b>	<b>16</b>	<b>26</b>	<b>52</b>
Central administration	-1	-3	-7	-9
Profit/loss from shares in associated companies and joint ventures	-193	313	-437	573
Profit from other securities and receivables	2	0	-2	0
Change in value of investment properties, realized	-17	0	10	0
Change in value of investment properties, unrealized	-21	182	-38	311
<b>Operating profit/loss</b>	<b>-226</b>	<b>508</b>	<b>-448</b>	<b>927</b>
Financial income	3	1	10	4
Financial expenses	-12	-14	-40	-33
<b>Profit/loss after financial items</b>	<b>-235</b>	<b>495</b>	<b>-478</b>	<b>898</b>
Deferred tax	22	-41	24	-70
Tax on profit/loss for the period	-1	0	0	-2
<b>Profit/loss for the period</b>	<b>-215</b>	<b>454</b>	<b>-455</b>	<b>826</b>
<i>Profit/loss attributable to</i>				
Parent company's shareholders	-211	437	-451	804
Non-controlling interests	-4	17	-4	22

## COMMENTS TO THE RESULTS OCTOBER TO DECEMBER 2022

- During Q4, a reclassification was carried out between the realized change in value of investment properties and deferred tax of around SEK 17 m, to explain previously deferred tax that was resolved upon the sale of Klippudden to a partly-owned JV. The change had no effect on the period's results either in isolation in Q4, or the full year 2022.
- Rental income amounted to SEK 10 m (28). The decrease from previous year is due to the sale of Klippudden Fastigheter to a jointly-owned JV.
- Net operating income was SEK 3 m (16).
- Profit from associated companies was SEK -193 m (313) which consists of a loss in HAM Nordic AB (Magnolia Bostad) of SEK -110 m, profit in Ankarhagen of SEK 9 m, as well as loss in Klippudden Fastigheter and Vincero Fastigheter of about SEK -58 m and preliminary SEK -34 m respectively.
- Changes in the value of investment properties of SEK -38 m (182) are attributable to an unrealized change in value of SEK -21 m as well as a SEK -17 m reclassification to deferred tax as part of the divestment of Klippudden to the co-owned joint venture.
- The operating profit was SEK -226 m (508).
- Profit for the period was SEK -215 m (454).

# CONSOLIDATED STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK M	2022	2021
	31 Dec	31 Dec
<b>Assets</b>		
<i>Fixed assets</i>		
Investment properties	832	2,259
Right of use assets	4	6
<b>Total tangible fixed assets</b>	<b>836</b>	<b>2,265</b>
Shares in associated companies and joint ventures	1,396	1,698
Receivables from associated companies	152	40
Other long-term securities held	18	1
<b>Total financial fixed assets</b>	<b>1,566</b>	<b>1,739</b>
<b>Total fixed assets</b>	<b>2,403</b>	<b>4,004</b>
<b>Current assets</b>		
Accounts receivable	0	1
Receivables from associated companies	0	6
Other receivables	0	26
Prepaid expenses and accrued income	7	3
Cash and cash equivalents	99	121
<b>Total current assets</b>	<b>106</b>	<b>157</b>
<b>Total assets</b>	<b>2,509</b>	<b>4,161</b>

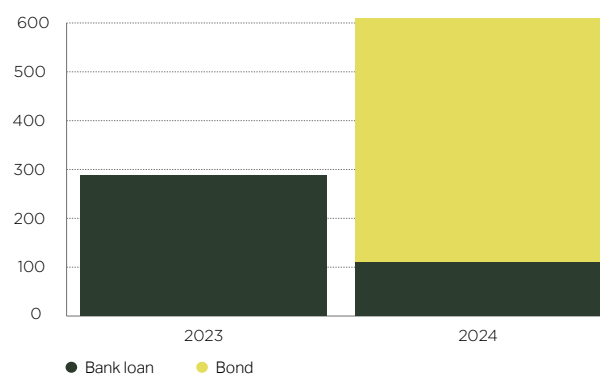
## COMMENTS

- Total assets amounted to SEK 2,509 m.
- Investment properties amounted to SEK 832 m. The decline from previous year is an effect of Klippudden Fastigheter being sold to a jointly-owned JV and thus not being consolidated into Holmströmgruppen any longer. No acquisitions were made during the period.
- Shares in associated companies amounted to SEK 1,396 m. The balance consists of HAM Nordic AB, SEK 791 m, Ankarhagen, SEK 90 m, Vincero Fastigheter 5 AB, SEK 506 m and Klippudden Fastigheter AB, SEK 9 m. HAM Nordic owns 100% of the shares in Magnolia Bostad.
- Receivables from associated companies amounted to SEK 152 m and consist of a receivable from Vincero Fastigheter of SEK 112 m, as well as Ankarhagen of SEK 40 m.

AMOUNTS IN SEK M	2022	2021
	31 Dec	31 Dec
<b>Equity and liabilities</b>		
Equity	1,003	2,164
<b>Equity attributable to parent company's shareholders</b>	<b>1,003</b>	<b>2,164</b>
Non-controlling interests	51	70
<b>Total equity</b>	<b>1,054</b>	<b>2,234</b>
<i>Long-term liabilities</i>		
Deferred tax liability	29	70
Other provisions	27	0
Long-term interest-bearing liabilities	606	1,390
Long-term leasing liabilities	5	7
<b>Total long-term liabilities</b>	<b>666</b>	<b>1,467</b>
<i>Current liabilities</i>		
Accounts payable	2	5
Current interest-bearing liabilities	287	305
Current liability to parent company	481	121
Tax liabilities	0	1
Other current liabilities	0	0
Accrued expenses and deferred income	19	28
<b>Total current liabilities</b>	<b>789</b>	<b>460</b>
<b>Total equity and liabilities</b>	<b>2,509</b>	<b>4,161</b>

**COMMENTS**

- Total equity amounted to SEK 1,054 m, of which SEK 51 m is attributable to non-controlling interests. In addition, there is a shareholder loan of SEK 481 m that is subordinated to bondholders. Total equity, adjusted with the addition of subordinated shareholder loans, amounted to SEK 1,535 m.
- The adjusted equity/assets ratio was 61.2%.
- Long-term interest-bearing liabilities amounted to SEK 606 m. The change from the opening balance is primarily due to the sale of Klippudden Fastigheter to a jointly-owned JV.
- Current interest-bearing liabilities amounted to SEK 287 m.

**Maturity structure, SEK m**

# CONSOLIDATED STATEMENT OF CHANGES IN EQUITY IN SUMMARY

AMOUNTS IN SEK M	Share capital	Retained profits incl. net profit/loss for the year	Non-controlling interests	Total equity
Opening equity 01/01/2021	0	0	0	0
New issue	1			1
Shareholder contribution		1,389		1,389
Acquisition of non-controlling interests			57	57
Dividend			-8	-8
Group contribution provided		-29	-1	-30
Profit/loss for the period		804	22	826
<b>Closing equity 31/12/2021</b>	<b>1</b>	<b>2,163</b>	<b>70</b>	<b>2,234</b>
Opening equity 01/01/2022	1	2,163	70	2,234
Acquisition of non-controlling interests		-3	-15	-18
Dividend		-700		-700
Group contributions		-7		-7
Profit/loss for the period		-451	-4	-455
<b>Closing equity 31/12/2022</b>	<b>1</b>	<b>1,003</b>	<b>51</b>	<b>1,054</b>

## COMMENTS

- Share capital amounted to SEK 0.5 m.
- The share of equity attributable to non-controlling interests has decreased by SEK 15 m, relating to the sale of Klippudden Fastigheter group to a jointly-owned JV, as well as acquisition of Latonas minority interest in Klippudden as of Q4.
- Profit for the period attributable to non-controlling interests amounted to SEK -4 m.
- The accumulated loss for the period was SEK -455 m.



# CONSOLIDATED CASH FLOW STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
<b>Operating activities</b>				
Operating profit/loss	-226	508	-448	927
Adjustments for non-cash items				
- Profit/loss from participations in associated companies and joint ventures	193	-313	437	-573
- Fair value changes, investment properties	37	-182	28	-311
Interest received	3	0	10	1
Interest paid	-17	-12	-39	-21
Income tax paid	-1	0	-1	-1
<b>Cash flow from operating activities before changes in working capital</b>	<b>-11</b>	<b>1</b>	<b>-13</b>	<b>22</b>
Decrease (+)/increase (-) in current receivables	1	-25	2	-36
Decrease (-)/increase (+) in current liabilities	6	-118	13	116
<b>Cash flow from operating activities</b>	<b>-4</b>	<b>-142</b>	<b>2</b>	<b>102</b>
<b>Investing activities</b>				
Investments in new builds, extensions and conversions	-4	-9	-30	0
Acquisition of investment properties	0	-96	0	-1,948
Sale of investment properties	0	0	533	0
Investment in financial assets	-104	116	-207	-1,166
<b>Cash flow from investing activities</b>	<b>-107</b>	<b>11</b>	<b>296</b>	<b>-3,114</b>
<b>Financing activities</b>				
Dividend to shareholders	0	0	-700	1 389
Transactions with non-controlling interest	0	0	0	49
Borrowings	122	77	854	1,972
Repayment of borrowings	-1	-3	-474	-277
<b>Cash flow from financing activities</b>	<b>121</b>	<b>74</b>	<b>-320</b>	<b>3 133</b>
<b>Cash flow for the period</b>	<b>10</b>	<b>-57</b>	<b>-22</b>	<b>121</b>
<b>Cash and cash equivalents at the beginning of the period</b>	<b>89</b>	<b>178</b>	<b>121</b>	<b>0</b>
<b>Cash and cash equivalents at the end of the period</b>	<b>99</b>	<b>121</b>	<b>99</b>	<b>121</b>

## COMMENTS ON CASH FLOW

### OCTOBER TO DECEMBER 2022

- Cash flow from operating activities was SEK -4 m.
- Cash flow from investing activities was SEK -107 m.
- Cash flow from financing activities was SEK 121 m.

# PARENT COMPANY'S INCOME STATEMENT IN SUMMARY

AMOUNTS IN SEK M	2022	2021	2022	2021
	Oct-Dec	Oct-Dec	Jan-Dec	Jan-Dec
Net sales	0	0	0	0
<b>Total earnings</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Central administration	0	0	-1	-1
<b>Operating profit/loss</b>	<b>0</b>	<b>0</b>	<b>-1</b>	<b>-1</b>
Financial income	1	2	5	6
Financial expenses	-10	-9	-33	-18
<b>Profit/loss after financial items</b>	<b>-9</b>	<b>-7</b>	<b>-29</b>	<b>-13</b>
Appropriations	1	0	1	0
<b>Profit/loss before tax</b>	<b>-8</b>	<b>-7</b>	<b>-28</b>	<b>-13</b>
Tax on profit/loss for the period	0	0	0	0
<b>Profit/loss for the period</b>	<b>-8</b>	<b>-7</b>	<b>-28</b>	<b>-13</b>

# PARENT COMPANY'S STATEMENT OF FINANCIAL POSITION IN SUMMARY

AMOUNTS IN SEK M	2022	2021
	Jan-Dec	Jan-Dec
<b>Assets</b>		
<i>Financial fixed assets</i>		
Shares in subsidiaries	1,139	1,139
<b>Total fixed assets</b>	<b>1,139</b>	<b>1,139</b>
<i>Current assets</i>		
Receivables from Group companies	494	856
Prepaid expenses and accrued income	5	6
Cash and cash equivalents	0	1
<b>Total current assets</b>	<b>500</b>	<b>863</b>
<b>Total assets</b>	<b>1,639</b>	<b>2,002</b>

AMOUNTS IN SEK M	2022	2021
	Jan-Dec	Jan-Dec
<b>Equity and liabilities</b>		
<b>Equity</b>	<b>651</b>	<b>1,378</b>
<i>Long-term liabilities</i>		
Long-term interest-bearing liabilities	496	494
<b>Total long-term liabilities</b>	<b>496</b>	<b>494</b>
<i>Current liabilities</i>		
Current liabilities to Group companies	481	121
Accrued expenses and deferred income	11	9
<b>Total current liabilities</b>	<b>492</b>	<b>130</b>
<b>Total equity and liabilities</b>	<b>1,639</b>	<b>2,002</b>

# OTHER INFORMATION

## ACCOUNTING PRINCIPLES

Holmström Fastigheter follows the IFRS standards as adopted by the EU. The interim report for the Group has been prepared in accordance with IAS 34 Interim Financial Reporting and the Annual Accounts Act. For the parent company, the interim report has been prepared in accordance with the Annual Accounts Act, which is in accordance with the provisions set out in RFR 2. Disclosures in accordance with IAS 34 Interim Financial Reporting are provided in notes as well as elsewhere in the interim report.

## TRANSACTIONS WITH RELATED PARTIES

The Group is subject to controlling influence from F. Holmström Fastigheter AB, co. reg. no. 556530-3186, which has its registered office in Stockholm. Transactions with related parties have occurred between the parent company and its subsidiaries and between the subsidiaries in the form of loans of cash and cash equivalents and fees for property management services carried out on market terms.

## INVESTMENT PROPERTIES

Investment properties are reported, in accordance with IFRS, at fair value on the balance sheet date. Fair value is the estimated amount that would be received in a transaction at the time of reporting between knowledgeable parties independent of each other and who have an interest in the transaction being carried out. The valuations are made at the end of each quarter and all

investment properties are externally valued at least once a year. Both unrealized and realized changes in value are reported in the income statement under the heading Changes in value of investment properties.

## STATEMENT AND CERTIFICATION

The Board of Directors and CEO assert that this interim report provides a true and fair view of the company's and the Group's operations, position and results, and that it describes the significant risks and uncertainties that the company and its subsidiaries face.

Stockholm, 28 February 2023,  
Holmström Fastigheter Holding AB (publ)

Erik Rune  
*CEO*

Fredrik Holmström  
*Chairman of the Board*

Fredrik Tibell  
*Board member*

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

# DEFINITIONS

Alternative KPIs not defined within IFRS.

## **ADJUSTED EQUITY/ASSETS RATIO, (%)**

Equity, including holdings with a non-controlling influence, and subordinated shareholder loans as a percentage of the balance sheet total.

## **INTEREST COVERAGE RATIO, MULTIPLE**

Net operating income from the property business for the latest rolling 12-month period, divided by net interest expenses for the latest rolling 12-month period.

## **LETTABLE AREA**

Lettable area of the properties excluding parking spaces, garaging and storage.

## **NET FINANCIAL ITEMS**

The total of all interest expenses less all interest income, excluding:

1. interest on subordinated shareholder loans,
2. fees, costs, stamp tax, registration and other fees incurred in connection with (i) interest rate caps and interest rate options, (ii) financial indebtedness, and (iii) transactions.

## **PROPERTY YIELD (%)**

Estimated net operating income on an annual basis in relation to the fair value of the properties at the end of the period.

## **RENTAL INCOME**

Income from tenants after deduction of discounts and vacancies.

## **RENTAL VALUE**

Annual rent in accordance with lease contracts plus estimated market rent for vacant units.

## **RETURN ON EQUITY (%)**

Net profit/loss for the period as a percentage of the average equity on an annual basis.

## **VACANCY RATE**

Rental value for vacant units in relation to rental value.

# FINANCIAL CALENDAR

- Annual Report 2022: 28 April 2023
- Interim Report Jan – Mar 2023: 31 May 2023
- Half-Year Report Jan – Jun 2023: 31 August 2023
- Interim Report Jan – Sep 2023: 30 November 2023
- Year-End Report Jan – Dec 2023: 29 February 2024

# CONTACT INFORMATION

**Visiting address:** Sturegatan 6

**Postal address:** Box 5184  
102 44 Stockholm

**Phone:** +46 (0) 8 660 94 00

**Website:** [www.holmstromfastigheterholding.se](http://www.holmstromfastigheterholding.se)

**ERIK RUNE, CEO**

[erik.rune@holmstromgruppen.se](mailto:erik.rune@holmstromgruppen.se)

This Interim Report is a translation of the original Swedish Interim Report, which prevails in case of discrepancies between this translation and the Swedish original.