

# Rikshem's Interim Report

January–September 2024



rikshem

## The period in brief

- Rental income increased by SEK 115 million and totaled SEK 2,720 (2,605) million, an increase of 4.4 percent.
- Rental income for the like-for-like portfolio rose SEK 105 million or 4.9 percent.
- Net operating income totaled SEK 1,591 (1,495) million, an increase of 6.4 percent.
- Income from property management totaled SEK 985 (943) million, an increase of SEK 42 million or 4.5 percent.
- The change in value of investment properties during the period amounted to SEK 236 (-3,267) million, of which SEK 247 million related to unrealized

changes in value and SEK -11 million to realized changes in value. The unrealized change in value amounted to 0.4 percent (-5.5).

- Profit before tax for the period was SEK 541 (-2,840) million. Profit after tax was SEK 420 (-2,304) million.
- Property investments in the period totaled SEK 730 (1,333) million.

## Events during the third quarter

- During the third quarter, Rikshem divested a commercial building on a leasehold in Solna and, a building right in Malmö.

Rikshem in brief	2024 Jul-Sep	2023 Jul-Sep	2024 Jan-Sep	2023 Jan-Sep	Oct 2023– Sep 2024	2023 Jan-Dec
Rental income, SEK million	897	899	2,720	2,605	3,588	3,473
Net operating income, SEK million	574	575	1,591	1,495	2,056	1,960
Income from property management, SEKm	378	382	985	943	1,231	1,189
Profit for the period/year, SEKm	130	-640	420	-2,304	-1,197	-3,921
Fair value of properties, SEK million	56,065	57,366	56,065	57,366	56,065	56,139
Leasable area, 1,000 sqm	2,219	2,269	2,219	2,269	2,219	2,245
Economic occupancy rate, percent	95.6	96.9	95.6	96.9	95.6	96.3
Loan-to-value ratio, percent	51	51	51	51	51	52
Interest-coverage ratio, multiple (R12M)	2.6	2.7	2.6	2.7	2.6	2.6
Equity, SEKm	25,585	26,781	25,585	26,781	25,585	25,164
Total return incl. joint ventures, percent (R12M)	1.1	-6.0	1.1	-6.0	1.1	-4.9
Return on equity, percent (R12M)	-4.6	-13.7	-4.6	-13.7	-4.6	-14.5

# Earnings growth and confidence in the future

We enter the last quarter of the year with a good feeling. Property values and financial markets have stabilized. Expectations of interest rate cuts continue to be met, and now interest rate cuts in the United States have also become a reality. The business climate in the real estate sector is improving, and although, for example, price increases in tariff-related costs are high, we look forward with confidence.

## **Increase in income from property management and stable property values**

We continue to see a good earnings trend, and rental income increased by just over four percent to SEK 2,720 million, while property expenses increased by just under two percent. Inflation is clearly on the decline, although price increases in some areas, such as district heating, electrical grids and water and sewage tariffs, are still elevated. Overall, the net operating income increased by more than six percent to SEK 1,591 million, and the income from property management by over four percent to SEK 985 million. Yield requirements have increased marginally and, for the third quarter in a row, the change in property values is very small. Vacancies for residential apartments are on an increasing trend, although they have decreased slightly recently, mainly linked to the high demand for student accommodation at the start of the semester. There is still a waiting list to get a rental apartment in most of

our locations. However, where there has been a lot of new construction, especially in Norrköping for our part, there are now apartments for rent from one day to the next, which places other demands on us in our letting activities.

## **Establishment in a new location**

One of our few ongoing new construction projects is being built in the new district of Västerbro in Lund, where we are building 323 apartments in the first phase. As such, we are establishing ourselves in Lund, and in the project we are building apartments with 1 to 5 rooms and kitchens with occupancy in just over a year. We are positive about Lund, which has good population growth and a need for rental apartments. In the next phase of the project, we plan to build 700 more residential units. Västerbro is located close to the center of Lund and is now being transformed from an industrial area into a vibrant and sustainable district.

We have also recently started several renovations in the residential segment, and we have a few more planned for the year. We currently have almost 1,200 apartments under renovation.

## **Digitization to reach climate goals**

Now that we have connected the majority of our property portfolio to an open fiber network, the next step in the work to digitize the properties is underway. New building management systems will allow all buildings

to be monitored and controlled remotely. This requires quality assurance of the technical standard of our systems in the properties, and we are doing company-wide work to ensure quality, functionality and measurability in our properties. Digitization is an important part of the work to achieve our energy and climate goals, where Rikshem's total climate emissions in 2030 will be reduced by 50 percent compared to 2020.

## **More satisfied customers in our properties for public use**

In recent years, we have worked hard to improve relations with our customers and increase our customer satisfaction. We started by focusing on the residential segment, with good results. Over the past year, we have also worked hard to improve our customer work for the public use property segment. Hard work often brings results, and in this year's measurement of customer satisfaction (CSI) among customers in our properties for public use, we are doing well. Improved handling of and customer dialogue are some of the reasons for the boost. We are very proud of the results, while knowing that we must

continue to work every day to earn our customers' trust. It is inspiring to see the results we can achieve when the whole organization comes together around an issue in this way.

## **Anette Frumerie, CEO**



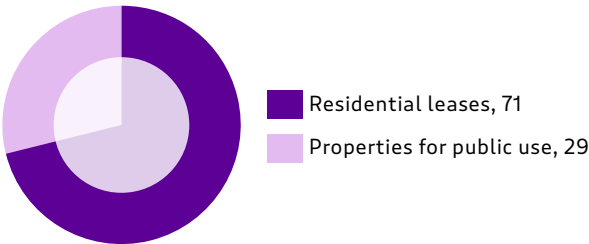
# One of Sweden's largest private real estate companies

Rikshem owns, develops and manages residential properties and properties for public use – sustainably and for the long term. The properties are located in selected growth areas across Sweden. Rikshem's vision is to create good living environments and make everyday life easier.

The market value of the properties totals **SEK 58,839 million** (including Rikshem's share of the property value in joint ventures)

Rikshem has approximately **30,000 apartments** consisting of rental apartments, senior accommodation, nursing homes, student accommodation and youth apartments. **29 percent** of the property value consists of properties for public use, such as schools and nursing homes.

Breakdown of fair value of investment properties (percent)



## Our biggest property management areas



**Uppsala/Knivsta**  
27% of the property value  
Number of apartments: 7,153  
Public use properties: 32%  
Total area (sqm): 456,074



**Greater Stockholm**  
18% of the property value  
Number of apartments: 3,813  
Public use properties: 48%  
Total area (sqm): 381,576



**Helsingborg**  
10% of the property value  
Number of apartments: 3,544  
Public use properties: 4%  
Total area (sqm): 254,353



**Norrköping**  
10% of the property value  
Number of apartments: 3,638  
Public use properties: 6%  
Total area (sqm): 246,108

**Västerås**  
6% of the property value  
Number of apartments: 2,059  
Public use properties: 33%  
Total area (sqm): 143,013

**Luleå**  
5% of the property value  
Number of apartments: 2,000  
Public use properties: 14%  
Total area (sqm): 161,176

**Halmstad and Ale**  
5% of the property value  
Number of apartments: 1,428  
Public use properties: 82%  
Total area (sqm): 108,605

**Kalmar**  
5% of the property value  
Number of apartments: 1,641  
Public use properties: 49%  
Total area (sqm): 148,398

**Umeå**  
5% of the property value  
Number of apartments: 1,764  
Public use properties: 7%  
Total area (sqm): 119,883

**Malmö**  
4% of the property value  
Number of apartments: 963  
Public use properties: 14%  
Total area (sqm): 62,528

**Östersund**  
4% of the property value  
Number of apartments: 1,902  
Public use properties: 0%  
Total area (sqm): 137,002

# Income, costs and profit

### Rental income

Rental income increased by SEK 115 million or 4.4 percent to SEK 2,720 (2,605) million. The increase is related mainly to the annual rent adjustment, negotiated or indexed, and completed projects. Rental income for the like-for-like portfolio rose SEK 105 million or 4.9 percent. The rental income for the comparative period included the government electricity support which was paid out during the third quarter 2023.

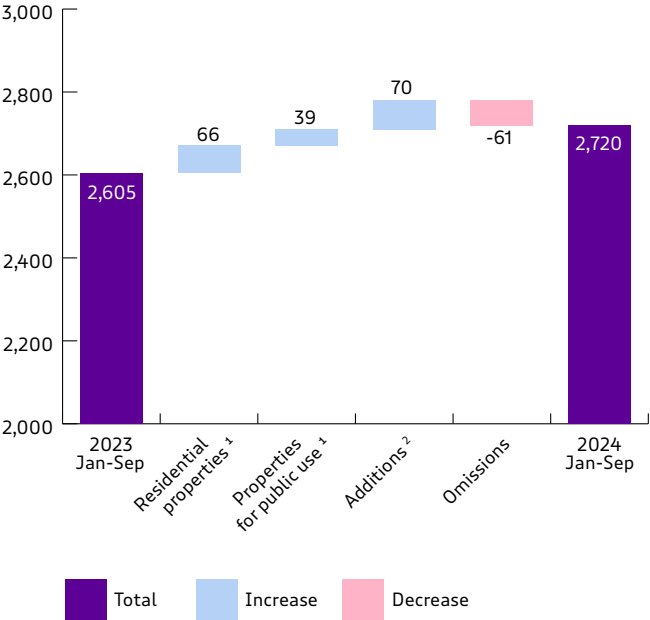
### Property expenses

Property expenses increased by SEK 19 million or 1.8 percent to SEK 1,129 (1,110) million. Expenses for the like-for-like portfolio were up SEK 34 million or 3.9 percent. The increase is mainly due to higher tariff-related costs and administration. Energy prices have fallen, while costs for electrical grids, district heating, water and sewage have increased. Maintenance costs have fallen.

### Net operating income

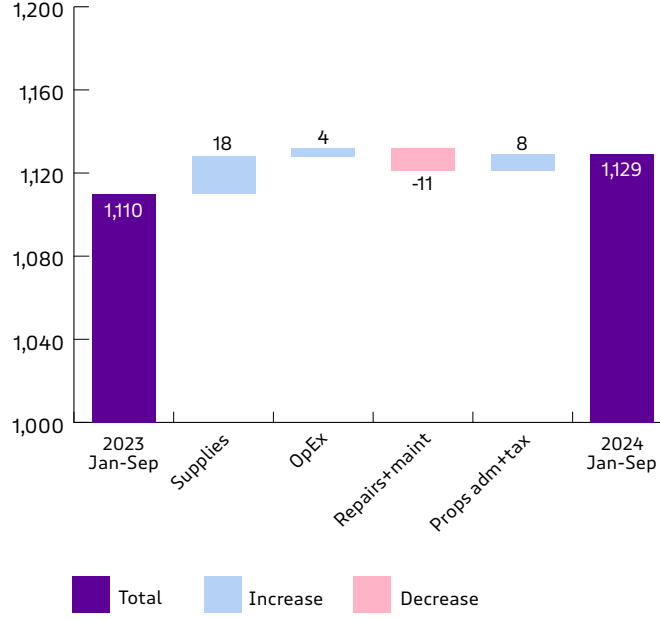
Overall, net operating income increased by SEK 96 million or 6.4 percent to total SEK 1,591 (1,495) million. Net operating income for the like-for-like portfolio increased by SEK 71 million or 5.7 percent to total SEK 1,323 (1,252) million.

Rental income (SEKm)



<sup>1</sup> Like-for-like portfolio  
<sup>2</sup> Completed projects and acquired properties

Property expenses (SEKm)



Condensed income statement, SEKm	2024 Jan-Sep	2023 Jan-Sep
Rental income	2,720	2,605
Property expenses	-1,129	-1,110
<b>Net operating income</b>	<b>1,591</b>	<b>1,495</b>
Central administration	-108	-114
Earnings from participations in joint ventures	-9	-122
<b>Operating profit/loss</b>	<b>1,473</b>	<b>1,259</b>
Financial income and expense	-521	-464
<b>Profit after financial items</b>	<b>952</b>	<b>795</b>
of which income from property management	985	943
Change in value of properties	236	-3,267
Change in value of derivatives and foreign exchange fluctuation on loans	-647	-368
<b>Profit before tax</b>	<b>541</b>	<b>-2,840</b>
Tax	-120	536
<b>Profit for the period</b>	<b>420</b>	<b>-2,304</b>



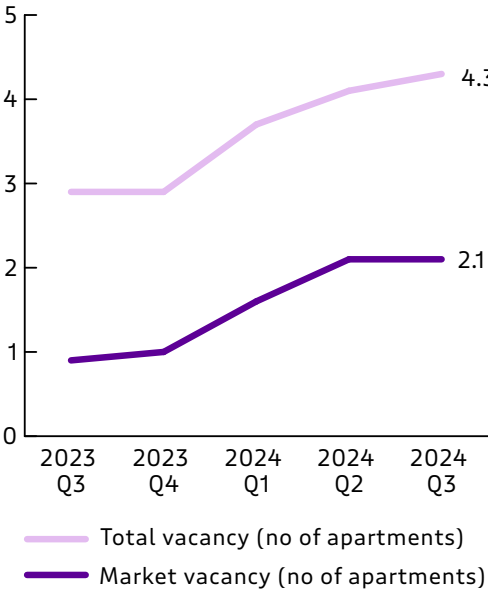
**Vacancies and occupancy rates**

The vacancy rate for residential properties was 4.3 percent, which is higher than at the same point in the previous year (2.9). Adjusted for apartments that were vacated for renovation, the market vacancy rate was 2.1 (0.9) percent. The increase mainly concerns markets that are currently oversupplied. The economic occupancy rate for properties for public use decreased to 97.1 (98.4) percent. Most of the decrease relates to a nursing home contract where the property will be developed for new leasing. The occupancy rate for the portfolio as a whole was 95.6 (96.9) percent.

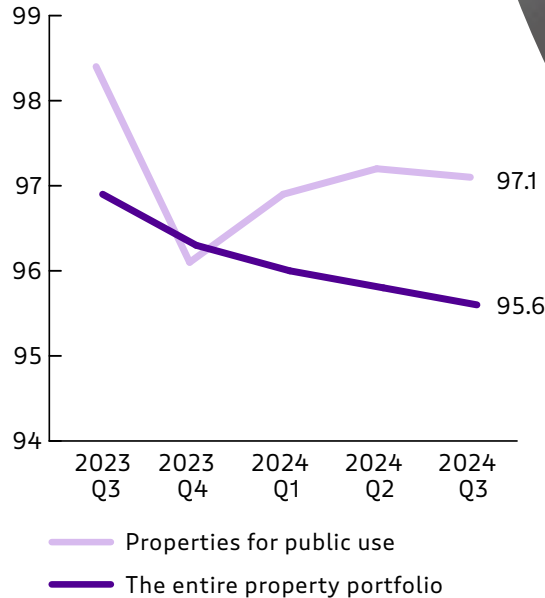
**Lease duration properties for public use**

The average remaining lease term for properties for public use was 6.8 (7.4) years. A high proportion of the leases were signed for long periods in conjunction with acquisitions of the properties. When leases are renewed, it is normally for periods of between five and seven years.

**Vacancy rate, residential units (percent)**



**Economic occupancy rate (percent)**



### Central administration

Central administration costs totaled SEK 108 million, which is slightly lower than the same period last year (114). The decrease is mainly attributable to lower costs for consultants and lower personnel costs.

### Financial income and expense

Net financial income and expenses consists primarily of the company's external interest expenses and totaled SEK 521 (464) million. The increase in expenses is mainly due to the rise in the short-term market interest rate Stibor 3 months and credit margins compared to the same period last year. The increase gradually affects interest costs, as the loan portfolio has a long interest and debt duration. Capitalized interest for the period amounted to SEK 30 (49) million. Read more about Rikshem's financing on pages 12–13.

### Earnings from participations in joint ventures

Earnings from participations in joint ventures totaled SEK -9 (-122) million. More information is available in the Joint ventures section on page 11.

### Change in value of properties

The change in value of the investment properties was SEK 236 (-3,267) million during the period, SEK 247 million of which was unrealized, equating to a change in value of 0.4 (-5.5) percent. The average effective yield requirement in the valuation was 4.55 percent, an increase of 0.07 percentage points relative to the yield requirement as at December 31, 2023. More information about property valuations can be found on page 9.

### Derivative instruments and loans in foreign currency

The Company's financial derivative instruments are interest-rate swaps, which extend interest-rate duration, and combined currency and interest-rate swaps, which have been included in order to eliminate currency risk on interest payments and repayments of loans raised in foreign currencies. As the duration of the derivative becomes shorter and the number of remaining cash flows decreases, the fair value is reduced and will be zero at maturity. Changes in the value of interest-rate derivatives during the period amounted to SEK -555 (-45) million. Longer-term market interest rates rose at the beginning of the year and started to decline from the end of April, ending the period lower than it started. The change in value of combined currency and interest rate swaps amounted to SEK -392 (-397) million and was caused by changes in interest rates and exchange rate fluctuations. Exchange rate fluctuations also give rise to currency effects on the value of loans in foreign currencies, which totaled SEK 300 (74) million. If loans and derivative instruments are held to term, previously reported unrealized earnings impacts are neutralized.

### Tax

Reported tax for the period was SEK -120 (536) million, of which SEK -188 (-91) million was current tax and SEK 68 (627) million was deferred tax. The deferred tax is mainly related to unrealized changes in the value of investment properties and financial instruments.

### Profit for the period

Profit for the period totaled SEK 420 (-2,304) million.

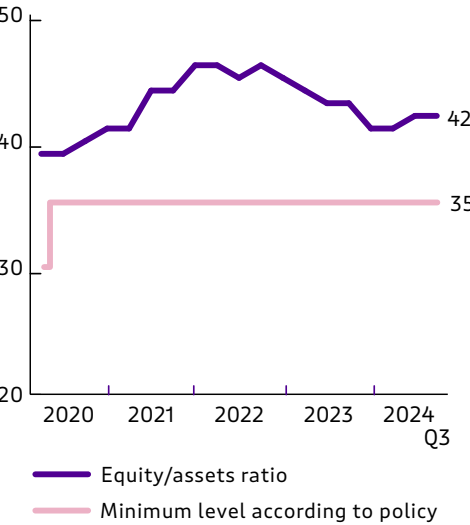


# Financial key figures

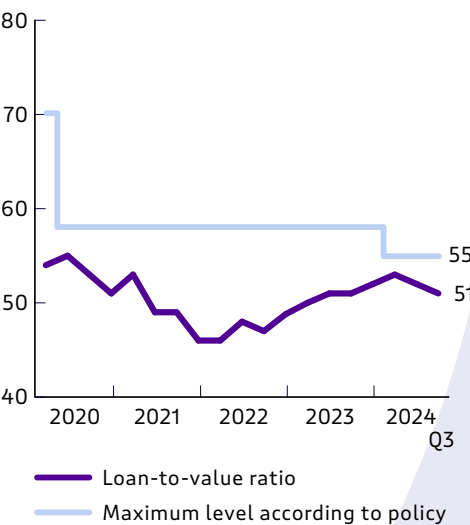
All of Rikshem's overall financial key figures are within the company's policy levels. Key figures Net debt/EBITDA has fallen significantly in the current year as a result of a positive development in the net operating income and a lower rate of investment combined with the amortization of loans after divestments.

In the first quarter of 2024, the policy levels for the loan-to-value and interest coverage ratios were tightened, as illustrated in the graphs below.

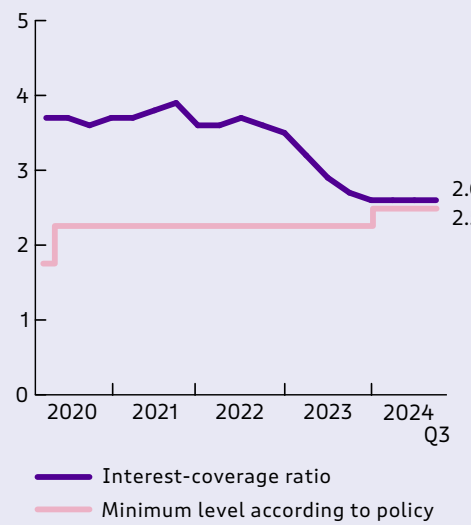
Equity/assets ratio (percent)



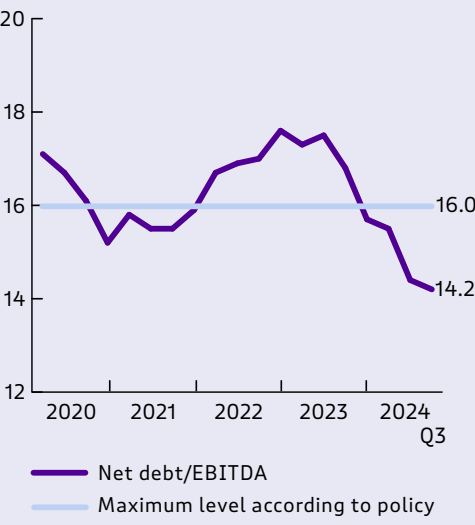
Loan-to-value ratio (percent)



Interest-coverage ratio (multiple)



Net debt/EBITDA (multiple)



For definitions of key figures, see page 23.

# Segment report and property portfolio

## Segment reporting

	RESIDENTIAL		PUBLIC USE		TOTAL	
	2024 Jan-Sep	2023 Jan-Sep	2024 Jan-Sep	2023 Jan-Sep	2024 Jan-Sep	2023 Jan-Sep
Rental income, SEK million	1,906	1,804	814	801	2,720	2,605
Property expenses, SEK million	-875	-863	-254	-246	-1,129	-1,110
Net operating income, SEK million	1,031	941	560	555	1,591	1,495
Unrealized change in value of properties, SEK million	79	-2,428	168	-839	247	-3,267
Total return, SEK million	1,110	-1,487	728	-285	1,838	-1,772
Fair value of properties, SEK million	39,722	40,138	16,343	17,228	56,065	57,366
Total return excl. joint ventures, percent (R12M)	0.7	-6.8	2.9	-2.9	1.4	-5.7
Share of fair value of properties, percent	71	70	29	30	100	100
Area, 1,000 sqm	1,632	1,651	587	618	2,219	2,269
Fair value, SEK/sqm	24,345	24,307	27,837	27,870	25,269	25,277
Investments, SEK million	646	1,180	84	154	730	1,333

## Rikshem's property portfolio as at September 30, 2024

Annual property portfolio value and premium SEK/2021						Annual rent broken down by type of tenant			
TYPE	VALUE (SEKM)	SHARE (PERCENT)	AREA (1,000 SQM)	MARKET VALUE (SEK/SQM)	RENTAL VALUE (SEKM)	ANNUAL RENT BROKEN DOWN BY TYPE OF TENANT (PERCENT)			
Residential properties segment						Residential leases	Public sector	Private sector	Total
- Residential properties	39,024	70	1,605	24,314					
- Commercial*	663	1	26	25,963					
- Schools	36	0	1	31,839					
Residential properties	39,722	71	1,632	24,345	2,594	88	4	8	100
Properties for public use segment									
- Nursing homes	13,491	24	467	28,897					
- Schools	2,655	5	101	26,375					
- Commercial*	197	0	20	10,059					
Properties for public use	16,343	29	587	27,837	1,071	0	85	15	100
Total	56,065	100	2,219	25,269	3,665	62	28	10	100

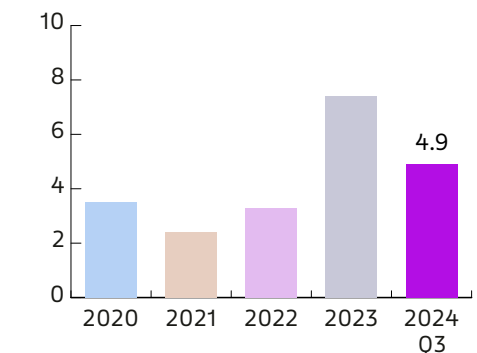
\* Commercial premises for neighborhood services or areas of use for future residential properties or properties for public use.

Rikshem's portfolio comprised 489 properties (512) at the end of the third quarter. The fair value of the properties was SEK 56,065 (56,139) million.

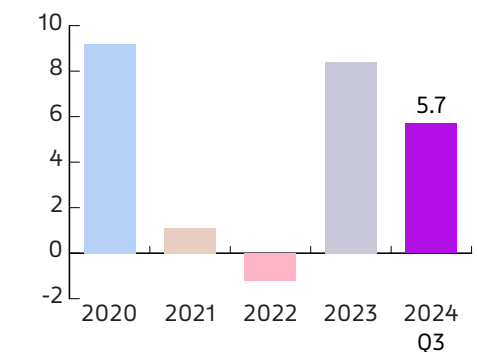
SEK 39,024 million of the fair value pertained to residential properties, SEK 13,491 million to nursing homes, SEK 2,690 million to schools and SEK 860 million to commercial properties.

The property portfolio includes development rights valued at SEK 696 million. Properties representing 45 percent of fair value are located along the Greater Stockholm–Uppsala axis.

### Change in rental income in like-for-like portfolio (percent)



### Change in net operating income in like-for-like portfolio (percent)





# Property valuation

Rikshem reports investment properties at fair value in accordance with IAS 40. External property valuations of the whole property portfolio are made on a quarterly basis. A small proportion of the portfolio is also valued internally. Internally valued properties consist primarily of properties with major ongoing or future projects. The valuation is made according to level 3 in the IFRS 13 fair value

hierarchy. The change in value of investment properties during the period amounted to SEK 236 (-3,267) million, of which SEK 247 million related to unrealized changes in value and SEK -11 million to realized changes in value. The change in value amounted to 0.4 percent (-5.5). The average yield requirement increased by 0.07 percentage points to 4.55 percent relative to the value at year-end 2023.

## Fair value of investment properties

Amounts in SEKm	2024 Jan-Sep	2023 Jan-Sep	2023 Jan-Dec
Fair value at the beginning of the period	56,139	59,423	59,423
Unrealized change in value	247	-3,267	-4,776
Investments	730	1,333	1,918
Acquisitions	-	27	101
Divestments	-1,051	-150	-527
Fair value at the end of the period	56,065	57,366	56,139
<b>Fair value incl. Rikshem's share of properties in joint ventures</b>	<b>58,839</b>	<b>60,351</b>	<b>58,835</b>

Property yield requirement* Property type, percent	Sep 30, 2024	Dec 31, 2023	Change
Residential properties	4.45	4.37	0.08
Properties for public use:	4.68	4.64	0.04
Nursing homes	4.64	4.60	0.04
Schools	4.87	4.82	0.05
Commercial	6.53	6.57	-0.04
<b>Total</b>	<b>4.55</b>	<b>4.49</b>	<b>0.07</b>

\* The average yield requirement is calculated based on a like-for-like portfolio.

## Effective yield requirement and rent/sqm by property type

Property type	RENTAL VALUE (SEK/SQM)			YIELD REQUIREMENT (PERCENT)		
	min.	average	max.	min.	average	max.
Residential properties	952	1,597	3,039	3.12	4.45	5.75
Properties for public use:					4.68	
Nursing homes	956	1,874	3,658	3.64	4.64	6.30
Schools	1,038	1,859	2,882	4.50	4.87	6.10
Commercial	978	1,447	2,178	5.90	6.53	7.35
<b>Average</b>		<b>1,676</b>			<b>4.55</b>	

## Sensitivity analysis

Property valuations are based on assumptions about future cash flows and the market's effective yield requirements. The valuation range of +/-5 percent specified for property valuations reflects the uncertainty inherent in assumptions and estimations made.

For Rikshem, an increase in the effective yield requirement of 0.25 percentage points corresponds to a change in value of SEK -2.9 billion in like-for-like portfolios.

## Sensitivity analysis change in SEKm

Property type	PROPERTY YIELD REQUIREMENT**			MARKET RENT		COSTS
	+0.25%	-0.25%	+/-	1.0%	+/-	1.0%
Residential properties	-2,102	2,359	+/-	608	+/-	207
Properties for public use:						
Nursing homes	-681	760	+/-	138	+/-	48
Schools	-128	142	+/-	28	+/-	11
<b>Total</b>	<b>-2,911</b>	<b>3,261</b>	<b>+/-</b>	<b>774</b>	<b>+/-</b>	<b>266</b>

\*\* The adjustment includes both the effective yield and the discount rate.

# Transactions and investments

### Transactions

During the period, 23 properties were divested for a total value of SEK 1,051 million. The largest single transaction concerned 14 properties for public use in Sigtuna. Other divestments included commercial properties in Sollentuna and Solna, a residential property in Södertälje and a building right i Malmö.

### Investments and projects

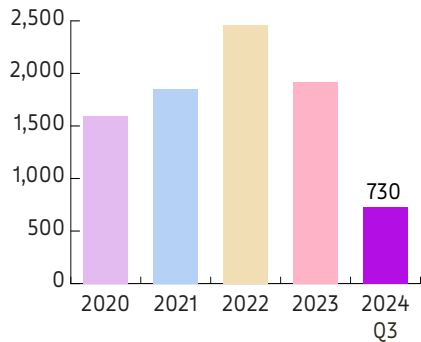
Investments for the period totaled SEK 730 (1,333) million. SEK 398 (723) million of this figure related to refurbishment and renovation, SEK 264 (462) million to new construction projects and SEK 68 (148) million to energy projects.

New construction of 462 apartments is underway and is expected to be completed between the first quarter of 2025 and the second quarter of 2026.

Larger renovation projects are ongoing in five residential properties and 1,176 apartments, with completion occurring on an ongoing basis. Tenant adaptation is underway of a nursing home for Nacka municipality with a 20-year lease.

During the period, 1,019 newly constructed and newly renovated apartments have been completed.

Investments (SEKm)



### Major projects in progress

Project	Municipality	Area	Project category	Property type	No. of apartments before	No. of apartments after	Investment (SEKm)	Outstanding investment amount (SEKm)	Estimated completion date
Gränby Energy	Uppsala	Gränby	Energy project	Residential properties	0	0	133	18	Q4 2024
Körfältet, stage 1	Östersund	Körfältet	Renovation	Residential properties	64	64	34	23	Q4 2024
Porsön	Luleå	Porsön	Renovation	Residential properties	426	426	331	31	Q1 2025
Tallidsgården	Nacka	Sickla	Tenant adaptation	Nursing home	0	0	151	38	Q1 2025
Lärjungen	Uppsala	Kvarngärdet	New construction projects	Residential properties	0	139	325	43	Q1 2025
Karlhov	Södertälje	Karlhov	Renovation	Residential properties	191	191	144	74	Q2 2025
Trasmattan	Östersund	Torvalla	Renovation	Residential properties	176	176	62	53	Q4 2025
Virket	Lund	Västerbro	New construction projects	Residential properties	0	323	718	425	Q2 2026
Topasen	Norrköping	Vilbergen	Renovation	Residential properties	319	319	136	127	Q2 2026



### Changing the facade color gave the whole area a new feel

One of Rikshem's properties in Norrköping has recently been renovated. The house, built in 1966, has been given additional insulation and new windows. The plaster was then given completely new colors, each staircase with its own color. The energy performance of the building has been increased thanks to new insulation and the replacement of sound-absorbing triple-glazed windows. The energy efficiency of our properties is an important part of Rikshem's climate roadmap to achieve net zero emissions.

# Joint ventures

## Shares in joint ventures

Rikshem owns shares in joint ventures with a total value of SEK 1,606 (1,624) million. The largest joint venture holding of SEK 1,091 million pertains to 49 percent of VärmdöBostäder (the remainder is owned by Värmdö Municipality). The second-largest holding of SEK 513 million pertains to Farsta Stadsutveckling (Telestaden), with Rikshem and Ikano Bostad each owning 50 percent. Other participations in joint ventures totaling SEK 1 million relate to a project development company owned and operated together with Huseriet. The value of Rikshem's share of the property holdings in joint ventures, which is reported according to the equity method,

is SEK 2.8 billion. The joint venture Bergagårdshöjden JV AB was terminated through liquidation in the second quarter of 2024.

## Earnings from participations in joint ventures

Rikshem's share of profit after tax was SEK -9 (-122) million.

## Rikshem's joint ventures

VärmdöBostäder AB  
Farsta Stadsutveckling AB  
Huseriet Riks AB

## Earnings from joint ventures

Amounts in SEKm	2024 Jul-Sep	2023 Jul-Sep	2024 Jan-Sep	2023 Jan-Sep	Oct 2023– Sep 2024	2023 Jan-Dec
Income from property management	12	13	24	26	26	28
Change in value of properties	0	0	-15	-164	-210	-359
Change in value of derivatives	-2	0	-2	0	-5	-3
Profit on sale of shares	0	-	-1	-	-20	-19
Tax	-9	-8	-15	16	19	50
Total	1	5	-9	-122	-190	-303
Carrying amount in joint ventures, shares	1,606	1,965	1,606	1,965	1,606	1,624



# Financing

### Goals and strategy

Owning, managing and developing real estate is a capital-intensive business, and access to financing is a crucial factor in the company's business model. Rikshem's financial strategy aims to ensure access to short and long-term financing on competitive terms. The work is carried out on the basis of the financial policy adopted by the Board of Directors, which sets out objectives and guidelines for conducting financial activities. The focus is, among other things, on maintaining a well-diversified loan portfolio with access to multiple funding sources and maturities in order to reduce refinancing risk.

### Market outlook

At its last meeting in September, the Riksbank chose to cut the policy rate by 25 basis points to 3.25 percent and hinted at the possibility of a larger cut of 50 basis points in the future to stimulate the economy. However, the main scenario according to the interest rate path is continued quarterly cuts of 25 basis points with a policy rate of 2.25 percent at the end of 2025. In its latest forecast from September, the National Institute of Economic Research estimates that the Riksbank will gradually lower the interest rate to 1.75 percent in mid-2025.

At its last meeting in September, the US Federal Reserve chose to cut its key interest rate by 50 basis points, which is considered a double cut. This was motivated by reduced concerns about the inflation outlook and an increased focus on the labor market, which had shown signs of weakening.

In the euro area, unemployment remains low, despite weak GDP growth. The ECB cut its key interest rate once more in September to 3.5 percent, signaling some caution about further rate cuts. The rate of increase in service prices remains relatively high, and wages are rising rapidly in several countries.

### Interest-bearing liabilities

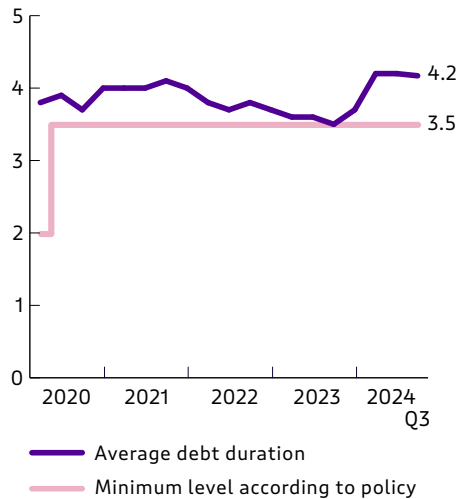
Since the summer, the bond market has been characterized by continued high activity with declining credit margins. During the third quarter, Rikshem issued SEK 300 million in a green bond with a 3-year maturity in Swedish kronor. In addition, a green bond of SEK 485 million with a maturity of seven years has been issued in Norwegian kroner. A bond of SEK 300 million was repaid in July. At the end of the period, bonds maturing in February 2025 were repurchased for a total nominal amount of SEK 244 million.

Refinancing has helped to maintain an average debt duration of 4.2 years at the end of the period, including unutilized credit facilities. Interest-bearing liabilities totaled SEK 28,762 (29,422) million, of which the short-term portion, including outstanding commercial papers, is approximately 24 percent. Net debt adjusted for CSA decreased by SEK 1,266 million after amortization of loans through divestments during the period. Secured financing accounted for 10 (10) percent of the fair value of the investment properties. The average interest rate increased during the year due to rising market interest rates and higher credit margins. At the end of the period, the average interest rate was 2.7 (2.6) percent. Fees for unutilized backup facilities are included in the average interest rate.

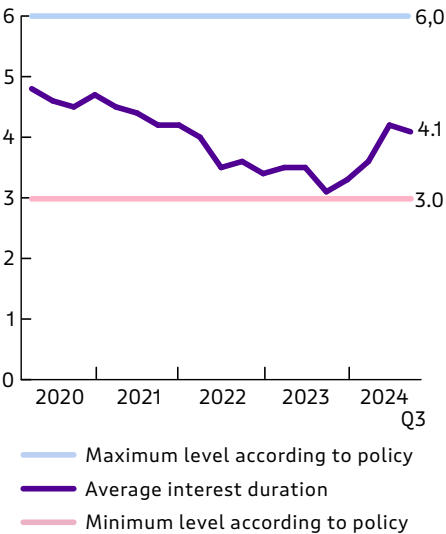
### Cash and backup facilities

Cash and cash equivalents totaled SEK 1,136 (766) million. On the closing date, assets pledged under Credit Support Annex (CSA) for combined interest-rate and currency swaps amounted to SEK 692 million. This type of collateral is settled on a monthly basis and aims to reduce the counterparty risk in the hedging contracts, thereby contributing to a lower cost of hedging exchange rate risk. To reduce the refinancing and liquidity risk, Rikshem has backup facilities from the owners (SEK 10 billion with an equal share each) and from Swedish banks totaling SEK 3 billion. There is also an overdraft facility of SEK 500 million.

Average debt duration (years) \*



Average interest-rate duration (years)



\* From 2024 onwards, unutilized credit lines are included in the calculation of debt duration.



Financial derivative instruments

The Company’s interest-rate risk is managed on an ongoing basis mainly through interest-rate swaps and fixed rate loans. At the end of the period, the net nominal amount of the interest rate derivatives portfolio was SEK 21,385 million. During the year, new interest-rate hedges were raised, which contributed to an increase in the average interest-rate duration to 4.1 years (3.3) at the end of the period. The share of loans with an average interest-rate duration of more than 12 months was 79 percent. The Company also has so-called combined currency and interest-rate swaps to hedge loans raised in foreign currency. The net fair value of the derivative portfolio was SEK -467 (480) million.

Green and sustainable financing

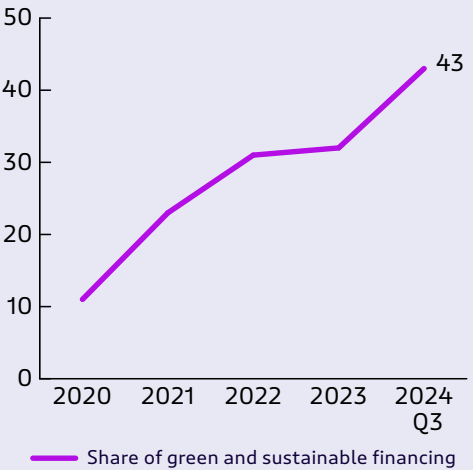
For many years, Rikshem has had a framework for issuing green bonds. The framework is

based on the ICMA “Green Bond Principles” and, as with Rikshem’s previous green bond frameworks, the independent Center for International Climate Research (Cicero) has reviewed the framework. Cicero awarded the framework a Medium Green classification for its green credentials and rated it Excellent for governance. Rikshem’s framework for sustainability-linked bonds was launched during the period and is based on Rikshem’s KPIs for feeling of safety in the living environment, sustainable supply chains and targets for energy efficiency in the existing portfolio and new construction. The framework is based on the “Sustainability-Linked Bond Principles” and has been reviewed by the independent institute Sustainalytics. Under the framework, Rikshem has issued the nominal amount of SEK 1 billion in so-called sustainability-linked bonds. In addition, a bank loan has been linked to Rikshem’s sustainability KPIs, which enables a lower margin if the targets are achieved. Read more about Rikshem’s framework and sustainability work, and read the latest investor report at rikshem.se.

Rating

Rikshem has an A3 credit rating with stable outlook from the credit rating agency Moody’s. The rating was confirmed by Moody’s in December 2023.

Share of green and sustainable financing (percent)



Interest-bearing external liabilities

Maturity Year	FIXED INTEREST		LOAN-TO-MATURITY	
	Amount (SEKm)	Share (percent)	Amount (SEKm)	Share (percent)
2024	2,248	8	2,772	10
2025	4,714	16	4,862	17
2026	3,300	11	4,386	15
2027	2,950	10	3,437	12
2028	3,300	11	2,555	9
2029	1,950	7	3,277	11
2030	2,400	8	1,721	6
2031	2,300	8	1,280	4
2032	1,800	6	1,422	5
2033–	3,800	13	3,050	11
Total	28,762	100	28,762	100

Interest-bearing liabilities by type of financing

Financing type	Outstanding amount (SEKm)	Interest-bearing liabilities (share)
Commercial papers, SEK	1,970	7
Secured bank loans, SEK	5,580	19
Unsecured loans, SEK	1,144	4
Bonds, SEK	12,300	43
Bonds, NOK	5,565	19
Bonds, EUR	1,399	5
Bonds, AUD	557	2
Bonds, JPY	247	1
Total	28,762	100

## Consolidated statement of comprehensive income

Amounts in SEKm	2024 Jul–Sep	2023 Jul–Sep	2024 Jan–Sep	2023 Jan–Sep	Oct 2023– Sep 2024	2023 Jan–Dec
<b>Rental income</b>	<b>897</b>	<b>899</b>	<b>2,720</b>	<b>2,605</b>	<b>3,588</b>	<b>3,473</b>
Operating expenses	-189	-184	-705	-683	-906	-884
Repairs and maintenance	-67	-74	-210	-220	-332	-342
Property administration	-56	-54	-180	-172	-248	-240
Property tax	-11	-12	-34	-35	-46	-47
<b>Total property expenses</b>	<b>-323</b>	<b>-324</b>	<b>-1,129</b>	<b>-1,110</b>	<b>-1,532</b>	<b>-1,513</b>
<b>Net operating income</b>	<b>574</b>	<b>575</b>	<b>1,591</b>	<b>1,495</b>	<b>2,056</b>	<b>1960</b>
Central administration	-31	-36	-108	-114	-166	-172
Earnings from participations in joint ventures	1	5	-9	-122	-190	-303
<b>Operating profit/loss</b>	<b>544</b>	<b>544</b>	<b>1,473</b>	<b>1,259</b>	<b>1,699</b>	<b>1,485</b>
Financial income	14	10	49	21	63	35
Financial expenses	-191	-180	-570	-485	-747	-662
<b>Profit after financial items</b>	<b>367</b>	<b>374</b>	<b>952</b>	<b>795</b>	<b>1,015</b>	<b>858</b>
of which income from property management	378	382	985	943	1,231	1,189
Change in value of investment properties	152	-1,180	236	-3,267	-1,273	-4,776
Change in value of interest-rate derivatives	-547	62	-555	-45	-1,385	-875
Change in value of foreign exchange derivatives	8	-102	-392	-397	-351	-356
Foreign exchange effect on financial liabilities	191	53	300	74	591	365
<b>Profit before tax</b>	<b>171</b>	<b>-793</b>	<b>541</b>	<b>-2,840</b>	<b>-1,403</b>	<b>-4,784</b>
Tax	-41	153	-120	536	207	863
<b>Profit for the period/year</b>	<b>130</b>	<b>-640</b>	<b>420</b>	<b>-2,304</b>	<b>-1,197</b>	<b>-3,921</b>
Other comprehensive income that is not to be reclassified to the income statement in subsequent periods						
Revaluation of pensions	-	-	-	-	0	0
Tax, pensions	-	-	-	-	0	0
<b>Other comprehensive income for the period/year, net after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period/year</b>	<b>130</b>	<b>-640</b>	<b>420</b>	<b>-2,304</b>	<b>-1,197</b>	<b>-3,921</b>

The comprehensive income is fully attributable to the Parent Company's shareholders.

## Consolidated statement of financial position

Amounts in SEKm	2024 Sep 30	2023 Sep 30	2023 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Capitalized development expenditure	18	20	21
<b>Total intangible fixed assets</b>	<b>18</b>	<b>20</b>	<b>21</b>
<b>Property, plant and equipment</b>			
Investment properties	56,065	57,366	56,139
Leaseholds and other right-of-use assets	188	180	175
Fixtures and fittings	4	6	5
<b>Total property, plant and equipment</b>	<b>56,257</b>	<b>57,552</b>	<b>56,319</b>
<b>Financial assets</b>			
Participations in joint ventures	1,606	1,965	1,624
Financial derivative instruments	641	1,857	1,053
Noncurrent receivables	201	61	196
<b>Total financial assets</b>	<b>2,448</b>	<b>3,883</b>	<b>2,873</b>
<b>Total fixed assets</b>	<b>58,723</b>	<b>61,455</b>	<b>59,213</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	31	38	33
Financial derivative instruments	0	288	223
Other receivables	892	303	651
Prepaid expenses and accrued income	47	74	75
<b>Total current receivables</b>	<b>970</b>	<b>703</b>	<b>982</b>
Cash and cash equivalents	1,136	575	766
<b>Total current assets</b>	<b>2,106</b>	<b>1,278</b>	<b>1,748</b>
<b>TOTAL ASSETS</b>	<b>60,829</b>	<b>62,733</b>	<b>60,961</b>

Amounts in SEKm	2024 Sep 30	2023 Sep 30	2023 Dec 31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	100	100	100
Other paid-in capital	4,874	4,874	4,874
Retained earnings incl. profit for the period/year	20,611	21,807	20,190
<b>Total equity</b>	<b>25,585</b>	<b>26,781</b>	<b>25,164</b>
<b>Liabilities</b>			
<b>Noncurrent liabilities</b>			
Deferred tax liability	4,165	4,562	4,232
Interest-bearing liabilities	21,828	22,470	22,398
Interest-bearing liabilities to Parent Company	145	145	145
Financial derivative instruments	1,108	854	762
Lease liability	163	154	150
Other provisions for pensions and similar obligations	1	2	1
<b>Total noncurrent liabilities</b>	<b>27,409</b>	<b>28,187</b>	<b>27,688</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	6,790	6,711	6,879
Accounts payable	89	118	155
Tax liabilities	123	162	151
Lease liability	20	21	21
Financial derivative instruments	0	22	34
Other current liabilities	108	70	49
Accrued expenses and deferred income	707	661	820
<b>Total current liabilities</b>	<b>7,835</b>	<b>7,765</b>	<b>8,109</b>
<b>Total liabilities</b>	<b>35,244</b>	<b>35,952</b>	<b>35,797</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>60,829</b>	<b>62,733</b>	<b>60,961</b>

## Consolidated statement of changes in equity

Amounts in SEKm	Share capital	Other paid-in capital	Retained earnings incl. profit for the year	Total equity
<b>Opening balance, Jan 1, 2023</b>	<b>100</b>	<b>4,874</b>	<b>24,111</b>	<b>29,085</b>
Profit for the period Jan-Sep			-2,304	-2,304
Other comprehensive income Jan-Sep			-	-
<b>Closing balance, Sep 30, 2023</b>	<b>100</b>	<b>4,874</b>	<b>21,807</b>	<b>26,781</b>
Profit for the period Oct-Dec			-1,617	-1,617
Other comprehensive income Oct-Dec			-	-
<b>Closing balance, Dec 31, 2023</b>	<b>100</b>	<b>4,874</b>	<b>20,190</b>	<b>25,164</b>
<b>Opening balance, Jan 1, 2024</b>	<b>100</b>	<b>4,874</b>	<b>20,190</b>	<b>25,164</b>
Profit for the period Jan-Sep			420	420
Other comprehensive income Jan-Sep			-	-
<b>Closing balance 09/30/2024</b>	<b>100</b>	<b>4,874</b>	<b>20,611</b>	<b>25,585</b>

## Consolidated statement of cash flows

Amounts in SEKm	2024 Jul-Sep	2023 Jul-Sep	2024 Jan-Sep	2023 Jan-Sep	Oct 2023–Sep 2024	2023 Jan-Dec
<b>Operating activities</b>						
Profit after financial items	366	374	952	795	1,015	858
Adjustment for noncash items	2	-4	13	124	196	307
Reversal of net interest income	177	170	521	464	684	627
Interest paid	-177	-163	-555	-449	-734	-628
Interest received	13	10	44	21	59	36
Tax paid	-39	-14	-216	15	-231	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>341</b>	<b>373</b>	<b>759</b>	<b>970</b>	<b>989</b>	<b>1,200</b>
Decrease (+)/increase (-) in operating receivables	-22	-9	118	3	72	-43
Decrease (-)/increase (+) in operating liabilities	-42	-43	-166	-157	5	14
<b>Cash flow from operating activities</b>	<b>277</b>	<b>321</b>	<b>711</b>	<b>816</b>	<b>1,066</b>	<b>1,171</b>
<b>Investing activities</b>						
Investment in investment properties	-214	-281	-730	-1,333	-1,315	-1,918
Acquisition of investment properties	-	0	-	-27	-74	-101
Divestment of investment properties	56	48	1,051	150	1,428	527
Investment in other fixed assets	0	-1	-1	-8	-2	-9
Investment in financial assets	-14	0	-73	-35	-62	-24
Dividend from financial assets	-	-	-	-	5	5
Divestment of financial assets	-	20	-	20	0	20
<b>Cash flow from investing activities</b>	<b>-173</b>	<b>-214</b>	<b>247</b>	<b>-1,233</b>	<b>-20</b>	<b>-1,500</b>
<b>Financing activities</b>						
Loans raised	1,429	3,891	7,816	12,447	11,752	16,383
Repayment of loans	-1,396	-4,217	-8,167	-12,072	-11,712	-15,617
Change in collateral	-227	201	-236	-165	-525	-454
Redemption of financial instruments	0	-	1	-	1	0
Amortization of lease liability	0	1	-2	-1	-1	0
<b>Cash flow from financing activities</b>	<b>-193</b>	<b>-124</b>	<b>-588</b>	<b>209</b>	<b>-485</b>	<b>312</b>
<b>Cash flow for the period/year</b>	<b>-89</b>	<b>-17</b>	<b>370</b>	<b>-208</b>	<b>561</b>	<b>-17</b>
Cash and cash equivalents at the beginning of the period/year	1,225	592	766	783	575	783
<b>Cash and cash equivalents at the end of the period/year</b>	<b>1,136</b>	<b>575</b>	<b>1,136</b>	<b>575</b>	<b>1,136</b>	<b>766</b>



## Parent Company income statement

Amounts in SEKm	2024 Jul-Sep	2023 Jul-Sep	2024 Jan-Sep	2023 Jan-Sep	Oct 2023– Sep 2024	2023 Jan-Dec
<b>Income</b>	<b>74</b>	<b>72</b>	<b>237</b>	<b>229</b>	<b>326</b>	<b>318</b>
Other external costs	-36	-39	-123	-121	-182	-180
Personnel expenses	-63	-63	-203	-204	-279	-280
Depreciation	-2	-1	-5	-2	-6	-3
<b>Operating profit/loss</b>	<b>-27</b>	<b>-31</b>	<b>-94</b>	<b>-98</b>	<b>-141</b>	<b>-145</b>
Earnings from Group companies	20	19	55	-5	55	-5
Financial income	305	289	917	808	1,218	1,109
Financial expenses	-165	-167	-488	-466	-651	-629
Change in value of interest-rate derivatives	-547	62	-555	-45	-1,385	-875
Change in value of combined interest rate and interest-rate derivatives	8	-102	-392	-397	-351	-356
Foreign exchange effect on financial liabilities	191	52	300	74	591	365
<b>Profit after financial items</b>	<b>-215</b>	<b>122</b>	<b>-258</b>	<b>-129</b>	<b>-665</b>	<b>-536</b>
Appropriations, Group contribution	-	-	-	-	-40	-40
Appropriations, profit to principal	53	50	483	66	348	-69
Tax	29	-42	-53	4	40	97
<b>Profit for the period/year</b>	<b>-133</b>	<b>130</b>	<b>172</b>	<b>-59</b>	<b>-317</b>	<b>-548</b>

### Parent Company

The activities of the Parent Company Rikshem AB (publ) primarily consist of managing the Group's properties through the ownership of shares and participations in its property-owning subsidiaries. The Parent Company's billings are mainly fees for services provided to the subsidiaries. The Parent Company has been included as principal for fiscal purposes with the majority of its subsidiaries. All subsidiaries included for fiscal purposes are also part of a VAT group.

## Parent Company statement of comprehensive income

Amounts in SEKm	2024 Jul-Sep	2023 Jul-Sep	2024 Jan-Sep	2023 Jan-Sep	Oct 2023– Sep 2024	2023 Jan-Dec
Profit for the period/year as shown in the income statement	-133	130	172	-59	-317	-548
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period/year</b>	<b>-133</b>	<b>130</b>	<b>172</b>	<b>-59</b>	<b>-317</b>	<b>-548</b>

## Parent Company statement of financial position

Amounts in SEKm	2024 Sep 30	2023 Sep 30	2023 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Capitalized development expenditure	18	20	21
<b>Total intangible fixed assets</b>	<b>18</b>	<b>20</b>	<b>21</b>
<b>Property, plant and equipment</b>			
Fixtures and fittings	4	6	5
<b>Total property, plant and equipment</b>	<b>4</b>	<b>6</b>	<b>5</b>
<b>Financial assets</b>			
Participations in subsidiaries	2,875	2,690	2,875
Receivables from Group companies	31,604	32,674	31,941
Financial derivative instruments	641	1,857	1,053
Noncurrent receivables	16	17	17
<b>Total financial assets</b>	<b>35,136</b>	<b>37,238</b>	<b>35,886</b>
<b>Total fixed assets</b>	<b>35,159</b>	<b>37,264</b>	<b>35,912</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	0	1	1
Financial derivative instruments	0	288	223
Other receivables	901	254	596
Prepaid expenses and accrued income	14	11	14
<b>Total current receivables</b>	<b>915</b>	<b>554</b>	<b>834</b>
Cash and cash equivalents	1,136	575	766
<b>Total current assets</b>	<b>2,050</b>	<b>1,129</b>	<b>1,600</b>
<b>TOTAL ASSETS</b>	<b>37,209</b>	<b>38,393</b>	<b>37,512</b>

Amounts in SEKm	2024 Sep 30	2023 Sep 30	2023 Dec 31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	100	100	100
Revaluation reserve	143	143	143
	243	243	243
<b>Nonrestricted equity</b>			
Retained earnings	7,777	8,324	8,324
Share premium reserve	841	841	841
Profit for the period/year	172	-59	-548
	8,790	9,106	8,617
<b>Total equity</b>	<b>9,032</b>	<b>9,349</b>	<b>8,860</b>
<b>Liabilities</b>			
<b>Provisions</b>			
Deferred tax liability	171	398	302
Other provisions for pensions and similar obligations	1	1	1
<b>Total provisions</b>	<b>172</b>	<b>399</b>	<b>303</b>
<b>Noncurrent liabilities</b>			
Interest-bearing liabilities	17,625	18,328	18,167
Interest-bearing liabilities to Parent Company	145	145	145
Financial derivative instruments	1,108	854	762
<b>Total noncurrent liabilities</b>	<b>18,878</b>	<b>19,327</b>	<b>19,074</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	6,039	6,703	6,120
Accounts payable	7	11	11
Liabilities to Group companies	2,786	2,278	2,772
Tax liability	109	154	155
Financial derivative instruments	0	22	34
Other liabilities	15	10	12
Accrued expenses and deferred income	170	140	171
<b>Total current liabilities</b>	<b>9,127</b>	<b>9,318</b>	<b>9,275</b>
<b>Total liabilities</b>	<b>28,177</b>	<b>29,044</b>	<b>28,652</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,209</b>	<b>38,393</b>	<b>37,512</b>

**Board of Directors**

At the Annual General Meeting on March 21, 2024, there was no change in the composition of the Board of Directors, which thereby remained unchanged during the period.

**Employees**

The number of employees in the Rikshem Group at the end of the period was 321 (308): 161 men and 160 women.

**Risks**

The Board of Directors and management work continuously on managing the risks to which the business is exposed. Rikshem's risks and uncertainties are described on page 54 of the Annual and Sustainability Report 2023.

**Accounting policies**

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as approved by the European Union (EU). The Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups have also been applied.

This interim report has been prepared according to IAS 34 Interim Financial Reports and the Annual Accounts Act. The Parent Company's accounting policies comply with the Annual Accounts Act and RFR 2. The accounting policies, valuation principles and calculation methods applied are consistent with the most recent annual report.

**New standards and interpretations**

New and amended standards and interpretation statements approved by the EU are currently not considered to have a material impact on Rikshem's earnings or financial position.

**Related-party transactions**

Rikshem's related parties are presented in Note 22 of the Annual and Sustainability Report 2023. There were no other material related-party transactions during the period apart from customary salaries and remuneration to the Board of Directors, CEO and other senior executives.

**Affirmation of the Board of Directors and the CEO**

The Board of Directors and the CEO affirm that this interim report provides a true and fair view of the Parent Company's and the Group's operations, position and earnings, and describes the significant risks and uncertainties facing the Parent Company and the companies included in the Group.

**Stockholm, November 5, 2024**

Kerstin Lindberg Göransson  
Chair of the Board Of Directors

Pernilla Arnrud Melin  
Board member

Siv Malmgren  
Board member

Zdravko Markovski  
Board member

Frida Olsson  
Board member

Per-Gunnar Persson  
Board member

Peter Strand  
Board member

Anette Frumerie  
CEO

## Review report

**Rikshem AB (publ), corporate identity number 556709-9667**

### Introduction

We have reviewed the condensed interim report for Rikshem AB (publ) as of September 30, 2024 and for the nine months period then ended. The Board of Directors and the Managing Director are responsible for the preparation and presentation of this interim report in accordance with IAS 34 and the Swedish Annual Accounts Act. Our responsibility is to express a conclusion on this interim report based on our review.

### Scope of review

We conducted our review in accordance with the International Standard on Review Engagements, ISRE 2410 *Review of Interim Financial Statements Performed by the Independent Auditor of the Entity*. A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and other generally accepted auditing standards in Sweden. The procedures performed in a review do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

### Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the interim report is not prepared, in all material respects, in accordance with IAS 34 and the Swedish Annual Accounts Act regarding the Group, and in accordance with the Swedish Annual Accounts Act regarding the Parent Company.

**Stockholm, 5 November 2024**

Ernst & Young AB

Katrine Söderberg

Authorized Public Accountant





## Quarterly data

Amounts in SEKm	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
<b>Income statement</b>						
Rental income	897	915	908	868	899	865
Property expenses	-323	-370	-436	-403	-324	-365
Net operating income	574	545	472	465	575	500
Central administration	-31	-38	-39	-58	-36	-41
Earnings from participations in joint ventures	1	-11	1	-181	5	-131
Net financial income and expenses	-177	-167	-177	-163	-170	-154
Profit after financial items	367	329	256	63	374	174
of which income from property management	378	348	259	246	382	315
Change in value of investment properties	152	176	-92	-1,509	-1,180	-1,084
Change in value and exchange rate effects on financial instruments	-348	-241	-58	-498	13	-62
Profit before tax	171	264	106	-1,944	-793	-972
Tax and other comprehensive income	-41	-43	-36	327	153	160
Comprehensive income for the quarter	130	221	70	-1,617	-640	-812
<b>Statement of financial position</b>						
Investment properties	56,065	55,754	56,305	56,139	57,366	58,312
Participations in joint ventures	1,606	1,605	1,625	1,624	1,965	1,961
Other assets	2,022	2,140	2,827	2,432	2,827	3,056
Cash and cash equivalents	1,136	1,225	739	766	575	592
Total assets	60,829	60,725	61,496	60,961	62,733	63,921
Equity	25,585	25,456	25,234	25,164	26,781	27,421
Deferred tax	4,165	4,167	4,242	4,232	4,562	4,755
Interest-bearing liabilities	28,762	28,926	29,955	29,422	29,326	29,702
Other liabilities	2,317	2,176	2,064	2,143	2,064	2,043
Total equity and liabilities	60,829	60,725	61,496	60,961	62,733	63,921
<b>Key figures</b>						
Loan-to-value ratio, percent	51	52	53	52	51	51
Equity/assets ratio, percent	42	42	41	41	43	43
Interest-coverage ratio, multiple (R12M)	2.6	2.6	2.6	2.6	2.7	2.9
Return on equity, percent (R12M)	-4.6	-7.4	-11.2	-14.5	-13.7	-10.1
Property yield, percent (R12M)	3.6	3.6	3.5	3.4	3.2	3.1
Surplus ratio, percent	64	60	52	54	64	58

## Key figures

Amounts in SEKm	2024 Jan–Sep	2023	2022	2021	2020
<b>Income statement</b>					
Rental income	2,720	3,473	3,169	3,062	3,032
Net operating income	1,591	1,960	1,760	1,768	1,760
Profit after financial items	952	858	1,068	1,526	1,279
of which income from property management	985	1,189	1,198	1,230	1,245
Change in value of properties	236	-4,776	-1,935	5,509	1,825
Profit for the period/year	420	-3,921	228	5,931	2,481
<b>Statement of financial position</b>					
Equity	25,585	25,164	29,085	28,855	22,921
External liabilities	28,763	29,422	29,021	26,922	26,315
Fair value of properties	56,065	56,139	59,423	58,780	51,750
Total assets	60,829	60,961	64,922	62,411	55,271
<b>Financial key figures</b>					
Equity/assets ratio, percent	42	41	45	46	41
Loan-to-value ratio, percent	51	52	49	46	51
Interest-coverage ratio (R12M)	2.6	2.6	3.5	3.6	3.7
Net debt/EBITDA, multiple	14.2	15.7	17.6	15.9	15.2
Loan-to-value ratio, secured loans, percent	10	10	8	6	9
Average interest rate, percent	2.7	2.6	2.0	1.5	1.7
Interest-rate duration, years	4.1	3.3	3.4	4.2	4.7
Debt duration, years*	4.2	3.7	3.7	4.0	4.0
Return on equity, percent (R12M)	-4.6	-14.5	0.8	22.9	11.4
Property yield, percent (R12M)	3.6	3.4	3.0	3.2	3.5
Total return excl. joint ventures, percent (R12M)	1.4	-4.7	-0.3	13.9	7.2
Total return incl. joint ventures, percent (R12M)	1.1	-4.9	-0.4	13.9	7.0

Amounts in SEKm	2024 Jan–Sep	2023	2022	2021	2020
<b>Property-related key figures</b>					
Number of properties	489	512	519	514	540
Leasable area, 1,000 sqm	2,219	2,245	2,240	2,216	2,232
Number of apartments	29,905	29,650	29,230	28,514	28,730
Share of properties for public use (fair value), percent	29	30	30	29	30
Vacancy rate, residential properties, percent	4.3	2.9	3.1	5.1	4.0
Market vacancy rate, residential properties, percent	2.1	1.0	0.8	1.5	1.4
Remaining lease term for properties for public use, years	6.8	7.3	7.6	8.3	8.8
Fair value, SEK/sqm	25,269	25,008	26,525	26,522	23,181
Growth in revenue, like-for-like portfolio, percent	4.9	7.4	3.3	2.4	3.5
Growth in net operating income, like-for-like portfolio, percent	5.7	8.4	-1.2	1.1	9.2
Surplus ratio, percent	58	56	56	58	58
<b>Employees</b>					
Number of employees	321	308	316	286	271

\* From 2024 onwards, unutilized credit lines are included in the calculation of restricted capital.

## Key figures – calculations

Both interim and annual reports refer to a number of financial metrics that are not defined by IFRS. Rikshem believes that these metrics help both investors and management to analyze the Company's results and financial position. Not all companies calculate financial metrics in the same way, so the metrics are not always comparable with those used by other companies. Amounts in SEK million unless stated otherwise.

Amounts in SEKm	Oct 2023– Sep 2024	2023 Jan–Dec	Oct 2022– Sep 2023	2022 Jan–Dec
<b>Return on equity</b>				
Profit for the period/year	-1,197	-3,921	-3,952	228
Average equity	26,183	27,125	28,756	28,970
<b>Return on equity, percent</b>	<b>-4.6</b>	<b>-14.5</b>	<b>-13.7</b>	<b>0.8</b>
<b>Net operating income</b>				
Rental income	3,588	3,473	3,408	3,169
Property expenses	-1,532	-1,513	-1,534	-1,409
<b>Net operating income</b>	<b>2,056</b>	<b>1,960</b>	<b>1,874</b>	<b>1,760</b>
<b>Surplus ratio</b>				
Net operating income	2,056	1,960	1,874	1,760
Rental income	3,588	3,473	3,408	3,169
<b>Surplus ratio, percent</b>	<b>57</b>	<b>56</b>	<b>55</b>	<b>56</b>
<b>Property yield</b>				
Net operating income	2,056	1,960	1,874	1,760
Opening property value	57,366	59,423	61,238	58,780
Closing property value	56,065	56,139	57,366	59,423
Average property value	56,716	57,781	59,302	59,102
<b>Property yield, percent</b>	<b>3.6</b>	<b>3.4</b>	<b>3.2</b>	<b>3.0</b>
<b>Total return</b>				
Net operating income	2,056	1,960	1,874	1,760
Unrealized change in value of properties	-1,262	-4,776	-5,380	-1,935
<b>Total</b>	<b>794</b>	<b>-2,816</b>	<b>-3,506</b>	<b>-175</b>
Opening property value	57,366	59,423	61,238	58,780
Closing property value	56,065	56,139	57,366	59,423
Minus unrealized change in value	1,262	4,776	5,380	1,935
<b>Adjusted average property value</b>	<b>57,347</b>	<b>60,169</b>	<b>61,992</b>	<b>60,069</b>
<b>Total return, percent</b>	<b>1.4</b>	<b>-4.7</b>	<b>-5.7</b>	<b>-0.3</b>

Amounts in SEKm	Oct 2023– Sep 2024	2023 Jan–Dec	Oct 2022– Sep 2023	2022 Jan–Dec
<b>Interest-coverage ratio</b>				
Net operating income	2,056	1,960	1,874	1,760
Central administration	-166	-172	-172	-156
Financial income	63	35	24	5
<b>Total</b>	<b>1,953</b>	<b>1,823</b>	<b>1,726</b>	<b>1,609</b>
External interest	-758	-693	-647	-456
<b>Interest-coverage ratio, multiple</b>	<b>2.6</b>	<b>2.6</b>	<b>2.7</b>	<b>3.5</b>
<b>Loan-to-value ratio</b>				
External interest-bearing liabilities	28,762	29,422	29,326	29,021
Fair value of investment properties	56,065	56,139	57,366	59,423
<b>Loan-to-value ratio, percent</b>	<b>51</b>	<b>52</b>	<b>51</b>	<b>49</b>
<b>Loan-to-value ratio, secured loans</b>				
Outstanding secured debt	5,580	5,609	4,912	4,530
Fair value of investment properties	56,065	56,139	57,366	59,423
<b>Loan-to-value ratio, secured loans, percent</b>	<b>10</b>	<b>10</b>	<b>9</b>	<b>8</b>
<b>Net debt/EBITDA</b>				
External interest-bearing liabilities	28,762	29,422	29,326	29,021
Cash and cash equivalents	-1,136	-766	-575	-783
Collateral relating to CSA agreements	-692	-456	-167	-2
<b>Net debt</b>	<b>26,934</b>	<b>28,200</b>	<b>28,584</b>	<b>28,236</b>
Net operating income	2,056	1,960	1,874	1,760
Central administration	-166	-172	-172	-156
Depreciation	6	3	2	2
<b>EBITDA</b>	<b>1,896</b>	<b>1,791</b>	<b>1,704</b>	<b>1,606</b>
<b>Net debt/EBITDA, multiple</b>	<b>14.2</b>	<b>15.7</b>	<b>16.8</b>	<b>17.6</b>

# Definitions

<b>Amounts within parentheses</b>	For income statement items, amounts in parentheses show the corresponding number in the comparative period last year. For balance sheet items, amounts in parentheses refer to the corresponding number at the end of the preceding year.
<b>Average debt duration</b>	The weighted remaining maturity of interest-bearing liabilities and unutilized credit lines on the balance sheet date.
<b>Average interest rate</b>	Average interest rate for interest-bearing liabilities including expenses for backup facilities in relation to current loans on the closing date.
<b>Economic occupancy rate</b>	Contracted rents in relation to total rental value on the closing date less rent related to areas that are not let due to renovation.
<b>Equity/assets ratio</b>	Equity in relation to total assets.
<b>Income from property management</b>	Net operating income less administrative costs and net financial items plus income from property management from participations in joint ventures.
<b>Interest-coverage ratio</b>	Net operating income, central administration and financial income in relation to interest costs on external loans.
<b>Interest-rate duration</b>	The weighted remaining interest-rate duration for interest-bearing liabilities and financial derivative instruments on the balance sheet date.
<b>Lease duration</b>	The rental-value-weighted remaining lease term on the balance sheet date.
<b>Like-for-like portfolio</b>	Properties owned for the whole period and the whole of the comparative period and which have not been classified as properties in development during these periods.
<b>Loan-to-value ratio</b>	External interest-bearing liabilities in relation to the fair value of properties.
<b>Loan-to-value ratio, secured loans</b>	Secured interest-bearing liabilities in relation to the fair value of properties.
<b>Market vacancy rate, residential properties</b>	The number of unrented apartments on the balance sheet date less apartments that are not let due to, for example, renovation in relation to the total number of apartments.
<b>Net debt/EBITDA</b>	External interest-bearing liabilities minus cash and cash equivalents, adjusted for collateral relating to CSA agreements, in relation to EBITDA. EBITDA is calculated as net operating income excluding central administration plus reversal of depreciation included in central administration.
<b>Net operating income</b>	Rental income less property expenses.

<b>Property expenses</b>	Costs for heating, electricity, water, operation, maintenance, property tax, rent losses and property administration.
<b>Property yield</b>	Annualized net operating income in relation to the average fair value of properties.
<b>Rental income</b>	Rental income and other income for the period after deducting vacancies, rental discounts and rental losses.
<b>Rental value</b>	Contracted rental income on an annual basis plus vacancy rent.
<b>Return on equity</b>	Profit for the period/year in relation to average equity.
<b>Secured loans</b>	Loans raised against liens on properties.
<b>Surplus ratio</b>	Net operating income in relation to rental income.
<b>Total return</b>	Net operating income plus change in value in relation to the average fair value of properties, less rolling four-quarter changes in value.
<b>Vacancy rate, residential properties</b>	The number of unrented apartments in relation to the total number of apartments on the closing date.

*The amounts in this report are rounded to the nearest million kronor, which means that tables, summaries and figures do not always agree.*

## Financial calendar

Year-end report	
January–December 2024	February 7, 2025
Rikshem's Annual Report and Sustainability Report 2024	March 27, 2025
Interim report January–March 2025	May 6, 2025

## Rikshem

Rikshem is one of Sweden's largest private property companies. We own, develop and manage residential properties and properties for public use in selected municipalities in Sweden. offering safe, pleasant and flexible housing in attractive locations. Rikshem is owned by the Fourth Swedish National Pension Fund (AP4) and AMF Tjänstepension AB. For more information, see [rikshem.se](https://rikshem.se)

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