



# Year-end report 2022

## January–December 2022

### The year in brief

- Rental income amounted to MSEK 3,169 (3,062), an increase of 3.5 percent compared to the previous year.
- Rental income for the like-for-like portfolio rose MSEK 84 or 3.3 percent.
- Net operating income amounted to MSEK 1,760 (1,768), a decrease of 0.5 percent compared to the previous year.
- Income from property management adjusted for non-recurring costs and change in value in JV companies increased to MSEK 1,243 (1,147).
- The change in values for investment properties amounted to MSEK -1 935 (5,509).
- The change in value of financial derivative instruments and loans in foreign currency amounted to MSEK 1,186 (311).
- Profit for the year before tax was MSEK 319 (7,347). Profit after tax was MSEK 228 (5,931).
- Property acquisitions during the year amounted to MSEK 500 (532). The Company is now established in Lund following the acquisition of development properties in the Västerbro neighborhood. In addition, a residential property was acquired in Kalmar's Bergagårdshöjden neighborhood as well as two development properties in Sollentuna.
- Disposal of the property Lagern 6 in Stockholm.
- Property investments for the year totaled MSEK 2,460 (1,851).

#### Rental income

MSEK 3,169

#### Net operating income

MSEK 1,760

#### Profit after tax

MSEK 228

### Rikshem in summary

	Jan–Dec 2022	Jan–Dec 2021	Oct–Dec 2022	Oct–Dec 2021
Rental income, MSEK	3,169	3,062	803	786
Net operating income, MSEK	1,760	1,768	379	409
Income from property management, MSEK	1,068	1,526	-33	356
Profit, MSEK	228	5,931	-1,648	3,074
Fair value of properties, MSEK	59,423	58,780	59,423	58,780
Number of apartments	29,230	28,514	29,230	28,514
Lettable area, 1,000 sqm	2,240	2,216	2,240	2,216
Economic occupancy rate, %	96.9	95.8	96.9	95.8
Average lease term, years*	7.6	8.3	7.6	8.3
Loan-to-value ratio, %	49	46	49	46
Interest-coverage ratio, multiple (R12)	3.5	3.6	3.5	3.6
Equity, MSEK	29,085	28,855	29,085	28,855
Total return incl. joint ventures, % (R12)	-0.4	13.9	-0.4	13.9
Return on equity, % (R12)	0.8	22.9	0.8	22.9

\* Pertains to properties for public use.  
See page 21 for definitions of key indicators.

# Stable net operating income and reduced vacancies

2022 was an unusual year. The invasion of Ukraine, global supply problems, high inflation, rapidly rising interest rates and rising energy prices have had a major impact on society. All of this affects Rikshem, but we have seen positive development in the areas we set out to make progress. The real estate industry has operated in a favorable climate for years, but we now need to adapt to a new reality. Financial markets were volatile during the year. Having stable owners and a strong rating is a strength for Rikshem, and we have access to financing via both the capital market and bank loans. All point to that we are now entering a recession that is expected to last until 2025. We are humble about operating in an environment we have not seen for over 30 years, but with a new business plan for 2023-2025 also confident in terms of what to work on going forward and what we need to focus on.

## Increased revenue

Revenue for the entire year has increased to MSEK 3,169 (3,062) and we continue to reduce our vacancies, both market vacancies and project vacancies. Despite the large price increases in society, above all linked to electricity and heating, we have delivered a stable net operating income of MSEK 1,760 (1,768). The cost increases need to be covered by increased rental income, which means that the ongoing rental negotiations for residential properties become more important than in a normal year. For properties for public use, the absolute majority of leases are indexed to CPI and therefore protected against increased costs. Income from property management for the year adjusted for non-recurring costs and change in value in JV companies increases to MSEK 1,243 (1,147). The global situation and rising interest rates drive up the yield requirements, causing a fall in property value by MSEK -1,935 (5,509). With uncertain market prospects, we are now delaying start of new construction projects and are focusing more on renovations instead. During October, we vacated the Lagern 6 property in Stockholm, our former head office, and



Anette Frumerie, CEO

since the end of the summer we have been based in new, modern premises in downtown Stockholm.

## A record in energy saving

Energy prices, which led to significantly higher tariff-related costs during the year, reached new levels in December. From a societal perspective, the government's electricity price support for both households and businesses is needed under the extraordinary circumstances that now prevail. No such support is included in the result for 2022. What matters most, however, is that society as a whole continues to work on improving energy efficiency, and that the country ensures that everyone has access to electricity at reasonable prices. Rikshem has intensified energy work during the year and 2022 is one of our best energy-saving year so far.

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**”** *Young people in Gränby can come here to try out different sports free of charge with trained instructors. The aim of the initiative is to encourage the joy of movement.*

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We continue to invest in energy projects and see great opportunities in our "A connected portfolio" project where, for example, we install sensors that detect both temperature and humidity in the apartments. In the properties where we have started to study the data from the sensors and adjust accordingly, we have achieved energy savings of up to 20 percent. In making the change to LED lighting in and on our properties, we have now changed nearly half of the properties to LED lighting - which amounts to over 250 properties.

## Long-termism strengthens Gränby

Rikshem has one of its largest residential areas in In Gränby, Uppsala. During the year, we started a long-term area development project in Gränby, with the aim of making it a safer and more attractive area. The project includes steps that can be taken here and now, such as increased numbers of staff in the area, replacement of lighting and access systems, as well as more long-term initiatives. We have teamed up with others to open GUPP, a new meeting point for children and young people in Gränby. Young people in Gränby can come here to try out different sports free of charge with trained instructors. The aim of the initiative is to encourage the joy of movement. GUPP also offers talks for parents as well as holiday camps. The Gränby project will run over a ten-year period, but we have, for example, already seen higher customer satisfaction, and tenants perceive the area to be safer.

## Continuous momentum

Despite the tough times we live in, we must continue to look after our properties, develop our staff and be more visible and available to customers. I am proud to be CEO at Rikshem, proud of the commitment of all our employees and proud of our constant growth and development. With hope for a brighter 2023, I want to end with a big thank you for 2022 to all our tenants, partners and our employees at Rikshem.

Anette Frumerie, CEO

# One of Sweden's largest private property 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 make a difference in developing the good community.

## Market value

**SEK 63 billion**

The market value of the properties totals MSEK 62,532 (including Rikshem's share of the property value in joint ventures).

## Residential properties

**29,000**


Rikshem has approximately 29,000 residential properties: a mix of rental apartments, senior accommodation, student accommodation and youth apartments.

## Properties for public use

**30%**

30 percent of Rikshem's portfolio comprises properties for public use, primarily nursing homes, as well as preschools and schools.

## Our biggest areas in terms of property management (share of property value)



**24%**  
of the portfolio

**Uppsala**  
Number of apartments: **6,606**  
Share of properties for public use: **33%**  
Total area (sqm): **421,743**



**21%**  
of the portfolio

**Greater Stockholm**  
Number of apartments: **4,618**  
Share of properties for public use: **50%**  
Total area (sqm): **472,237**



**10%**  
of the portfolio

**Helsingborg**  
Number of apartments: **3,544**  
Share of properties for public use: **1%**  
Total area (sqm): **254,145**



**10%**  
of the portfolio

**Norrköping**  
Number of apartments: **3,453**  
Share of properties for public use: **5%**  
Total area (sqm): **237,772**



**6%**  
of the portfolio

**Västerås**  
Number of apartments: **1,807**  
Share of properties for public use: **35%**  
Total area (sqm): **132,171**




**5%**  
of the portfolio

**Kalmar**  
Number of apartments: **1,683**  
Share of properties for public use: **44%**  
Total area (sqm): **153,702**




**5%**  
of the portfolio

**Umeå**  
Number of apartments: **1,764**  
Share of properties for public use: **6%**  
Total area (sqm): **119,844**



**5%**  
of the portfolio

**Luleå**  
Number of apartments: **1,908**  
Share of properties for public use: **15%**  
Total area (sqm): **157,024**

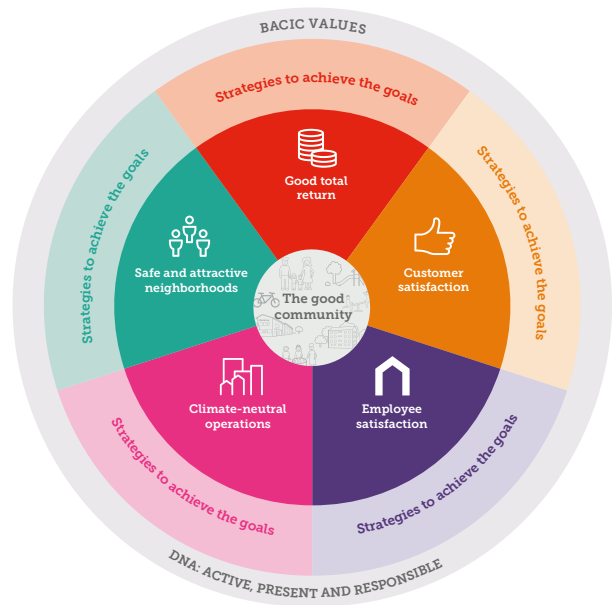


**4%**  
of the portfolio

**Halmstad**  
Number of apartments: **862**  
Share of properties for public use: **78%**  
Total area (sqm): **66,615**

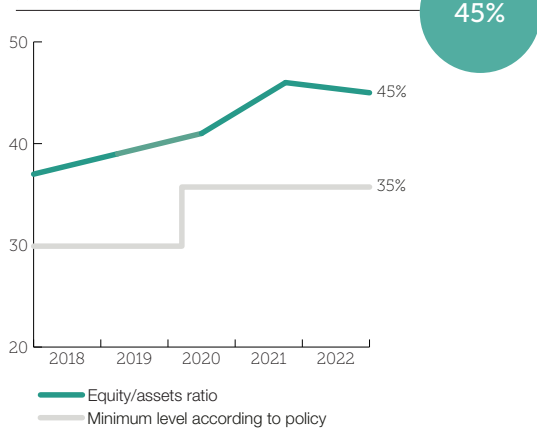
# Rikshem's targets

Rikshem has five long-term targets that guide the focus of our operations. The business is run according to a number of strategies intended to contribute to achieving these targets.

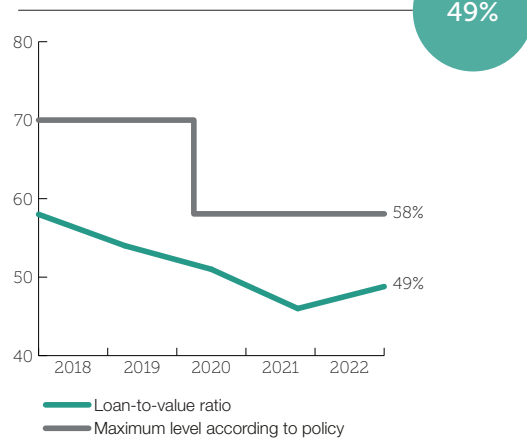


## Rikshem's key financial indicators

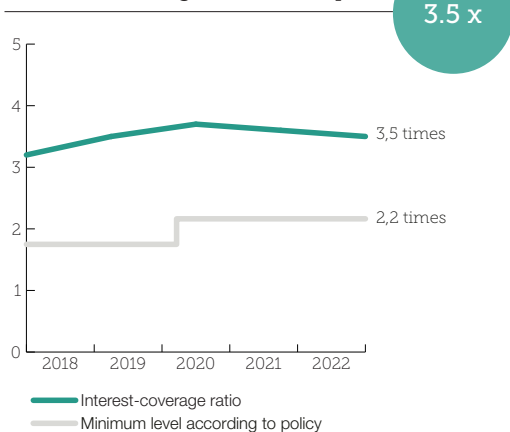
Equity/assets ratio (%)



Loan-to-value ratio (%)



Interest-coverage ratio (multiple)



Net debt/EBITDA (multiple)



The target is for net debt/EBITDA to be below 16x long term. This level has been exceeded, mainly because of an increased project volume – entailing higher net debt – and higher utility

costs. The net debt is affected by exchange rate fluctuations. Adjusted for the year's exchange rate fluctuations on loans, the key indicator amounts to 17.3.

The key indicator can be restored to levels below 16x by continued focus on portfolio optimization and net operating income.



# Income, costs and profit

## Net operating income

Rental income increased by MSEK 107 or 3.5 percent compared to the previous year and amounted to MSEK 3,169 (3,062).

The increase mainly relates to the annual rent adjustment and effects of investments that impact rent. Rental income for the like-for-like portfolio rose MSEK 84 or 3.3 percent.

Property costs for the year increased by MSEK 115 or 8.9 percent to MSEK 1,409 (1,294). Expenses for the like-for-like portfolio increased by MSEK 102 or 9.7 percent. The main contributor to this was higher utility costs, particularly for electricity as a result of the increase in electricity prices. Maintenance costs increased, mainly costs for planned maintenance. The cost allocation was changed during the first quarter in order to better reflect the cost structure used by MSCI. Some of the costs that were previously recognized as property expenses are now recognized under Central administration. For the year 2022, the change means a reduction in property expenses by MSEK 26.

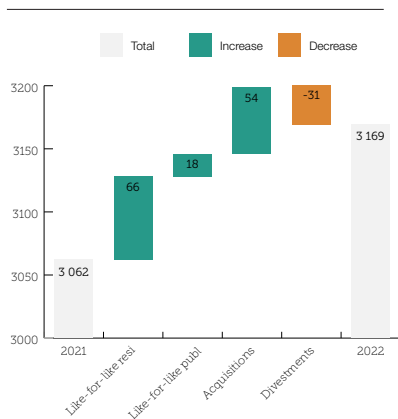
All in all, the total net operating income decreased by MSEK 8 in relation to the previous year and amounted to MSEK 1,760 (1,768). For like-for-like portfolio, net operating income decreased by MSEK 18 or 1.2 percent.

Vacancies have decreased during the year, especially during the second half of the year. At year-end, the vacancy rate for residential properties was 3.1 percent (5.1). Adjusted for apartments that have been vacated for renovation, the market vacancy rate was 0.8 percent (1.5). The economic occupancy rate for properties for public use was 98.7 percent (98.2). For the total portfolio, the economic occupancy rate amounts to 96.9 percent (95.8).

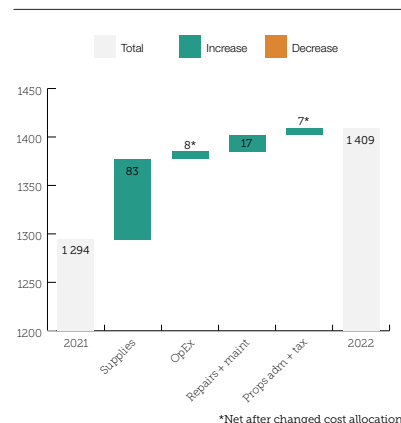
The average remaining lease term for properties for public use was 7.6 years (8.3). A high proportion of the new leases signed for 15–20 years relates to acquisitions. When leases are renewed, it is normally for shorter periods.

Income statement MSEK	2022 Jan–Dec	2021 Jan–Dec
Rental income	3,169	3,062
Property expenses	-1,409	-1,294
<b>Net operating income</b>	<b>1,760</b>	<b>1,768</b>
Central administration	-156	-100
Net financial items	-445	-472
Earnings from joint ventures	-91	330
<b>Income from property management</b>	<b>1,068</b>	<b>1,526</b>
Change in value of properties	-1,935	5,509
Change in value of derivatives and foreign exchange fluctuation on loans	1,186	311
<b>Profit before tax</b>	<b>319</b>	<b>7,347</b>
Tax	-91	-1,416
<b>Profit for the year</b>	<b>228</b>	<b>5,931</b>

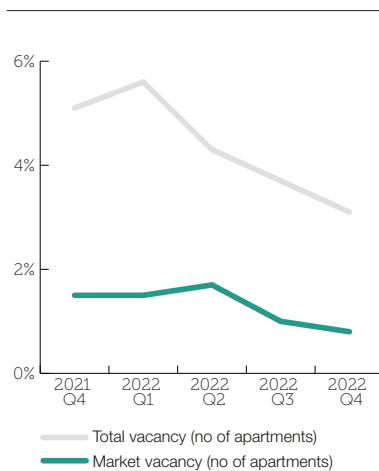
## Rental income



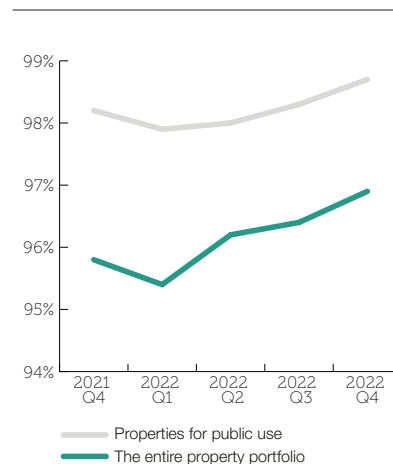
## Property expenses



## Vacancy rate, apartments (%)



## Economic occupancy rate (%)



For income statement items, amounts in parentheses show figures for the corresponding period of the prior year. For balance sheet items, amounts in parentheses show figures at the most recent year-end. The amounts in this report are rounded to the nearest million SEK, which means that tables and figures do not always agree.

### Central administration

The costs for central administration amounted to MSEK -156 (-100). Central administration includes group-wide costs. During the fourth quarter, a write-down of a claim was made in a transaction where the counterparty went bankrupt. The write-down charges central administration costs of MSEK 16. The cost allocation was changed during the first quarter in order to better reflect the cost structure used by MSCI. Some of the costs that were previously recognized as property expenses are now recognized under Central administration. The change was made to better reflect the structure used by MSCI. For the year 2022, the change means an increase in costs within central administration of MSEK 26.

MSEK -156  
(-100)

### Net financial items

Net financial items mainly comprise the Company's external interest expense. Net financial items totaled MSEK -445 (-472). The reduction compared to the previous year is due to, among other things, a low interest rate during the first half year and differences in capitalized interest. Market interest rates and credit margins have increased, particularly in the second half of the year. This is gradually taking effect as a large part of the loan portfolio has long interest and debt duration. At year-end, the average interest on the interest-bearing liabilities amounted to 2.0 percent (1.5). Read more on page 11.

MSEK -445  
(-472)

### Earnings from joint ventures

Earnings from shares in joint ventures amounted to MSEK -91 (330). The negative result is caused by a change in the value of investment properties, see further information in the joint ventures section on page 10.

MSEK -91  
(330)

### Change in value of properties

The change in value for investment properties during the year amounted to MSEK -1,935 (5,509), which corresponds to a decrease in value of 3.2 percent (increase 10.6). The average direct yield requirement in the valuation has increased by 0.25 percentage

MSEK -1,935  
(5,509)

points during the year. More information about the property valuation can be found on page 8.

### Change in value of financial derivative instruments and loans in foreign currency

The Company's financial derivative instruments are interest-rate swaps, which extend interest duration, and combined interest-rate and currency swaps, which have been entered into to eliminate currency risk on interest payments and repayments of loans raised in EUR, NOK and AUD. The sharp rise in interest rates during the year had a positive impact on the change in value of interest rate derivatives in SEK, which amounted to MSEK 1,780 (575). The change in value of combined currency and interest derivative instruments amounted to MSEK -129 (168) and was negatively affected by the rise in interest rates and positively by the weakening of SEK. The foreign exchange fluctuations for loans in EUR, NOK and AUD totaled MSEK -465 (-432) and relate to the weakening of SEK against these currencies during the year. If loans and derivative instruments are held to term, previously reported earnings impacts are neutralized.

MSEK 1 186  
(311)

### Tax

Tax reported for the year amounted to MSEK -91 (-1,416), MSEK -75 (-95) of which was current tax and MSEK -16 (-1,321) deferred tax. Deferred tax is mainly affected by the change in temporary differences between the carrying amount and tax base of investment properties and the change in value of financial items, while current tax is mostly affected by non-deductible interest and tax depreciation. The effective tax rate for the year was 28.6 percent (19.3). The deviation in relation to Swedish corporation tax of 20.6 percent is mainly explained by negative profit shares from joint ventures and by non-deductible interest costs attributable to current interest deduction limitation rules. The deferred tax asset has been offset against the deferred tax liability in the statement of financial position.

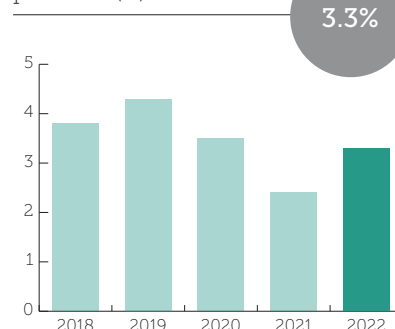
MSEK -91  
(-1,416)

### Profit for the year

Profit for the year totaled MSEK 228 (5,931).

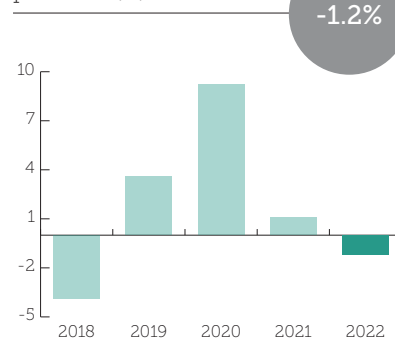
MSEK 228  
(5,931)

Change in rental income in the like-for-like portfolio (%)



3.3%

Change in net operating income in like-for-like portfolio (%)



-1.2%

# Property portfolio

At year-end, Rikshem's property portfolio comprised 519 properties (514) with a fair value of MSEK 59,423 (58,780). MSEK 40,850 of fair value pertained to

residential properties, MSEK 14,417 to nursing homes, MSEK 3,206 to schools and MSEK 949 to commercial properties. The property portfolio includes develop-

ment rights valued at MSEK 837. Properties representing 46 percent of fair value are located along the Greater Stockholm-Uppsala axis.

Number of properties

519

Market value

MSEK 59,423

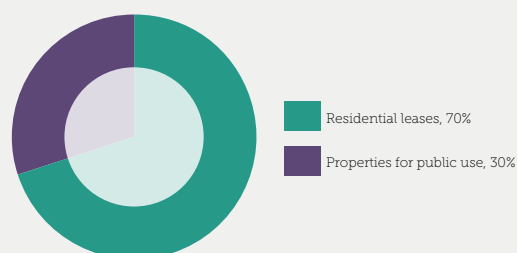
## Rikshem's property portfolio, December 31, 2022

Type	Value, MSEK	Percentage share	Area, 1,000 sqm	Market value, SEK/sqm	Annual rent, MSEK	Annual rent broken down by type of tenant, (%)			
						Residential leases	Public sector	Private sector	Total
<b>Residential properties segment</b>									
- Residential properties	40,850	69	1,587	25,733					
- Commercial*	742	1	37	19,801					
- Schools	50	0	2	26,266					
<b>Residential properties</b>	<b>41,642</b>	<b>70</b>	<b>1,627</b>	<b>25,597</b>	<b>2,245</b>	<b>88%</b>	<b>3%</b>	<b>9%</b>	<b>100%</b>
<b>Properties for public use segment</b>									
- Nursing homes	14,417	24	474	30,417					
- Schools	3,156	5	120	26,333					
- Commercial*	207	0	20	10,570					
<b>Properties for public use</b>	<b>17,780</b>	<b>30</b>	<b>613</b>	<b>28,986</b>	<b>1,027</b>	<b>6%</b>	<b>83%</b>	<b>11%</b>	<b>100%</b>
<b>Total</b>	<b>59,423</b>	<b>100</b>	<b>2,240</b>	<b>26,525</b>	<b>3,272</b>	<b>63%</b>	<b>28%</b>	<b>9%</b>	<b>100%</b>

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



Breakdown of fair value of investment properties (%)



# Property valuation and segment reporting

Rikshem reports investment properties at fair value in accordance with IAS 40. External property valuations of the whole property portfolio are carried out on a quarterly basis. In addition to this, internal valuation is carried out mainly on properties with major ongoing or upcoming projects. The valuation conforms to level 3 in the IFRS 13 fair value hierarchy.

Unrealized change in value amounts to MSEK -1,935 and is primarily driven by the market's increased direct yield requirements. The average direct yield requirement increased by 0.25 percentage points to 3.90 percent relative to the value at year-end 2021.

## Yield requirement and rent/sqm by property type

Property type	Rent/sqm			Yield requirement		
	min.	average	max.	min.	average	max.
Residential properties	917	1,593	3,836	2.50%	3.76%	6.00%
Properties for public use:					4.12%	
Nursing homes	878	1,753	3,419	3.15%	4.06%	5.60%
Schools	884	1,446	2,736	3.80%	4.41%	5.60%
Commercial	642	1,684	2,049	4.27%	5.93%	8.00%
<b>Average</b>		<b>1,628</b>			<b>3.90%</b>	

## Change in yield requirement by property type

Property type	Value in MSEK	Dec. 31, 2022	Dec 31, 2021	Change
Residential	40,850	3.76%	3.39%	0.37%
Properties for public use:				
Nursing homes	14,417	4.06%	3.98%	0.08%
Schools	3,206	4.41%	4.35%	0.06%
Commercial	949	5.93%	5.56%	0.37%
<b>Total</b>	<b>59,423</b>	<b>3.90%</b>	<b>3.65%</b>	<b>0.25%</b>

## Fair value of investment properties

Amounts in MSEK	2022	2021
<b>Fair value at the beginning of the year</b>	<b>58,780</b>	<b>51,750</b>
Change in value	-1,935	5,509
Investments	2,460	1,851
Acquisitions	500	532
Divestments	-382	-862
Fair value at the end of the year	59,423	58,780
<b>Fair value incl. Rikshem's share of properties in joint ventures</b>	<b>62,532</b>	<b>62,112</b>

## Segment reporting

Amounts in MSEK	Residential		Properties for public use		Total	
	2022 Jan-Dec	2021 Jan-Dec	2022 Jan-Dec	2021 Jan-Dec	2022 Jan-Dec	2021 Jan-Dec
Rental income	2,210	2,148	959	914	3,169	3,062
Property expenses	-1,080	-982	-328	-311	-1,409	-1,294
<b>Net operating income</b>	<b>1,130</b>	<b>1,166</b>	<b>631</b>	<b>602</b>	<b>1,760</b>	<b>1,768</b>
Change in value of properties	-1,943	3,890	8	1,619	-1,935	5,509
<b>Total return</b>	<b>-813</b>	<b>5,056</b>	<b>639</b>	<b>2,222</b>	<b>-175</b>	<b>7,278</b>
Fair value of properties	41,642	41,591	17,780	17,189	59,423	58,780
Total return excl. joint ventures, % (R12)	-1.9	13.7	3.7	14.3	-0.3	13.9
Percentage share	70	71	30	29	100	100
Area, 1,000 sqm	1,627	1,608	613	608	2,240	2,216
Fair value, SEK/sqm	25,597	25,863	28,986	28,265	26,525	26,522
Investments	2,257	1,661	203	190	2,460	1,851



# Investments and projects

Rikshem has several projects in progress: both new construction of residential properties and properties for public use and major renovations.

## Transactions and investments

Acquisitions during the year totaled MSEK 500. The acquisitions have mainly taken place from joint venture companies, see page 10. Three development properties were acquired in Lund and one residential property was acquired in Kalmar. During the second quarter, development properties were acquired in Sollentuna.

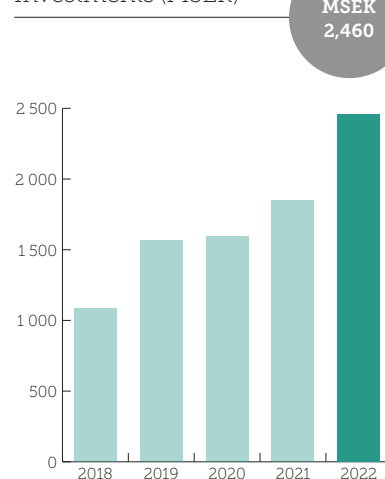
The Lagern 6 property in Stockholm was divested during the fourth quarter.

The year's investments in existing properties amounted to MSEK 2,460 (1,851),

of which MSEK 1,147 (956) related to rebuilding and renovation of residential properties, MSEK 1,109 (705) related to new production of residential properties and MSEK 203 (190) related to investments in properties for public use.

Construction of 1,601 new apartments is under way. Estimated occupancy is between the first quarter of 2023 and the fourth quarter of 2025. RM&U renovation projects are in progress in 2,060 apartments across 12 properties, with tenants moving in on an ongoing basis. During the year, 1,940 newly built and newly renovated apartments were completed.

Investments (MSEK)



## Major projects in progress

Property/project	Municipality	Project category	Number of apartments before	Number of apartments after	Investment amount, MSEK	Outstanding investment amount, MSEK	Estimated completion
Bonden	Halmstad	New construction (apartments)		175	355	91	Q1 2023
Flyttfågeln	Umeå	RM&U renovation	170	170	202	47	Q1 2023
Eriksborg	Västerås	New construction (apartments)		252	350	89	Q3 2023
Topasen	Norrköping	New construction (apartments)		141	260	166	Q2 2024
Brönnestad	Malmö	New construction (apartments)		260	417	204	Q4 2024
Grafikern	Uppsala	New construction (apartments)		162	313	165	Q4 2024
Kantorn	Uppsala	RM&U renovation	160	231	269	163	Q4 2024
Porsön	Luleå	RM&U renovation	426	426	331	194	Q2 2025
Kantorn	Uppsala	New construction (apartments)		139	325	235	Q4 2025
Repet	Södertälje	New construction (apartments)		190	460	223	Q4 2025



Eriksberg 4:1, Uppsala

### The theme & bath renovation according to a new model in Uppsala

Rikshem's new renovation model with remaining residents means that we can renovate the portfolio at a faster pace, that the tenants do not need to be evacuated, that the renovation time will be shorter than before and that the investment and rent increase will be lower.

The first property renovated with the new model, Eriksberg 4:1 in Uppsala, has now been completed. Here we have changed themes and built new bathrooms in 87 apartments. The new bathrooms, which are much appreciated by the tenants, have, for example, a new tiled floor and tiled walls, a new shower area with a shower wall, as well as an electric towel dryer and underfloor heating.

# Joint ventures

## Stakes in joint ventures

Through joint venture collaborations, Rikshem can, for example, operate in new markets, develop new and existing areas, and share and complement various skills.

MSEK  
2,088  
(2,191)

Rikshem owns shares in joint ventures with a total value of MSEK 2,088 (2,191). The value of Rikshem's share of the property holdings in these joint ventures, which are consolidated according to the equity method, is SEK 3.1 billion. The largest joint venture holding of MSEK 1,196 pertains to 49 percent of VärmdöBostäder (the remainder is owned by Värmdö Municipality). The second-largest holding of MSEK 675 relates to Farsta Stadsutveckling (Telestaden), with Rikshem and Ikano Bostad each owning 50 percent. Other participations in associated companies totaling MSEK 217 concern development projects owned and operated together with Nordr, P&E Fastighetspartner and Huseriet.

During the year, Rikshem acquired Glommen & Lindberg's 50% of JV Tidmätaren AB, which means that Rikshem now owns 100% of the shares in the company and that the joint venture collaboration has ended. During the year, Rikshem also acquired a property from Bergagårdshöjden JV AB.

The joint ventures involve some development of condominiums. At year-end, there were 134 apartments being built, 69 of which had been sold. Rikshem's share of the unsold apartments is 33.

## Earnings from joint ventures

Rikshem's share of profit after tax amounted to MSEK -91 (330). The difference can mainly be attributed to the change in value of the properties.

MSEK -91  
(330)



### Rikshem's joint ventures

- VärmdöBostäder AB
- Farsta Stadsutveckling AB
- Boostad Bostad Sverige AB
- Bergagårdshöjdens JV AB
- Huseriet Riks AB



Telestaden in Farsta.  
Photographer Staffan Eliasson

# Financing

The year has been marked by unrest in the outside world and on the financial markets, with, for example, increased inflation and rising interest rates. The importance of having stable owners and a strong rating has been accentuated. Rikshem is stable and during the year has had access to both capital market financing and bank loans.

The year began with an ongoing Covid-19 pandemic and when this began to subside, Russia invaded Ukraine and in addition new pandemic-related restrictions were introduced in China. This has driven price increases, and inflation has risen fast. Central banks have announced and implemented interest-rate increases with a view to keeping down inflation, which has led to rises in interest rates and high volatility on the interest-rate and capital markets. Inflation persisted for longer than expected and the year ended with a key interest rate of 2.5%, with notice of further increases in 2023. Access to capital on the bond and certificate markets has at times been limited or non-existent, which has meant that loan margins have also increased. This has impacted the entire property sector but primarily companies with lower credit ratings than Rikshem.

Increased market interest rates and credit margins lead to an increase in loan costs, but since a large part of the loan portfolio has long interest and debt duration, the increase in costs occurs gradually. However, interest-rate changes have a

substantial impact on the value of the company's financial derivative instruments.

During the fourth quarter, two bonds of MSEK 450 with a maturity of four years and a bond of MEUR 10 with a maturity of five years were issued. Commercial paper is issued on an ongoing basis, with funding through commercial paper increasing by MSEK 190 during the quarter.

## Cash and cash equivalents

Cash and cash equivalents amounted to MSEK 783 (468). On the closing date, assets pledged under Credit Support Annexes (CSAs) for combined interest-rate and currency swaps amounted to MSEK 2. Assets of this type are settled on a monthly basis.

MSEK 783  
(468)

## Financial derivative instruments

At year-end, the company had an interest derivative portfolio that hedged SEK 15.5 billion in net interest. The Company also has combined interest-rate and currency swaps to

MSEK 1,710  
(60)

hedge loans raised in other currencies. The total fair value of the Company's financial derivative instruments with a positive fair value was MSEK 2,142 (403), while that of instruments with a negative fair value was MSEK -432 (-343). The net fair value of the derivative portfolio was MSEK 1,710 (60).

## Interest-bearing liabilities

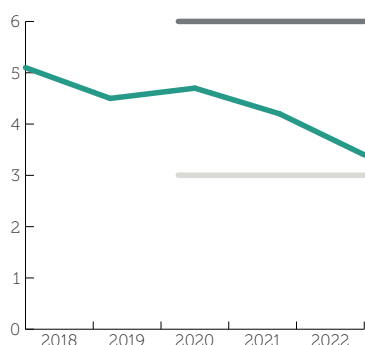
At year-end, the interest-bearing liabilities amounted to MSEK 29,021 (26,922). The current portion of this totaled MSEK 6,435 (7,064). MSEK 4,530 (3,306) of the interest-bearing liabilities pertained to secured bank loans, MSEK 999 (999) to liabilities to the EIB, MSEK 2,841 (3,550) to funding through commercial paper, and MSEK 20,506 (18,892) to bond loans. In addition, the Company had MSEK 145 (175) in interest-bearing liabilities to related companies.

MSEK 29,021  
(26,922)

All bank loans are secured by collateral in properties. In total, secured financing accounted for 8 percent (6) of the market value of the investment properties.

Average interest duration (years)

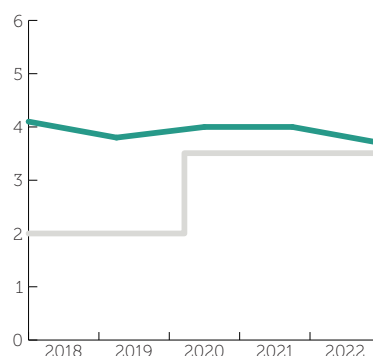
3.4 years



— Average interest duration  
— Maximum level according to policy  
— Minimum level according to policy

Average debt duration (years)

3.7 years



— Equity/assets ratio  
— Minimum level according to policy

Of Rikshem's outstanding bonds, bonds corresponding to SEK 2.9 billion have been issued in EUR, SEK 5.0 billion in NOK and SEK 0.5 billion in AUD. The remaining bonds have been issued in SEK.

The carrying amount of foreign-currency bonds on the closing date was SEK 3.3 billion (EUR), SEK 5.0 billion (NOK), and SEK 0.6 billion (AUD).

The average interest rate increased during the year as a result of increased market interest rates and credit margins. At year-end, the average interest rate was 2.0 percent, which is 0.5 percentage points higher than at the turn of the previous year

and 0.2 percentage points higher than the previous quarter. Fees for unutilized backup facilities are included in the average interest rate. The average debt duration is 3.7 years (4.0), and the average interest duration is 3.4 years (4.2).

### Green financing

In February 2022, Rikshem updated the framework for green bonds. Green bonds amounting to MSEK 359 were issued during the fourth quarter. At year-end, outstanding green bonds totaled approx. SEK 7.9 billion. Loans from the EIB for energy efficiency initiatives amounted to MSEK 999. In total, green financing amounted to approximately 31 percent of interest-bearing liabilities at year-end.

### Backup facilities

The refinancing and liquidity risk inherent in the maturity structure is managed in part by using backup facilities with Rikshem's owners (SEK 10 billion) and Swedish banks (SEK 3 billion). There is also an overdraft facility of MSEK 500. The backup facilities cover refinancing of loan maturities of more than two years.

### 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 June 2022.

## Interest-bearing external liabilities

Maturity Year	Interest duration		Debt duration	
	Amount (MSEK)	Percentage	Amount (MSEK)	Percentage
2023	6,021	21%	6,435	22%
2024	3,616	12%	4,309	15%
2025	5,785	20%	4,852	17%
2026	3,700	13%	3,631	12%
2027	1,999	7%	2,633	9%
2028	3,000	10%	1,053	3%
2029	1,500	5%	1,405	5%
2030	2,400	8%	1,089	4%
2031	500	2%	800	3%
2032-	500	2%	2,814	10%
<b>Total</b>	<b>29,021</b>	<b>100%</b>	<b>29,021</b>	<b>100%</b>



# Group – Condensed statement of comprehensive income

Amounts in MSEK	2022 Oct-Dec	2021 Oct-Dec	2022 Jan-Dec	2021 Jan-Dec
<b>Rental income</b>	803	786	3,169	3,062
Operating expenses	-261	-211	-873	-783
Repairs and maintenance	-87	-91	-266	-249
Property administration	-62	-65	-222	-220
Property tax	-14	-10	-48	-42
<b>Total property expenses</b>	<b>-424</b>	<b>-377</b>	<b>-1,409</b>	<b>-1,294</b>
<b>Net operating income</b>	<b>379</b>	<b>409</b>	<b>1,760</b>	<b>1,768</b>
Central administration	-58	-37	-156	-100
Net financial items	-131	-152	-445	-472
Earnings from joint ventures	-223	136	-91	330
of which income from property management	11	11	39	35
of which change in value of properties	-295	158	-159	379
of which change in value of financial derivative instruments	2	1	6	2
of which tax	59	-35	23	-85
<b>Income from property management</b>	<b>-33</b>	<b>356</b>	<b>1,068</b>	<b>1,526</b>
Change in value of investment properties	-2,113	3,367	-1,935	5,509
Change in value of interest-rate derivatives	-80	136	1,780	575
Change in value of combined interest-rate and currency derivatives	323	115	-129	168
Foreign exchange fluctuation on loans	-118	-100	-465	-432
<b>Profit before tax</b>	<b>-2,021</b>	<b>3,875</b>	<b>319</b>	<b>7,347</b>
Tax	373	-801	-91	-1,416
<b>Profit for the period/year</b>	<b>-1,648</b>	<b>3,074</b>	<b>228</b>	<b>5,931</b>
<b>Other comprehensive income</b>				
Revaluation of pensions	3	4	3	4
Tax, pensions	-1	-1	-1	-1
<b>Other comprehensive income for the period/year, net after tax</b>	<b>2</b>	<b>3</b>	<b>2</b>	<b>3</b>
<b>Total comprehensive income for the period/year</b>	<b>-1,646</b>	<b>3,077</b>	<b>230</b>	<b>5,934</b>

# Group – Condensed statement of financial position

Amounts in MSEK	Dec 31, 2022	Dec 31, 2021
<b>ASSETS</b>		
Capitalized development expenditure	15	8
Investment properties	59,423	58,780
Stakes in joint ventures	2,088	2,191
Equipment	6	2
Leaseholds and other right-of-use assets	177	134
Financial derivative instruments	2,142	403
Non-current receivables	62	227
<b>Total non-current assets</b>	<b>63,913</b>	<b>61,745</b>
Current receivables	226	198
Cash and cash equivalents	783	468
<b>Total current assets</b>	<b>1,009</b>	<b>666</b>
<b>TOTAL ASSETS</b>	<b>64,922</b>	<b>62,411</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>29,085</b>	<b>28,855</b>
Deferred tax	5,189	5,173
Interest-bearing liabilities	22,586	19,858
Financial derivative instruments	432	343
Non-current liabilities, leases	151	117
Non-interest-bearing liabilities	1	6
<b>Total non-current liabilities</b>	<b>28,359</b>	<b>25,497</b>
Interest-bearing liabilities	6,435	7,064
Current liabilities, leases	22	15
Non-interest-bearing liabilities	1,021	980
<b>Total current liabilities</b>	<b>7,478</b>	<b>8,059</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>64,922</b>	<b>62,411</b>

## Group – Statement of changes in equity

Amounts in MSEK	Share capital	Other paid-in capital	Retained earnings incl. profit for the year	Total equity
<b>Opening balance, Jan 1, 2021</b>	100	4,874	17,947	22,921
Profit for the year			5,931	5,931
Other comprehensive income			3	3
Total comprehensive income			5,934	5,934
<b>Closing balance, Dec 31, 2021</b>	100	4,874	23,881	28,855
<b>Opening balance, Jan 1, 2022</b>	100	4,874	23,881	28,855
Profit for the year			228	228
Other comprehensive income			2	2
Comprehensive income for the year			230	230
<b>Closing balance, Dec 31, 2022</b>	100	4,874	24,111	29,085

## Group – Statement of cash flows

Amounts in MSEK	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Operating activities</b>				
Income from property management	-33	356	1,068	1,526
Adjustment for non-cash items	224	-134	95	-328
Reversal of net interest income	131	152	445	472
Interest paid	-119	-155	-413	-489
Interest received	4	1	5	6
Tax paid	-70	-20	-158	-26
<b>Cash flow from operating activities before changes in working capital</b>	<b>137</b>	<b>200</b>	<b>1,042</b>	<b>1,162</b>
Decrease (+)/increase (-) in operating receivables	129	10	-18	25
Decrease (-)/increase (+) in operating liabilities	48	-5	125	-16
<b>Cash flow from operating activities</b>	<b>314</b>	<b>205</b>	<b>1,149</b>	<b>1,171</b>
<b>Investing activities</b>				
Investment in investment properties	-681	-635	-2,460	-1,851
Acquisition of investment properties	0	-1	-500	-533
Divestment of investment properties	382	33	382	862
Investment in other fixed assets	-6	2	-14	-1
Investment in financial assets	0	-7	-1	-67
Divestment of financial assets	2	30	179	30
<b>Cash flow from investing activities</b>	<b>-303</b>	<b>-578</b>	<b>-2,414</b>	<b>-1,559</b>
<b>Financing activities</b>				
Loans raised	2,932	4,113	17,589	12,881
Repayment of loans	-2,901	-4,175	-15,956	-12,710
Change in collateral	99	0	-51	-143
Redemption of financial instruments	-	0	-	-3
Repayment of finance leases	-3	1	-2	-
<b>Cash flow from financing activities</b>	<b>127</b>	<b>-61</b>	<b>1,580</b>	<b>25</b>
<b>Cash flow for the period/year</b>	<b>138</b>	<b>-434</b>	<b>315</b>	<b>-362</b>
Cash and cash equivalents at the beginning of the period/year	645	902	468	830
<b>Cash and cash equivalents at the end of the period/year</b>	<b>783</b>	<b>468</b>	<b>783</b>	<b>468</b>

## Parent Company – Condensed income statement

Amounts in MSEK	Oct–Dec 2022	Oct–Dec 2021	Jan–Dec 2022	Jan–Dec 2021
<b>Income</b>	<b>84</b>	<b>65</b>	<b>300</b>	<b>248</b>
Other operating expenses	-67	-37	-193	-123
Personnel expenses	-69	-68	-234	-232
Depreciation	0	-1	-2	-2
<b>Operating profit/loss</b>	<b>-52</b>	<b>-40</b>	<b>-129</b>	<b>-109</b>
Earnings from Group companies	158	96	215	96
Net interest income	89	30	331	252
Change in value of interest-rate derivatives	-80	136	1,780	575
Change in value of combined interest-rate and currency derivatives	323	115	-129	168
Foreign exchange effect on financial liabilities	-119	-100	-466	-432
<b>Profit after financial items</b>	<b>319</b>	<b>237</b>	<b>1,602</b>	<b>550</b>
Appropriations, group contribution	-21	-44	-21	-44
Appropriations, profit to principal	-303	–	64	–
Tax	-23	-31	-322	-84
<b>Profit for the period/year</b>	<b>-28</b>	<b>162</b>	<b>1,323</b>	<b>422</b>

## Parent Company – Condensed balance sheet

Amounts in MSEK	Dec 31, 2022	Dec 31, 2021
<b>ASSETS</b>		
Capitalized development expenditure	15	8
Equipment	5	2
Shares and participations in Group companies	2,690	2,724
Receivables from Group companies	32,607	31,668
Financial derivative instruments	2,142	403
Non-current receivables	18	144
<b>Total non-current assets</b>	<b>37,477</b>	<b>34,949</b>
Current assets	60	119
Cash and cash equivalents	783	465
<b>Total current assets</b>	<b>843</b>	<b>584</b>
<b>TOTAL ASSETS</b>	<b>38,320</b>	<b>35,533</b>
<b>EQUITY AND LIABILITIES</b>		
<b>Equity</b>	<b>9,408</b>	<b>8,085</b>
Provisions	1	3
Deferred tax	492	243
Financial derivative instruments	432	343
Interest-bearing liabilities	25,380	24,474
Liabilities to Group companies	2,377	2,150
Non-interest-bearing liabilities	230	235
<b>Total liabilities</b>	<b>28,912</b>	<b>27,448</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>38,320</b>	<b>35,533</b>

### Parent Company

The activities of the Parent Company Rikshem AB (publ) primarily comprise 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. Since January 2022, the Parent Company has been included as principal for fiscal

purposes with the majority of its subsidiaries. These subsidiaries also part of a VAT group as of July 1, 2022.



## Board of Directors

At the Annual General Meeting on March 24, 2022, Siv Malmgren and Zdravko Markovski were elected as new ordinary members of the Board of Directors. The remaining members were re-elected.

The nomination committee announced in December that Kerstin Lindberg Göransson is intended to be nominated as a new board member and chairman of the board at the annual general meeting on March 21, 2023. The board's current chairman, Per Uhlén, has declined re-election. Furthermore, the nomination committee intends to propose the re-election of Pernilla Arnrud Melin, Andreas Jensen, Siv Malmgren, Zdravko Markovski, Per-Gunnar Persson and Peter Strand as regular members. Liselotte Hjorth has declined re-election. The nomination committee's proposal means that the number of regular members on the board will be reduced from eight members to seven.

## Employees

The number of employees in the Rikshem Group at year-end was 316 (286): 156 men and 160 women.

## Risks

The Board of Directors and management work continuously on managing the risks to which the business is exposed. The year has been hallmarked by the war in Ukraine, inflation, high electricity prices, rising interest rates and unrest in the world's financial markets. This has affected Rikshem to date mainly through higher electricity costs and interest rates. Inflation has increased the prices of building materials, for instance, which to some extent affects ongoing projects. Rikshem's risks and uncertainties are described on page 60 of the Annual and Sustainability Report 2021.

## 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 year-end report has been prepared in accordance with IAS 34 Interim reporting 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 2021. In other respects, no significant related party transactions have taken place during the year, apart from customary salaries and allowances for the board, CEO and other senior executives.

## Affirmation of the Board of Directors and the CEO

The Board of Directors and the CEO affirm that this year-end 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, February 2, 2023

Per Uhlén  
Chairman of the Board

Pernilla Arnrud Melin  
Board member

Liselotte Hjorth  
Board member

Andreas Jensen  
Board member

Siv Malmgren  
Board member

Zdravko Markovski  
Board member

Per-Gunnar Persson  
Board member

Peter Strand  
Board member

Anette Frumerie  
CEO

This year-end report has not been reviewed by the company's auditors.

# Quarterly data

Amounts in MSEK	2022 Q4	2022 Q3	2022 Q2	2022 Q1	2021 Q4	2021 Q3
<b>Income statement</b>						
Rental income	803	795	801	770	786	754
Property expenses	-424	-281	-319	-385	-377	-262
Net operating income	379	514	482	385	409	492
Central administration	-58	-34	-33	-31	-37	-21
Net financial items	-131	-119	-102	-93	-152	-106
Earnings from joint ventures	-223	9	113	10	136	9
Income from property management	-33	370	460	271	356	374
Change in value of investment properties	-2,113	2	52	124	3,367	112
Change in value and foreign exchange fluctuation on financial instruments	125	98	434	529	151	39
Profit before tax	-2,021	470	946	924	3,875	525
Tax and other comprehensive income	375	-85	-190	-189	-798	-54
Comprehensive income for the quarter	-1,646	385	756	735	3,077	471
<b>Statement of financial position</b>						
Investment properties	59,423	61,238	60,705	59,683	58,780	54,809
Stakes in joint ventures	2,088	2,312	2,302	2,201	2,191	1,963
Other assets	2,628	2,737	2,417	1,727	972	1,056
Cash and cash equivalents	783	645	1,284	503	468	902
Total assets	64,922	66,932	66,708	64,114	62,411	58,730
Equity	29,085	30,731	30,346	29,591	28,855	25,778
Deferred tax	5,189	5,558	5,506	5,348	5,173	4,368
Interest-bearing liabilities	29,021	28,872	29,212	27,553	26,922	26,882
Other liabilities	1,627	1,771	1,644	1,623	1,461	1,702
Total equity and liabilities	64,922	66,932	66,708	64,114	62,411	58,730
<b>Key figures</b>						
Loan-to-value ratio, %	49	47	48	46	46	49
Equity/assets ratio, %	45	46	45	46	46	44
Interest-coverage ratio, multiple (R12)	3.5	3.6	3.7	3.6	3.6	3.9
Return on equity, % (R12)	0.8	17.5	18.1	24.0	22.9	15.6
Property yield, % (R12)	3.0	3.1	3.1	3.1	3.2	3.4
Surplus ratio, %	47	65	60	50	52	65

# Key figures

Amounts in MSEK	2022	2021	2020	2019	2018
<b>Income statement</b>					
Rental income	3,169	3,062	3,032	2,916	2,792
Net operating income	1,760	1,768	1,760	1,586	1,524
Income from property management	1,068	1,526	1,279	1,286	1,008
Change in value of properties	-1,935	5,509	1,825	1,538	2,107
Profit for the year	228	5,931	2,481	2,244	2,489
<b>Statement of financial position</b>					
Equity	29,085	28,855	22,921	20,441	18,199
External liabilities	29,021	26,922	26,315	26,838	26,493
Fair value of properties	59,423	58,780	51,750	49,307	45,687
Total assets	64,922	62,411	55,271	52,612	48,734
<b>Financial key indicators</b>					
Equity/assets ratio, %	45	46	41	39	37
Loan-to-value ratio, %	49	46	51	54	58
Interest-coverage ratio, multiple (R12)	3.5	3.6	3.7	3.5	3.2
Net debt/EBITDA, multiple	17.6	15.9	15.2	18.0	17.6
Loan-to-value ratio, secured loans, %	8	6	9	9	10
Average interest rate, %	2.0	1.5	1.7	1.6	1.7
Interest duration, years	3.4	4.2	4.7	4.5	5.1
Debt duration, years	3.7	4.0	4.0	3.8	4.1
Return on equity, % (R12)	0.8	22.9	11.4	11.6	14.7
Property yield, % (R12)	3.0	3.2	3.5	3.3	3.5
Total return excl. joint ventures, % (R12)	-0.3	13.9	7.2	6.7	8.6
Total return incl. joint ventures, % (R12)	-0.4	13.9	7.0	7.2	7.8
<b>Property-related key indicators</b>					
Number of properties	519	514	540	560	555
Lettable area, 1,000 sqm	2,240	2,216	2,232	2,292	2,274
Number of apartments	29,230	28,514	28,730	29,214	28,840
Share of properties for public use (fair value), %	30	29	30	30	29
Vacancy rate, apartments, %	3.1	5.1	4.0	3.5	3.2
Market vacancy rate, residential properties, %	0.8	1.5	1.4	0.8	0.5
Remaining lease term for properties for public use, years	7.6	8.3	8.8	9.0	9.4
Fair value, SEK/sqm	26,525	26,522	23,181	21,512	20,090
Growth in income for the like-for-like portfolio, %	3.3	2.4	3.5	4.3	3.8
Growth in net operating income, like-for-like portfolio, %	-1.2	1.1	9.2	3.6	-3.9
Surplus ratio, %	56	58	58	54	55
<b>Employees</b>					
Number of employees	316	286	271	259	242

# Key indicators – 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 MSEK unless stated otherwise.

	2022 Jan-Dec	2021 Jan-Dec
<b>Return on equity</b>		
Profit for the year	228	5,931
Average equity	28,970	25,888
<b>Return on equity, %</b>	<b>0.8</b>	<b>22.9</b>
<b>Net operating income</b>		
Rental income	3,169	3,062
Property expenses	-1,409	-1,294
<b>Net operating income</b>	<b>1,760</b>	<b>1,768</b>
<b>Surplus ratio</b>		
Net operating income	1,760	1,768
Rental income	3,169	3,062
<b>Surplus ratio, %</b>	<b>56</b>	<b>58</b>
<b>Property yield</b>		
Net operating income	1,760	1,768
Opening property value	58,780	51,750
Closing property value	59,423	58,780
Adjusted average property value	59,102	55,265
<b>Property yield, %</b>	<b>3.0</b>	<b>3.2</b>
<b>Total return</b>		
Net operating income	1,760	1,768
Change in value of properties	-1,935	5,509
<b>Total</b>	<b>-175</b>	<b>7,278</b>
Opening property value	58,780	51,750
Closing property value	59,423	58,780
Minus unrealized change in value	1,935	-5,509
Adjusted average property value	60,069	52,510
<b>Total return, %</b>	<b>-0.3</b>	<b>13.9</b>
<b>Interest-coverage ratio</b>		
Profit before tax	319	7,347
Reversal		
Change in value of properties	1,935	-5,509
Change in value of financial derivative instruments and loans	-1,186	-311
Earnings from joint ventures	91	-330
Other financial expenses	27	32
Interest expense	423	448
<b>Operating profit/loss</b>	<b>1,609</b>	<b>1,676</b>
External interest	-456	-467
<b>Interest-coverage ratio, multiple</b>	<b>3.5</b>	<b>3.6</b>

Amounts in MSEK	Dec 31, 2022	Dec 31, 2021
<b>Loan-to-value ratio</b>		
External interest-bearing liabilities	29,021	26,922
Fair value of investment properties	59,423	58,780
<b>Loan-to-value ratio, %</b>	<b>49</b>	<b>46</b>
<b>Loan-to-value ratio, secured loans</b>		
Outstanding secured debt	4,530	3,306
Fair value of investment properties	59,423	58,780
<b>Loan-to-value ratio, secured loans, %</b>	<b>8</b>	<b>6</b>
<b>Net debt/EBITDA</b>		
External interest-bearing liabilities	29,021	26,922
Cash and cash equivalents	-783	-468
Collateral relating to CSA agreements	-2	48
<b>Net debt</b>	<b>28,236</b>	<b>26,503</b>
Net operating income	1,760	1,768
Central administration	-156	-100
Depreciation	2	2
<b>EBITDA</b>	<b>1,606</b>	<b>1,670</b>
<b>Net debt/EBITDA, multiple</b>	<b>17.6</b>	<b>15.9</b>



# Definitions

<b>Amounts within parentheses</b>	For income statement items, amounts in parentheses show figures for the corresponding period of the prior year. For balance sheet items, amounts in parentheses refer to the result at the end of the preceding year.
<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>Comparable portfolio</b>	For financial follow-up, this refers to the properties that have been owned or, for new construction, that have been moved into during the last four quarters.
<b>Debt duration</b>	The weighted remaining maturity of interest-bearing liabilities on the closing date.
<b>Economic occupancy rate</b>	Contract rent in relation to total rental value on the closing date less rent related to vacancies 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 earnings from joint ventures.
<b>Interest-coverage ratio</b>	Profit before tax after reversal of earnings from joint ventures, interest expense, change in value of assets and liabilities, and other financial expenses in relation to interest expense for external borrowings.
<b>Interest duration</b>	The weighted remaining interest duration for interest-bearing liabilities and financial derivative instruments on the closing date.
<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 less apartments decommissioned due to renovation, for example, in relation to the total number of apartments on the closing date.
<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 financial items</b>	Net interest income, interest expense, ground rents and similar income and expenses.
<b>Net operating income</b>	Rental income less property expenses.
<b>Property expenses</b>	Costs for heating, electricity, water, operation, maintenance, property tax, rental losses and property administration.
<b>Property yield</b>	Annualized net operating income in relation to the average fair value of properties.
<b>Remaining lease term, properties for public use</b>	The weighted remaining lease term in the rental value in the properties for public use segment on the closing date.
<b>Rental income</b>	Rental value less vacancies and rent discounts.
<b>Return on equity</b>	Profit for the 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.

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.

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## Financial calendar

### Reports

Annual Report and Sustainability Report 2022	March 21, 2023
Interim report January-March 2023	May 5, 2023

