

Wihlborgs'  
Interim report  
**2022**

January–March

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**NET LETTING REMAIN STRONG AND  
EARNINGS RISE**

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Rental income increased by 8 percent to SEK 795 million (738)

Operating surplus increased by 9 percent to  
SEK 557 million (509)

Income from property management increased by 12 percent  
to SEK 467 million (416)

Profit for the period amounted to SEK 816 million (478),  
corresponding to earnings per share of SEK 5.31 (3.11)

EPRA NRV per share increased by 2,5 percent  
to SEK 177.04 (172.65)

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# This is Wihlborgs

Wihlborgs is the leading property company in the Öresund region. Over 50,000 people have their workplace at one of our premises. People in Malmö, Lund, Helsingborg and Copenhagen all meet in city spaces designed by us, and our presence can also be felt in board rooms, club rooms and social forums as the Öresund region grows amid a wave of urban diversity and sustainability. We are a region-builder and a relations-builder.

The book value of the company's properties totals SEK 51 billion, representing an annual rental value of SEK 3.5 billion. Wihlborgs' shares are listed on the Large Cap List of Nasdaq Stockholm.



## Our business concept

Wihlborgs specialises in efficient sub-markets in the Öresund region, where we own, manage in-house and develop commercial properties, thereby enabling tenants to grow and develop.



## Our business model

We work continuously to improve our property portfolio by refining and developing existing properties, completing new projects and acquiring and selling properties. Strong financial results enable value growth and dividends to our shareholders.



## Our sustainability

Wihlborgs is to ensure the company's and region's long-term sustainable development. Our focus is on responsible business, commitment to the region and its community, being an attractive employer and sustainable properties.

# Content

CEO's comments.....	04	Financial reports.....	15
Market comments .....	05	Key figures.....	20
Income, expenses and profit.....	06	Definitions .....	22
Assets .....	08	Calendar .....	23
Sustainable business .....	11	Contact.....	23
Liabilities and equity .....	12		

Property value,  
SEK billion

**50.6**

Rental income,  
SEK million

**795**

Income property  
management, SEK million

**467**

## Januari - March 2022

Group key figures, SEK m	2022 Jan-Mar	2021 Jan-Mar
Rental income	<b>795</b>	738
Operating surplus	<b>557</b>	509
Income property management	<b>467</b>	416
Changes in value of properties	<b>221</b>	74
Changes in value of derivatives	<b>340</b>	97
Result for the period	<b>816</b>	478
Earnings per share, SEK	<b>5.31</b>	3.11
Surplus ratio, %	<b>70</b>	69
Equity/assets ratio, %	<b>43.6</b>	41.5
Occupancy rate, %*	<b>92</b>	90
EPRA NRV per share, SEK	<b>177.04</b>	155.59

\*) Excluding Projects & Land.

## Financial targets

Target	Outcome Q1 2022
■ A return on equity that exceeds the risk-free interest rate by not less than six percentage points, which for the beginning of 2022 corresponds to 6,12 percent	14.6
■ An equity/assets ratio of no less than 30 percent	43.6
■ An interest coverage ratio of no less than 2.0	7.3
■ The loan-to-value ratio is not to exceed 60 percent	45.8



## CEO's comments

# High levels of optimism among our customers

The human suffering and consequences of the ongoing war in Ukraine are difficult to comprehend. The war affects all of us in many ways and the length of the conflict is difficult to predict, as are the long-term effects on the economy. But we made it through the pandemic in one piece, and we were able to help vulnerable customers weather that storm. We know that we are well equipped, organisationally and financially, to stay stable and to provide long-term, sustainable contributions. We can also note that our customers have the confidence to invest in the future. Optimism and action are at high levels, even at a time when many future parameters are unknown.

Wihlborgs can once again post a strong first quarter. We can follow up the fourth quarter's record high net lettings with a strong figure of SEK 28 million for the first quarter. All four of our regions contributed positively and a large number of new as well as existing tenants collectively led to healthy net lettings.

Rental income for the quarter amounted to SEK 795 million, an increase of 8 percent. The operating surplus amounted to SEK 557 million, up 9 percent, corresponding to a surplus ratio of 70 percent for the quarter. Income from property management rose 12 percent to SEK 467 million. Generally, we have noted some seasonal variation in our

expenses over the quarters, but I want to point out that this is our best first-quarter performance to date. This in addition to positive changes of SEK 221 million in the value of properties. This was driven primarily by somewhat higher inflation assumptions that have a positive effect on future rental income in the valuation models as well as by project lettings. Higher market interest rates led to positive changes in value of SEK 340 million in our interest-rate derivatives during the quarter.

**”All four of our regions contributed positively and a large number of new as well as existing tenants collectively led to healthy net lettings.”**

### **Stable financing**

Altogether this strong performance led to an equally strong balance sheet. Our equity/assets ratio at the end of March amounted to 43.6 percent and the loan-to-value ratio was

45.8 percent. We have a long-term net asset value (EPRA NRV) per share of SEK 177, which is 17 percent higher year-on-year after adjustment for dividends distributed in 2021.

We continue to raise financing through bilateral bank loans and in the Danish mortgage-credit system. These sources of capital are less volatile than the bond market, which was evident this past spring. During the quarter, the average interest rate in our loan portfolio fell somewhat, and thanks to our strong cash flow the interest coverage ratio was a multiple of 7, a record-strong performance.

Against a backdrop of healthy demand, we continue to focus on our large project portfolio. During the quarter, construction started on the Space project in Lund, where we have already signed an agreement with Oatly for 3,100 square metres. Rising material prices and delivery difficulties have thus far not had any significant impact on our ongoing projects, which enjoy good overall protection, but naturally we are monitoring the situation closely.

#### The office in a new guise

During the quarter, we presented a follow up on the AI study into the meaning of the office that we first carried out in 2021. We can see that company awareness about employees' new expectations for flexibility and customisation at the office is increasing, and that several companies are now actively deciding to move in this direction. It is also clear that the

office is now regarded in an entirely different light now that workplaces, in addition to being attractive, need to be clear meeting places for collaboration, social contact, innovation and development. For Wihlborgs, the lively debate about how the office can help organisations reach their goals is very exciting. Workplaces are our core operation – this is an area where we can contribute.

**”Against a backdrop of healthy demand, we continue to focus on our large project portfolio.”**

Despite various uncertainty factors in our operating environment, we are well equipped in terms of market position, financial position and focus on our core operation. From this position, we will continue to build Wihlborgs and the Öresund region.



Ulrika Hallengren, CEO

## Market comments

Russia's war of aggression against Ukraine is not only a human rights disaster, but it has also changed economic preconditions and entails the second major shock to the global economy in a short time. In its most recent report, the Swedish National Institute of Economic Research notes that the Swedish economy is performing well, despite the war, and that by the end of 2022 it will enter a moderately expansive phase. They expect that the Riksbank (the Swedish Central Bank) will introduce a more restrictive monetary policy in the future and bring forward its interest rate increases. At the same time, Swedish GDP growth has remained high thanks to significantly increased public consumption. In the Economic Tendency Survey for March, household confidence indicators fell dramatically to their lowest levels since 2009, whereas the service sector developed somewhat positively, with demand that improved over the past three months.

Swedbank's economic outlook report revised global growth substantially downward, due to higher energy and raw material prices stemming from the war, which are slowing household consumption. Unlike many European countries, Sweden's direct economic dependence on Russia and Ukraine is limited. GDP growth of 2.8% (3.3 in Jan. 2022) is forecast for Sweden for 2022 and 2.1% (2.0) for 2023. Inflation, measured as CPIF, is expected to end up at 5.0% (3.2) for

2022 before falling to 2.5% (1.9) for 2023 due to lower energy prices. Rising inflation was a reality even before the war, but the risk is now that inflation will be more long-term, since the CPIF (excluding energy) is also rising significantly. Swedbank expects that the repo rate will be 1.0% by the end of 2022, with an initial increase in April, and that it will be met by a more expansive fiscal policy. GDP growth of 2.4% (3.0) is forecast for Denmark for 2022 and 2.0% (1.9) for 2023. High inflation of 4.8% (2.4) is expected for 2022 but it is then expected to fall to 2.0% (1.7) for 2023.

According to Cushman & Wakefield's most recent report, the rent trend in Malmö is stable and increasing in the Hyllie sub-area. The average vacancy rate decreased from 9% in the third quarter of 2021 to 7.5% in the first quarter of 2022, with a decrease from 11% to 8% in Västra Hamnen. In Denmark, Colliers reports stable trends for rents and yield requirements for Wihlborgs's sub-areas in Copenhagen.

The transaction volume for the first quarter was high, at SEK 69 billion, up 81% year-on-year according to Pangea. Catena's acquisition of two logistics properties in Umeå and Halmstad confirms low yield requirements of under 4%. In Denmark, the volume was approximately DKK 23 billion, up 14% year-on-year. Worth noting is that Cibus made its first portfolio acquisition in Denmark for SEK 3 billion.

Comparative figures for income statement items relate to values for the corresponding period 2021 and balance sheet items as of 2021-12-31.

# Income, expenses and profits, January-March 2022

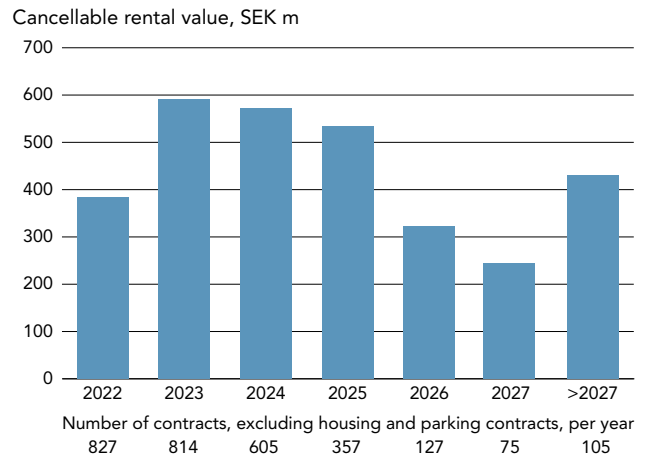
## Rental income

Rental income amounted to SEK 795 million (738) corresponding to an increase by 8 percent. Of the rental income, service income accounted for SEK 83 million (69). Revenues have been affected positively by index increases of SEK 13 million and property acquisitions/divestments of SEK 10 million (-24) net. In addition, reduced vacancies had a positive effect of SEK 8 million (-20). Exchange rate effects during the period amounted to SEK 5 million. Service income from canteens in the Danish operations increased by SEK 5 million, mainly due to increased tenant presence in the properties after the pandemic. Other changes in revenues of 2 percent have been affected by completed projects, renegotiations and new leases.

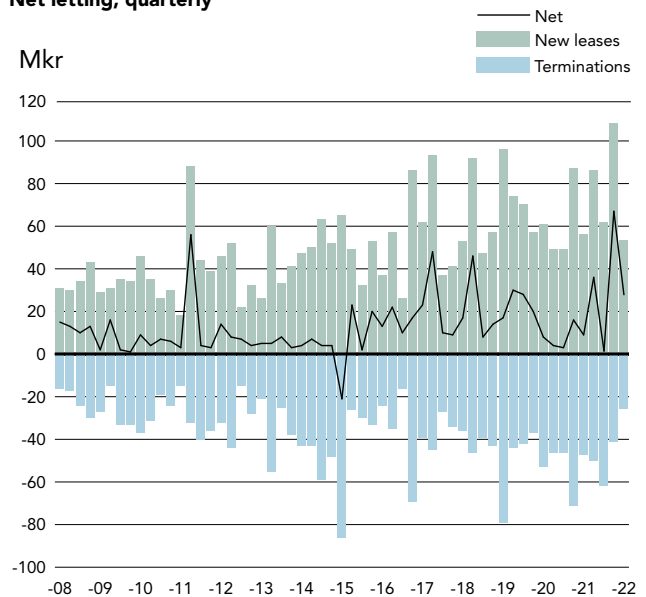
At the end of the period the occupancy rate for investment properties, excluding Projects & Land, is 92 percent which is unchanged compared with the end of last year.

During the period new leases were signed to a value of SEK 53 million (56) on an annualized basis. Lease terminations totalled SEK 26 million (47). This represents a net letting of SEK 28 million (9).

## Terms of Wihlborgs' contracts per 31 March 2022



## Net letting, quarterly



## Ten largest tenants per 31 March 2022

**21 %**

Rental income from ten largest tenants

**24 %**

Rental income from governmental tenants

- City of Helsingborg Danish Building and
- City of Malmö
- Danske Bank
- Ericsson AB
- Lunds University
- Malmö University
- Property Agency
- SAAB
- Skåne Regional Council
- Swedish Tax Agency

## Property expenses

Total property expenses amounted to 238 million (229). Bad debt losses was SEK 0 million (1) during the period. The increase in property costs is mainly attributable to the Danish portfolio, where a large part is due to the reopening of the canteen operations. In addition, the previous year's acquisition of three properties has led to increased costs, as well as an increase in energy costs in Denmark. The historical summary at the bottom of page 17 illustrates how costs vary over the different quarters of the year.

## Operating surplus

The operating surplus amounted to 557 million (509) representing a surplus ratio of 70 percent (69). Of the change, SEK 7 million (-16) was attributable to property acquisitions and divestments, in addition, currency effects have affected by SEK 4 million (-5).

## Central administration

The costs for central administration were SEK 22 million (21).

## Financial income and expense

Net interest totalled SEK -69 million (-72), of which interest income accounted for 4 million (4). The interest expense for the period, incl. realized effects from interest rate derivatives,

was 73 million (76). Interest expense relating to interest rate derivatives amounted to SEK 15 million (16). At the end of the period, the average interest rate, including the cost of credit agreements, was 1.27 percent, compared with 1.32 percent at year-end.

## Income from property management

Profit participation in joint ventures amounted to SEK 2 million (1). Income from property management amounted to SEK 467 million (416).

## Pre-tax profit

The pre-tax profit, i.e. after value changes on properties and derivatives, was SEK 1,028 million (587). During the period, value changes on properties amounted to SEK 221 million (74). Value changes on derivatives amounted to SEK 340 million (97) of which SEK 343 million (99) are attributable to interest rate derivatives and -3 million (-2) to other financial items.

## Profit after taxes

The profit after taxes was SEK 816 million (478). Total tax amounted to SEK 212 million (109), of which current tax SEK 12 million (11) and deferred tax SEK 200 million (98).



Wihlborgs was named one of Sweden's best workplaces for the fifth consecutive year by Great Place to Work, placing it in the "Hall of Fame" as one of ten companies. This is a distinction that illustrates the importance of working long-term and sustainably with culture, leadership and work environment. In Denmark, Wihlborgs moved up from 22 on the list to a creditable 7 of Denmark's best places to work. Read more about this on p. 11.

# Assets

## Property portfolio as of 31 March 2022

The summaries below are based on Wihlborgs' property portfolio as of 31 March 2022. Rental income relates to contracted rental income on an annual basis as of 1 April 2022.

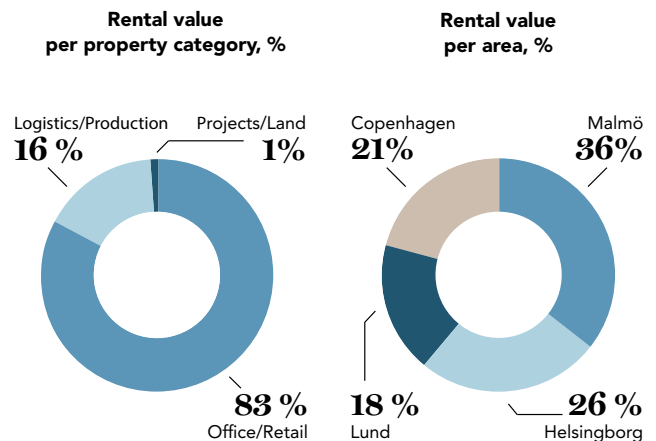
The operating surplus is based on the properties' earning capacity on an annual basis based on rental income for April 2022, operating and maintenance costs, property administration on a rolling twelve-month basis and property tax.

Wihlborgs' property portfolio consists of commercial properties in the Öresund region, located in Malmö, Helsingborg, Lund and Copenhagen. The property portfolio 31 March 2022 consisted of 298 properties (299) with a lettable area of 2,143,000 m<sup>2</sup> (2,143,000). 7 of the properties (7) are leasehold rights.

The properties' carrying amount was SEK 50,618 million (50,033), which corresponds to the estimated market value. The total rental value was SEK 3,465 million (3,472) and the contracted rental income on annual basis SEK 3,168 million (3,128). The like-for-like increase in rental value was 4.3 percent while contracted rental income increased by 5.7 percent compared to 12 months previously.

The economic occupancy rate for Office/Retail properties was 92 percent (92) and for Logistics/Production properties 94 percent (93). The rental value for Office/Retail properties represented 83 percent and Logistics/Production properties 16 percent of the total rental value.

The operating surplus from investment properties, excluding property administration and Projects/Land, is SEK 2,431 million (2,401) which with a carrying amount of SEK 47,617 million (47,194) corresponds to a yield of 5.1 percent (5.1). Broken down by property category, this is 4.9 percent (4.9) for Office/Retail and 6.3 percent (6.3) for Logistics/Production.



In March, the first earth was turned for Space (Kunskapen 1), where the world-leading oat-drink manufacturer Oatly will establish a new research and innovation centre. Space will be the first building to be constructed between the research facilities ESS and MAX IV in Science Village in Lund. The ceremony was attended by (from right) Sofia Ehilde, Global Innovation Director of Oatly; Philip Sandberg, Mayor of the City of Lund; Ulrika Hallengren, CEO of Wihlborgs; and Christian Lindfors, CEO of Science Village Scandinavia AB.



## Changes in values of properties

By year-end the valuation of all Wihlborgs' properties is carried out by external valuers. The valuation of the properties as of March 31, 2022 has taken place internally and has meant that the property value has increased by SEK 221 million (74). The value increases are largely driven by slightly higher inflation assumptions, 2.9% against the previous 2.1% for 2022, and thus expected rent increases. The remaining part comes from new leases, renegotiations and project development.

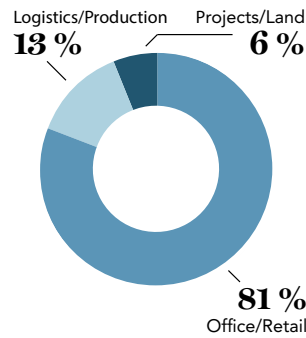
Fair value has been determined using a combination of a yield-based method and a location-price method, in which transactions completed in the sub-markets concerned are analysed in order to calibrate the parameters for the yield-based method. The value is considered to correspond to the yield value that is calculated from normally five-year cash flow analyses. The value of newbuild projects in progress is determined as the value as if the project were complete, less deduction of the remaining cost. Undeveloped land and other upgrade projects are valued according to the location-price method. The method for valuation is the same as previously. There is a comprehensive description of the method for valuation of properties on pages 82-83 and 106-107 in the Company's 2021 Annual Report.

As of 31 March 2022 the carrying amount for the properties is SEK 50,618 million (50,033).

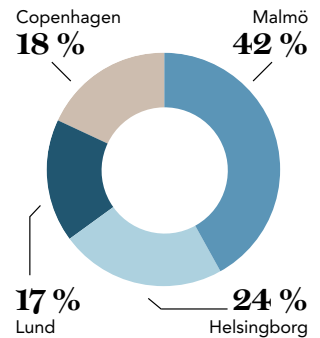
### Changes in carrying amount of properties

Changes	Group total, SEK m
Carrying amount 1 January 2022	50,033
Acquisitions	0
Investments	270
Properties sold	-1
Change in value	221
Currency translations	95
<b>Carrying amount 31 March 2022</b>	<b>50,618</b>

Net value per property category, %



Net value per area, %



## Investments and current projects

Investments in the property portfolio totalled SEK 270 million (208).

Approved investments in ongoing projects amount to SEK 2,967 million, of which 693 million had been invested at the end of period.

## Liquid assets

The Groups liquid assets totalled SEK 749 million (695) including unutilized overdraft facilities.

At the end of the period unutilized credit facilities amounted to SEK 2,513 million (2,520).

### Investments in progress >SEK 50 million, 31 March 2022

Property	Category of use	Municipality	Completion date	Lettable area, m <sup>2</sup>	Occupancy rate, %	Estimated investment, SEK m	Expended 2022-03-31, SEK m
Hindbygården 7	Office/Retail	Malmö	Q3 2022	1,800	100	59	40
Raffinaderiet 3	Office/Retail	Lund	Q4 2022	5,800	50	170	68
Huggjärnet 13	Logistics/Production	Helsingborg	Q2 2023	8,000	40	108	7
Snårskogen 5	Logistics/Production	Helsingborg	Q1 2023	2,200	100	60	3
Pulpeten 5	Office/Retail	Malmö	Q2 2023	16,000	85	804	285
Kunskapen 1	Office/Retail	Lund	Q3 2023	6,000	50	244	19
Posthornet 1	Office/Retail	Lund	Q4 2024	9,900	0	448	8
Bläckhornet 1	Office/Retail	Malmö	Q1 2025	16,600	0	884	18
<b>Total</b>				<b>66,300</b>		<b>2,777</b>	<b>448</b>

### Analysis of lettable space per area and category of use

Area	Office, m <sup>2</sup>	Retail, m <sup>2</sup>	Logistics/Production, m <sup>2</sup>	Education/Health care, m <sup>2</sup>	Misc., m <sup>2</sup>	Total, m <sup>2</sup>	Share, %
Malmö	340,563	43,145	167,172	35,256	15,959 <sup>1</sup>	602,095	28
Helsingborg	221,416	65,159	286,906	40,771	12,942 <sup>2</sup>	627,194	29
Lund	197,882	14,656	35,709	4,429	9,222 <sup>3</sup>	261,898	12
Copenhagen	470,467	8,396	124,971	12,508	35,386 <sup>4</sup>	651,728	31
<b>Total</b>	<b>1,230,328</b>	<b>131,356</b>	<b>614,758</b>	<b>92,964</b>	<b>73,509</b>	<b>2,142,915</b>	<b>100</b>
<b>Andel, %</b>	<b>57</b>	<b>6</b>	<b>29</b>	<b>4</b>	<b>4</b>		

1) Includes 10,275 m<sup>2</sup> hotel. 2) Includes 1,819 m<sup>2</sup> residential. 3) Includes 8,215 m<sup>2</sup> hotel. 4) Includes 5,600 m<sup>2</sup> hotel.

### Analysis per property category in each management area

Area/ property category	Number of properties	Area, m <sup>2</sup> thousand	Carrying amount, SEK m	Rental value, SEK m	Rental value, SEK/m <sup>2</sup>	Economic occupancy rate, %	Rental income, SEK m	Operating surplus incl. property admin., SEK m	Surplus ratio, % property admin., SEK m	Operating surplus excl. property admin., SEK m	Yield excl. property admin., %
<b>Malmö</b>											
Office/Retail	49	432	17,511	1,059	2,449	93	988	765	77	801	4.6
Logistics/Production	30	141	2,014	150	1,064	98	148	118	80	126	6.3
Projects & Land	21	29	1,556	25	863	-	9	-2	-	1	-
<b>Total Malmö</b>	<b>100</b>	<b>602</b>	<b>21,081</b>	<b>1,234</b>	<b>2,049</b>	<b>93</b>	<b>1,145</b>	<b>881</b>	<b>77</b>	<b>928</b>	<b>4.4</b>
<b>Helsingborg</b>											
Office/Retail	37	271	8,270	562	2,077	90	505	386	77	404	4.9
Logistics/Production	57	356	3,465	324	911	91	294	209	71	225	6.5
Projects & Land	11	1	124	1	1,514	-	1	0	-	0	-
<b>Total Helsingborg</b>	<b>105</b>	<b>627</b>	<b>11,859</b>	<b>888</b>	<b>1,415</b>	<b>90</b>	<b>800</b>	<b>595</b>	<b>74</b>	<b>630</b>	<b>5.3</b>
<b>Lund</b>											
Office/Retail	25	232	7,784	576	2,480	91	521	374	72	413	5.3
Logistics/Production	4	23	276	20	895	94	19	14	73	15	5.6
Projects & Land	4	7	510	13	1,906	-	2	-3	-	-1	-
<b>Total Lund</b>	<b>33</b>	<b>262</b>	<b>8,570</b>	<b>610</b>	<b>2,327</b>	<b>89</b>	<b>543</b>	<b>385</b>	<b>71</b>	<b>427</b>	<b>5.0</b>
<b>Copenhagen</b>											
Office/Retail	48	528	7,560	678	1,284	92	625	377	60	406	5.4
Logistics/Production	9	61	737	56	919	98	55	39	72	40	5.5
Projects & Land	3	63	812	0	-	-	0	-1	-	0	-
<b>Total Copenhagen</b>	<b>60</b>	<b>652</b>	<b>9,109</b>	<b>734</b>	<b>1,127</b>	<b>93</b>	<b>680</b>	<b>415</b>	<b>61</b>	<b>446</b>	<b>4.9</b>
<b>Total Wihlborgs</b>	<b>298</b>	<b>2,143</b>	<b>50,618</b>	<b>3,465</b>	<b>1,617</b>	<b>91</b>	<b>3,168</b>	<b>2,276</b>	<b>72</b>	<b>2,430</b>	<b>4.8</b>
<b>Total excluding projects and land</b>	<b>259</b>	<b>2,044</b>	<b>47,617</b>	<b>3,426</b>	<b>1,676</b>	<b>92</b>	<b>3,155</b>	<b>2,282</b>	<b>72</b>	<b>2,431</b>	<b>5.1</b>

## Property transactions

During the quarter, Wihlborgs has sold the project property Barrikaden 3 in Helsingborg for SEK 1 million.

### Property transactions January–March 2022

Quarter	Property	Municipality	Management area	Category	Area, m <sup>2</sup>	Price, SEK m	Operating surplus 2022, SEK m <sup>1</sup>
<b>Acquisitions</b>							
<b>Total acquisitions 2022</b>							
<b>Sales</b>							
Q1	Barrikaden 3	Helsingborg	Helsingborg Centrum	Project/Land	-	-	-
<b>Total sales 2022</b>					<b>0</b>	<b>1</b>	<b>0</b>

1) Operating surplus from properties acquired and sold that are included in the results for the period.

# Sustainable Business

## Prioritised sustainability topics

Wihlborgs' sustainability agenda focuses on the areas where our operations have the greatest impact and can make the greatest difference. The goals for the Group to achieve in 2022 are established and monitored quarterly, with particular regard to environmental certifications, energy consumption and climate impact.

### Environmental certifications

One prioritised area that engages large portions of the management organisation is investing in the certification of existing office properties in Sweden according to Miljöbyggnad In-Use. Certification gained speed during the first quarter of 2022 and we received six new certifications, with seven more planned for the second quarter. With current plan, the certification level will be approximately 77 percent by the end of the year.

### Energy and climate

Wihlborgs' efforts to adapt to and to limit its contribution to climate change is high on the agenda. The goal for 2022 is for direct (Scopes 1 and 2) CO<sub>2</sub> emissions to not exceed 1.5 kg/m<sup>2</sup>, which was achieved in the last two years.

Emissions during the first quarter were lower year-on-year primarily due to a reduced need for heating in properties during the winter and a higher share of biogas in the Danish district heating network.

The focus going forward is on emissions in the value chain (Scope 3), where the goal is to halve emissions by 2030, compared with a base year of 2020. A large share of Scope 3 emissions are caused by Wihlborgs' construction projects. During the quarter, a new target limit of 270 CO<sub>2</sub>/m<sup>2</sup> was set for new construction in order to limit the climate impact of new properties. Dismantling and reusing construction products and interior fittings also helps lower climate impact, primarily in redevelopments and tenant improvements.

Key figures - sustainable properties

	Measure	Target (as of Dec 2022)	2022 Jan-Mar 3 months	2021 Jan-Mar 3 months	2021 Jan-Dec 12 months
Environmental certifications	% of floor area (office, Sweden)	> 80	38	29	36
CO <sub>2</sub> emissions (scope 1 & 2)	kg CO <sub>2</sub> e/m <sup>2</sup>	< 1,5	0,4	0,5	1,4
Energy use	kWh/m <sup>2</sup>	< 95	34	39	102

## Wihlborgs - a "Great Place to Work"

Wihlborgs strives to be the best employer in the property sector. This is measured through an annual employee survey and a comprehensive evaluation carried out in collaboration with the established research company Great Place to Work.

By autumn 2021 it was clear that Wihlborgs would once again be certified as a Great Place to Work. The list of Sweden's best workplaces was published in the first quarter this year, with Wihlborgs ranked 17 among mid-sized companies and at the top of the list among similarly sized commercial property companies. This was the fifth consecutive year that Wihlborgs was named one of Sweden's best workplaces,

earning the company a spot among only ten companies in Great Place to Work's Hall of Fame.

Developing workplace culture is long term and requires perseverance. It is an important initiative and helps create commitment and well-being for Wihlborgs employees, which in turn is reflected in customer service. A strong, sustainable workplace culture is therefore an important precondition for delivering customer value and growth in operations.

The survey from Great Place to Work confirms that Wihlborgs has satisfied employees that rate their workplace highly. For example, nine out of ten respondents agree with the statement "overall, Wihlborgs is an excellent workplace," which as a collected rating shows that our initiatives are showing results.

## Sustainability reporting at Wihlborgs

Wihlborgs compiles an annual sustainability report prepared according to the Annual Accounts Act, GRI Standards, EPRA Sustainability Best Practice Recommendations (sBPR) and TCFD guidelines for reporting climate-related risks. We follow up on prioritised sustainability topics and goals in each interim report. We also provide information about current activities and events during the quarter that have a bearing on our sustainability agenda. More information about our sustainability agenda is available on Wihlborgs' website. Read more at [www.wihlborgs.se/en/about-us/sustainability/](http://www.wihlborgs.se/en/about-us/sustainability/).



# Liabilities and equity

As of 31 March 2022 equity totalled SEK 22,769 million (21,948). The equity/assets ratio stood at 43.6 percent (42.9). The proposed dividend to the 2022 Annual General Meeting amounts to SEK 6 (5,25) per share, a total of SEK 922 million (807).

## Interest-bearing liabilities

The group's interest-bearing liabilities as of 31 March amounted to SEK 23,162 million (23,278) with an average interest rate including costs for credit agreements of 1.27 percent (1.32).

With consideration to the company's net debt of SEK 23,2 billion, the loan-to-value ratio is 45.8 percent (46.5) as a percentage of property values.

The loans' average fixed interest period including effects of derivatives on 31 March 2022 amounted to 2.8 years (2.9). The average loan maturity, including committed credit facilities, amounted to 6.3 years (6.0).

Wihlborgs use interest rate derivatives in order to reduce the risk level in the loan portfolio. A summary of the terms is shown in the table below.

### Interest rate derivatives portfolio 31 March 2022

Interest rate swaps		
Maturity	Amount, SEK m	Interest, %
2022	1,065	0.11
2023	2,430	0.39
2024	1,788	0.41
2025	1,788	0.42
2026	1,252	0.59
>2026	2,504	0.70
<b>Totalt</b>	<b>10,827</b>	<b>0.47</b>

The fair value in Wihlborgs' interest rate derivative portfolio amounted to 374 million (31).

Interest-rate derivatives are recognised at fair value in accordance with IFRS 9. All derivatives are classified in level 2 in accordance with IFRS 13. For information on the valuation approach for interest rate derivatives, see page 100 of the 2021 Annual Report.

### Structure of interest and loan maturities as of 31 March 2022

Matures, year	Interest maturity		Loan maturity	
	Loan amount, SEK m	Av. interest rate, %	Credit ag., SEK m	Utilised, SEK m
2022	11,152	0.97	1,256	1,256
2023	2,999	1.18	992	992
2024	1,788	1.41	9,483	8,260
2025	1,788	1.42	5,405	4,115
2026	1,252	1.59	554	554
>2026	4,182	1.65	7,985	7,985
<b>Totalt</b>	<b>23,162</b>	<b>1.23</b>	<b>25,675</b>	<b>23,162</b>

\*) Excluding costs for credit agreements.



During the first quarter, Wihlborgs signed an agreement with SportAdmin and Avensia for premises at Sparven 15 on Drottninggatan in central Malmö, which previously housed the game developer Massive Entertainment. Avensia is currently a tenant of Wihlborgs in both Lund and Helsingborg. Sparven 15 is a historic property that has been carefully renovated and that has modern and climate-smart technology, ventilation and cooling installed.

# Miscellaneous

## Employees

At the end of the period, the number of FTEs at Wihlborgs was 255 (250) of which 106 (104) were in property service. Of the total number of FTEs 78 (77) were in Malmö, 34 (34) in Helsingborg, 30 (31) in Lund and 113 (108) in Copenhagen. The average age of employees is 44 år and women make up 43 (42) percent.

## Parent company

The parent company owns no properties, but deals with questions relating to the stock market and joint Group functions for administration, management and borrowing. The parent company's turnover is mostly related to the billing of services to Group companies.

The parent company has invested SEK 0 million (0) in shares in subsidiaries and other shares.

The parent company's income statement and balance sheet are found on page 18.

## Participations in other companies

A description of all participations in joint ventures and holdings in joint operations held by Wihlborgs will be found on pages 108–109 in the Company's 2021 Annual Report.

## Largest shareholders

The largest shareholder in Wihlborgs is Erik Paulsson with family and company, with 11.0 percent of the shares outstanding.

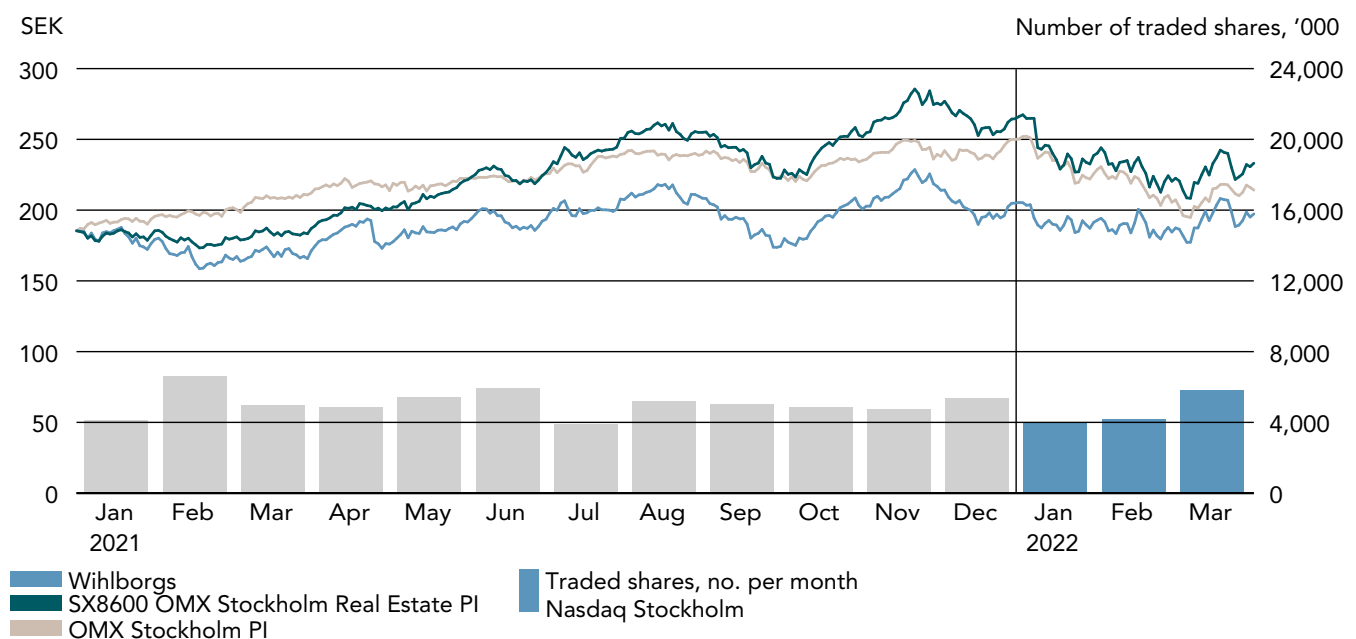
Shares held by owners registered abroad account for 36 percent. The number of shareholders is approximately 29,000.

### Largest shareholders in Wihlborgs 31 March 2022

	Number of shares, thousands	Proportion of equity and votes, %
Erik Paulsson with family, privately and via company	16,938	11.0
SEB Investment Management	10,641	6.9
Länsförsäkringar funds	7,691	5.0
Swedbank Robur funds	5,724	3.7
Handelsbanken funds	4,938	3.2
Bank of Norway	3,214	2.1
Qviberg family	2,460	1.6
AMF funds	2,282	1.5
Life insurance company Skandia	1,962	1.3
Lannebo funds	1,874	1.2
Other shareholders reg. in Sweden	43,657	28.4
Other shareholders reg. abroad	52,331	34.1
<b>Total outstanding shares</b>	<b>153,713</b>	<b>100.0</b>

## Development of share price

2021-01-01 – 2022-03-31



## Significant risks and uncertainty factors

Wihlborgs' future development and ability to reach its operational goals are influenced by numerous risks and uncertainties. By systematically reviewing, analysing and managing these risks and uncertainties, it is possible to limit them and concurrently create the prerequisites for continued growth.

The risks assessed as having a significant influence on the Group's earnings trend and cash flow are the variations in rental income, property costs and interest-rates. The properties are measured at fair value with changes in value in the income statement resulting in positive and negative impacts on earnings during the year. Property valuation also impacts Wihlborgs' financial position and key metrics. The extent of changes in value is partly determined by Wihlborgs' own capacity, through alteration and upgrading of properties, as well as by leases and client structures, to increase the properties' market value, and partly by external factors that affect supply and demand in the property markets where the company is active. Property valuation should take in to account an interval of uncertainty, which in a functioning market, typically consists of +/-5–10% to reflect the inherent uncertainty of assumptions and estimates.

In addition to the above, risks also include financing risks. Wihlborgs is dependent on external loans to meet its undertakings and complete transactions. Risks are managed using Wihlborgs' financial policy, which stipulates objectives, guidelines and risk limits for Wihlborgs' financial activities.

On pages 84–89 and 101–102 in the Company's 2021 Annual Report there is a comprehensive description of the risks facing the Group, how these are handled and a grading with regard to the assessed impact on the business and the probability that the risk will occur.

Developments in the rest of the world as a result of the war in Ukraine have led to an increase in the probability of financing and interest rate risk materializing compared with the assessment at the turn of the year. There is also a risk that a lack of building materials can lead to increases in costs and delays in newly started and future projects.

## Accounting policies

Wihlborgs follows the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), as well as interpretations issued by the IFRS Interpretations Committee (IFRIC) as endorsed by the European Union. The Interim Report has been prepared in accordance with IAS 34 Interim Financial Reporting and the Swedish Annual Accounts Act. Information under IAS 34 p.16A is submitted in the notes and elsewhere in the interim report.

The Group applies the same accounting policies and valuation methods as in the most recent annual report. Wihlborgs assesses that none of the new or amended standards approved by the EU, or interpretations from the IFRS Interpretations Committee, that entered force after 1 January 2022, affect its results or financial position in any material sense. The Group applies the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups and the Parent Company applies RFR 2. The financial reports are found on page 15-19.

*Malmö 26 April 2022*

**Wihlborgs Fastigheter AB (publ)**

*Ulrika Hallengren, CEO*

This interim report has not been reviewed by the company's auditors.

**Consolidated statement of income and comprehensive income** in summary

SEK m	<b>2022</b> <b>Jan-Mar</b> <b>3 months</b>	2021 Jan-Mar 3 months	<b>2021/2022</b> <b>Apr-Mar</b> <b>12 months</b>	2021 Jan-Dec 12 months
<b>Rental income</b>	<b>795</b>	<b>738</b>	<b>3,117</b>	<b>3,060</b>
Operating costs	-130	-127	-445	-442
Repairs and maintenance	-24	-22	-103	-101
Property tax	-50	-49	-193	-192
Property administration	-34	-31	-133	-130
<b>Total property costs</b>	<b>-238</b>	<b>-229</b>	<b>-874</b>	<b>-865</b>
<b>Operating surplus</b>	<b>557</b>	<b>509</b>	<b>2,243</b>	<b>2,195</b>
Central administration	-22	-21	-84	-83
Interest income	4	4	13	13
Interest expense	-73	-76	-309	-312
Leasehold rent	-1	-1	-4	-4
Share in results of joint ventures	2	1	7	6
<b>Income from property management</b>	<b>467</b>	<b>416</b>	<b>1,866</b>	<b>1,815</b>
Change in value of properties	221	74	2,300	2,153
Change in value of derivatives	340	97	445	202
<b>Pre-tax profit</b>	<b>1,028</b>	<b>587</b>	<b>4,611</b>	<b>4,170</b>
Current tax	-12	-11	-58	-57
Deferred tax	-200	-98	-867	-765
<b>Profit for the period<sup>1</sup></b>	<b>816</b>	<b>478</b>	<b>3,686</b>	<b>3,348</b>
<b>Other comprehensive income</b>				
<i>Items that will be reclassified to profit or loss for the year:</i>				
Translation differences on recalculation of foreign operations	40	68	39	67
Hedging of currency risk in foreign operations	-43	-67	-45	-69
Tax attributable to items that will be reclassified to profit or loss for the year	8	12	9	13
<b>Other comprehensive income for the period</b>	<b>5</b>	<b>13</b>	<b>3</b>	<b>11</b>
<b>Total comprehensive income for the period<sup>1</sup></b>	<b>821</b>	<b>491</b>	<b>3,689</b>	<b>3,359</b>
Earnings per share <sup>2</sup>	5.31	3.11	23.98	21.78
No. of shares at end of the period, thousands	153,713	153,713	153,713	153,713
Average no. of shares, thousands	153,713	153,713	153,713	153,713

1) The entire profit/income is attributable to the parent company's shareholders.

2) Key ratios per share have been calculated based on a weighted average number of shares during the period. There are no outstanding subscription options, convertibles or other potential ordinary shares and accordingly, no dilution effects to take into consideration.

**Consolidated statement of financial position** in summary

SEK m	2022-03-31	2021-03-31	2021-12-31
<b>ASSETS</b>			
Investment properties	50,618	46,687	50,033
Right-of-use assets	148	148	150
Other fixed assets	383	389	396
Derivatives	374	65	94
Current receivables	329	291	164
Liquid assets	316	382	315
<b>Total assets</b>	<b>52,168</b>	<b>47,964</b>	<b>51,152</b>
<b>EQUITY AND LIABILITIES</b>			
Equity	22,769	19,887	21,948
Deferred tax liability	4,819	3,946	4,622
Borrowings	23,162	22,613	23,278
Lease liability	146	146	149
Derivatives	0	149	63
Other long-term liabilities	44	57	45
Current liabilities	1,228	1,166	1,047
<b>Total equity &amp; liabilities</b>	<b>52,168</b>	<b>47,964</b>	<b>51,152</b>

**Consolidated statement of changes in equity**

SEK m	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
<b>Total equity at beginning of period</b>	<b>21,948</b>	<b>19,396</b>	<b>19,396</b>
<b>Equity attributable to parent company's shareholders</b>			
Opening amount	21,948	19,396	19,396
Dividend paid	-	-	-807
Profit for the period	816	478	3,348
Other comprehensive income	5	13	11
<b>Total equity at end of period</b>	<b>22,769</b>	<b>19,887</b>	<b>21,948</b>



**Consolidated cash flow statement summary**

SEK m	Jan-Mar 2022	Jan-Mar 2021	Jan-Dec 2021
<b>Operating activities</b>			
Operating surplus	557	509	2,195
Central administration	-22	-21	-83
Non-cash items	3	0	16
Interest received	30	1	2
Interest paid	-80	-80	-312
Income tax paid	-11	-8	-50
Change in operating receivables	-73	-48	0
Change in operating liabilities	79	-40	-78
<b>Cash flow from operating activities</b>	<b>483</b>	<b>313</b>	<b>1,690</b>
<b>Investment activities</b>			
Acquisitions of properties	0	-165	-412
Investments in existing properties	-270	-208	-1,236
Sales of properties	1	-	3
Change in other non-current assets	-1	-1	-35
<b>Cash flow from investment activities</b>	<b>-270</b>	<b>-374</b>	<b>-1,680</b>
<b>Financing activities</b>			
Dividend paid	-	-	-807
Change in borrowing	2,666	1,580	5,680
Loan repayments	-2,877	-1,334	-4,766
Change in other long-term liabilities	-1	-8	-7
<b>Cash flow from financing activities</b>	<b>-212</b>	<b>238</b>	<b>100</b>
<b>Cash flow for the period</b>	<b>1</b>	<b>177</b>	<b>110</b>
<b>Opening cash flow</b>	<b>315</b>	<b>205</b>	<b>205</b>
<b>Closing cash flow</b>	<b>316</b>	<b>382</b>	<b>315</b>

**Historical summary of last eight quarters**

SEK m	Q1 2022	Q4 2021	Q3 2021	Q2 2021	Q1 2021	Q4 2020	Q3 2020	Q2 2020
<b>Rental income</b>	<b>795</b>	<b>770</b>	<b>813</b>	<b>739</b>	<b>738</b>	<b>751</b>	<b>775</b>	<b>767</b>
Operating costs	-130	-118	-99	-98	-127	-121	-88	-96
Repairs and maintenance	-24	-34	-24	-21	-22	-30	-24	-21
Property tax	-50	-45	-49	-49	-49	-49	-54	-52
Property administration	-34	-36	-29	-34	-31	-28	-35	-28
<b>Operating surplus</b>	<b>557</b>	<b>537</b>	<b>612</b>	<b>537</b>	<b>509</b>	<b>523</b>	<b>574</b>	<b>570</b>
Income from property management	467	443	513	443	416	419	477	474
Profit for the period	816	1,668	673	529	478	694	820	364
Surplus ratio, %	70.1	69.7	75.3	72.7	69.0	69.6	74.1	74.3
Investment yield, %	4.4	4.4	5.2	4.6	4.4	4.5	4.9	4.9
Equity/assets ratio, %	43.6	42.9	41.5	40.5	41.5	41.3	38.4	37.6
Return on equity, %	14.6	31.6	13.5	10.7	9.7	14.6	17.9	8.0
Earnings per share, SEK	5.31	10.85	4.38	3.44	3.11	4.51	5.33	2.37
Income property management per share, SEK	3.04	2.88	3.34	2.88	2.71	2.73	3.10	3.08
Cash flow fr operating activities per share, SEK	3.14	3.63	2.93	2.40	2.04	3.11	3.08	3.11
EPRA NRV per share, SEK	177.04	172.65	159.68	154.48	155.59	152.44	147.63	142.19
Share price as % of EPRA NRV	111.4	119.0	109.2	120.2	106.5	121.6	120.2	107.3
Carrying amount of properties	50,618	50,033	47,741	47,056	46,687	46,072	47,041	46,392
Equity	22,769	21,948	20,278	19,600	19,887	19,396	18,729	17,907
Total assets	52,168	51,152	48,832	48,411	47,964	46,961	48,762	47,616

Definitions of key ratios are available on page 23.

### Consolidated segment reporting January–March

Property management SEK m	Malmö		Helsingborg		Lund		Copenhagen		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Rental income	287	268	195	182	142	132	171	156	795	738
Property costs	-72	-75	-57	-59	-42	-43	-66	-52	-238	-229
<b>Operating surplus</b>	<b>215</b>	<b>194</b>	<b>138</b>	<b>124</b>	<b>100</b>	<b>89</b>	<b>105</b>	<b>104</b>	<b>557</b>	<b>509</b>

In the Group's internal reporting, activities are divided into the above segments, which are the same as described in the latest annual report. For a more detailed description of segments, see the annual report for 2021 pages 45-67. The total operating surplus shown above corresponds with the operating surplus recorded in the income statement.

The difference between the operating surplus of SEK 557 million (509) and the pre-tax profit of SEK 1,028 million (587) consists of central administration SEK -22 million (-21), financial net SEK -70 million (-73), share in results SEK 2 million (1) and changes in value of properties and derivatives SEK 561 million (171).

### Parent company's income statement summary

SEK m	Jan–Mar 2022	Jan-Mar 2021	Jan-Dec 2021
Income	53	56	223
Expenses	-52	-53	-206
<b>Operating profits</b>	<b>1</b>	<b>3</b>	<b>17</b>
Financial income	421	78	1,189
Financial expenses	-112	-31	-365
<b>Pre-tax profit</b>	<b>310</b>	<b>50</b>	<b>841</b>
Appropriations	–	–	216
Tax	-71	-48	-80
<b>Profit for the period</b>	<b>239</b>	<b>2</b>	<b>977</b>

### Parent company's balance sheet summary

SEK m	2022-03-31	2021-03-31	2021-12-31
Participations in Group companies	9,431	9,506	9,431
Receivables fr Group companies	15,662	14,184	15,791
Derivatives	374	65	94
Other assets	272	329	316
Cash and bank balances	198	232	173
<b>Total assets</b>	<b>25,937</b>	<b>24,316</b>	<b>25,805</b>
Equity	6,984	6,578	6,745
Liabilities to credit institutions	16,597	14,810	16,403
Derivatives	0	149	63
Liabilities to Group companies	2,209	2,683	2,512
Other liabilities	147	96	82
<b>Total equity and liabilities</b>	<b>25,937</b>	<b>24,316</b>	<b>25,805</b>

**Key figures for the group**

SEK m	Jan-Mar 2022	Jan-Mar 2021	Apr-Mar 2021/2022	Jan-Dec 2021
<b>Financial</b>				
Return on equity, %	14.6	9.7	17.3	16.2
Return on total capital, %	6.6	5.4	10.0	9.8
Equity/assets ratio, %	43.6	41.5	43.6	42.9
Interest coverage ratio, multiple	7.3	6.4	7.0	6.7
Leverage properties, %	45.8	48.4	45.8	46.5
Debt/equity ratio, multiple	1.0	1.1	1.0	1.1
<b>Share-related</b>				
Earnings per share, SEK	5.31	3.11	23.98	21.78
Earnings per share before tax, SEK	6.69	3.82	30.00	27.13
EPRA EPS, SEK	2.70	2.43	10.92	10.65
Cash flow from operations per share, SEK	3.14	2.04	12.10	10.99
EPRA NDV (net disposal value) per share, SEK	148.13	129.38	148.13	142.79
EPRA NRV (net reinstatement value) per share, SEK	177.04	155.59	177.04	172.65
Market value per share, SEK	197.30	165.70	197.30	205.40
Proposed dividend per share, SEK	-	-	-	6.00
Dividend yield, % <sup>1</sup>	-	-	-	2.9
Total return from share, %	-	-	-	13.6
P/E-ratio I, multiple	9.3	13.3	8.2	9.4
P/E-ratio II, multiple	18.3	17.0	18.1	19.3
Number of shares at the end of period, thousands	153,713	153,713	153,713	153,713
Average number of shares, thousands	153,713	153,713	153,713	153,713
<b>Property-related</b>				
Number of properties	298	295	298	299
Carrying amount of properties, SEK m	50,618	46,687	50,618	50,033
Estimated investment yield, % – all properties	4.5	4.6	4.5	4.8
Estimated direct return, % – excl project properties	4.8	4.8	4.8	5.1
Lettable area, m <sup>2</sup>	2,142,915	2,112,291	2,142,915	2,142,892
Rental income, SEK per m <sup>2</sup>	1,617	1,555	1,617	1,620
Operating surplus, SEK per m <sup>2</sup>	1,062	1,012	1,062	1,048
Financial occupancy rate, % – all properties	91	90	91	90
Financial occupancy rate, % – excl project properties	92	90	92	92
Estimated surplus ratio, %	72	72	72	72
<b>Employees</b>				
Number of FTEs at period end	255	237	255	250

# Key figures & definitions

## Basis for key ratios

The basis for key financial ratios that Wihlborgs present in the Interim report January-March 2022, are shown below. The following financial targets have been established by the Board:

- A return on equity that exceeds the risk-free interest rate\* by not less than six percentage points, which for the beginning of 2022 corresponds to 6.12 percent
- The loan-to-value ratio is not to exceed 60 percent
- An equity/assets ratio of no less than 30 percent
- An interest coverage ratio of no less than 2.0

\*) Risk-free interest rate is defined as the rate on a 5-year Swedish government bond.

Unless otherwise stated, amounts are in SEK million.	2022-03-31	2021-03-31	2021-12-31
<b>Return on equity</b>			
Profit for the period	816	478	3,348
Annualized	3,264	1,912	3,348
Equity, opening balance	21,948	19,396	19,396
Equity, closing balance	22,769	19,887	21,948
Average equity	22,359	19,642	20,672
<b>Return on equity, %</b>	<b>14.6</b>	<b>9.7</b>	<b>16.2</b>
<b>Return on capital employed</b>			
Profit before tax	1,028	587	4,170
Interest expense (incl value changes interest derivatives)	-267	-21	110
Total	761	566	4,280
Annualized	3,044	2,264	4,280
Total assets, opening balance	51,152	46,961	46,961
Total assets, closing balance	52,168	47,964	51,152
Non-interest bearing debt, opening balance	-5,670	-5,198	-5,198
Non-interest bearing debt, closing balance	-5,704	-5,302	-5,670
Average capital employed	45,973	42,212	43,623
<b>Return on capital employed, %</b>	<b>6.6</b>	<b>5.4</b>	<b>9.8</b>
<b>Equity/assets ratio</b>			
Equity	22,769	19,887	21,948
Total assets	52,168	47,964	51,152
<b>Equity/assets ratio, %</b>	<b>43.6</b>	<b>41.5</b>	<b>42.9</b>
<b>Interest coverage ratio</b>			
Income from property management	467	416	1,815
Interest expense	74	77	316
Total	541	493	2,131
Interest expense	74	77	316
<b>Interest coverage ratio, multiple</b>	<b>7.3</b>	<b>6.4</b>	<b>6.7</b>
<b>Leverage properties</b>			
Borrowings	23,162	22,613	23,278
Net value investment properties	50,618	46,687	50,033
<b>Leverage properties, %</b>	<b>45.8</b>	<b>48.4</b>	<b>46.5</b>
<b>Debt/equity ratio</b>			
Interest-bearing liabilities	23,320	22,772	23,440
Equity	22,769	19,887	21,948
<b>Debt/equity ratio, multiple</b>	<b>1.0</b>	<b>1.1</b>	<b>1.1</b>

	2022-03-31	2021-03-31	2021-12-31
<b>Earnings per share</b>			
Profit for the period	816	478	3,348
Average number of shares, thousands	153,713	153,713	153,713
<b>Earnings per share, SEK</b>	<b>5.31</b>	<b>3.11</b>	<b>21.78</b>
<b>Earnings per share before tax</b>			
Profit before tax	1,028	587	4,170
Average number of shares, thousands	153,713	153,713	153,713
<b>Earnings per share before tax, SEK</b>	<b>6.69</b>	<b>3.82</b>	<b>27.13</b>
<b>EPRA EPS</b>			
Income from property management	467	416	1,815
Tax depreciation, direct tax deductions etc	-221	-210	-967
Taxable income from property management	246	206	848
Current tax on the above	-52	-42	-178
Income from property management after deduction of current tax	415	374	1,637
Average number of shares, thousands	153,713	153,713	153,713
<b>EPRA EPS, SEK</b>	<b>2.70</b>	<b>2.43</b>	<b>10.65</b>
<b>Operating cash flow per share</b>			
Operating cash flow	483	313	1,690
Average number of shares, thousands	153,713	153,713	153,713
<b>Operating cash flow per share, SEK</b>	<b>3.14</b>	<b>2.04</b>	<b>10.99</b>
<b>EPRA NDV per share</b>			
Equity	22,769	19,887	21,948
Number of shares at year end, thousands	153,713	153,713	153,713
<b>EPRA NDV per share, SEK</b>	<b>148.13</b>	<b>129.38</b>	<b>142.79</b>
<b>EPRA NRV per share</b>			
Equity	22,769	19,887	21,948
Deferred tax liability	4,819	3,946	4,622
Derivatives	-374	84	-31
Total	27,214	23,917	26,539
Average number of shares, thousands	153,713	153,713	153,713
<b>EPRA NRV per share, SEK</b>	<b>177.04</b>	<b>155.59</b>	<b>172.65</b>
<b>Dividend yield per share</b>			
Proposed dividend, SEK	-	-	6.00
Market price per share at year end, SEK	-	-	205.40
<b>Dividend yield per share, %</b>	<b>-</b>	<b>-</b>	<b>2.9</b>
<b>Total yield per share</b>			
Market price per share at year start, SEK	-	-	185.40
Market price per share at year end, SEK	-	-	205.40
Change in market price during the year, SEK	-	-	20.00
Dividend paid during the year, SEK	-	-	5.25
<b>Total return per share, %</b>	<b>-</b>	<b>-</b>	<b>13.6</b>
<b>P/E ratio I</b>			
Market price per share, SEK	197.30	165.70	205.40
Earnings per share, SEK	5.31	3.11	21.78
Annualized per share, SEK	21.23	12.44	21.78
<b>P/E ratio I, multiple</b>	<b>9.3</b>	<b>13.3</b>	<b>9.4</b>
<b>P/E ratio II</b>			
Market price per share, SEK	197.30	165.70	205.40
EPRA EPS, SEK	2.70	2.43	10.65
Annualized per share, SEK	10.80	9.72	10.65
<b>P/E ratio II, multiple</b>	<b>18.3</b>	<b>17.0</b>	<b>19.3</b>

Some of the financial metrics that Wihlborgs presents in the interim report are not defined in accordance with IFRS. Wihlborgs is of the opinion that these metrics provide valuable complementary information to investors and the company's management, since they enable evaluation of the company's performance.

As all companies do not apply the same approach to calculating these financial metrics, they are not always comparable to metrics used by other companies. Accordingly, these metrics should not be viewed as replacements for metrics defined under IFRS. On this page, definitions of metrics are presented that, with a few exceptions, are not defined in accordance with IFRS.

## Definitions

### Key financial ratios

**The key ratios are based on the statements of income, financial position, changes in equity and cash flow. Some of the historic data is compiled from the historical summary on page 17 in Wihlborgs' Interim Report.**

#### Return on equity

Profit for the period as a percentage of average equity, excluding non-controlling interests. Average equity refers to the average of the opening and closing values for the respective period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The ratio comprises a measure of the profitability in relation to shareholders' equity.

#### Return on capital employed (ROCE)

Earnings before interest expense, derivatives and taxes (EBIT) as a percentage of average capital employed. Capital employed is defined as total assets less non-interest-bearing liabilities and provisions. Average capital employed refers to the average of the opening and closing balances for each period. In interim reports, the return is converted to its annualised value without taking account of seasonal variations. The metric shows the return on the capital provided by shareholders and lenders without regard to interest.

#### Equity/assets ratio

Equity as a percentage of total assets at the end of the period. The ratio provides a measure of the financial strength of the company.

#### Interest coverage ratio

Income from property management, plus interest expense, divided by interest expense. The ratio measures the degree to which earnings can decline without jeopardising interest payments or, alternatively, how much interest expense can increase before income from property management becomes negative.

#### Loan-to-value ratio, properties

Borrowings as a percentage of the properties' carrying amounts. The ratio shows the degree of borrowing on the property portfolio.

#### Debt/equity ratio

Interest-bearing liabilities include borrowings, lease liabilities and any other interest-bearing liabilities. The ratio illustrates the relationship between borrowings and equity and, thereby, the gearing and financial strength.

#### Surplus ratio

The operating surplus, shown as a percentage of rental income. The ratio illustrates the proportion of rental income that remains after deducting property management costs.

#### Investment yield

The operating surplus shown as a percentage of the properties' average carrying amount. The average carrying amount refers to the average of the opening and closing values for the respective period. In interim reports, the yield is converted to its annualised value without taking account of seasonal variations. The ratio illustrates the yield on the property portfolio without taking account of its financing costs.

### Share-related key ratios

#### Earnings per share for the period

Earnings for the period divided by the average number of shares outstanding. Definition according to IFRS.

#### Earnings per share before tax

Earnings per share before tax divided by the average number of shares outstanding.

#### EPRA EPS

Income from property management less the estimated tax payable on taxable income from property management divided by the average number of shares outstanding. Taxable income from property management is defined as income from property management less fiscal depreciation/amortisation and direct deductions. The effect of loss carryforwards is not taken into consideration.

#### Cash flows from operating activities per share

Cash flows from operating activities divided by the average number of shares outstanding.

#### EPRA NDV - Net disposal value, per share

The closing balances for equity divided by the number of shares at the end of the period.

#### EPRA NRV - Net reinstatement value, per share

The closing balances for equity following the reversal of interest-rate derivatives and deferred tax according to the balance sheet, divided by the number of shares at the end of the period.

#### Dividend yield per share

Proposed dividend as a percentage of the year-end share price.

#### Total yield per share

Share price performance plus actual dividend relative to the share price at the start of the year.

#### P/E ratio I, multiple

Market price per share divided by earnings per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

#### P/E ratio II, multiple

Market price per share divided by EPRA RPS per share. In interim reports, the ratio is converted to its annualised value without taking account of seasonal variations.

#### Average fixed interest period

Time remaining until the interest on all interest bearing debts in average has been adjusted.

#### Average loan maturity

Time remaining until an average of all interest bearing debts has been refinanced.

### Property-related key figures\*

**These key figures are based on the property table on page 10. The table shows the estimated rental value, rental income and property expenses on an annualised basis with an unchanged property portfolio, based on the contract stock on the first day after the end of the period.**

#### Rental value

Rental income plus estimated market-level rents for unlet space.

#### Estimated investment yield

Operating surplus as a percentage of the carrying amount for the properties at the end of the period.

#### Rental income per m<sup>2</sup>

Rental income on an annualised basis divided by lettable area.

#### Operating surplus per m<sup>2</sup>

Operating surplus divided by lettable area.

#### Economic occupancy rate

Rental income as a percentage of rental value.

#### Estimated surplus ratio

Operating surplus as a percentage of rental income.

#### Net Lettings

New lettings during the period less terminations to vacate.

#### Like-for-like

Excludes properties that both current and comparative period are classified as projects/land, acquired or sold.

\*) These key figures are operational and are not regarded as alternative key ratios according to ESMA's guidelines.

# Calendar

Interim report Jan-June 2022 .....	11 July 2022
Interim report Jan-Sept 2022.....	21 October 2022
Year-end report 2022.....	14 February 2023

Wihlborgs' interim reports and the Annual Report are distributed electronically.  
The Annual Report is printed in Swedish and sent to any shareholders notifying the Company that they wish to receive it in printed form.

## Press releases Q1 2022

Wihlborgs Annual Report and Sustainability Report 2021 .....	31 March 2022
Avensia opens offices in a third Wihlborgs' property .....	31 March 2022
Wihlborgs' Space the first construction start in Science Village.....	23 March 2022
Notice of the Annual General Meeting in Wihlborgs Fastigheter AB .....	22 March 2022
Wihlborgs and Herlev Municipality to collaborate on a new preschool .....	10 March 2022
Wihlborgs releases new AI report about tomorrow's office – expectations rising .....	9 March 2022
The Nomination Committee's proposal regarding the Board of Directors .....	4 March 2022
Wihlborgs updates prospectus for MTN-program .....	28 February 2022
2021 Year-end report: Record net lettings for Wihlborgs.....	15 February 2022
Wihlborgs' 2021 year-end report will be presented on 15 February 2022.....	11 February 2022
Wihlborgs signs lease with Länsförsäkringar Skåne at Ideon in Lund.....	26 January 2022
Trygg-Hansa leases 12,000 m <sup>2</sup> in Wihlborgs' office building Kvarteret in Hyllie.....	18 January 2022
Wihlborgs builds new premises for Doka Sweden in Helsingborg.....	17 January 2022
Wihlborgs signs lease with Element Logic at Ideon in Lund.....	13 January 2022

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This interim report is information of such a kind that Wihlborgs Fastigheter AB (publ) is legally required to disclose pursuant to the EU's Market Abuse Regulation and the Swedish Securities Market Act. The information was submitted for publication through the agency of the contact people above on **26 April 2022 at 07.30 CEST**.

# Welcome to us.

Being able to adapt to developments in society to remain relevant has always been our strength. Wihlborgs is growing and developing every day, especially during these challenging times. This is all so we can be the customer-centric, long-term and region-building company that we are.



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