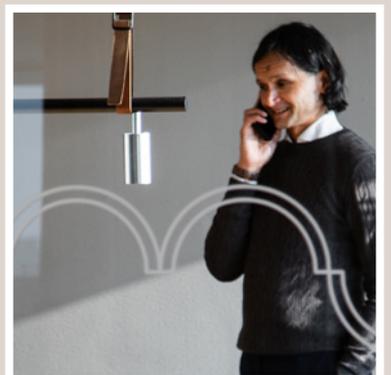


Wihlborgs Annual and
Sustainability Report

2022





Cover image Armaturen 4, Lund, Sweden

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Wihlborgs Fastigheter AB (publ) is a property company that focuses on commercial properties in the Öresund region. Its portfolio is located in Malmö, Helsingborg, Lund and Copenhagen. Wihlborgs is the leading property company in Malmö, Lund and Helsingborg. The carrying amount of the company's properties totals SEK 55.2 billion. The annual rental value of the properties is SEK 4.2 billion. Wihlborgs' shares are listed on the Large Cap List of Nasdaq Stockholm.

Wihlborgs in brief

Our operations

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. This is our property company – Wihlborgs. The region-builder.

1,957

Tenants

306

Properties

2.2

Million square metres

256

Full-time employees

53

Share of sponsorship with
community involvement, percent

24

Market capitalisation, SEK billion

55.2

Property value, SEK billion

50

Women in Group management,
percent

92

Customers' willingness
to recommend, percent

Our business concept

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

Our perspective on sustainability

Wihlborgs acts to promote 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.

Our corporate culture

The commitment and trust of our employees is of utmost importance to us. We work closely with our customers and our values are knowledge, honesty, action and community.

Four reasons to invest in Wihlborgs

1

Attractive region

Wihlborgs operates in a region with strong population growth, a young and well-educated demographic, a robust innovation structure, high sustainability ambitions, good transport links and shrinking distances to the continent through, for example, the Fehmarn Belt connection. These are the factors that make businesses flourish and attract global corporations to locate their regional headquarters here. Our involvement in everything from urban development to social issues, keeps us in close contact with tenants, local communities and regional players.

2

Concentrated property portfolio

Wihlborgs' properties are located in selected sub-markets that provide growth and development potential. We create clusters of properties, industries and networks that enable tenants to relocate, grow and develop within our portfolio. We know the market and the region well and can quickly identify new needs and trends. Wihlborgs is the leading property company in Malmö, Lund and Helsingborg. Our customers include private and public sector players, and represent many different industries.

3

Long-term and sustainable property owners

Wihlborgs is a long-term owner and develops properties under its own auspices with its own knowledgeable staff, a high level of service and local suppliers. We invest in flexible premises with stringent requirements for quality and sustainability with respect to architecture and building materials, as well as low operating costs. We take the economy, people and the environment into account in all our decisions, and our goal is to halve emissions in the entire value chain by 2030. We strive to make a genuine difference through tangible efforts.

4

Stable growth and financing

Wihlborgs has had strong growth for many years and raised the dividend for 16 consecutive years. This was made possible by our focus on continuously improving our cash flow. Our strong operating profit relative to our lending creates good financial stability, which allows us to maintain an attractive portfolio of ongoing and planned projects, and to capture new business opportunities as they arise. By conducting good business, we also contribute to the development of the entire region.

Highlights of the Year

January to December 2022

Rental income rose 9 percent to SEK 3,335 million (3,060)
 Operating surplus improved 6 percent to SEK 2,331 million (2,195).
 Income from property management improved 3 percent to SEK 1,861 million (1,815)
 Profit for the period totalled SEK 2,288 million (3,348), corresponding to earnings per share of SEK 7.44 (10.89).
 The Board of Directors proposes a dividend of SEK 3.10 (3.00) per share.

Key metrics for the Group, SEK m	Jan-Dec 2022	Jan-Dec 2021
Rental income	3,335	3,060
Operating surplus	2,331	2,195
Income from property management	1,861	1,815
Changes in property values	396	2,153
Changes in derivative values	654	202
Profit for the year	2,288	3,348
Earnings per share, SEK	7.44	10.89
Surplus ratio, %	70	72
Equity/assets ratio, %	41.2	42.9
Occupancy rate, %*	93	92
EPRA NAV per share, SEK	90.64	86.33

*Excluding Projects & Land.

SEK 55.2 billion

Property value

SEK 1.9 billion

Income from property management

SEK 4.2 billion

Rental value

93%

Occupancy rate



Major events 2022



1 Quarter

Wihlborgs' follow-up AI report "The office in a new guise" is presented. Among other things, it shows that searches for hybrid concepts and work-life flexibility have risen sharply.

Wihlborgs signs agreement with Herlev Municipality for a new preschool at Hørkær 18 in Herlev, northwest of Copenhagen. The preschool will open its doors in early 2023.

Together with Oatly, Science Village and City of Lund, the ground is broken for the innovation building, Space (Kunskapen 1), in Science Village. The construction is the first shared between the research facilities ESS and MAX IV.



2 Quarter

Wihlborgs signs an agreement with Nederman to build a new manufacturing and logistics facility of 25,000 m² at the Rausgård 21 property in southern Helsingborg.

Wihlborgs acquires Österport 7 at Drottningtorget in Malmö. The property encompasses 11,000 m² and is attractively located 500 meters from Malmö Central Station and the emerging Nyhamnen district.

With the aim of sharpening our focus on the climate impact of project investments and to favour sustainable choices in the supplier chain, Wihlborgs introduces internal pricing for CO₂ emissions and a target threshold value for new-build CO₂ impact.



3 Quarter

Wihlborgs acquires Hedegaardsvej 88 and Amager Strandvej 390 totalling 53,000 m². Both properties are located near Kastруп and Copenhagen Airport, and are right next to the metro.

Kvartetten (Pulpeten 5) is pre-certified under NollCO₂, which means that the property will achieve a net zero climate impact over its lifetime in accordance with current calculation models.

Construction start for new industrial facility at Tomaten 1 in Hasslanda in Lund for the contract manufacturer Inpac. The building is set for completion in the second quarter of 2024, and the initial lease is for 15 years.



4 Quarter

In this year's ESG assessment from the Global Real Estate Sustainability Benchmark (GRESB), Wihlborgs was rated as one of the world's most sustainable property companies and was also named a global industry leader.

Wihlborgs announces construction start (2023) of a mobility hub as part of the Vista (Bläckhornet 1) building in Hyllie. The mobility hub will include about 430 parking spaces and 45 charging spaces.

Wihlborgs signs a lease with the Danish Building and Property Agency for 12,000 m² at Ejby Industrivej 41 in western Copenhagen. The property comprises 50,000 m² and is a promising urban development project.



People make it happen

At Wihlborgs, we have eagerly begun the countdown to our centennial celebration in 2024. This celebratory milestone is a good reason to pat ourselves on the back for all we have achieved, but also to reflect on durability as such. Particularly after 2022, which was marked by war, rising energy and raw materials prices, inflation, a new interest-rate environment and the onset of recession – circumstances that will probably make an imprint on at least 2023 as well.

Many of us were dismayed by the dramatic geopolitical developments in Europe. The human suffering as a consequence of Russia's ongoing invasion of Ukraine remains incalculable. Along with the difficult realisation that the situation could persist, markets developed a tolerance and adjusted accordingly. Things will never be the same, but something new is happening and that is what we should turn our eyes to. Europe's strong support for Ukraine gives us hope for the future.

Stepping on the brakes is not an option

What is happening in our macro environment is shedding light on a special side of the well-used term, "sustainability" – endurance. At Wihlborgs, we focus less on trying to predict exact interest rates or how long the recession will last, and more on a high level of readiness. Our strategy and calculation models include numerous scenarios. Some of them, such as higher energy costs and challenges in the financing market, have become reality in recent times. We were well prepared for the fact that funding would not be free forever.

The lowest common denominator in our conclusions is that we will not be stepping on the brakes. I would even venture to say that this is our responsibility – to our owners and to society at large. Our most important contribution in turbulent times is to maintain a sense of normality. This way, we can contribute to continued growth, prosperity and stability. If we don't tighten the rope to the other side properly, there will be a shaky balancing act going forward.

Risk inventories should not make us afraid. They should make us aware, informed and decisive. In the same manner, carefree days must not make us believe that the plan has succeeded. It is important to constantly re-evaluate the situation and be open to changes. To trust the plan but be ready for any adjustments. This is now our beacon for continuing with our projects and making acquisitions that are in line with our long-term strategy – the right product at the right price. We will not be shifting our focus just because the spotlight does. When Wihlborgs celebrates its bicentennial, I actually think we will be reasoning in much the same way.

In contrast to the changing times, Wihlborgs' operations

are proceeding somewhat as usual. In 2022, we broke records in terms of income, operating surplus, income from property management and net lettings. In fact, net lettings have been positive in all four of our regions for the past four quarters. The average letting in new contracts was 374 square meters, which confirms that our focus on getting every little detail right is what secures the major deals.

The existing property portfolio's increased rental income of 13.7 percent compared with 2021, combined with the good net lettings, point to a solid underlying demand.

Employees as a driving force

Discussions about the immediate future of the property sector tend to be highly technical. I do not recognise the description of properties as a financial investment. For Wihlborgs, it is so much more. Our properties are part of local urban development, of value-generating clusters, and of people's everyday lives and their well-being. Our starting point is that they should last for hundreds of years.

It is Wihlborgs' own staff who drive certification processes, who helped to reduce our energy consumption per square metre in 2022 by seven percent, who initiate ambitious recycling projects and who develop new innovations and concepts. It is our ability to leverage our employees' commitment and competence that makes us so strong. Up to 96 percent of our employees state that they are proud to say that they work at Wihlborgs.

It is thanks to our own staff that 92 percent of our customers would recommend us and that overall customer satisfaction score rose from 75 to 78 in the most recent customer survey. Positive factors specifically highlighted by our tenants include their treatment by our staff, our proactive mindset and our responsiveness when it comes to changing needs for premises.

The area where our score increased the most in the customer survey was the environment, which makes me particularly happy. Another achievement I would like to showcase is being awarded five out of five stars and being named the industry leader among diversified listed property companies in the annual sustainability evaluation, GRESB.

New meetings in a new landscape

Our stable finances and strong organisation not only allow for us to capture new business opportunities as they arise, but also enable us to hone our operations through collaborations in areas such as energy, innovation and regional growth. We are seeing great synergies emerging that are beneficial to the entire region, within platforms such as Ideon in Lund, Medeon in Malmö and HETCH in Helsingborg. Another example of our long-term commitment is the letter of intent with Öresundskraft

”

In 2022, we broke records in terms of income, operating surplus, income from property management and net lettings. In fact, net lettings have been positive in all four of our regions for the past four quarters.

Ulrika Hallengren, CEO

regarding the purchase of negative emissions certificates when the full-scale plant for the separation of carbon dioxide at the Filbornaverket district heating plant is ready.

We see many signs that people want to meet, not only at their own workplace, but also between workplaces and organisations. There is a considerable drive, even among the larger players, to get involved in different platforms. The pandemic has made us aware of the value of collaboration and has eroded physical, mental and organisational barriers. However, to sustain innovation and development, we actually need to meet.

It is also increasingly evident that the Öresund region is on the brink of a whole new era, with the Fehmarn Belt connection and plans for a metro between Malmö and Copenhagen. Many people in this region want to collaborate and generate positive synergies together.

When the new transport links are in place and passenger flows and freight transport change, local and regional conditions will also change. On page 28, you can read about how Nyhamnen is gradually moving central Malmö toward the area of Malmö C and how cutting the journey to Hamburg by more than half makes Malmö considerably closer to the continent. In addition to several existing properties in the area, Wihlborgs is involved in all aspects of the detailed development plans, and has several development rights in the sub-areas that are now earmarked for modernisation.

On page 25, Thomas Becker, CEO of String, explains how the former outpost Rødby will, thanks to the Fehmarn Belt connection, become a key location. The question is whether such an exciting shift of the city centre and periphery is occurring in any other region in Scandinavia, as with the Öresund and String regions.

The right drivers for success

In the wake of the pandemic, debates have been heating up about whether remote working or the workplace is best for the success of the individual employee and the organisation. We have seen examples of everything from strict policies and ultimatums to increased aspirations for the workplace.

What is best for a company's operations is, of course, up to the company itself to decide. However, I can't help but wonder how what was initially called "flexibility" has, in practice, become an area with intricate rules. Instead of counting hours and chairs, we should be discussing how to make the workplace

pleasant, stimulating and supportive of the corporate culture. How do we create spaces that are conducive to employee productivity and cater to their workplace needs so that they become one with the company's goals and transform into its single most important success factor? At Wihlborgs, this is our approach when we develop the workplaces of the future, both for ourselves and for our customers. On page 59, Axis Communications offers an interesting perspective on how they focus on humans and environmental sustainability at their campus in Lund.

The right driving forces are created by the right incentives. My view is that those who work for a company should have the same motivation as the long-term owners and should not strive for temporary optimisations. Consequently, Wihlborgs does not offer any variable remuneration linked to financial targets or measurable sustainability goals. We feel it is more important to get the entire organisation working on, for example, sustainability issues. We also have a profit-sharing fund that encompasses all employees.

Something that has definitely put a damper on the success of Skåne's business community is the high electricity prices that have prevailed for some time. We will continue to work very hard to enhance energy efficiency, to increase our share of renewable energy and optimise the operation of our properties in order to reduce costs for our customers and the general demand for electricity.

In challenging times, it is particularly clear that people in our own organisation are the ones who make a difference. The genuine commitment and solid competence I encounter in the office and out at our properties every day, is why we find the best solutions together. We have all the prerequisites to continue developing our company and our region: hard work, a strong ability to adapt to new conditions and a focus on our core business.



Malmö, March 2023
Ulrika Hallengren
Chief Executive Officer



Arvid Liepe, Chief Financial Officer

Wihlborgs' financing

How did Wihlborgs financing strategy turn out in 2022?

At Wihlborgs, we have been striving to diversify our sources of capital and not to be dependent on one and the same source. When access to the bond market deteriorated and prices rose ever higher early in the year, we stood strong with a high share of financing from Nordic banks and Danish mortgage institutions. We have also been able to redeem maturing bonds with existing facilities. Despite the chaotic operating environment, we have not had to take any extraordinary measures nor change our policy.

What are the advantages of financing via Nordic banks and the Danish mortgage-credit system?

We have chosen to have bilateral agreements with Nordic banks because their prices fluctuate less and there is more stable access to capital than in the bond market, and because it is an opportunity to build long-term relationships. The Danish mortgage market has also been a stable source of funding with small variations in the margins, and the loans come with the opportunity for very long maturities. The loans that we signed for in Denmark during the year were at very attractive levels. If the conditions for our funding sources should change, we will naturally have to take a position on that.

How will the interest-rate environment develop going forward and how prepared is Wihlborgs?

Our basic philosophy is that we do not know better than anyone else what the interest rate will be tomorrow. However, we have had a policy in place for several years, which entails that we have fixed shares of our interest maturities during different

time periods. To achieve this, we use interest-rate derivative instruments. Our goal is to improve cost predictability and reduce cost volatility. At present, roughly half of the loan portfolio is exposed to changes in interest-rates, which we deem a reasonable level, given that our cash flow is strong enough that we can accept a certain amount of fluctuation.

What is Wihlborgs' perspective on changes in value and the loan-to-value ratio?

The loan-to-value ratio is largely impacted by changes in value, which in turn depend on a number of assumptions in the valuation models. Recent developments with inflation and interest rates are making it more difficult to make these assumptions. In our opinion, a more useful key metric to look at is debt in relation to EBITDA (operating profit). After all, the operating surplus is what can be used for interest payments. A variant of this key metric is the interest coverage ratio, which is high for Wihlborgs and indicates that we are resilient even in a significantly tougher interest-rate environment.

How will Wihlborgs redeem upcoming bond maturities?

We are able to redeem our maturing bonds using existing credit facilities, although we certainly hope that the bond market will function better in the future. Wihlborgs has managed to develop for many years without needing to utilise alternative financing instruments such as hybrid bonds, D shares or preference shares, and without issuing ordinary shares. This makes our financing clean and transparent, and facilitates the analysis of our company's value, which we believe is important!



MALMÖ BÖRSHUS

The renovation of the historic Malmö Börshuset (Börshuset 1) started in 2023.

Goals and strategies

Business concept

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

We adopt a long-term, sustainable approach – our properties should work well both today and in fifty years’ time. In a changing world, the premises need to be able to change in line with customers’ needs.

We develop new properties in-house on the basis that we will continue to own and manage the properties over a long period. For this reason, we invest in the creation of versatile premises with high-quality architecture, building materials and technical installations. This means we can ensure efficient property management and a strong focus on sustainability, while offering our customers good work environments and low operating costs. Our customers are also reassured to know that they can continue to grow together with us.

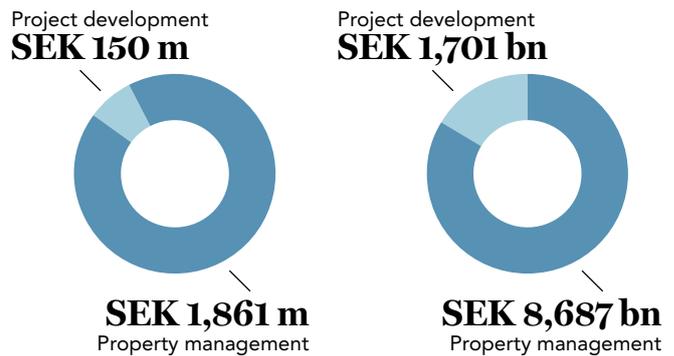
We are not only involved in developing properties, city districts and cities, however; we also play a part in developing the Öresund region. Because we are convinced that there is potential for continued development. Our size, our commitment, our know-how and our network all enable us to be a real force in that development – a region-builder.

Business model

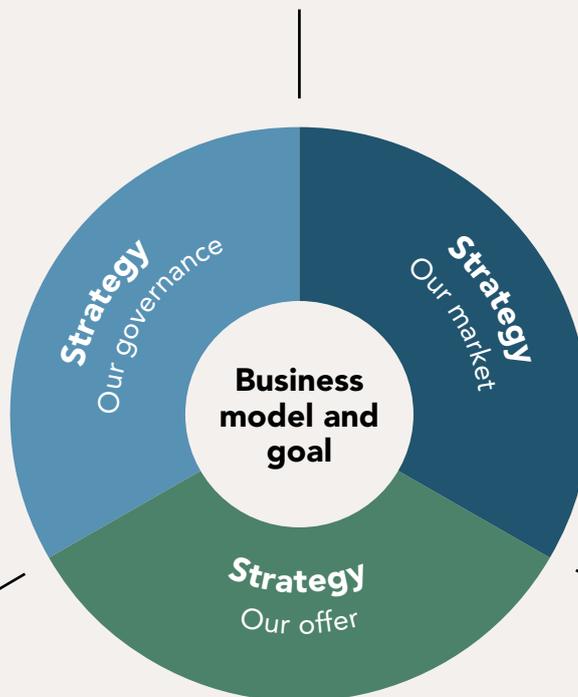
This business model consists of two elements: property management and project development. We work continuously to improve our property portfolio by refining and developing existing properties, completing new projects and acquiring and selling properties.

Our business leads to opportunities and progress for ourselves, our tenants and the entire Öresund region. Our strong financial results enable value growth and dividends to our shareholders.

Business model Outcome 2022 **Business model Outcome 2018-2022**



- Integrate Environmental, Social and Governance (ESG) criteria across the entire business, with a focus on initiatives that make a real difference.
- Nurture and develop our own organisation.
- Focus on impressive cost-efficiency throughout operations.



- Take active steps to strengthen the Öresund region as a financial growth area.
- Strengthen our market position by concentrating on particularly attractive sub-markets that are ripe for development, where we can contribute to sustainable urban development.
- Continuously improve our property portfolio by adopting a long-term perspective on value growth.

- Actively cultivate the rental market to acquire new customers and make ourselves open to new business models.
- Reinforce our brand so as to become the preferred choice of new customers and

- foster pride and preference among existing customers and employees.
- Continue to strengthen customer relationships via a high level of service and commitment to developing customers’ businesses.

Property management

Property management is the core of our operations. Our ambition is to be a market leader in each sub-market, which will strengthen our business model, our offering and our opportunities for development.

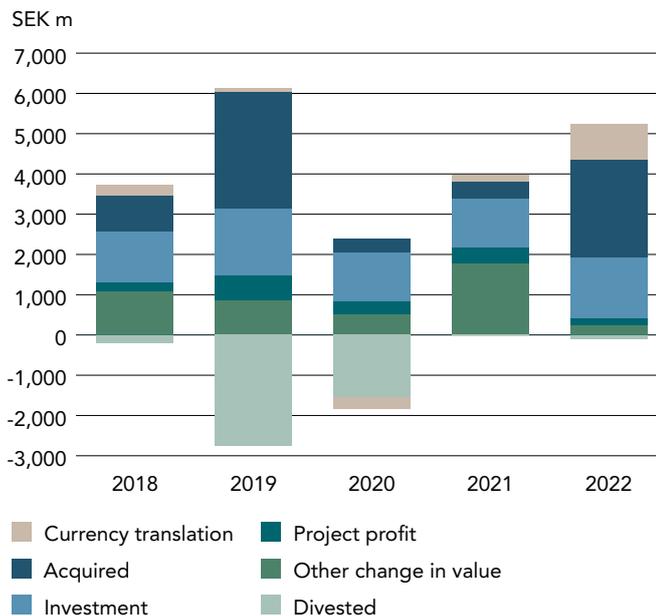
An important factor that creates value growth in this business model is Wihlborgs' property portfolio, which encompasses a range of modern properties that are attractive for new and existing tenants and where it is possible to grow.

All property management is handled by our own employees who focus on high cost-efficiency, satisfied customers and a high occupancy rate. This is a conscious and strategic investment intended to create strong customer relationships and ensure we are highly aware of our customers' current and future needs.

Project development

To have an attractive offering, we must actively develop and add value to existing properties in the form of redevelopment and extensions. We also create growth and new opportunities by acquiring and building new properties. We also actively contribute to the development of city districts and whole cities, as pleasant urban environments are more attractive to customers and help increase the overall value.

Property value trend 2018–2022



Our portfolio of existing planning permissions creates good opportunities to realise potential customers' needs, but we also continuously explore opportunities to acquire further land for new projects. We focus on land with good links to transport nodes. In the case of office buildings, this means locations close to stations, while for the logistics and production segment proximity to the major E Roads is important, as are connections to the Öresund Bridge, ferries and railways.

Outcome 2022

For 2022, Wihlborgs reported income from property management of SEK 1,861 million (1,815). Property costs were somewhat higher than previous years, as were interest expenses.

During the year, project development generated value growth of SEK 150 million (379). Wihlborgs has a strong project portfolio and this will prove significant in terms of our development in the future.

Sustainable Business

Our strategy specifies that we will focus on long-term, sustainable growth and that we will integrate Environmental, Social and Governance (ESG) criteria into our business using a focus on initiatives that make a real difference.

Read more on pages 32–43 about the four prioritised areas that comprise our sustainability framework: Responsible business, Attractive employer, Commitment to the region and its community and Sustainable properties.

Organisation

Our organisation reflects the two parts of the business model and consists of property management, a project and development department and central functions such as finance, IT, communications/marketing and sustainable business.

At the end of 2022, Wihlborgs had 256 full-time positions, of which 147 were based in Sweden and 109 in Denmark. In January 2023, Wihlborgs signed an agreement with an external operator, who will operate the canteens at Wihlborgs' properties in Denmark, and which entails a cutback of 38 FTEs.

Values

We work actively with the work environment, corporate culture, inclusion, camaraderie and leadership to foster ambassadorship and create trust, confidence and pride among our employees. Our culture is focused on professionalism and our four values form the basis for all of our actions in every situation. These values are: **Knowledge, Honesty, Action and Community.**

Knowledge

We will always have the most knowledge of the region – about the present and the future, our customers' needs and sustainable development.

Honesty

We are honest, direct and responsible; not just in our business transactions and in how we develop the region, but also with each other.

Action

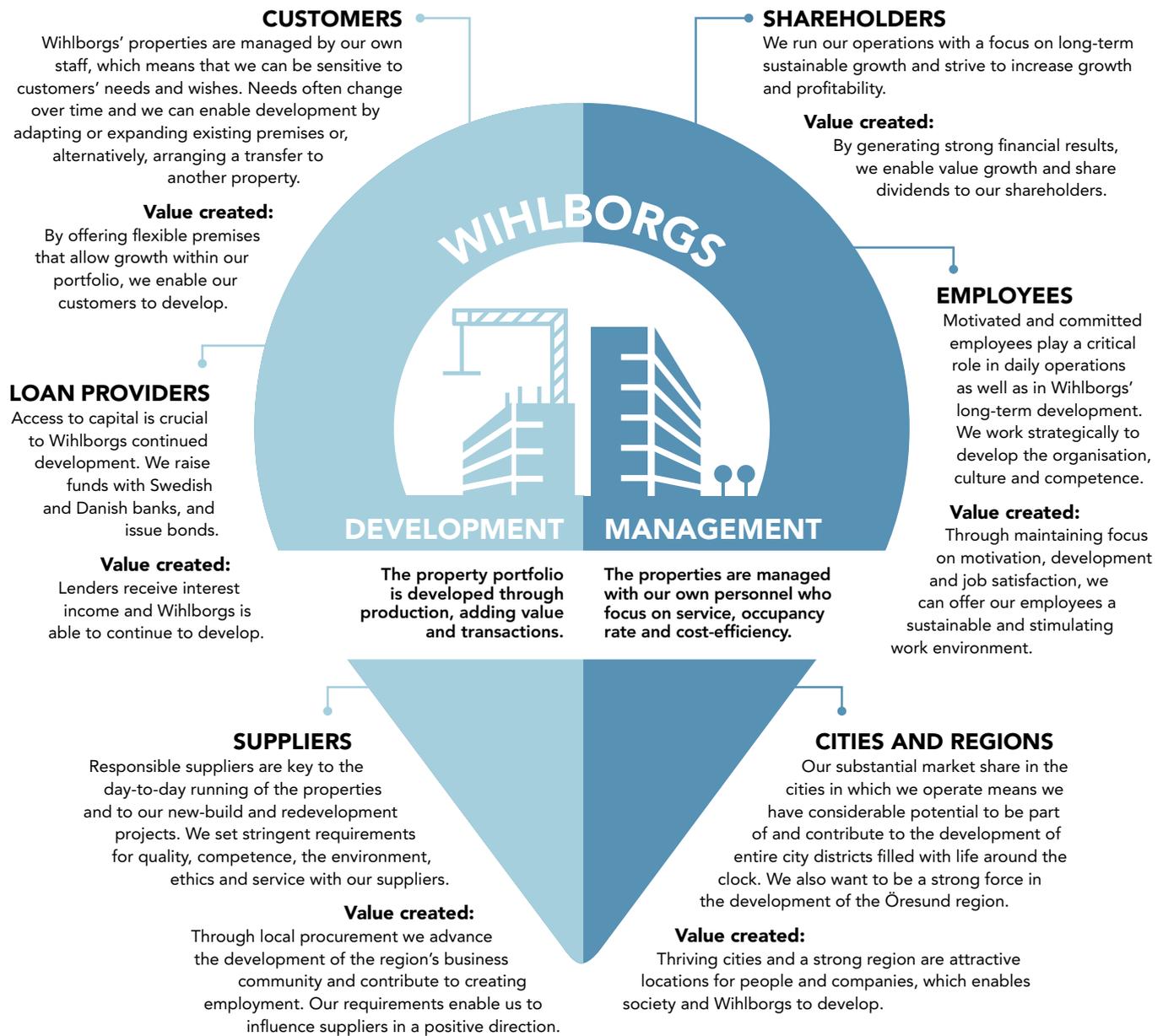
A flat organisation, short decision-making pathways and geographical proximity to our market enables us to act and make things happen.

Community

By creating and fostering a strong community within our own organisation, we can spread this feeling to our tenants, suppliers and others.

Business model and value drivers

Long-term approach. This is an ambitious concept, that shows our stable and enduring commitment irrespective of the direction the winds choose to blow. For Wihlborgs, our long-term approach is a keystone of our management and development of properties as well as of all our relationships and transactions. Our business model for long-term sustainable growth creates possibilities and progress for ourselves, our tenants and the entire Öresund region.



Overall goals

Financial targets

Wihlborgs' financial strength is a crucial factor in terms of our continued growth and the company being an attractive investment. A strong financial position enables us to acquire properties and invest in new projects when the market situation feels right.

It also means we are well-equipped to tackle various challenges and changes relating to economic conditions and demand. We have four overall financial targets that are continuously monitored. We fulfilled all of our financial targets in 2022.

Target	Outcome	Notes												
<p>Return on equity</p> <p>A return on equity that exceeds the risk-free interest rate by no less than six percentage points.</p>	<p>Return on equity</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Return on equity (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>16.5</td> </tr> <tr> <td>2019</td> <td>17.5</td> </tr> <tr> <td>2020</td> <td>11.9</td> </tr> <tr> <td>2021</td> <td>16.2</td> </tr> <tr> <td>2022</td> <td>10.1</td> </tr> </tbody> </table>	Year	Return on equity (%)	2018	16.5	2019	17.5	2020	11.9	2021	16.2	2022	10.1	<p>For 2022, the return on equity was 10.1 percent. At the start of the year, the risk-free interest rate was negative 0.12 percent, which led to a target of 6.12 percent for 2022. Thereby exceeding the target of achieving six percentage points above the risk-free interest rate by a healthy margin. This strong outcome was influenced by positive changes in value for properties and derivatives.</p>
Year	Return on equity (%)													
2018	16.5													
2019	17.5													
2020	11.9													
2021	16.2													
2022	10.1													
<p>Equity/assets ratio</p> <p>An equity/assets ratio of not less than 30 percent.</p>	<p>Equity/assets ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Equity/assets ratio (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>36.3</td> </tr> <tr> <td>2019</td> <td>38.4</td> </tr> <tr> <td>2020</td> <td>41.3</td> </tr> <tr> <td>2021</td> <td>42.9</td> </tr> <tr> <td>2022</td> <td>41.2</td> </tr> </tbody> </table>	Year	Equity/assets ratio (%)	2018	36.3	2019	38.4	2020	41.3	2021	42.9	2022	41.2	<p>At year end, the equity/assets ratio amounted to 41.2 percent. The high equity/assets ratio was affected by strong income from property management as well as positive changes in value for properties and derivatives.</p>
Year	Equity/assets ratio (%)													
2018	36.3													
2019	38.4													
2020	41.3													
2021	42.9													
2022	41.2													
<p>Interest coverage ratio</p> <p>An interest coverage ratio of not less than 2.0.</p>	<p>Interest coverage ratio</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Interest coverage ratio (multiple)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>3.9</td> </tr> <tr> <td>2019</td> <td>6.2</td> </tr> <tr> <td>2020</td> <td>6.5</td> </tr> <tr> <td>2021</td> <td>6.7</td> </tr> <tr> <td>2022</td> <td>5.6</td> </tr> </tbody> </table>	Year	Interest coverage ratio (multiple)	2018	3.9	2019	6.2	2020	6.5	2021	6.7	2022	5.6	<p>The interest coverage ratio was a multiple of 5.6 in 2022, which was somewhat lower than in 2021. Income from property management has risen, however, interest expenses have also risen as a result of substantial hikes to interest rates during the year.</p>
Year	Interest coverage ratio (multiple)													
2018	3.9													
2019	6.2													
2020	6.5													
2021	6.7													
2022	5.6													
<p>Loan-to-value ratio</p> <p>A loan-to-value ratio of not more than 60 percent.</p>	<p>Loan-to-value ratio of properties</p> <table border="1"> <thead> <tr> <th>Year</th> <th>Loan-to-value ratio (%)</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>54.1</td> </tr> <tr> <td>2019</td> <td>51.9</td> </tr> <tr> <td>2020</td> <td>48.2</td> </tr> <tr> <td>2021</td> <td>46.5</td> </tr> <tr> <td>2022</td> <td>48.6</td> </tr> </tbody> </table>	Year	Loan-to-value ratio (%)	2018	54.1	2019	51.9	2020	48.2	2021	46.5	2022	48.6	<p>At the end of 2022, the loan-to-value ratio totalled 48.6 percent. A combination of increased income from property management and positive changes in the value of properties led to the loan-to-value ratio being considerably lower than the target of a maximum of 60 percent.</p>
Year	Loan-to-value ratio (%)													
2018	54.1													
2019	51.9													
2020	48.2													
2021	46.5													
2022	48.6													

Business targets

Our business model consists of two parts: property management and project development. Together with changes in the value of properties, the results of these two parts are what form

the basis of our financial stability. We have formulated three overall targets linked to our core business.

Target

Income from property management

Income from property management is an important gauge of how we are developing our operations, as it reflects the cash flow generated by our operational activities to a great extent. The goal is to have stable annual growth in income from property management to be able to finance our project investments and increase the dividend distributed to our shareholders.

Surplus ratio

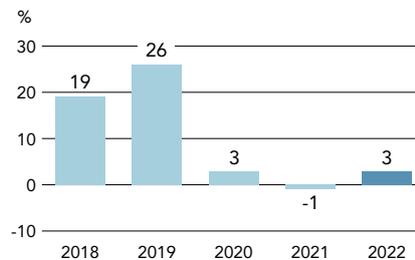
Property management is the core of our operations. The efficiency of our property management can be measured using the surplus ratio, that is, the operating surplus in relation to rental income. We will maintain a high surplus ratio by focusing on rental income, vacancy levels and cost-efficiency.

Project investments

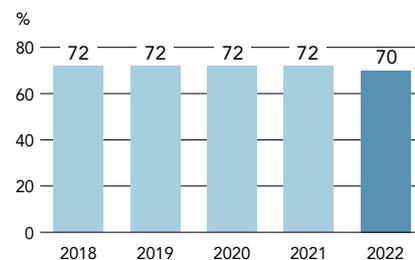
Project investments create value for Wihlborgs through potential profits and by providing the conditions for higher rental income over time. Wihlborgs will monitor market conditions in order to continuously invest in new projects that will yield healthy returns.

Outcome

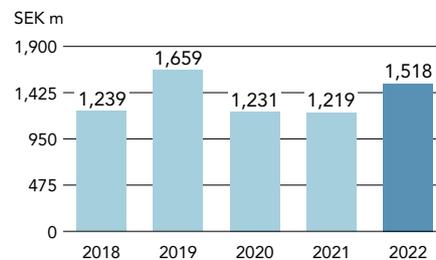
Growth in income from property management



Surplus ratio



Project investments



Notes

Income from property management increased 3 percent over the year. The increase was driven primarily by higher revenue, which was somewhat offset by higher interest expenses.

The surplus ratio was 70 percent in 2022, down two percentage points on 2021. During the year, higher costs for energy had a negative impact on the surplus ratio.

Project investments totalled SEK 1,518 million in 2022. Several major projects were completed during the year, but the project volume is larger than ever due to decisions on further new investments that were taken during the year.

Sustainability targets

Our sustainability initiatives cover four different areas with clear targets established within the framework of each area. To ensure clarity and focus, we have also selected five overall targets that

cover the core elements of our sustainability initiatives. These are reported below. Read more about our sustainability focus areas and their targets and governance on pages 30–43 and 132–151.

Target	Outcome	Notes												
<p>Customers' willingness to recommend</p> <p>Having satisfied customers creates the conditions for long-term business relationships and can provide us with great ambassadors. An important gauge of customer satisfaction is the willingness to recommend. The target is for at least 75 percent of customers to say they could consider "recommending or highly recommending" Wihlborgs to a colleague or business associate.</p>	<p>Customers' willingness to recommend</p> <table border="1"> <caption>Customers' willingness to recommend</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2014</td> <td>75</td> </tr> <tr> <td>2016</td> <td>82</td> </tr> <tr> <td>2018</td> <td>89</td> </tr> <tr> <td>2020</td> <td>85</td> </tr> <tr> <td>2022</td> <td>92</td> </tr> </tbody> </table>	Year	Percentage	2014	75	2016	82	2018	89	2020	85	2022	92	<p>Willingness to recommend is measured in the customer survey conducted every other year. The most recent survey carried out in 2022 found a clear increase to 92 percent of customers who would consider recommending or highly recommending Wihlborgs as a landlord.</p> <p>We switched survey institute and method in 2020, which means that historic data is not directly comparable. The results for 2014 and 2016 refer exclusively to Wihlborgs in Sweden. The figures for 2018 and 2020 refer to the Group.</p>
Year	Percentage													
2014	75													
2016	82													
2018	89													
2020	85													
2022	92													
<p>Committed employees</p> <p>Our employees are one of our most vital resources. Our committed and competent employees mean we are able to maintain a high level of quality and focus on customers in our operations. Our target is to obtain a Trust Index of at least 85 percent according to Great Place to Work's measurement methodology. The Trust Index is a gauge of employees' perceptions of trust, pride and friendship at the workplace.</p>	<p>Committed employees (Trust Index®)</p> <table border="1"> <caption>Committed employees (Trust Index®)</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>88</td> </tr> <tr> <td>2019</td> <td>89</td> </tr> <tr> <td>2020</td> <td>87</td> </tr> <tr> <td>2021</td> <td>84</td> </tr> <tr> <td>2022</td> <td>86</td> </tr> </tbody> </table>	Year	Percentage	2018	88	2019	89	2020	87	2021	84	2022	86	<p>Employee commitment is measured each year by the employee survey that we conduct together with Great Place To Work. In the 2022 survey, Wihlborgs had a Trust Index score of 86 percent and, once again, we remain above the long-term goal. The threshold for a workplace to qualify as a Great Place to Work is 70.</p>
Year	Percentage													
2018	88													
2019	89													
2020	87													
2021	84													
2022	86													
<p>Commitment to the region and its community</p> <p>Wihlborgs has extensive societal commitment, part of which comprises sponsorship. The goal is for the majority (50 percent or more in krona) of the initiatives we support to be community-centric with a focus on work, education, inclusiveness and regional development.</p>	<p>Sponsorship with community orientation</p> <table border="1"> <caption>Sponsorship with community orientation</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>38</td> </tr> <tr> <td>2019</td> <td>41</td> </tr> <tr> <td>2020</td> <td>50</td> </tr> <tr> <td>2021</td> <td>52</td> </tr> <tr> <td>2022</td> <td>53</td> </tr> </tbody> </table>	Year	Percentage	2018	38	2019	41	2020	50	2021	52	2022	53	<p>Over time, the continuous review of Wihlborgs' sponsorship activities has helped boost the proportion of sponsorship with a social focus in line with our sponsorship policy.</p> <p>We have more carefully assessed all engagements in 2022 and excluded more purely customer-centric events and suchlike from what we define as sponsorship. This has resulted in an increased share of community-centric sponsorship for all years compared with what we have reported previously.</p>
Year	Percentage													
2018	38													
2019	41													
2020	50													
2021	52													
2022	53													
<p>Environmental certification</p> <p>Environmental certification is a method of future-proofing properties and gradually reducing our environmental and climate footprint. The target is to see 80 percent of the floor space of Wihlborgs' office properties in Sweden environmentally certified by the end of 2022.</p>	<p>Environmentally certified buildings, offices, Sweden</p> <table border="1"> <caption>Environmentally certified buildings, offices, Sweden</caption> <thead> <tr> <th>Year</th> <th>Percentage</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>26</td> </tr> <tr> <td>2019</td> <td>27</td> </tr> <tr> <td>2020</td> <td>29</td> </tr> <tr> <td>2021</td> <td>36</td> </tr> <tr> <td>2022</td> <td>49</td> </tr> </tbody> </table>	Year	Percentage	2018	26	2019	27	2020	29	2021	36	2022	49	<p>Swedish property management has focused on the certification of existing properties in line with the Miljöbyggnad In-Use standard throughout the year and 16 new properties have been certified. An additional 15 properties are undergoing certification and approximately ten are completed but will not be approved until 2023. At the end of 2022, the certification level was 49 percent of Swedish office space and the ambition is to reach the target of 80 percent during 2023.</p>
Year	Percentage													
2018	26													
2019	27													
2020	29													
2021	36													
2022	49													
<p>Climate impact</p> <p>The greatest environmental challenge we face is how we contribute to reducing the climate impact of our operations. The short-term target is for our CO₂ emissions in scopes 1–2* to be below 1.5 kg CO₂ equivalents per square metre. We also have a target that has been approved by the Science Based Targets Initiative (SBTi) of halving emissions by 2030. Read more on page 31.</p>	<p>CO₂ emissions, scope 1–2</p> <table border="1"> <caption>CO₂ emissions, scope 1–2</caption> <thead> <tr> <th>Year</th> <th>kg CO₂e per m²</th> </tr> </thead> <tbody> <tr> <td>2018</td> <td>2.70</td> </tr> <tr> <td>2019</td> <td>3.05</td> </tr> <tr> <td>2020</td> <td>1.40</td> </tr> <tr> <td>2021</td> <td>1.40</td> </tr> <tr> <td>2022</td> <td>1.35</td> </tr> </tbody> </table>	Year	kg CO ₂ e per m ²	2018	2.70	2019	3.05	2020	1.40	2021	1.40	2022	1.35	<p>Greenhouse gas emissions in scopes 1 and 2 were under the target level for the past few years and were reduced further to 1.35 kg per square metre in 2022. This was mainly due to generally lower energy consumption in operations and an increased share of biogas in Wihlborgs' Danish properties.</p>
Year	kg CO ₂ e per m ²													
2018	2.70													
2019	3.05													
2020	1.40													
2021	1.40													
2022	1.35													

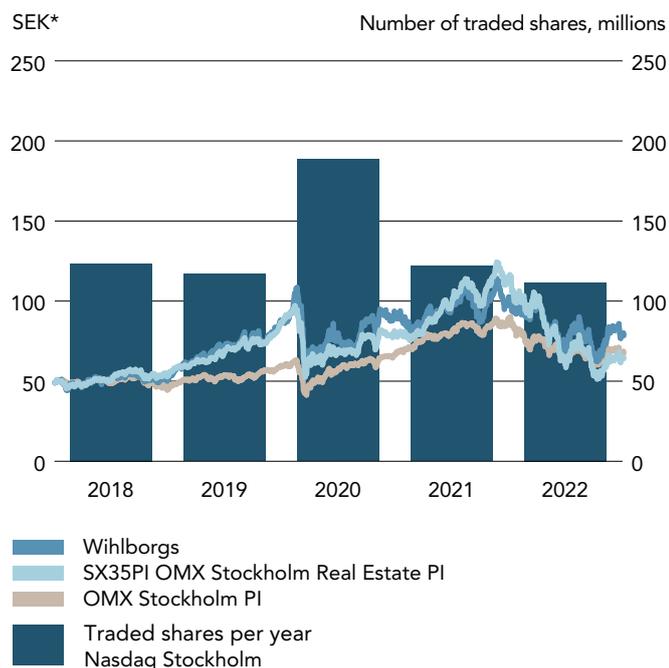
*Scope 1–2 refers to direct emissions from proprietary operations and indirect emissions from purchased energy.

The Wihlborgs share

The Wihlborgs share is listed in the Real Estate sector of the Large Cap segment of Nasdaq Stockholm. Wihlborgs was floated on the stock exchange in 2005 following a spin-off from Faberge. Since then, a two-for-one share split has been carried out on four occasions, the most recent of which was carried out in 2022. Each time, one old share has been replaced with two new shares.

Share price performance

Course development 2018–2022



*An adjustment has been made to reflect the two-for-one share split carried out in May 2022.

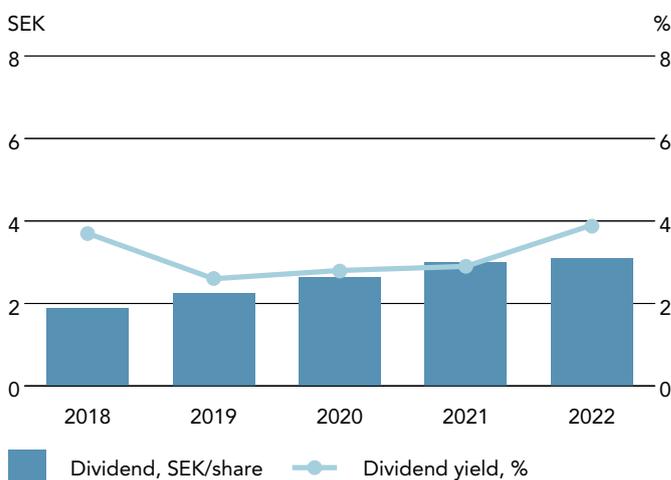
Dividend

Wihlborgs’ dividend policy is based in part on distributing a proportion of the earnings generated by property management and in part on distributing realised gains from property upgrades. In both cases, a deduction is made for tax at a standard rate of 20.6 percent.

- The dividend should amount to 50 percent of earnings from day-to-day property management.
- Moreover, 50 percent of gains realised from property sales should also be distributed.

The Board proposes a dividend of SEK 3.10 (3.00) for 2022. This corresponds to a dividend yield of 3.9 percent based on the year-end share price. Provided that the AGM adopts the Board’s proposed dividend of SEK 3.10 and that the record date is set for 28 April, the dividend will be distributed on 4 May 2023.

Dividend/share and dividend yield

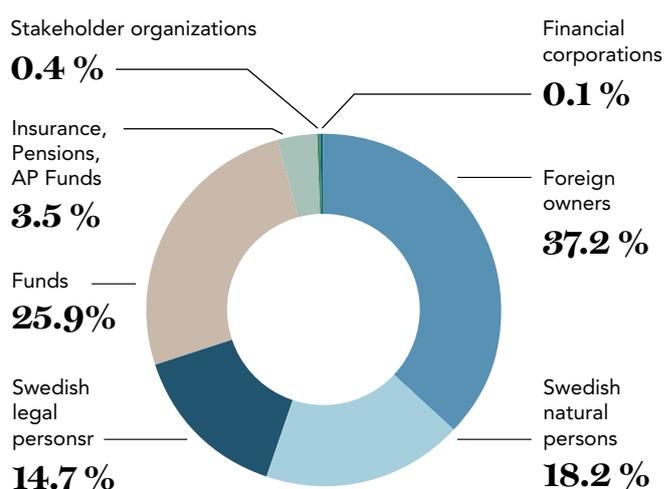


Ownership structure

At the end of 2022, the ten largest shareholders in Wihlborgs owned 39 percent of the total number of shares. The number of shareholders was around 30,000, unchanged year-on-year.

The number of foreign shareholders was 37 percent, which is an increase of 1 percentage point year-on-year. Of foreign ownership, the US accounted for 54 percent, the UK for 16 percent, Luxembourg for 7 percent, Belgium for 8 percent and Norway for 5 percent.

Ownership structure



Largest shareholders in Wihlborgs on 31 December 2022

Shareholders	Number of shares, thousand	Share of capital and votes, %
Backahill	34,076	11.1
Länsförsäkringar Funds	18,013	5.9
SEB Investment Management	17,351	5.6
Swedbank Robur funds	14,573	4.7
SHB Funds	9,849	3.2
Central Bank of Norway	7,327	2.4
Oviberg family	4,882	1.6
AMF Funds	4,564	1.5
Nordea Funds	4,326	1.4
Skandia life insurance company	3,822	1.2
Other shareholders registered in Sweden	81,471	26.5
Other shareholders registered abroad	107,173	34.9
Total number of shares outstanding	307,427	100.0

Share/Key metrics ¹	2022	2021	2020	2019	2018
Earnings per share, SEK	7.44	10.89	7.23	9.51	7.82
Earnings per share before tax, SEK	9.47	13.56	8.40	10.63	8.96
EPRA EPS, SEK	5.45	5.33	5.33	5.27	4.03
Cash flows from operating activities per share, SEK	6.32	5.50	5.96	5.48	4.85
EPRA NDV per share, SEK	76.05	71.39	63.09	5.82	50.52
EPRA NRV per share, SEK	90.64	86.33	76.22	70.1	61.32
Market price per share, SEK	78.50	102.70	92.7	86.25	51.20
Dividend per share, SEK (2021 = proposed dividend)	3.10	3.00	2.63	2.25	1.88
Dividend yield per share, %	3.9	2.9	2.8	2.6	3.7
Total yield per share, %	-20.6	13.6	10.1	72.1	7.5
P/E ratio I, multiple	10.5	9.4	12.8	9.1	6.6
P/E ratio II, multiple	14.4	19.3	17.4	16.4	12.7
Number of shares at period end, thousand	307,427	307,427	307,427	307,427	307,427
Average number of shares, thousand	307,427	307,427	307,427	307,427	307,427

¹ Comparative per share figures for previous years have been adjusted to reflect the two-for-one share split carried out in May 2022. For definitions of key ratios, see pages 129–130.



Following Wihlborgs renovation of Helsingborg C (Terminalen 1), the square outside has also received a major boost.

Market and trends

Öresund region strengthens its position

As a connecting link, the Öresund Bridge has helped overcome boundaries and provided the conditions for integration between South Sweden and eastern Denmark in many different ways during its 20 years of existence. The Øresundsindex (survey), which Øresundsintitutet compiles on behalf of the Øresundsbro Konsortiet, indicates that travel across the Öresund is on the way to normalisation, after the pandemic and that freight traffic is breaking new records.

The geographical location of the Öresund region lends itself to being a logistical hub for transport to and from the Scandinavian countries – a position that will be further strengthened when the Fehmarn Belt tunnel between Germany and Denmark is completed in 2029. The tunnel paves the way for a competitive major region with some 9 million inhabitants. Travel and transportation times will be sharply reduced and positive effects are expected in terms of integration, growth, job opportunities, tourism, research and culture.

High growth rate

Around 4.1 million people live in the Öresund region, making it the Nordic region's largest and most densely populated metropolitan region. The pace of growth is fast, with the population expected to increase to 4.3 million by 2028. Being such a metropolitan area, the Öresund region attracts young and highly educated people who benefit the many knowledge-intensive companies for whom skills are vital. There are 13 universities, branch campuses and Swedish higher education institutions in the region with over 139,000 students. With the inclusion of Danish higher education institutions and vocational colleges, this number rises to 19 institutions with 185,000 students.

Larger local labour markets boost flexibility which benefits companies and citizens. There is a great shortage of labour in Denmark, both in the public and in the private sectors, and Swedes are in demand in the labour market. Greater Copenhagen has been working with labour market issues as a priority area in 2022, and arranged a number of popular Danish-Swedish job fairs.

One crucial factor in terms of attracting and producing skills is high-level research. The Öresund region has world-class research institutions in the areas of technology and life sciences, of which two prominent examples are MAX IV and the future European Spallation Source (ESS), with its facility in Lund and data centre in Copenhagen.

Infrastructure expansion

One shared infrastructure is a basic prerequisite for one region. When commuting and goods transportation run smoothly, the conditions are created for functioning integration. In Copenhagen, the extension of the Greater Copenhagen Light Rail that will connect the city to the surrounding municipalities will continue until 2025. Copenhagen also offers the Nordic region's largest airport, Copenhagen Airport, which will have capacity for 40 million passengers per year once its ongoing extension is finished. A report by Greater Copenhagen indicates that Copenhagen Airport generates socio-economic benefits corresponding to SEK 14.4 billion in Skåne alone.

Denmark's infrastructure plan, which was adopted in 2021, includes investments of some DKK 160 billion in, for example, a new turning track for trains at Copenhagen Airport and the simplification of Copenhagen's main station.

On the Swedish side, the Southern Main Line is being extended to offer a four-track line between Malmö and Lund by 2024.

The potential for more fixed Öresund connections is being investigated in order to meet the increasing traffic volumes and to avoid bottlenecks, specifically an Öresund metro line between Malmö and Copenhagen and a fixed connection for cars and passenger trains between Helsingborg and Helsingør.

In Denmark, two possible routes for the next expansion of the M5 metro in Copenhagen have been discussed. In February 2023, a political majority in Copenhagen supported the same alternative recommended by the City of Malmö, i.e., the alternative that enables a connection of the Öresund Metro to Malmö.

These investments will contribute to the continued development of the region by way of shorter travel times that create new opportunities for commuting, studying and working, as well as enabling more goods transportation by rail, thus promoting sustainable transport.

Collaboration to leverage the potential

Various operators with an interest in the Öresund region are actively collaborating. This principally involves local operators, but national-level operators are also having an influence on the development of the region, such as the Nordic Council, the Nordic Council of Ministers and the Freedom of Movement Council. The Greater Copenhagen Committee consists of 85 municipalities and four regions, and is a political collaborative body that promotes a sustainable and integrated Öresund region.

There are also a number of network organisations that want to contribute to developing the Öresund region's full potential. Examples include Øresundsintitutet, String, Øresundmetro Executive, Medicon Valley Alliance and the Centre for Öresund Region Studies.



3 hrs

train journey in 2029 between Malmö and Hamburg via the Fehmarn Belt connection



26%

Sweden's and Denmark's combined GDP is generated in the Öresund region



4.1

million inhabitants in the Öresund region



18,000

daily commuters over the Öresund Bridge



The Fehmarn Belt connection could be the factor that helps green industry in the STRING region to flourish at a whole new level.

“Opportunities open up as we get closer to each other”

Use the Fehmarn Belt to dismantle traditional tunnel-vision thinking and make the entire region more competitive. This is the opinion of Thomas Becker, CEO of the North European organisation STRING, who sees great potential in creating a shared Nordic identity within green industry.

The STRING organisation was formed in 1999 as an Interreg project with the aim of establishing the Fehmarn Belt connection. In anticipation of the new connection between Denmark and Germany that will be completed in just a few years, in 2029, the network has shifted its focus to leveraging the arising opportunities.

Global hotspot

Green industry is a shining star in the STRING region – from Hamburg to Oslo. The sector comprises more than 4,000 companies and 50 new companies are formed every year. The number of patented inventions within green technology has tripled in the past 20 years. The OECD has named the STRING region a global hotspot.

“The Fehmarn Belt connection could be the factor that helps green industry to flourish at a whole new level,” Thomas Becker explains.

“As we get closer to each other through these new connections, opportunities will open up, which in this case, will strengthen the green industry and the green transition. We now have a ‘window of opportunity’ to dismantle cross-border tunnel-vision thinking in the public and private sectors and increase competitiveness.”

Economies of scale across borders

“As it is today, each country and region has its own strengths. Southern Norway is the best at photovoltaic cell research. In Gothenburg, Volvo is far ahead in terms of green transport. Malmö is the pilot for Sweden’s first investment in deep geothermal energy. Denmark excels at everything related to water and Hamburg is the wind-power capital of the world.

Cross-border collaboration would entail considerable opportunities for development for Scandinavia.

“Although we already have a green hub today, we are too small to individually become a true mega-region. Companies need access to expertise and capital, if they are to become sufficiently competitive and gain access to larger markets.”

Thomas Becker is of the opinion that we have an excessively national focus on issues that are by their nature cross-border, such as climate, transport, security and infrastructure.

“We need to readjust ourselves mentally and practically. Rødby in southern Denmark, for example, had long been regarded as the outer edge of Denmark. Now, the small city is more of a central hub in the STRING region.”



Thomas Becker, Managing Director of STRING

The lettings and property transaction markets in 2022

The war in Ukraine, the energy crisis, rising inflation and higher capital costs have dominated 2022. Households have been hard pressed, while businesses have shown continued resilience, but according to most analysts, a recession is to be expected in 2023. The lettings market was supported by continued robust demand and a decline in vacancies in the Öresund region. However, in the property market, rapid changes in the capital market have created a new set of conditions. All in all, increased uncertainties have caused a decline in liquidity in the property market and, before it can find a new way forward, interest-rate trends and the potential impact of a recession must be reined in.

Lettings market

Citymark's most recent mapping of Malmö shows decreasing vacancies in all sub-markets. In central Malmö (CBD, Västra Hamnen, Other city centre), the vacancy rate for the second half of 2022 was 7.0 percent, down 1.7 percentage points compared with the first half of 2022. In Västra Hamnen, vacancies declined 2 percentage points, from 8.6 percent to 6.6 percent. The number of leased square meters in 2022 was 110,000 m² (140 agreements), which is on par with the record year of 2018. Numerous lettings in the range of 1,000–4,000 m² have contributed to the volume, with Wihlborgs letting to Trygg-Hansa (12,000 m²) being the single largest. In general, Citymark has noted that lettings are performing better in the newer segment than in the older one. In SEPREF's (the Swedish Property Research Forum) consensus forecast for Q4 2022, the prime rent in Malmö remained unchanged at SEK 3,000/m², compared with the end of the preceding year.

In Denmark, at the end of Q3, Newsec reported vacancy rates of 5.4 percent in central Copenhagen and 5.9 percent in the Copenhagen area, which were historic lows. Rent levels have continued to rise in the central districts in 2022 – a trend that has been ongoing since 2017. Top rents are in the DKK 2,100–2,200/m² range, whereas

rents for standard offices are about DKK 1,500/m². In areas such as Herlev/Ballerup, rents vary in the DKK 800–1,125/m² range and in Amager, in the DKK 1,100–1,550/m² range. In the Copenhagen area, warehouse/logistics properties have a very low vacancy rate of barely 3 percent and rent levels vary within the range of DKK 450–675/m².

Property market

Colliers reported a transaction volume for the Nordic region of EUR 49 billion, down 31 percent on a very strong 2021. In the largest market, Sweden, the volume declined 42 percent from SEK 355 billion to SEK 205 billion. Listed companies repositioned from net buyers to net sellers during the year, which is a major change. These companies' share of the total number of acquisitions in Sweden has fallen from 49 percent to 16 percent. In Denmark, the volume fell from DKK 104 billion to DKK 82 billion in 2022, corresponding to a 21 percent decrease.

According to a SEPREF survey, yield requirements remain unchanged for prime locations in Malmö, compared with the preceding year end, but have risen about 0.2 percentage points to 4.2 percent since June 30. According to Newsec, yield requirements for premium properties in central Copenhagen are between 3.3 to 3.4 percent and in the greater Copenhagen area, 4.0 to 6.5 percent. The yield level for the most attractive properties in the warehouse/logistics segment is 4.25 to 4.5 percent and 6.25 percent for secondary properties.

The largest transactions in Skåne's property market were Wihlborgs' acquisition of Österport 7 (SEK 390 million), JM/OBOS' acquisition of the development property Lyckebacken 5 (SEK 725 million), SLP's purchase of six properties from Nivika (SEK 421 million) and Wihlborgs' acquisition of Snårskog 1/Pilbågen 6 at Berga (SEK 333 million). One of the major transactions in Denmark was Wihlborgs' acquisition of two office properties from PFA for DKK 1,075 million.

Source: Colliers, Newsec, Citymark, SEPREF

Workplace trends

As a region-builder and relationship-builder, Wihlborgs is impacted by what is happening in our macro environment and the changing needs of our customers. Some trends that we are currently keeping a watchful eye on and basing our offer on are:

People-centric

- The importance of well-being, health and individual needs is increasing.
- In the same way that we now have home offices, the office is also becoming more homely and closer to nature, for example, with outdoor offices
- The workplace is becoming part of the lifestyle, where values and culture are particularly significant to younger generations in the labour market.

Flexibility

- Hybrid work is here to stay, with solutions such as co-working, the office as a social meeting place, satellite

offices and so forth, as well as flexible solutions for different types of office work, particularly focused work.

- One size does not fit all. The organisation's activities and objectives lead the way in the choice of flexible solutions and become congruent with the brand.

Technological development and digitalisation

- Technical competence is rising in importance as property maintenance is becoming increasingly digitalised and technically complex.
- "Smart cities" utilise digital technology to enrich the lives of residents, improve infrastructure, modernise public services, improve accessibility and drive sustainability.

The concept of circular thinking and sharing

- Interest is increasing in older, carefully renovated properties with reused interiors.
- Shared services on the ground floor, preferably with staffed receptions and personal interaction. Facilities are becoming part of the employer offer and office experience.



Exchanges of experience, knowledge transfers and positive synergies can become a reality when companies get together with other businesses. The Dockan development in Malmö is one such example.

Value-generating clusters in attractive sub-markets – a successful strategy

By concentrating the portfolio on selected cities, quarters and businesses, Wihlborgs aims to create unique values and positive synergies. “We are stronger together,” says Ulrika Hallengren, CEO of Wihlborgs.

A core component of Wihlborgs’ strategy is to consolidate its market position by concentrating on particularly attractive sub-markets that are ripe for development, where we can contribute to sustainable urban development. This entails investing in geographical areas that match our long-term strategy, where there is good potential and which we know well.

“We build our business based on knowing our market better than anyone else. Our concentration on the Öresund region gives us an unrivalled overview of events in our local area – we know down to the neighbourhood level where it is best to invest.

Our in-depth knowledge of sub-markets creates stability, because we are able to invest even in the midst of a recession or other challenging situations,” Ulrika Hallengren explains.



“When the macro environment changes, new opportunities emerge, if you have enough insight to act quickly. For example, we continued to invest and develop properties even during the pandemic.

Getting the pieces to fall into place

Our cluster strategy also involves the concentration of properties within an area or a district. It may also involve operations in one and the same property. It is a method that – in addition to efficient property management, low operating costs and proximity to Wihlborgs staff – produces many positive effects. Above all, it enables the creation of opportunities for tenants who want to move, expand or scale down.

“We maintain a close dialogue with the tenants and try to utilise our spaces to meet their current needs. Such flexibility might be beyond the scope of our agreements, but is a matter of course for us to be able to offer. For many tenants, it is extremely important that they can stay in an area where they are comfortable.

Networks and vibrant environments

Exchanges of experience, knowledge transfers and positive synergies can become a reality when companies get together with other businesses. Examples of this are Ideon in Lund, the Berga industrial area in Helsingborg, Dockan in Malmö and Herlev near Copenhagen. Wihlborgs has also worked intentionally and strategically to cluster businesses under the same roof, such as with Media Evolution in Malmö and HETCH in Helsingborg. This enables small and large companies with shared interests to come together.

“In the long term, the tenants attract each other and together, they make an area more attractive. This, in turn, develops the all-important service offering and creates new job opportunities. In this way, value is generated for us, customers and society in general. Those of us who operate in this region become stronger together. That’s just the way it is.



Wihlborgs is involved in all aspects of detailed development plans and has several development rights in sub-areas that are now earmarked for modernisation. View from southwest/Malmö C.

Nyhamnen – Malmö’s new front

In central Malmö, an industrial harbour area is being gradually transformed into a vibrant, green city district with residential units and offices. “When we look back 20 years later, this will be a district that set the standard for sustainable and innovative urban development,” explains Marcus Horning, Director of City Planning, Malmö.

In Öresund, filled land created in the late 1800s is now making way for homes, workplaces and inclusive, public environments of the future. When fully developed, Nyhamnen is expected to accommodate up to 9,000 residential units and 21,000 new and old workplaces.

“In the same way that Bo01 in Västra Hamnen once enabled new perspectives on what a city district can be, we are breaking new ground with Nyhamnen. To create an attractive, inclusive and sustainable city, we have to think very open-minded about issues such as architecture, mobility and energy supply. We must also include new skills and sectors in the planning work, such as culture, academia and associations,” Marcus Horning explains.

Long-term perspective

“The potential and the challenges must be handled in close collaboration with all the participants involved,” Marcus Horning explains.

“A building must be able to last for at least 100 years, and the structure of a city district, for perhaps 1,000 years. Issues such as how to create a city district that is climate positive or regarding workplaces of the future cannot be resolved through just one property or block. In the broader and longer-term perspective, actors such as Wihlborgs that have a long-term commitment to the location, have an important role to play.

The expansion of Nyhamnen will take place in stages over several decades. Development is already underway to the north and east of Malmö Central Station. The last stage is expected to be implemented from 2040 to 2050. The development will result in a gradual shift of Malmö’s focal point toward Malmö C.

“When the Fehmarn Belt connection opens in 2029, what is the centre and what is the periphery will be redefined in an instant, with Malmö C becoming an international hub.

Wihlborgs active throughout the chain

In addition to several existing properties in the area, Wihlborgs is involved in all aspects of the detailed development plans, and has several development rights in the sub-areas that are now earmarked for development.

“From Wihlborgs’ perspective, we can exert the best influence when we are involved in the entire chain – from day-to-day operations to strategic urban development. We are also eager for the environments we create for the future to harmonise with our existing portfolio and with the people who live there. We have been using the same approach in our work to develop Dockan in Malmö, Ideon and Brunshög in Lund and Oceanhamnen in Helsingborg. In our role, we cannot and will not opt out of any aspect,” says Andreas Ivarsson, Director of Projects & Development at Wihlborgs.

“Nyhamnen is and will be one of the region’s leading urban regeneration projects for the foreseeable future. For Wihlborgs, it is extremely important to be driver of opportunities that will benefit the region’s businesses.



Marcus Horning, Malmö’s Director of City Planning and Andreas Ivarsson, Director of Projects & Development at Wihlborgs.

Improved consultancy on current issues

There has never been as much talk about the importance of the workplace as after the pandemic. Meanwhile, interest is on the rise to optimise the energy efficiency of proprietary premises. In order to be a better partner in these discussions, Wihlborgs strengthened its consultancy offering for the workplace and energy in 2022.

By all means, square meterage, location and floor plans are still important issues for those searching for new premises for their business. However, this is a different kind of issue that has come into the spotlight since the return to the workplace: promoting the brand, corporate culture and the sustainability agenda, while meeting the needs of individuals.

“Premises in proximity to public transportation, a wide range of services and flexible office solutions are ever more popular today. Many employers have become keenly aware of the importance of offering an attractive workplace in order to retain competence and support internal collaboration,” explains Anna Nambord, Business developer and workplace advisor at Wihlborgs.

The workplace as a competitive advantage

“Our advisory role when discussing these issues is becoming increasingly valuable, but also more complex. We need to understand the customer’s business, brand and competence on a broader level to provide the best suggestions for location, functional solutions and hybrid concepts that can strengthen their EVP (Employer Value Proposition).

Anna Nambord feels that we are living exciting times with great opportunities for employers to profile themselves.

“We can see that those who dare to stand out in terms of office design, flexible working hours and modern leadership are standing strong in the competition. Sustainability and responsibility towards people and the environment are other aspects that our customers appreciate having a dialogue with us about.

Increased dialogues about reducing energy consumption

Wihlborgs has been working for many years with energy saving projects, investing in solar systems and the development of innovative technologies that enable efficient monitoring and optimal maintenance of properties. Due to the sharp rise in energy prices in 2022, more and more tenants have started to take an interest in the issue.

“Last autumn, we created a mailing to all of our tenants, where we encouraged a dialogue with us about ways to reduce energy consumption in the premises and suggestions on what can be done, as an individual and as a business,” explains Jenny Wahl, Manager of Operations and Technology at Wihlborgs.

Jenny Wahl is calling for even more conscious energy usage in dialogue with property owners.

“We could do much more than we do today to adapt ventilation, heating and cooling to the times that we are actually present in the office. It is also an opportune moment to challenge traditional comfort temperatures and look into how much the temperature can be varied depending on the season. Many have already taken the bait, which is great.”

Read more on pages 38–41 about Wihlborgs’ energy efficiency, investments in renewable energy and our own cooling heat pump that resulted in a substantial reduction in the use of district heating and cooling.



“It is high time to challenge traditional comfort temperatures and look into how much the temperature can be varied depending on the season.”

Anna Nambord, business developer and workplace advisor, and Jenny Wahl, Manager of Operations and Technology.



Outdoor worksite outside of Node (Nya Vattentornet 2) on Mobilvägen in Lund.

Sustainable Business

Long-term, sustainable growth

Wihlborgs is both a region-builder and a relationship-builder. We adopt a long-term perspective as we invest and develop our operations, which enables us to invest sustainably and take the financials, people and the environment into account in all of our decisions. This also means we have a stable foundation from which to manage shifts in the market.

A major part of Wihlborgs overarching goals is to have a business model for sustainable long-term growth. Since 2005, we have cut our direct climate emissions by half, while doubling our lettable area. All three components of the ESG area – Environmental, Social and Governance – are to be integrated throughout our business and we focus on investments that make a real difference.

In 2022's ESG assessment from the Global Real Estate Sustainability Benchmark (GRESB), Wihlborgs is rated as one of the world's most sustainable property companies and was awarded the rating of A- in the Carbon Disclosure Project's (CDP) ranking.

Goals and governance

Five goals have been established within the area of sustainability as part of the Group's overall goals (see pages 17–19). We have additional sub-goals within each area. Read more about these on the following pages and in the in-depth sustainability information on pages 132–151.

Our climate goals have been assessed by the Science Based Targets initiative (SBTi) as being aligned with the ambitions of the Paris Agreement (1.5°C goal).

that by 2030, our CO₂ emissions from operations (scopes 1–2) must be halved in absolute terms compared with 2018, which means that we emit a maximum of 2,750 tonnes of CO₂ equivalents.

to measure, reduce and report our indirect emissions in the value chain (scope 3). In addition to the goals approved by SBTi, we have specified that these emissions must be halved by the year 2030, compared with 2020.

Wihlborgs assumes its responsibility by ensuring that its goals and governing documents for sustainability in a regional context are directly linked both to Swedish and to global climate goals. As a member of the UN Global Compact, we work to advance the 17 SDGs contained in the UN's 2030 Agenda for Sustainable Development.

Sustainability framework

The four areas that summarise our ambitions and investments, and which form our sustainability framework (see next page) have been selected based on our own materiality analysis and stakeholder dialogues, in which we assess the expectations our stakeholders have of our sustainability initiatives.

Driving change through our own operations

In 2021, we focused on developing our work methods, raising our in-house expertise and strengthening the circular perspective. In 2022, we shifted our focus to implementing our know-how and our work methods. One example is how we introduced transfer pricing for CO₂ emissions and a threshold on new-build projects. Another example is that we reported our first climate-neutral project – Kvartetten (Pulpeten 5) in Hyllie.

After many years of focusing on energy-saving projects and

investing in solar systems, etc., we have accelerated the development of innovative technologies that enable efficient monitoring and optimal maintenance of our buildings. Our own property caretakers and maintenance technicians continuously monitor energy use in the properties and are constantly in search of new energy-saving ideas.

We have also contacted our tenants about measurement data on their own consumption, in order to arrive at new solutions and improvements. In addition, we have shared our know-how and suggestions on how we can work together to reduce energy consumption – to reduce our own consumption and to reduce general demand and thereby, the price level.

Collaboration for long-term change

The construction and property sector currently accounts for just over a fifth of Sweden's total climate impact. This means we have a major responsibility to reduce our climate footprint and inspire others to make significant changes.

Sustainable development requires a system perspective and cannot be achieved by one company or one organisation alone. Just as with other contexts, it is through collaboration with others so that we can meet, challenge each other and create long-term change. Read more about the industry initiatives and collaboration forums we are involved in on page 41.

Relationship-builders who work close to customers

Our most important relationships are with our customers, shareholders, loan providers, employees, suppliers, municipalities and the region. Thanks to our local presence and the fact that we have our own property management, we have a daily dialogue with our customers and are sensitive to new expectations and needs. We have proud and committed employees who are prepared to take responsibility and go the extra mile for a customer or colleague.

That customers and employees are prepared to recommend Wihlborgs to others is a source of strength for our business and recruitment. We regularly measure the willingness to recommend us through our customer and employee surveys, which is in line with our overall sustainability goals (see page 19).

Region-builder and societal commitment

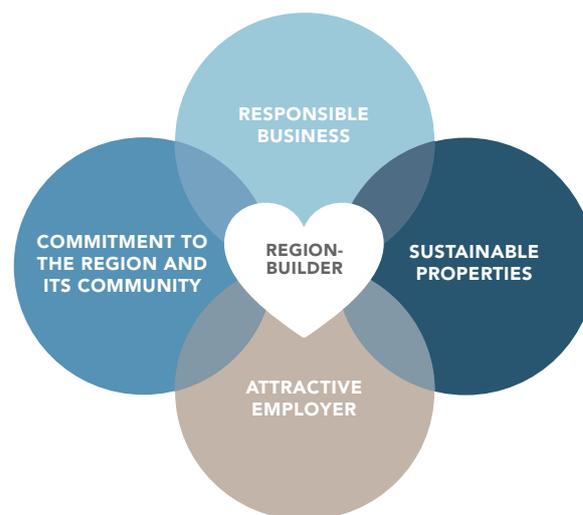
What is good for the Öresund region's development and for the people and companies that work here, is also good for Wihlborgs. Our local presence enables us to collaborate closely with cities, companies, suppliers, universities, and the public and non-profit sector. For us, being a region-builder means contributing to the sustainable development of the region, working with knowledge transfer and inspiring others to do the same. We achieve this by developing sustainable workplaces, city districts and whole cities, but also by giving our customers the chance to meet and create new business opportunities and innovative solutions. Read more about this on page 36–37.

Sustainability report

Wihlborgs' sustainability report primarily includes information in this section (pages 32–43) and the in-depth sustainability data on pages 132–151. The sustainability report is prepared in accordance with GRI Standards 2021, as well as guidelines from EPRA and TCFD.

Wihlborgs' sustainability framework

We focus our sustainability initiatives on areas in which we have the greatest impact and thus the best opportunity to contribute to positive development. We have therefore selected four focus areas that summarise our ambitions and efforts: Responsible business (pages 34–35), Commitment to the region and its community (pages 36–37), Sustainable properties (pages 38–41) and Attractive employer (pages 42–43). Greater effect and positive synergies achieved through close collaboration between the four areas.



Responsible business

Taking responsibility for our relationships with customers, suppliers and partners is vital in terms of fostering confidence and our ability to conduct successful business over the long term. We place great importance on ensuring strong financial stability, responsible relationships throughout the value chain and we also prioritise initiatives relating to ethics and anti-corruption. For more information, see pages 34–35.

Commitment to the region and its community

A prerequisite for our operations is that the region is attractive for the business community. We contribute to the development of the region through our core operations but also by committing to initiatives that strengthen the region, such as work, innovation, education and inclusion. Opting for local suppliers also helps the region's development. For more information, see pages 36–37.

Sustainable properties

It is important for our properties to be energy-efficient, to have a low impact on the climate and to contribute to a functional and positive work environment. It is in and around our properties that we can do the most to reduce our climate impact, and we focus on reporting on and improving our properties' climate impact, environmental performance and energy consumption. For more information, see pages 38–41.

Attractive employer

Our employees' happiness, commitment and ability to develop has a direct impact on our customers' relationship with Wihlborgs, as well as on our ability to deliver strong results. As part of our aim to be an attractive employer, we prioritise aspects such as the work environment, skills development, corporate culture, diversity and equal opportunities. For more information, see pages 42–43.

The UN's Sustainable Development Goals

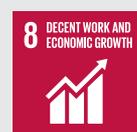
As a member of the UN Global Compact, we work to advance the 17 SDGs contained in the UN's 2030 Agenda for Sustainable Development. We know that we can make a particular contribution to six of the SDGs, as well as certain specific targets that overlap with our

sustainability agenda. In addition to this, we contribute indirectly to several of the other goals in our day-to-day operations and through our societal commitment. More information about how we contribute to the SDGs can be found in this chapter and on pages 132–151.



Sustainable energy

We work continuously on enhancing energy efficiency and have been using renewable energy almost exclusively at our properties in Sweden for several years. **Targets: 7.2, 7.3**



Sustainable economic growth

We create safe and healthy workplaces in resource-efficient properties for our employees and our tenants and act to ensure decent working conditions are maintained throughout the value chain. **Targets: 8.4, 8.8**



Sustainable urban development

We aim to develop properties with a low environmental impact close to public transport hubs and support new infrastructure investments in varying contexts that can contribute to sustainable transportation. **Target: 11.6**



Sustainable and circular lifestyle

We take a structured approach to the environmental programme, which aims to reduce material consumption and promote recycling. **Targets: 12.2, 12.5, 12.6**



Climate change

We have a clear goal to reduce our climate impact throughout the value chain and we work to gradually make all of our properties climate-smart. **Target: 13.1**



Partnerships for the goals

Our view is that Wihlborgs has a vital role to play in terms of being a relationship-builder and innovator by participating in various initiatives that promote sustainable societal development. **Target: 17.17**



Responsible business

Trust is built up over time and is the result of all the decisions, strategic initiatives and actions taken by the organisation. Our customers' extensive trust in us forms the basis of our continued growth and strong results. When we deliver strong financial results, this gives us the means and tools to serve as the driving force we want to be in this region.

A sustainable economy

Strong profitability, a high equity/assets ratio and good access to capital are vital for our ability to leverage opportunities for new investments in the form of property acquisitions and new-build and redevelopment projects. Good service to our customers and high-quality premises provides the conditions for stable rental income over time. All of this, combined with strong cost efficiency, lays the foundations for strong financial results. High quality and good income also have a direct impact on the value of the properties and thus also on our access to financing using the properties as collateral.

Prioritisation of good sustainability practices

Questions by actors in the capital market about our sustainability work and integrated responses are increasingly frequent, in the analyses of Wihlborgs as an investment object. The new EU Taxonomy for sustainable investments is accelerating this development and causing an increased demand on sustainability reporting for our properties and projects. In our in-depth sustainability information, we present information about our exposure to the EU Taxonomy.

Wihlborgs generally scores very well in analysis models for ESG – Environment, Social, Governance – and is frequently ranked in the top 10–20 percent of the best companies. Our rating in the annual global benchmark of property companies conducted by GRESB has climbed every year for the past six years. In 2022, we scored five stars out of five possible, 91 out of 100 points (compared with 72 in 2019), and were also named global sector leader in the diversified listed property companies category.

Financing

In addition to equity, Wihlborgs finances its operations through loans from Swedish and Danish banks, and by issuing bonds. Furthermore, Wihlborgs has access to financing through bonds issued by the co-owned company, Svensk FastighetsFinansiering. Some of this financing is ensured through green loans or bonds that are connected to properties with environmental certification or other environmental performance.

Customer relationships

Long-term and close relationships with our customers are vital for Wihlborgs. We want to offer customers the opportunity to develop their operations because needs change, and to share our know-how in areas such as workplace culture, energy and urban development.

In-house property management using our own property caretakers

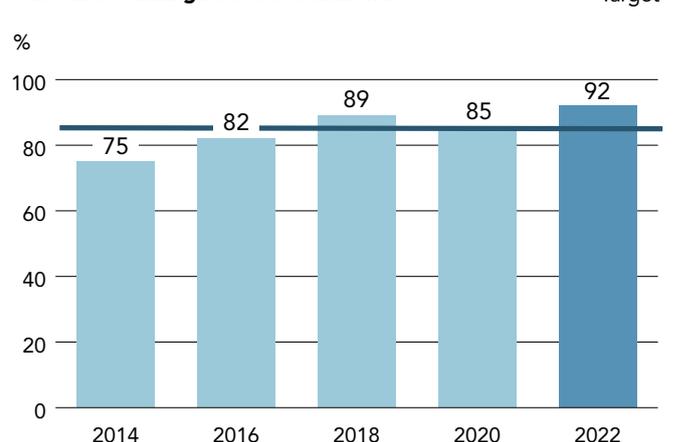
To ensure we can have close relationships with our customers and efficiently take on board their viewpoints and needs, we have opted to manage our properties in-house. This keeps us up-to-date and alert to new needs that arise in the property business or with customers. We also offer digital contact channels so customers can easily report faults and service matters through our customer portal and receive feedback on them. Systematic management of these matters also helps us chart any recurring faults or problems at the properties so they can be remedied, with the aim of raising quality and avoiding recurring fault reports.

Customer-driven quality agenda

From Wihlborgs' side, we hold a continuous dialogue with our tenants about how the premises can be improved from an environmental, climate and health perspective. By building more flexible premises that, with less intervention, can be continuously adapted as needed, companies can remain in the same property longer and thereby reduce their climate footprint. Our focus is increasingly on how we can design and choose sustainable building materials for future tenant improvements in order to optimise reuse and recycling.

Every two years, we conduct a customer survey among our tenants in Sweden and Denmark. The 2022 survey indicated that the overall customer satisfaction score had risen from 75 (2020) to 78 and that willingness to recommend had risen from 85 to a full 92 percent. Positive factors specifically highlighted by our tenants include their treatment by our staff, and our proactive mindset and responsiveness when it comes to changing needs for premises. It is also pleasing that the area in which we are increasing the most pertains to environmental considerations.

Customers' willingness to recommend





The digital platform that is used to assess and classify suppliers is an important tool for our systematic work with ESG risks in the value chain. Jörgen Mårtensson has been the Procurement Director at Wihlborgs since 2021.

Supplier relationships

One important aspect of Wihlborgs' growth journey is to choose the right suppliers and contractors to partner with, so that all the work that is undertaken is in line with our ambitions with respect to environmental, climate and social issues, as well as the work environment. Everyone who works on behalf of our company should have decent terms and conditions, and a good work environment. There is also a clearer expectation concerning circularity, recycling and environmental statistics on the part of suppliers. We work with many smaller local actors whom we have responsibility to help in the right direction, and to share expectations, know-how and good examples, in order to shift the industry.

Many of the suppliers have direct contact with our tenants. In doing so, their conduct, quality, values and business ethics have a direct impact on Wihlborgs' brand and its customers' experience.

Systematic purchasing efforts guarantee quality

All new suppliers covered by framework agreements sign our Code of Conduct and are assessed on their environmental impact and social conditions. We now exclusively use a digital platform both in Sweden and in Denmark to assess and classify suppliers. The assessment ensures that suppliers fulfil legal requirements, Wihlborgs' values and essential industry requirements. We will set tangible goals related to the assessment, such as the percentage of approved suppliers.

We always prioritise suppliers with whom we have a framework agreement. To support the development of the local business community and help create jobs here, our priority is to purchase from suppliers established in this region. At the end of 2022, local suppliers accounted for 95 percent of our framework agreements.

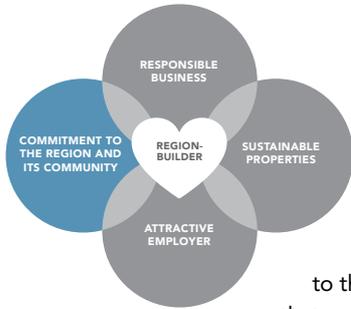
During the year, we reviewed energy agreements in order to ensure that they meet our expectations in terms of climate impact and price levels. Although the price of many renewable energy sources has risen sharply, our prioritisation of these sources remains firm.

Ethics and anti-corruption

As the region's leading property company, we have a responsibility to work continuously with business ethics issues. Although our Code of Conduct, our business ethics guide and training, and our whistle-blowing process provide a structure for these efforts, we must also conduct day-to-day discussions about the dilemmas that may arise. We have a systematic procurement process for counteracting bribery and corruption, and for the sake of transparency, several people from our organisation participate in each procurement. We have ethical guidelines that apply for employees, Board members, suppliers and contractors.



To ensure we can have close relationships with our customers, we have opted to manage our properties in-house.



Commitment to the region and its community

Wihlborgs has a strong commitment to the Öresund region – a commitment that runs through the development of the business community, the daily lives of our tenants, the growth of the cities and the future of the entire region. It is crucial for us that the region can attract investment, capital, infrastructure development and labour, and thereby continue to develop positively.

One of the goals of our sponsorship policy is for at least 50 percent of our sponsorships to be directly connected to the areas: work, education and inclusion. These are areas that we have identified as being crucial to regional growth and positive societal development. We place clear requirements on the organisations we support to annually report the results they achieve.

Long-term partnerships

The shared theme of the endeavours we choose to support is to development of people and companies – we provide the right prerequisites for young people to find the courage to stand on their own feet, and to move on to reach their full potential and contribute to growth, innovation and development. An important basis for a strong region with a high level of participation by the people who live here.

A good start in life

A high school diploma, meaningful and health-promoting leisure activities and having role models and feeling secure in one's immediate environment are well-known success factors in getting

young people, particularly in socially vulnerable areas, to start an independent life. Therefore, we support Drivkraft Malmö, a non-profit organisation that offers tutoring and mentorship activities to young people. In the survey that the students answer at the end of the school year, 80 percent state that the homework and the mentorship helped them to improve their grades.

"Boost by FC Rosengård" tailors programmes to help people to forge ahead with greater confidence. In one of its projects aimed at young people who, due to various challenges are estranged from the labour market, 60 percent of the 143 young participants achieved self-sufficiency.

We also support MFF i Samhället, whose football academies entail close collaboration with schools and municipalities in Skåne and provide young people with the opportunity to develop both in football and in their studies. As many as 97 percent of the ninth-graders who attended any of the region's Football academies graduated with a high school diploma in 2022.

Read more about our commitments in Denmark on pages 64–67.

The courage to grow

The Öresund region should be attractive enough for young people to stay in and take the extra step in their personal development. More of them should dare to become entrepreneurs and more good ideas should be developed. Techship (see image below) is a good example of this. We also support Venture lab, a student incubator for students at Lund University, and EOS Cares, which runs language cafés for new arrivals. We collaborated with EOS Cares and Bricks Eatery to serve lunches for four weeks in Ukrainagiven's meeting place in central Lund.



In autumn 2021, the entrepreneurial programme Techship, aimed at motivating and inspiring young people to start their own business or engage in further studies, was jointly launched with Helsingborgshem and the tech hub, HETCH. Of the 20 young persons who were admitted to the programme in 2022, nine have had the opportunity to pursue their business idea in an incubator, five have secured employment and two have acquired an internship.

Wihlborgs has a long-term collaboration with the School of Economics in Lund and since summer, has been a partner in their Leadership academy, which provides leadership training courses for students at Lund University. Our role is to contribute with our own knowledge as lecturers. One of our own employees has been given the opportunity to attend the training programme.

Growth potential

To boost this climate of innovation, we support various local and regional platforms, such as Ideon Science Park and Medeon Science Park. Ideon Science Park is one of Europe's most successful meeting places, where research, capital and entrepreneurs come together with 400 companies with 10,000 employees. Wihlborgs is the largest property owner in the area and has acted as the driving force for creating a vibrant innovation hub for businesses.

We also provide support to Nyföretagarcentrum and Citysamverkan, and are partners with the Malmö Business Community Gala. Jointly with the Marknadsföreningen i Helsingborg (MiH) and HBG Talks, we have set up a new prize for the Helsingborg Business Community Gala: Helsingborg's Start-up of the Year. By leveraging know-how, solutions and inspiration, we can contribute to the sustainable growth of individuals, companies, cities and the region.

In-house forum and initiatives

Wihlborgs' Kontaktyta is our own platform for collaboration and knowledge exchange. On the platform, we discuss current topics and invite customers, business partners and decision-makers to come together and discuss relevant issues. This initiative is crucial to our role as continued region-builders and region-builders. In 2022, Wihlborgs Kontaktyta was held within the framework of H22 – a city expo for developing the solutions of tomorrow, to raise the quality of life in a smarter and more sustainable city.

During Båstad Week, we arranged panel discussions on how the region's businesses can work together to boost Skåne's growth, particularly by assuming social responsibility. Wihlborgs is also one of the host companies of the Capital Market Days in Båstad, when property companies, analysts and others gather to exchange knowledge and discuss trends and future industry issues.

17 work hours to societal commitment

Our employees can also personally support our business partners with their time and know-how. We enable this by allocating 17 work hours per employee in one of our supported initiatives for improving society. That it is exactly 17 hours is connected to the UN's 17 global goals, where number 17 is about partnership. Namely, we are convinced that collaboration between different organisations is exactly the right way to drive positive development in the region.

Regional and urban development

The development of new infrastructure is of major significance to the business community and jobs in the region. In 2022, we continued our involvement in the Öresund Metro Executive Board – a Swedish-Danish forum working to build a metro between Malmö and Copenhagen of which Wihlborgs' CEO Ulrika Hallengren is a member. We are also involved in the plans for a fixed connection between Helsingborg and Helsingør.

In addition to infrastructure, we are working to lower the labour market thresholds in Denmark and Sweden, and thereby leverage the considerable potential that is inherent to increased exchanges.

In 2022, Wihlborgs was a partner in Helsingborg to H22. We arranged two seminars on the theme of "innovation through growth" and supported inspiring venues for visitors, such as smart pavilions with multifunctional furniture ("Boxplay") and special places that are more inclusive for young people ("Warm places").

As a major commercial property owner in the region, we are involved in numerous urban-planning and urban regeneration projects. We also work to make the areas safer and more attractive by creating a mix of offices, homes and shops.

Our partnership with Øresundsinstittet and the Chamber of Commerce and Industry of Southern Sweden provides us with facts and knowledge about the region and enables us to support their work with the development of and information about the region. Many of our employees are involved in networks and boards of directors in order to gain an understanding of the region's needs, conditions and trends. Citysamverkan, LFM30 and jury participation in Malmö Business Community Gala are a few examples.

If the region and cities prosper, we prosper.

We invest in what we believe will benefit the many, not what generates immediate profit. We are passionate about linking companies and cities, and providing them with opportunities to grow and realise their ambitions. When the city and the region grow, so does the need for new premises, for our skills and our involvement.

Societal commitment



Business community development



Urban development



The power to innovate





Sustainable properties

The property sector has a considerable impact on the environment and climate. It is therefore our responsibility to make a difference, by changing our own behaviour, influencing our value chain and by participating in the development of the sector and the cities where we are active.

Climate impact

Over time we have clearly reduced our direct impact, even as our operations have expanded, thanks to continuous energy efficiency enhancements, renewable fuels and purchases of renewable energy. These efforts were intensified in 2022 when energy prices soared sharply. They involved reducing energy consumption by introducing power guards that monitor energy output and standard measures, such as checking operating conditions and using ventilation-on-demand systems.

Wihlborgs' climate roadmap is a strategy and framework for how we, as a company, are to jointly manage and be a driving force for mitigating the climate challenge. The climate roadmap is based on a circular perspective with four identified stages (design, construction, operation and property management, and demolition) linked to a building's life cycle, and should support our daily activities and contribute to the transition we all need to be involved in.

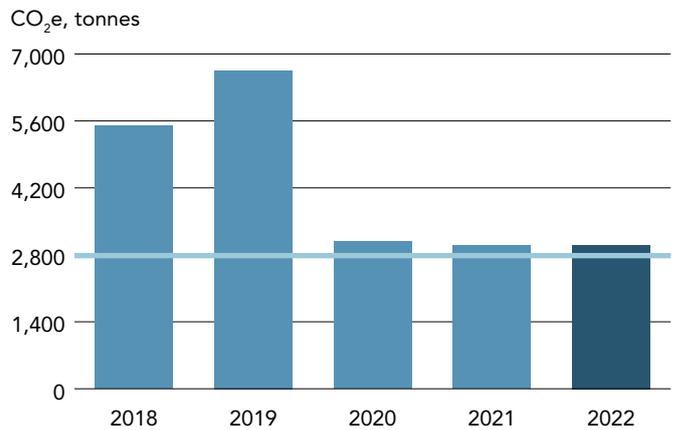
We also have a long-term strategy for circular material flows, where we, as one of several stages, create conditions conducive to further usage of recycled materials through three new framework agreements with recycling suppliers. In late 2022, there were ten ongoing projects related to redevelopment and tenant improvements, where we worked specifically with the disman-

ting and reuse of building materials or office interiors. One of these projects was the office premises in Dockan, into which Wihlborgs will move in spring 2023. We have also stepped up recycling efforts in new construction projects, such as Kvartetten (Pulpeten 5).

In order to hone in our focus on the climate impact of project investments and to favour sustainable choices in the supplier chain, in 2022, Wihlborgs introduced transfer pricing for CO₂ emissions and a target threshold value for new-build projects. The introduction of transfer pricing will, as a first step, be tested in several investment decisions, after which it will be evaluated.

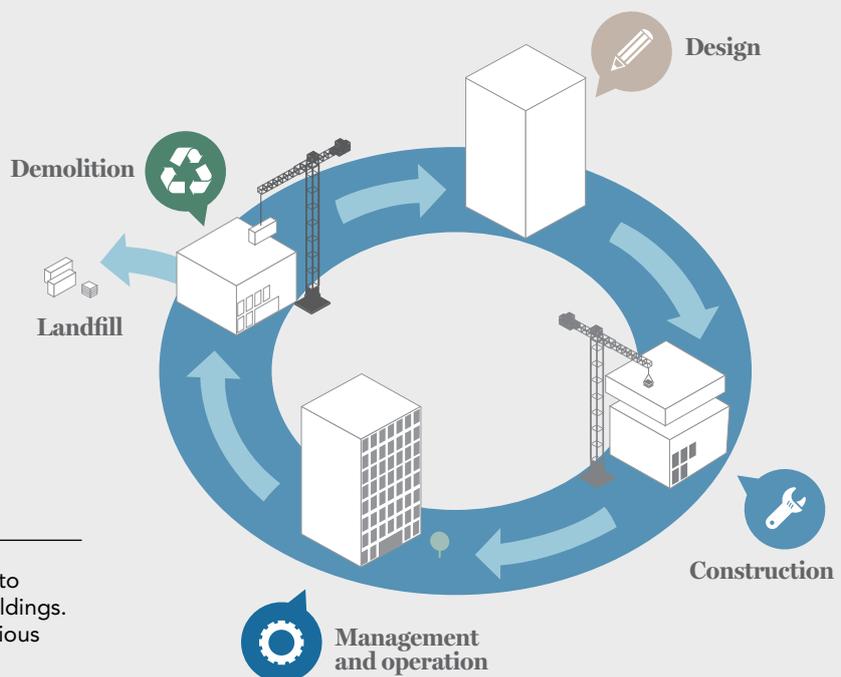
During the year, we signed a letter of intent with Öresundskraft for the purchase of negative emissions certificates. The letter of intent was realised when Öresundskraft built a full-scale facility for CO₂ separation at Filbornaverket.

CO₂ emissions, scopes 1–2, total



The life cycle of a Wihlborgs building

To reduce our climate impact, we need to adopt a lifecycle perspective for the buildings. All efforts undertaken in each of the various phases are important.



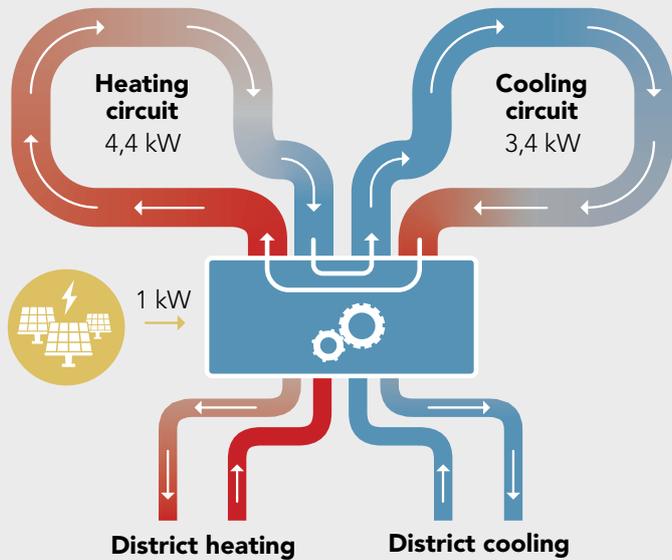
Energy innovation – a class of its own



Jan Larsson and his colleagues from the technical operations team at Wihlborgs have developed an innovation of their own: A reversible heat pump that works with existing district heating and cooling systems to recycle heat and cold. In the properties where such a reversible heat pump was installed, energy consumption was cut by up to 50 percent. Thanks to the new technology, the Torrdockan 6 property has gone from energy class E to B in only one year.

“We are driven by a desire to go the extra mile, particularly with properties populated by businesses that use a lot of energy, such as a restaurant or data centre. Our efforts result in lower costs for us and our tenants,” Jan Larsson explains.

The innovation has proven to be so effective that it outdoes all current alternatives in the market, and it is also installed in new-build projects such as Space (Kunskapen 1) in Lund.



Climate impact of our own operations (Scope 1)

Cooling plant

Our main direct climate impact is mainly attributable to leakage of refrigerants from the air conditioning units installed in our properties. In 2022, we made the transition from climate-impacting refrigerants to more eco-friendly and natural cooling media at 12 properties. Doing so has reduced our potential climate impact by more than 900 tonnes of CO₂ e that would otherwise have risked leaking over the next few years.

In addition to using more eco-friendly refrigerants, we also recycle the temperatures from cooling plants and systems, which in turn are utilised for further heating and cooling, thereby significantly reducing energy requirements.

Renewable gas

In our Swedish property management operations, we strive to use renewable energy exclusively. Biogas is used in cases where the properties are gas heated. We purchase renewable or recycled residual heat and all property electricity is produced by hydropower, which is combined with locally produced solar power in cases where the property has a solar power system. In two regions in Skåne, we switched to EPD-classed district heating during the year. EPD classification entails the analysis and confirmation of climate impact based on the product’s entire life cycle.

All the electricity in our Danish operations is renewable (hydropower), as is a major part of our district heating and the gas we use for heating. During the year, we increased our procurement of biogas in Denmark, so that it now accounts for 75 percent of all gas. We have also increased the share of renewable energy in the form of solar power.

Climate impact from purchased energy (Scope 2)

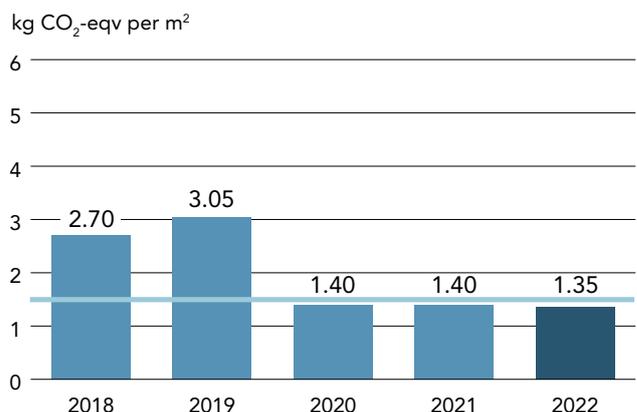
Our own solar power systems

One of Wihlborgs’ environmental goals has been to have solar power systems in place with an aggregate maximum power of 3 MW by the end of 2022 and for all purchased energy for properties to be renewable. In late 2022, we achieved an output of approximately 2.4 MW, but there are good opportunities to make significant strides forward in 2023, when new projects will include plans for several major installations.

The solar power systems we install will also enable us to utilise NollCO₂-certified buildings to climate compensate for the project’s initial climate impact according to the calculation models that currently apply. Kvar tetten (Pulpeten 5) in Hyllie and Space (Kunskapen 1) in Lund are examples of this. We are also stepping up investments in solar panels with a smaller climate footprint compared with standard panels.

CO₂ emissions, scopes 1–2, kg/m²

— Target, max



Climate impact from construction projects (Scope 3)

Constructing new buildings with a focus on reducing climate impact is the responsible thing to do, but even more important is to reuse, renovate and convert existing buildings. We also ensure that we focus on a long-term and flexible approach when designing buildings and premises so that they can be used for different purposes in the future without major redevelopment. Our two developed environmental programmes for project operations ensure that environmental and climate aspects are managed in line with our adopted goals and policies.

Climate adaptation

In pace with climate change and the occurrence of extreme weather conditions, the need to climate-proof our properties has increased. To future-proof new buildings, we conduct climate risk analyses at an early planning stage to establish any location-specific climate risks and identify suitable measures for climate-proofing buildings. A tool has been developed to systematically compile, assess and identify measures that we need to incorporate into the construction project or property management stage, in order to reduce vulnerability.

We implemented a special pilot project within property management in 2022 in Lund, pertaining to eight properties. The objective is to find a work method that can be introduced for existing buildings covered by the EU Taxonomy.

Biodiversity

Investments in biodiversity and ecosystem services around our properties are important elements for the development of sustainable properties. Every spring, we review our outdoor environments, inspect existing bird boxes and insect hotels and set up new ones. We see great opportunities ahead to combine efforts in climate-adaptation with increased biodiversity. One example is how we built several green roofs in 2022 that, with their vegetation, can retain rainwater that falls on the roofs, while contributing to biological diversity.

Building certification

More and more customers are requesting sustainability certified premises, and in terms of investors we are seeing more follow-ups on the number of certified buildings. Sustainability certifications also enable us to leverage the buildings as collateral for green bonds and green loans.

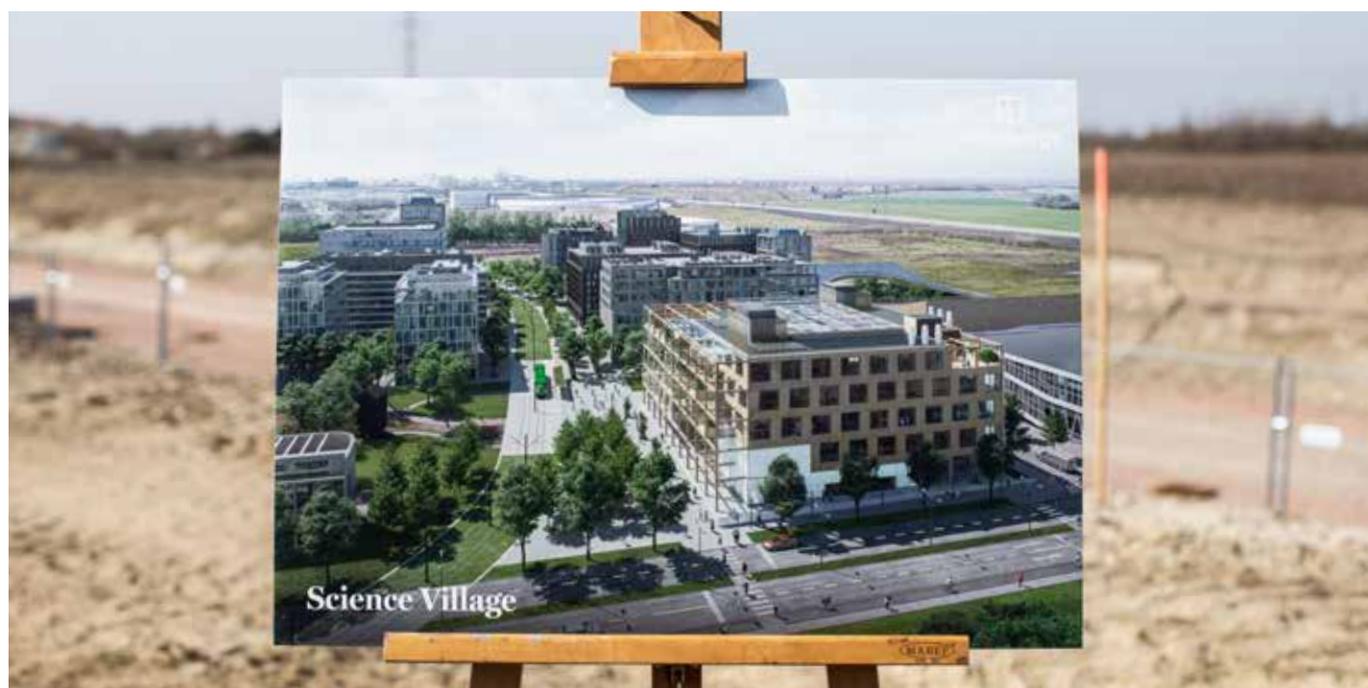
Certification work has proceeded expeditiously with some 30 certification processes ongoing simultaneously. We have continued to focus intensely on our existing portfolio and to simultaneously improve numerous properties in smaller steps. This also entails the involvement of more employees and suppliers in the process.

Wihlborgs is the property owner that has the most Miljöbyggnad In-Use certified buildings – certifications for existing properties – in Sweden to date in the office segment. Requirements comprise an important element and include tenants' impact on the building's environmental performance, which means the process leads to closer dialogue between Wihlborgs and its tenants.

We notice a considerable interest in the market for older properties with a clear sustainability profile. Our historic property Raffinaderiet in central Lund is an example of this.

We have been certifying all of our new-build projects for a number of years in line with the Sweden Green Building Council system, normally to Gold level. In several new-build projects, we have chosen to raise our certification ambitions by also obtaining certifications in health and well-being (WELL) and climate neutrality (NollCO₂). Kwartetten (Pulpeten 5) received preliminary NollCO₂ certification in 2022 and became, together with Space (Kunskapen 1), one of our first properties to be pre-certified in accordance with WELL. Next in line to be triple-certified is Vista (Bläckhornet 1) in Hyllie.

There is considerable interest among our customers in working with health-promoting elements and environments, particularly in our office buildings. There is also an increasing interest in integrating health-promoting aspects when redeveloping properties. Examples of elements that we are now increasingly working to include within the building are art, green environments and promoting health-conscious decisions.



Space, (Kunskapen 1) will be Wihlborgs' first property in Lund to achieve WELL certification. The building will be completed in autumn 2023.



Forum to minimise climate impact

In September, we arranged a forum to discuss Wihlborgs' business strategy, ESG work and climate roadmap together with architects we hire and collaborate with, in everything from new construction projects to tenant customisations. Architects have an important role when it comes to proposing sustainable solutions in design, functions and choice of building materials.

"We are a professional group with a great opportunity to contribute to climate transition through the choices we make in our projects. Along with accumulating state-of-the-art knowledge in climate calculations, we also have to ensure that the buildings we design are lasting and universal, so that they are usable for a variety of purposes over a period of 100 to 200 years," explains Tobias Magnesjö, architect and office manager at Arkitekterna Krook & Tjäder, and one of the forum participants.

In Denmark, the certification of buildings is not as well-established and is not demanded by the tenants to the same extent, but our ambition is to drive such developments there as well. On the other hand, our Danish properties are far ahead in terms of energy certification.

Collaboration with tenants

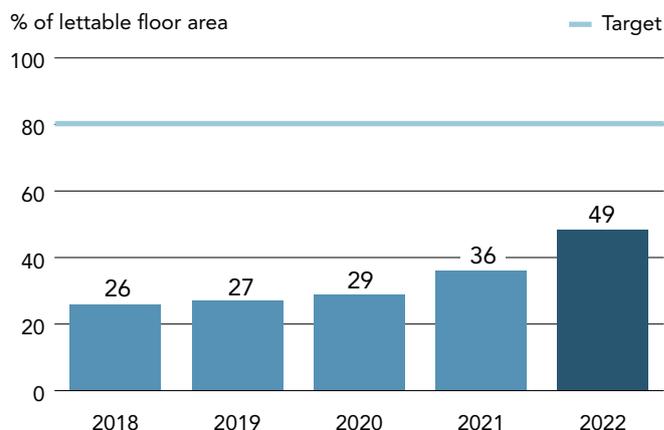
We are entirely dependent on the collaboration of our tenants to achieve our climate goals. This pertains to everything from maintaining and optimising the operation of properties, to reducing resource consumption over time. During the year, we maintained a close dialogue with our tenants, particularly concerning energy-saving measures and how we at Wihlborgs can assist.

In the 2022 NKI (Customer Satisfaction Index) survey, our tenants' ranking of our environmental considerations rose sharply compared with 2020. "Environmental considerations" refer to the extent to which we, as a landlord, meet the tenants' environmental requirements, facilitate their efforts with environmental issues, and work to reduce energy consumption.

One effort to facilitate collaboration with tenants on sustainability issues is that all new leases that are signed are Green Leases that serve as a platform for collaboration in the areas of energy, indoor environment, choice of materials and waste management.

We work with sustainable mobility solutions both in our own operations and together with our tenants. Methods we use include participating in the Malmö Works initiative, which is a partnership with other companies in the local business community to contribute to more sustainable travel. Another example is how we are helping tenants to choose climate-smart travel, by investing in locations close to public transportation, creating space for bicycles and installing charging stations. By late 2022, more than 500 charging stations were installed in connection with our properties.

Environmentally certified buildings, offices, Sweden



We make a difference together

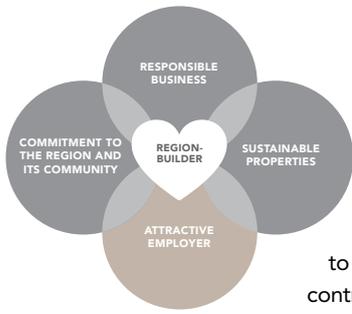
Wihlborgs has its own ambitious goals, but it is only when operators and sectors come together that properly significant changes begin to be realised. Here are some examples of forums where we collaborate with others:

LFM30 – Local Roadmap for a climate-neutral construction sector in Malmö 2030, with 200 industry participants. We are one of the industry drivers, thanks to several committed Wihlborgs representatives from boards and Group management. Within projects and property management, we have connected several initiatives with the methodology and lessons learned in the LFM30 collaboration.

Solar Region Skåne – an association that creates the conditions for increasing solar power usage in Skåne.

Climate agreement – with Malmö, Helsingborg and Lund.

The Swedish Property Federation and Sustainability Council – are involved in groups within climate adaptation, EU Taxonomy and social sustainability.



Attractive employer

Committed and knowledgeable employees lead to high quality and to satisfied customers, which in turn contributes to strong financial results.

By deliberately working with our corporate culture, and clarifying goals and expectations, we strengthen our organisational capacity and our partnerships. Wihlborgs has a long-term vision to be the best workplace in the sector.

Part of evaluating our organisation is our collaboration with Great Place to Work since 2016, which measures trust, pride and community spirit among employees in line with a model that builds upon research into aspects that foster employee commitment. The overall results of the employee survey are presented in the form of a Trust Index®. To be categorised as a Great Place to Work, the overall results must exceed 70 percent. Wihlborgs' target is to score more than 85 percent. In the 2022 survey, our overall trust index rose from 84 to 86 percent. A full 94 percent of employees think that in all aspects, Wihlborgs is a very good place to work.

Culture and competence

We are convinced that meaningfulness and inspiration come through employees taking and being given the opportunity to take responsibility. Having freedom within responsibility, being involved in and contributing to the development of cities and the region, and friendship at the workplace are the three reasons that employees usually cite for why they feel so comfortable at Wihlborgs. At the same time, we are gearing up the work to ensure we have the right skills in place for meeting new needs that arise when the workplace comes increasingly into focus.

Culture

We are proud of our culture – something we often call the Wihlborgs philosophy – which is characterised by the values: action, knowledge, honesty and community. It has contributed to our success and high degree of willingness of customers and employees to recommend us. Ninety-six percent of our employees are proud to say that they work at Wihlborgs.

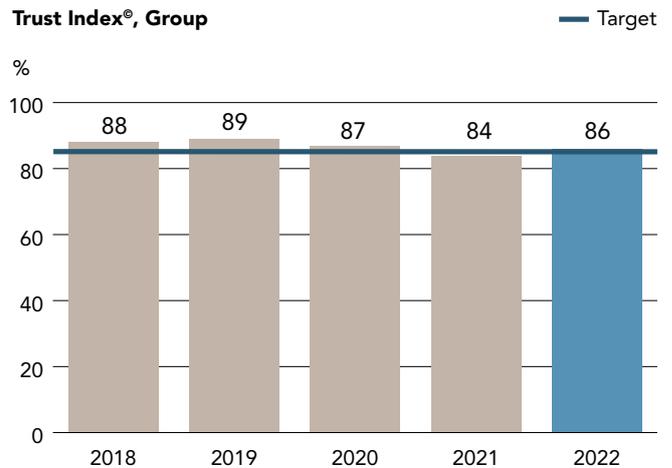
Our culture is the result of our active cultural efforts that we conduct in our day-to-day work and through various cohesive events and meetings. This is also reflected in the fact that our own employees are the ones who arrange our events and who are visible in our external communication.

Skills

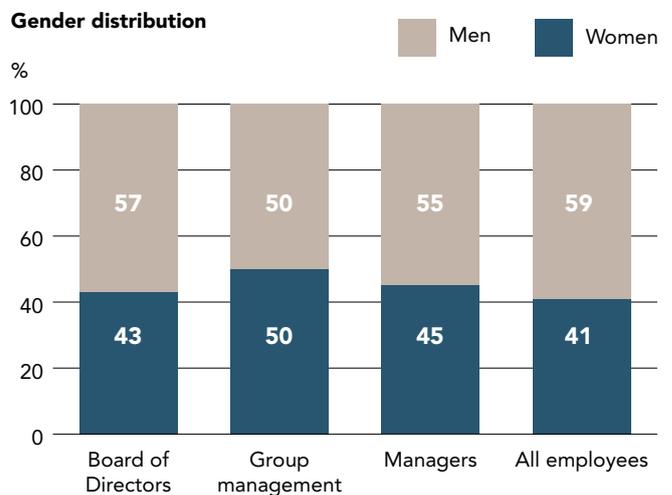
We are continuing to review property caretaker skills and the special training programme aimed at upgrading their expertise and abilities based on new requirements and expectations related to property technology. Property management employees have undergone training in value-generating negotiations and we have organised internal workshops on how we can help our customers to create the workplace of the future.

In both Sweden and Denmark, we are working actively with development opportunities for our managers, including through special leadership programmes. Besides increasing knowledge, the ambition is to enable managers to build their own internal management network.

Trust Index®, Group



Gender distribution



Health and work environment

We want Wihlborgs to be a sustainable workplace and inspire customers and suppliers when it comes to the work environment and the development of workplaces. We want our employees to have exciting challenges and a work-life balance, and to have opportunities for health-promoting activities. To make it easier for employees to travel sustainably to work and in the course of work, we are one of the first companies in Skåne to introduce the Skåne-trafiken period ticket as a salary benefit.

In spring 2023, Wihlborgs in Malmö will move to new premises in Dockan that were renovated in 2022 with a focus on sustainability and the well-being of employees. We will intensify our focus on health and well-being in particular in the future, where the design of the office is central to a good work day, and is conducive to everything from creativity and collaboration to focused work and recuperation.

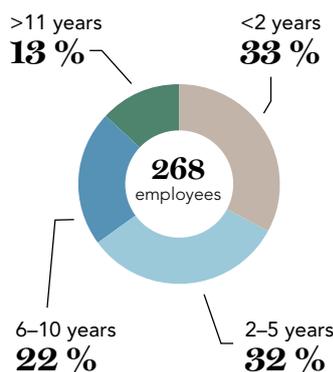
Equality and diversity

One of our values is community. We value the fact that people have different backgrounds and skills, and see the strength in listening to different perspectives. We are also convinced that diversity among our employees helps us understand our different types of customers.

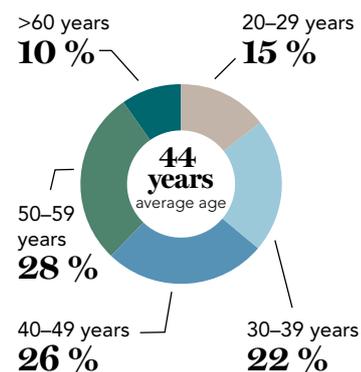
The average age is 44 years, with a wide distribution in the age range 18–67 years, something that we consider a strength in terms of internal knowledge transfers, continuity and development. The group-wide proportion of women is 42 percent in total and we have an equal gender distribution among managers, in Group Management and on the Board of Directors. Wihlborgs has also figured at the top of the AllBright foundation's green list of the most gender-equal listed companies for several years. In the 2022 list, Wihlborgs is the highest-ranked property company.

We will continue to focus extra on those groups where gender distribution remains unequal, and we are taking steps to employ people from different backgrounds. One example of this is our trainee programme for property managers, which aims to guarantee long-term skills and increase diversity in terms of gender, age and background. In all of our recruitment processes, we apply inclusivity and skills-based recruitment. We also welcome trainees and degree projects as a way to gain new perspectives from the new generation of employees and customers.

Length of employment, total



Age distribution, total



Cecilia Jönsson, letting manager and Hans Olsén, property caretaker at Wihlborgs.

Knowledge exchange that provides new perspectives

Wihlborgs' long-term approach is to be the best workplace in the sector. We want to create career opportunities for new talents, and we are also happy that many of our employees stay with us for many years. We believe that the convergence of experience and curiosity is what makes an organisation develop continuously.

As Cecilia Jönsson, landlord, describes her first year at Wihlborgs: "The knowledge and experience that my colleagues possess is invaluable to my continued development."

Following her education under the Malmö University property company programme, Cecilia seized the opportunity to apply for a trainee position at Wihlborgs. The trainee programme is aimed at acquiring new talent in the property sector and letting them grow into the role of property manager or property caretaker with the help of the solid expertise and experience possessed by our employees. At the same time, this infuses the entire organisation with valuable new perspectives and ideas.

"I think it's important that all new employees get field experience from the onset and discover Wihlborgs' heart, that is, our buildings. I also strongly believe that you should learn by doing, and that it is also useful to get out and see what we are working with," says Hans Olsén, property caretaker at Wihlborgs for the past eleven years.

At Wihlborgs, knowledge exchanges between senior and junior employees is an essential part of the business. Cecilia's first days at Wihlborgs provided her with valuable experience, which came in handy later, when she secured permanent employment as a letting manager.

"It was the property caretakers who showed how everything worked and gave me insight about the properties that I might not have gained otherwise. Learning from their experiences has given me new perspectives that I am very pleased with." There is always someone to ask.

"When you run into questions, you have to think and sometimes reconsider things, which is very important," Hans Olsén explains.

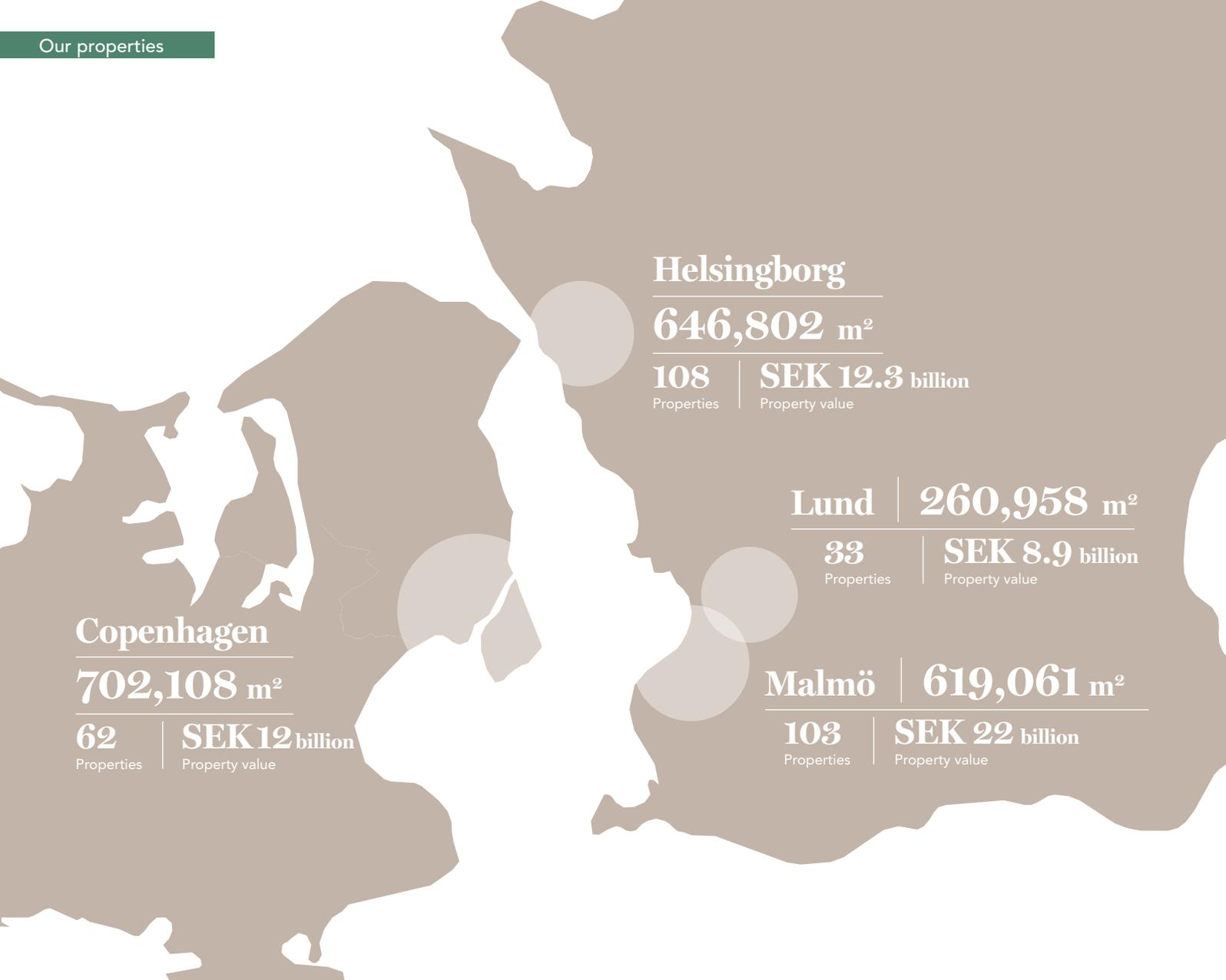
At Wihlborgs, inter-department collaboration is encouraged, which creates room for employees to further develop within their roles.

"It may sound cliché to say it, but you learn something new every day at Wihlborgs," Cecilia Jönsson says.



Slagthuset 1's location near Malmö C is difficult to beat, with a view of major sections of the city.

Our properties



Copenhagen

702,108 m²

62 Properties | SEK 12 billion Property value

Helsingborg

646,802 m²

108 Properties | SEK 12.3 billion Property value

Lund | 260,958 m²

33 Properties | SEK 8.9 billion Property value

Malmö | 619,061 m²

103 Properties | SEK 22 billion Property value

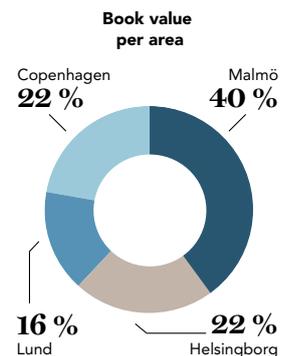
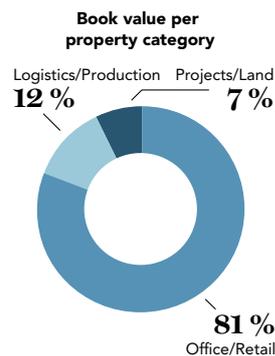
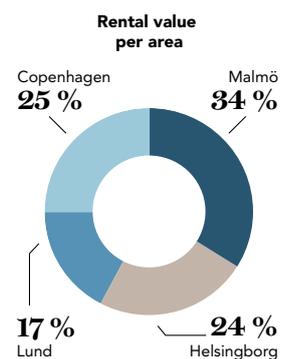
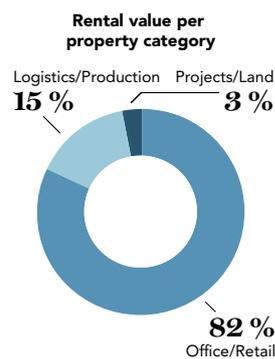
Property portfolio

Wihlborgs' property value has increased from SEK 7.2 billion in 2005 to SEK 55.2 billion at the end of 2022. Our business model is based on growth, and our growth and development are ensured by upgrading properties, new-build projects and acquiring new properties. By expanding our property portfolio, we enhance our ability to meet the needs and requirements of existing and new tenants.

We also want to be an active and significant participant in the dynamic and sustainable development of the Öresund region. Read more about this in the Sustainable business section on pages 30–43.

Wihlborgs' property portfolio consists of commercial properties located in selected sub-markets in Malmö, Helsingborg, Lund and Copenhagen. By creating a concentrated portfolio and a clear cluster strategy, we are able to ensure cost-effective property management with a high level of service and proximity to customers, which means we can quickly detect any changing needs they have.

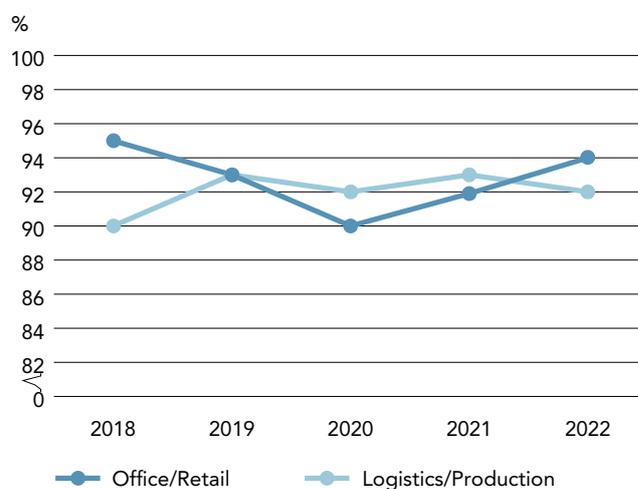
On 31 December 2022, the property portfolio consisted of 306 properties, including seven leasehold properties, with a total lettable area of 2,229,000 m². The carrying amount totalled SEK 55,179 million.



Development of rental value



Development of occupancy rate, 31 dec



Analysis per property category in each management area

Area/property category	No. of properties	Area, thousand m ²	Carrying amount, SEK m	Rental value, SEK m	Rental value, SEK/m ²	Economic occupancy rate, %	Rental income, SEK m	Operating surplus incl. property mgmt, SEK m	Surplus ratio, %	Operating surplus excl. property mgmt, SEK m	Yield excl. property mgmt, %
MALMÖ											
Office/Retail	51	445	18,153	1,230	2,767	95	1,173	920	79	959	5.3
Logistics/Production	31	146	2,044	174	1,194	93	162	128	79	137	6.7
Projects & Land	21	29	18,384	26	906	22	6	-7	-120	-5	-
Total, Malmö	103	619	22,035	1,430	2,311	94	1,340	1,042	78	1,092	5.0
HELSINGBORG											
Office/Retail	39	284	8,521	636	2,240	91	580	451	78	469	5.5
Logistics/Production	56	359	3,460	357	993	90	322	234	72	253	7.3
Projects & Land	13	4	311	5	1,261	87	4	2	43	2	-
Total, Helsingborg	108	647	12,292	997	1,542	91	906	687	76	724	5.9
LUND											
Office/Retail	25	231	7,971	651	2,813	93	608	453	75	493	6.2
Logistics/Production	4	23	271	23	996	98	22	17	77	19	6.9
Projects & Land	4	7	619	14	2,101	10	1	-4	-263	-2	-
Total, Lund	33	261	8,861	688	2,636	92	631	466	74	510	5.8
COPENHAGEN											
Office/Retail	49	577	10,174	909	1,590	93	844	524	62	568	5.6
Logistics/Production	9	61	889	66	1,080	95	63	49	78	51	5.7
Projects & Land	4	70	928	80	1,142	31	25	7	29	8	-
Total, Copenhagen	62	702	11,991	1,054	1,501	88	932	580	62	626	5.2
Total, Wihlborgs	306	2,229	55,179	4,170	1,871	91	3,810	2,775	73	2,953	5.4
Total, excluding Projects & Land	264	2,120	51,483	4,045	1,908	93	3,774	2,777	74	2,949	5.7

The table data is based on Wihlborgs' property portfolio as of 31 December 2022. Rental income pertains to annual contractual rental income as per 1 January 2023. Operating surplus is calculated from the annualised earning capacity of the properties, based on rental income for January 2023, operations and maintenance costs, rolling 12-month property management and property tax.

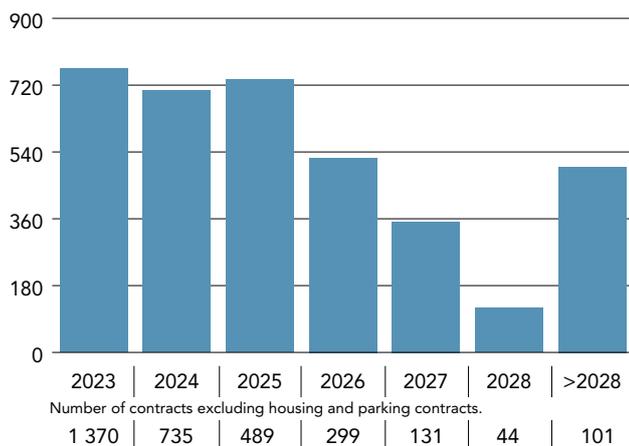
Rental value and occupancy rate

Wihlborgs' rental value amounted to SEK 4,170 million on 1 January 2023. The estimated rental value of vacant premises corresponded to SEK 360 million.

The economic occupancy rate for the entire property portfolio, including the project portfolio, was 91 percent. When divided up geographically, Malmö was at 94 percent, Helsingborg 91 percent, Lund 92 percent and Copenhagen 88 percent. Divided up by property category, the economic occupancy rate was 94 percent for offices/retail and 92 percent for logistics/production.

Terms of Wihlborgs leases on 31 december 2022

Annual rental value, SEK m



Contractual rental income

Net lettings amounted to SEK 119 million (115) in 2022. Wihlborgs' annualised contractual rental income on 1 January 2023 was SEK 3,810 million. This amount includes additional rental charges such as property tax, heating and electricity that are passed on to tenants. Rental income from like-for-like portfolios at year end was 13.7 percent higher year-on-year.

At year end, Wihlborgs had 3,169 commercial lease agreements with contractual rental income totalling SEK 3,703 million and an average term of 3.4 years. Rental income pertaining to contracts for parking places, land, housing, etc., amounted to SEK 107 million.

Leases with a term of three years or more are normally subject to an annual rent adjustment based on changes in the consumer price index or a fixed percentage increase. At year end, annualised rental income from Wihlborgs' ten largest tenants totalled SEK 780 million, corresponding to 21 percent of contractual rental income.

Property costs

Wihlborgs' property costs are divided among operations, repairs and maintenance, property tax and property management. The cost distribution is presented in Note 5. Wihlborgs focuses extensively on efficient management and works together with its tenants to reduce operating costs. A major portion of these is charged to tenants in addition to their rental charges.

Continuous and scheduled maintenance and repairs are conducted to maintain the condition and standard of the properties. Tenants of commercial premises, especially in logistics

and production premises, bear a relatively large measure of responsibility for operating and maintenance costs. Normally, Wihlborgs is responsible for external maintenance while the tenants are responsible for internal maintenance of the buildings. In Denmark, tenants are essentially responsible for all operating and maintenance costs.

Property tax in 2021 amounted to 1 percent of the tax assessment value for commercial rental properties, 0.5 percent for industrial properties and 0.4 percent for development rights. Special-purpose properties such as schools and health care centres are not charged property tax. The tax assessment value for Wihlborgs' property portfolio in Sweden as of 31 December 2022 totalled SEK 17,603 million, while the Group's property tax for 2022 amounted to SEK 226 million. Of this, SEK 166 million was passed on to tenants through additional rental charges.

Property management costs mainly comprise expenses associated with renting, rent negotiation, rent debiting and marketing.

Investments

Expenditure on value-adding measures in existing properties is recognised as investments and is not expensed. Examples of investments include the cost of redevelopments, extensions and tenant improvements. These investments are important in terms of maintaining customer satisfaction and meeting tenants' needs.

In 2022, SEK 1,518 million (1,219) was invested in redevelopment, extensions and new builds. For a more detailed description of project activities, see pages 68–75.

Acquisitions and sales

In 2022, Wihlborgs acquired nine properties, of which three are in Denmark. Heedegardsvej 88 and Amager Strandvej 390 combined, comprise approximately 53,000 m² of lettable area and were acquired in the third quarter for DKK 1,075 million. Both properties are located near Kastrup and Copenhagen Airport. They are right next to the metro and a short distance from central Copenhagen. In Denmark, Wihlborgs also acquired Lersø Parkalle 107, with approximately 3,310 m² for a purchase consideration of DKK 54 million. The property is adjacent to Lersø Parkalle 103–105, a neighbouring Wihlborgs property.

In Malmö, the acquisition of the office and warehouse property Sufflören 4 and undeveloped commercial land at Sunnanå 12:26, with a total underlying property value of SEK 70 million, has strengthened our presence in Hyllie and Stora Bernstorp, which border eastern Malmö. In the second quarter, Wihlborgs acquired Österport 7 in central Malmö, comprising 11,000 m² and with an underlying property value of SEK 390 million. The tenant, Sweco Sverige AB, currently has the entire property at its disposal.

In the second quarter, we acquired the project property Flintyxan 6 in Helsingborg and Pilbågen 6, totalling 16,400 m² at Berga and Snårskoggen 1, and 8,600 m² at Väla norra during the third quarter. The properties are located in Wihlborgs' cluster, in the two sought-after business districts.

During the first quarter, the project property Barrikaden 3 in Helsingborg was divested for SEK 1 million. During the fourth quarter, we divested the office property Lyngbyvej 20 in Copenhagen.



Above and bottom left: Hedegaardsvej 88. Bottom right: Amager Strandvej 390.

Property acquisitions and sales, 2022

Quarter	Property	Municipality	Management area	Category	Lettable area, m ²	Price, SEK m	Operating surplus 2022, SEK m ¹
Acquisitions							
Q2	Österport 7	Malmö	Malmö City	Office/Retail	11,000		
Q2	Flintyxan 6	Helsingborg	Outer Helsingborg	Projects & Land	–		
Q3	Lersø Parkalle 107	Copenhagen	South Copenhagen	Office/Retail	3,310		
Q3	Pilbågen 6	Helsingborg	Outer Helsingborg	Logistics/Production	16,400		
Q3	Snårskogen 1	Helsingborg	Outer Helsingborg	Office/Retail	8,600		
Q3	Hedegaardsvej 88	Copenhagen	South Copenhagen	Office/Retail	26,400		
Q3	Amager Strandvej 390	Copenhagen	South Copenhagen	Office/Retail	26,758		
Q4	Sufflören 4	Malmö	Outer Malmö	Logistics/Production	5,100		
Q4	Sunnanå 12:26	Malmö	Outer Malmö	Projects & Land	–		
Total acquisitions, 2022					97,568	2,438	41
Sales							
Q1	Barrikaden 3	Helsingborg	Outer Helsingborg	Projects & Land	–		–
Q4	Lyngbyvej 20	Copenhagen	East Copenhagen	Offices	3,437		
Total sales, 2022					3,437	97	3

¹ The operating surplus from acquired and sold properties that is included in profit for the year.

Wihlborgs in Malmö



103
Properties

SEK 1,430
million
Property rental value

SEK 22,035
million
Property value

619,061 m²
Lettable area

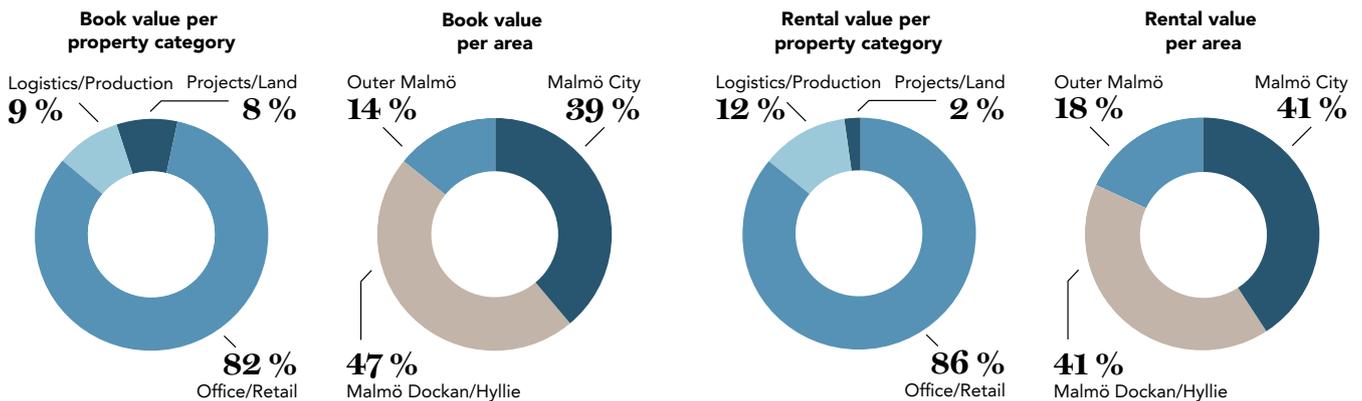
Sweden's youngest major city

And Malmö's prospects are best described with one word – expansive. The city is growing outward and inward, making space for new vibrant city districts with a mix of housing, offices and meeting places. The population has increased 34 percent in 20 years. The creative, environmentally conscious, ambitious and expansive infrastructure investments, and the strategic location in the Nordic region's largest labour market, are reasons why we see great potential in Malmö for Wihlborgs and the business community as a whole.

Domestic investors and global conglomerates regard Malmö and the Öresund region as a suitable base for head offices, regional offices and development offices. Many successful companies in fast-growing sectors such as life sciences, gaming, IT and insurance have chosen Malmö, largely due to

the availability of highly educated staff. Examples include: AAK, Boozt Fashion, Orkla Foods, Perstorp, Vestas Northern Europe, Mercedes-Benz, Thule Group, Trygg Hansa and the global meeting centre Hubhult established by the IKEA Group. The number of employment openings in Malmö has increased by a full 47 percent in 15 years.

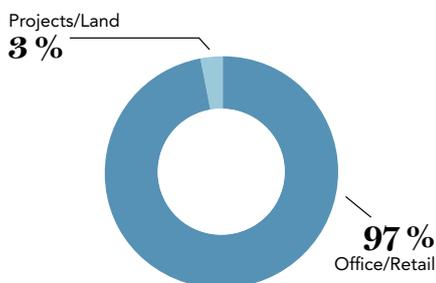
Malmö is not just Sweden's fastest growing major city in terms of growth rate – it is also a young city with almost half of the population under the age of 35. Upon completing their studies, young people have many opportunities to continue their journey in Malmö: everything from the start-up house Minc, Media Evolution City and young, and creative companies to well-established, major employers. We engage in this vital value chain in various ways.



Malmö City 225,000 m²

Properties: 22
Rental value: SEK 589 million

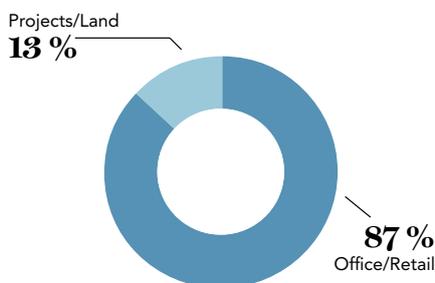
Book value per property category



Dockan and Hyllie 195,000 m²

Properties: 27
Rental value: SEK 584 million

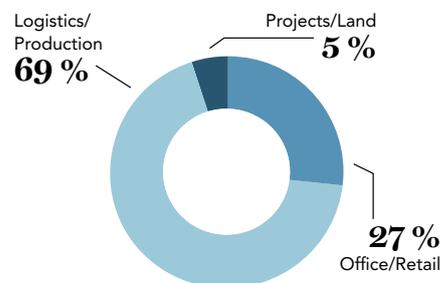
Book value per property category



Outer Malmö 199,000 m²

Properties: 54
Rental value: SEK 257 million

Book value per property category



Market conditions

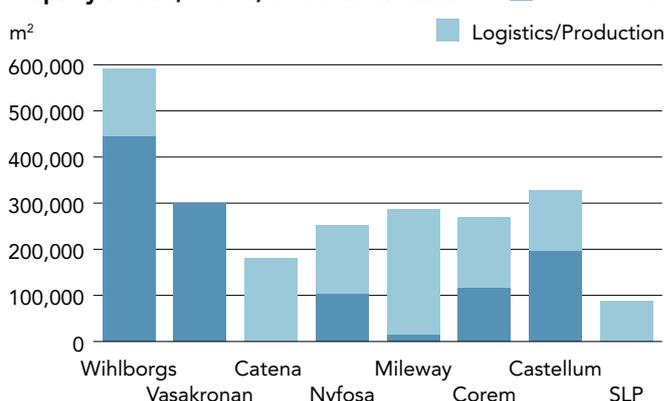
Malmö has passed 350,000 inhabitants and at the current growth rate, it is expected to become a city of half a million by 2050. Record numbers of people are choosing to move to Malmö from other municipalities, primarily within Skåne. In the forecast up to 2031, the population is expected to grow most in the city centre (mainly Västra Hamnen/Dockan), Hyllie (mainly Hyllievång) and Limhamn-Bunkeflo (mainly Limhamn's port area).

In Malmö, the population includes some 180 different nationalities, which is not that far from representing all of the UN's 193 member states. Malmö is therefore one of the world's most diverse cities and an excellent place for companies seeking to test ideas and concepts.

When the next fixed connection, the Fehmarn Belt tunnel, is completed in 2029, it will be possible to get from Malmö to Hamburg in just three hours. Major investments are also being made in Malmö, including the Major City package that is partly being financed with government funds.

The Öresund Metro is an important future project for Malmö and Copenhagen, as well as for Sweden, Denmark and Europe. The metro will free up capacity on the Öresund Bridge, increase long-distance train connections to the continent and also strengthen the Nordic region's largest labour market region in a sustainable manner. With the metro, 2.3 million inhabitants will reach 1.5 million workplaces within 60 minutes. An Öresund

Property owners, Malmö, 31 December 2022



Metro would enable a 20-minute journey between Malmö C and Copenhagen's main station (compared with 40 minutes today), with departures every 90 seconds.

In autumn, the municipal council of Malmö adopted a municipal central plan with a focus on the metro's exact route, stations and extension into the city. An investigation will provide answers on how the route from the Västra hamnen coast should be designed and where at Malmö C a metro station can be built. Wihlborgs owns properties at all of the proposed metro station locations.



Malmö is a pocket version of a teeming metropolis that is getting closer and closer to being at the centre of events. It's really exciting to be part of the journey.

Peter Olsson, Regional Director, Malmö

Market conditions (Cont.)

Copenhagen Airport is continuing to develop plans for the expansion of Malmö's and the Nordic region's largest airport. Its capacity will be increased significantly to enable receiving 40 million passengers annually, compared with 30 million in 2019.

CityMark's most recent analysis showed the vacancy rate for central Malmö falling from 8.7 to 7.0. The vacancy rate has declined in most sub-markets.

Customers and business

In Malmö, Wihlborgs has a mix of properties and customers that reflects the city's varied workplaces with the service and public sectors as well as companies focused on production. Following the pandemic, there has been substantial demand for centrally located office premises. Co-working spaces are also in demand by many companies and were, in principle, fully let during 2022.

Our largest tenants include the City of Malmö, Malmö University, Region Skåne, the Swedish Social Insurance Agency, SVT and the Swedish Tax Agency. However, our tenants also include companies such as Ingka Services, AFRY, Tyréns, FREJA, Nordea, TietoEvy, Telavox and ABB.

Wihlborgs' property-management organisation consists of three property areas and a lettings team that works efficiently and methodically to process the market.



The award-winning co-working company Mindpark is bringing life and movement to the ground floor of Slagthuset 1.

Malmö City

The gaming city of Malmö continues to grow and develop. In 2022, the gaming company IO Interactive signed an agreement for 1,800 m² in the Erik Menved 37 property on Östergatan 20 in Malmö. At Erik Menved 37, Dogman also opened its second city store of 800 m² in Sweden.

Several lettings were secured during the year at the former premises of the gaming company Massive, Sparven 15 on Drottninggatan. Avensia, which is a global leader in modern trade, established a Malmö office of 670 m². The office will be the company's third in a Wihlborgs property, with the head office located at Posthornet 1 in Lund. SportAdmin, which digitalises and automates administration for sports associations, is leasing 670 m². Massive's former kitchen (270 m²) is being converted into a modern office space for the consultancy Eficode and the industrial consultancy WA3RM is leasing 330 m².

In November, the second-hand chain Busfrö Nytt & Bytt opened its first store in Malmö, in the Wihlborgs property Elefanten 40 on Storgatan in Malmö, which was subsequently certified under Miljöbyggnad In-Use in 2022. Their closest neighbour will be Emmaus Björkå, a tenant at the same property, which will give the immediate environment of Storgatan a sustainability profile.

On Carlsgatan in Nyhamnen, several properties have been fully let as new tenants moved in: Söderhavet 4 was let to the planning consultancy Erelko (370 m²), the high-rise part of Slagthuset was let to Mindpark (270 m²) and Sirius 3 to The Clinic (170 m²).

Börshuset 1 at Central Station, dating back to the 1800s, was emptied during the year and will be modernised and adapted to current requirements on technical standards. Our aim is to create lively and dynamic spaces through a mix of offices, conference facilities and restaurants.

Wihlborgs acquired the Österport 7 property of 11,000 m² at Drottningtorget in Malmö during the year. The tenant, Sweco Sverige AB, currently has the entire property at its disposal.

Dockan and Hyllie

Both Dockan and Hyllie are fast-growing Malmö districts with low vacancies. At year end, the business consultancy and business partner Aspia moved into 1,140 m² in Skrovet 3, where the restaurant Laziza is also expanding its operations with 700 m² of event space.

Household appliance company Smeg expanded its office and showroom in Torrdockan 6, adding a store of 300 m² and in conjunction extended its lease. In nearby Kranen 14, Scandinavian Doctors is opening a second 400 m² unit, Västra Hamnen Vårdcentral. In the same building, Praktikertjänst opened a modern dental practice, Tandvården Klaffbron, which broadens the range of services in the area.

Public-sector tenants continue to be important tenants, particularly in Dockan. From 1 April 2023, the Swedish Social Insurance Agency will expand at the Kranen 8 property with an additional 3,000 m².

In early 2023, Trygg-Hansa will move into 12,000 m² in Pulpeten 5 (Kvartetten) in Hyllie, with a 15-year lease. Mindpark and restaurant SPILL are also expanding at the same property. In 2023, Wihlborgs will commence the construction of a mobility

hub of 12,000 m² as part of the planned Vista office building (Bläckhornet 1) near Kvartetten.

At Medeon, several existing tenants have expanded their leases, including Region Skåne and Medarca.

Outer Malmö

In outer Malmö, we have experienced a sharp reduction in vacancies and to create more warehouse and industrial opportunities, we are now focusing more on new development rights and properties, such as Benkammen 16, Spännbucklan 9, Hindbygården and Stenåldern 7. With this in mind, we acquired Sunnanå 12:26 and strengthened our cluster of properties in the area with tenants such as Region Skåne, Veho bil and Lion's Trucks AB (formerly MAN).

In Fosie, eastern Malmö, we signed a 12-year agreement with the water and sewerage organisation VA SYD for 2,200 m² of offices and 4,600 m² of warehouse space at Spännbucklan 9, where the mains network division will manage the operations for five municipalities in Skåne. At Benkammen 16 in the same area, the logistics customer YunExpress Nordic AB has established itself in premises of 5,900 m². The existing customer Secor AB has expanded its lease with 1,600 m² at Bronsspannen 9.

Work is ongoing in Fosie to make Boplatsen 3 the area's new meeting place. Tenants that have moved in here during the year include Craaford, Ricoh and Dormakaba. The nearby Bronsdolken 25 will be fully let when the City of Malmö moves into 500 m² of space in 2023.

In autumn, the family-owned investment company Sandberg

Development AB moved into 2,000 m² of space in Rosengård 130:403 in Jägersö.

In Muren 5 at Limhamn, we signed a six-year lease for 800 m² with Bikemasters.

Future development

The largest new-build project in Malmö now and for many years to come is Nyhamnen. Wihlborgs already owns several of the existing properties which will be further developed. These include the well-known office and leisure venue Slagthuset 1, Östersjön 1 and Magasinet (Hamnen 22:188). In addition to existing properties, we are involved in all aspects of detailed development plans and have several development rights in sub-areas that are now earmarked for development. We are also working with a densification project at Slagthuset. Read more about the plans for Nyhamnen on page 28.

At Dockan, development is being driven together with Peab and JM, among others, within the framework of the joint venture Dockan Exploatering AB.

Within a couple of years, Skrovet 6 will be partly emptied and redeveloped to accommodate new tenants. In the same area, we are planning to build a new environmentally classified office building: Naboland. The building will comprise six storeys with a total lettable area of 7,700 m².

In 2023, the City of Malmö will continue its planning programme for Medeon (west Flensburg), where we have a land reservation for Forskaren 3 and ambitions to create spaces for even more life science research facilities.



The goal for Boplatsen 3 has been to create a new meeting place for Fosie. There is a new conference centre, a restaurant and a welcoming lounge.



Brian Bratz-Boyd

Managing Director, Biora
Medeon (Forskaren 1), Malmö
3,100 m² offices/lab

Biora is approaching 40 years at Medeon

At Medeon Science Park in Malmö, the medical technology company Biora has undergone several development phases and location changes, and has been awarded prizes for its achievements. Its proximity to expertise and suppliers are two major reasons why Biora prefers to remain in the Öresund region.

In 2017, Biora received the City of Malmö's industry award in life sciences, for its world-leading odontology product against tooth loss and the ongoing production expansion at Medeon. In the same year, an international centre was established in Malmö for stability studies on products from the parent company Straumann Group in Switzerland, which has been the owner of Biora since 2003.

Although the company had been devoting itself to research, product development and sales since its launch in 1986, by the time of the award ceremony, its focus had changed to product manufacturing and exports for at least 15 years.

Today, Biora manufactures eight different commercial products, of which six are for the Straumann Group. Another five products are under development.

"It's been an exciting journey, with major investments along the way. Today, we manufacture dental products and other medical technology products. We have the capacity and possibility of doing even more," explains Brian Bratz-Boyd, Managing Director at Biora.

New premises for new needs

Through its different phases of development, Biora has literally grown to breaking point and relocated itself or undergone renovations more than ten times in different premises at Medeon.

"We have always been able to expand and develop our operations under the same roof without the need to lease warehouses, labs or premises elsewhere. It's meant a lot for us to be able to stay at Medeon. It's an advantage for employees and visitors that we're located in central Malmö. Proximity to public transport, shops and restaurants is a unique advantage for a manufacturing facility."

Skills sourcing and sustainability highly topical

For Biora, it has been a matter of course to stay in the Öresund region and Medicon Valley – the geographical area where 60 percent of Scandinavia's life science companies are located.

"All the suppliers we need are here. It is also important to have proximity to higher education institutions, universities and numerous candidates with the right education, so that we always have the right expertise, particularly now that the competition for technical skills is intensifying."

As with most other companies today, sustainability issues are high on the agenda.

"The Straumann Group's goal is for all of the electricity used at its facilities to be renewable by 2024 and for the entire operation to be climate neutral by 2040. Sustainability work includes the well-being of our employees. On the whole, sustainability will increasingly dominate our business and it will also determine where we establish ourselves."

Medeon Science Park

Medeon Science Park is a research park for pharmaceutical development, medical technology, biotechnology and health-care. Medeon is owned by the City of Malmö (60 percent) and Wihlborgs (40 percent), and offers modern lab spaces, offices, production premises and warehouses of all sizes. Some 60 companies are currently active at Medeon and more companies are being attracted. A total of more than 100,000 m² of floor space is reserved for operations in the field of life sciences.



Wihlborgs in Lund



33
Properties

SEK 688
million
Property rental value

SEK 8,861
million
Property value

260,958 m²
Lettable area

City of learning constantly evolving

Lund is one of Sweden's oldest cities and is constantly at the forefront, particularly within innovation and research. The city was named one of Europe's most creative and cultural cities by the European Commission.

Lund has been an academic headquarters since the university was founded in 1666 and today has 44,000 students and a labour force with a high proportion of highly educated personnel. The long tradition of research and entrepreneurship has resulted in many companies – world-leading international giants and start-up small companies – establishing themselves in the city. There are many examples of companies living in symbiosis with the university, particularly in the research village, Ideon Science Park, where Wihlborgs owns most of the properties.

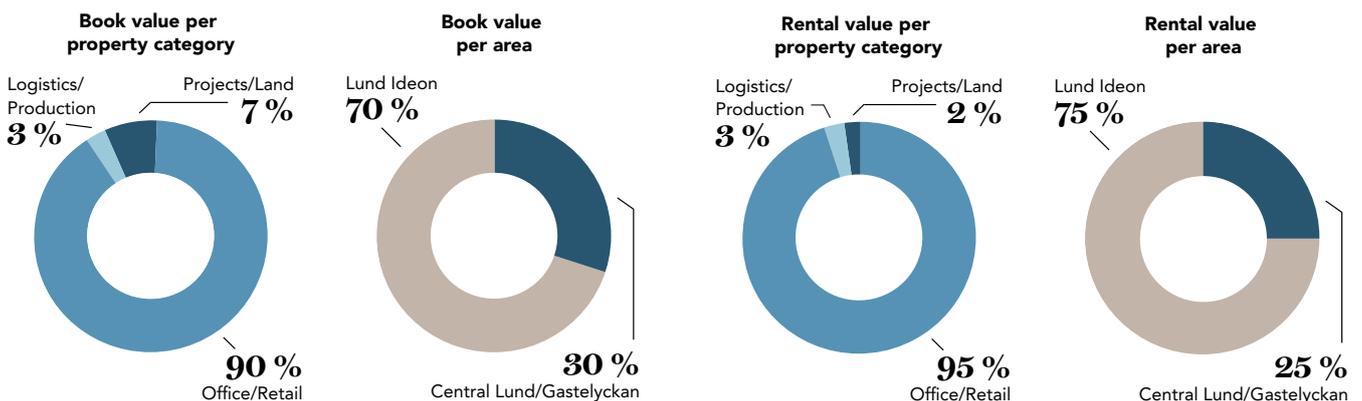
Among the most important companies in Lund are Axis Communications, Ericsson, Tetra Pak and Alfa Laval. The univer-

sity and the university hospital are also important employers in the city. Some 40,000 people commute to Lund every day, while 23,000 commute out of Lund.

Despite its ancestry, Lund's urban development is far from stagnant. Densification is taking place along the tram-way from Lund Central Station, as well as along what is known as the Route of Knowledge, via the hospital area, Ideon and Brunnsög, all the way to the final destination, Science Village in north-eastern Lund.

Brunnsög, Route of Knowledge, Västerbro, Science Village and Ideon/Medicon Village are priority areas in the development plan that spans until the year 2030, which was adopted by the Municipal Council in August 2022.

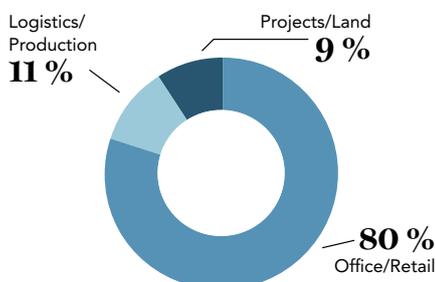
The municipality's goal is to enable the construction of 26,000 new homes by 2040.



Central Lund 80,000 m²

Properties: 14
Rental value: SEK 173 million

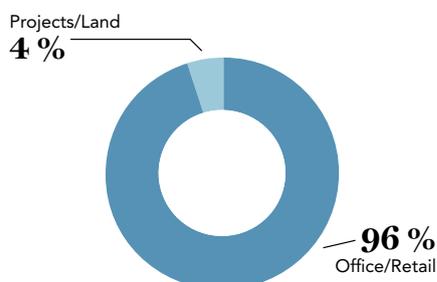
Book value per property category



Ideon 181,000 m²

Properties: 19
Rental value: SEK 515 million

Book value per property category



Market conditions

Lund has some 127,000 inhabitants, including students. Here, 53 percent of residents have at least three years of post-secondary education, compared with the national average of 28 percent.

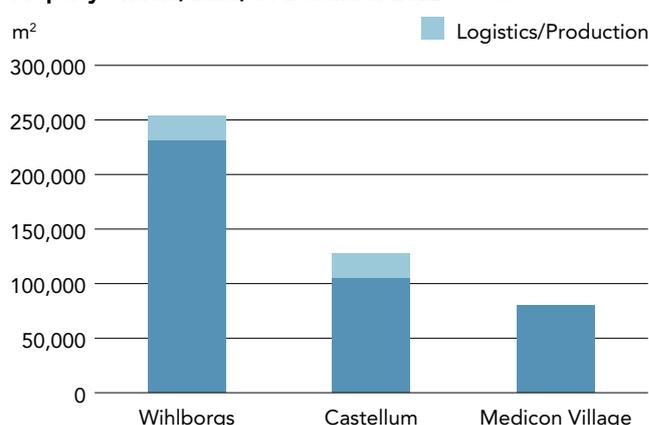
Previously, Lund had limited possibilities to meet the demand for modern office space in the city centre. On the other hand, more construction is now ongoing at central locations, while keeping historical conservation interests in mind.

Many companies are showing an interest in Lund and the municipality is acquiring an increasingly strong business focus. In 2025, for example, the Saab Group will concentrate its operations in Skåne, at a new office in the Brunnshög area, with 800 workplaces.

One of the clearest examples of how Lund's already favourable market conditions are improving is the new tramway. Lund's development has been boosted by linking the city centre with the expansive future areas in the northeast. Wihlborgs' operations are a part of this development, through its long-term commitment to Ideon, Brunnshög and Science Village, and some 30 properties we currently have along the Route of Knowledge.

Wihlborgs assumes an active role in Lund's businesses development, such as by supporting the municipality's destination company, Visit Lund, whose activities are aimed at promoting various activities in the city. We contribute to local communities through a range of activities and commitments, including Eos Cares, which is part of the IK Eos sports club and works for increased inclusivity and meetings between different community groups. Read more about our commitments on pages 36–37 (Sustainable Business).

Property owners, Lund, 31 December 2022



Customers and business

Our office properties in Lund are mainly located in the city centre and Ideon Science Park, but we also have some production and logistics properties at Gastelyckan and Hasslanda. Our acquisition of land at Hasslanda has enabled us to strengthen and consolidate our operations in the latter segment.

The tenant mix is a fairly good reflection of the city as a whole, with a mix of public sector and everything from small development companies to large corporations, with many of them connected to Lund University and the innovation activities at Ideon Science Park.



“Lund is the thousand-year-old city with an ability to constantly regenerate. The transformation of the area around Lund Central Station into the new Brunnshög district is well worth keeping an eye on.

Maria Ivarsson, Regional Director Lund

We have worked methodically to purchase vacant properties on Mobilvägen and Scheelevägen, and to create a complementary product range with efficient and modern offices, and to integrate these properties further with Ideon Science Park. We see how previously dominant industries in the area, such as electronics, IT and life sciences, are gradually being replaced or supplemented with the automotive industry, electrification, food tech and energy. At the same time, we are developing the ever-important service offering in the area.

From Wihlborgs' side, we are noticing that the incentive to be established in northern Lund becomes greater as accessibility within the city increases, with a special interest in our properties and premises that are close to the tram stops. It is also clear that Ideon is now part of Lund's expansion and not an outlying area.

Some of our largest tenants are Lund University, Ericsson, Sony, Schneider Electric, Volvo Cars, Bosch, Axis and Region Skåne. However, our customers here also include Sparbanken Skåne, Cellavision, Bioinvent, Camurus, Probi, Avensia, Flatfrog, Trivector and Sigma Connectivity.

We have noted strong post-pandemic demand for larger office hotels. Consequently, we have started a new sharing concept at Mobilvägen: "Workspace +" for smaller companies that have outgrown traditional office hotels.

Ideon

Ideon comprises many development companies that are continuously growing and need our help to change their premises. Within a couple of years in neighbouring Brunshög, Saab Kockums will become neighbours with Axis, which is expanding. This will create conditions conducive to some interesting development in the area.

Space (Kunskapen 1), right next to the tram station and the new square, will be ready in 2023. Wihlborgs has additional development rights for Spektra (Vetskapen 1), in Science Village, and continues to work to make the area an attractive location for innovation and new businesses.

During the year, agreements were signed with three different tenants for a total of 4,200 m² in Cube (Nya Vattentornet 4): Lund University (MAX IV), a SaaS (Software as a Service) company and a software supplier.



Mobilvägen in Lund.

In the nearby Node (Nya Vattentornet 2), Länsförsäkringar Skåne signed a ten-year agreement for office premises totalling 900 m². The ground-floor premises have a remodelled entrance that faces the tram station just outside, creating life and movement inside and outside the building. During the year, the technology and intralogistics company Element Logic (1,300 m²) and the Institute for Human Rights (1,300 m²) also moved into the property.

Extensive renovations were carried out with a focus on sustainability, in connection with Axis doubling its area in Forskaren 3 to 5,000 m². The reuse of interiors from previous redevelopment enabled 147 tonnes of carbon dioxide to be saved, corresponding to a reduced climate impact of 90 percent compared with a total renovation.

Central Lund/Gastelyckan

In the historic Raffinaderiet 3 in the Sockerbruk area, we are renovating and creating modern offices for smaller companies, a segment that was previously missing in central Lund. The key words are conservation, sustainability and flexibility, where consideration for history connects the entire project. In 2023, 13 tenants will be moving in, including Skåne's municipalities (670 m²) and AFRY. AFRY is co-locating from two other Wihlborgs properties in Lund to premises of 750 m² in Raffinaderiet.

In the same area, the first stage of Posthornet 1 has been completed and is fully let. Stage 2, which entails our creation of an additional office property with large, flexible and modern offices, will be ongoing from 2023 to 2025. When completed, we will have properties along the entire railway line, from the station area to King Oscar's bridge.

Diabasen 3 at Gastelyckan will be fully let when RISE moves parts of its operations from Alnarp (540 m²) in April 2023 and the existing tenant Eitech Electro moves in during early 2023 (600 m²). Eitech Electro is also doubling its area in Diabasen 1 to 1,180 m².

In autumn, construction commenced on a new industrial facility at Tomaten 1 in Gastelyckan, for the contract manufacturer Inpac, an existing tenant with an initial lease period of 15 years. The new facility of 6,400 m² will comprise offices and warehouses, as well as production and technical facilities.

Future development

One of Lund's new tramway stations is at Ideontorget. This is where we plan to build the 15,000 m² Zenit office building, which will become Ideon's new focal point and landmark comprising offices and a service offering aimed at tram passengers and our local tenants. We are also designing a conversion of Beta 1–3, where most of the existing tenants have now moved to other premises at Ideon.

When the new Brunshög district becomes a reality, up to 40,000 people will live and work there. Ambitions are high – Brunshög will house the world's best research and innovation environment and be a showcase for sustainable Swedish urban development.

Västerbro is located to the west of the railway and comprises a development area where Wihlborgs has several properties. The area, which today largely consists of industries and various companies, is to be developed between 2023 and 2040 into a modern, sustainable and mixed city district. In early 2022, the detailed development plan was adopted for the block at the Öresundsvägen–Kobjersvägen intersection and in 2023, the planning work that has an impact on our properties will commence.



Linn Ahlström

Director Real Estate and Facilities, Axis

Louise Dolck Strömberg

Director HR, Axis

Forskaren 3, Lund
5,000 m² of offices

The office as a key competitive factor

At the technology company Axis Communications' office campus in Lund, the employees' well-being, needs and differences are prioritised over standard surface efficiency. "A tour of the office can be the tipping point that determines whether a candidate accepts the position or not," explains Louise Dolck Strömberg, Director of HR.

"It is important that Axis' core values and corporate culture permeate our buildings.

We mainly proceed from three priorities when designing our premises. Human and environmental sustainability, as well as fit-for-purpose," explains Linn Ahlström, Director of Real Estate and Facilities.

The three priorities are reflected in the office's large social spaces, staffed reception, stairs that invite you to linger, high-quality food, top floor with meeting areas and terraces, as well as areas for different types of work. Axis is also going against the grain in terms of the floor plan and has chosen a high proportion of individual offices.

"All businesses and teams have their needs. It's about creating a place where we feel comfortable and social spaces where we can meet, while customising the premises to the company's operations. We conduct continuous assessments jointly with the company concerned," Linn Ahlström explains.

"The physical experience of an office goes hand in hand with personal development. Our aim is for everyone to be their best version of themselves, so we can't have one and the same solution for everyone," Louise Dolck Strömberg adds.

Continued expansion

Axis' head office of 42,000 m² in the Ideon area is owned by the company and in 2020, received Lund's Urban Design Prize and

was named Sweden's prettiest office. Some 1,300 of the total 2,500 employees in Lund work at the head office. Globally, the company has 4,000 employees.

The construction of an additional building of 27,500 m² is planned for 2023, on the other side of Highway E22, with space for offices, labs, research and logistics. Axis is also leasing premises in the surrounding area, including from Wihlborgs. Axis calls the buildings and the area in which they are located its "campus."

The same ambitions for all premises

These highly set ambitions apply to all of Axis' premises, whether owned or leased: cost-efficiency and with high aspirations for human, social and environmental sustainability," Linn Ahlström emphasises:

"We want a workplace to be proud of, with access to equal benefits, regardless of where on campus you work. Therefore, we also have high expectations of our suppliers and partners when it comes to quality, values and long-term sustainability.

With a global labour market and increased awareness of the importance of physical and mental well-being in work life, the office is an important competitive factor," Louise Dolck Strömberg explains:

"While it is impossible to have unending insight into the work methods of the future – a people-centric and flexible approach will always work.

Wihlborgs in Helsingborg



108

Properties

SEK 997
million

Property rental value

SEK 12,292
million

Property value

646,802 m²

Lettable area

Port city with good connections

From Helsingborg's harbour edge, the silhouette of Helsingør is visible a mere 3,750 metres away. For more than a thousand years, Öresund's narrowest passage has been a significant factor behind Helsingborg flourishing as a trading centre. The ferries across the strait depart every 20 minutes and the crossing takes only 20 minutes.

Helsingborg is the location of Sweden's second largest container port, which is crucial to Swedish business – nationally and regionally. The E4 and E6 E Roads intersect near the city, further strengthening the city's attraction for the many logistics operators and e-commerce companies enticed by its strategic location. Helsingborg is an important link in the transport chain that connects Norway and the rest of Sweden with the rest of Europe.

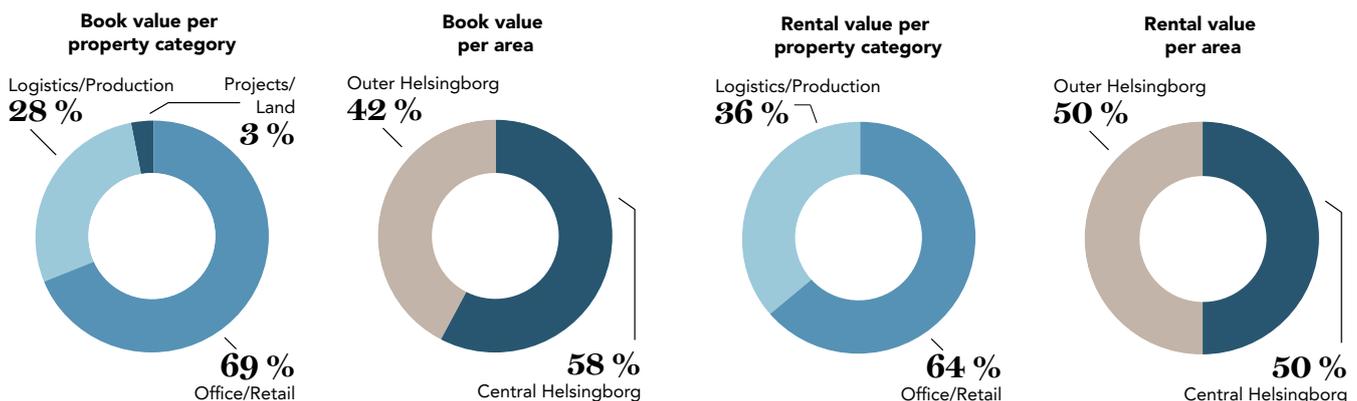
To improve communications with the north, double tracks are currently being constructed for the railway between Helsing-

borg and Ängelholm, which will be completed in 2024.

Campus Helsingborg was established 20 years ago as part of Lund University. Some 4,000 students are educated here each year, which has breathed new life into Fabriken1891 (Hermes 10), that is the historic Tretorn block, south of Helsingborg Central Station.

The steam ferry plot, the final stage in the development of the Norra Hamnen area, is now fully completed with residential units, a pedestrian precinct and a brand new park.

Over the past five years, Helsingborg has received a series of awards, such as Sweden's most eco-friendly municipality, Sveriges kvalitetskommun (high-quality municipality), New construction municipality of the year, Growth Municipality of the Year, IT Municipality of the Year and, not least, City Centre of the Year 2022, and Wihlborgs has been one of the players involved in the process.



Central Helsingborg 181,000 m²

Properties: 20
Rental value: SEK 496 million

Book value per property category



Market conditions

With some 150,000 inhabitants, Helsingborg is Sweden’s eighth largest municipality. The city is attractive and growing steadily, with an additional 40,000 inhabitants expected by 2035.

Growth is expected to mainly consist of younger and well-educated people, through migration in combination with the operations at Campus Helsingborg, and it is therefore likely that the level of education in the city will rise in the long term, and thereby the city’s long-term competence supply.

Helsingborg’s important role in the labour market region is particularly noticeable in strong commuting. Ferry travel is on the rise again following the pandemic, which also affects the flow of people at Helsingborg’s C.

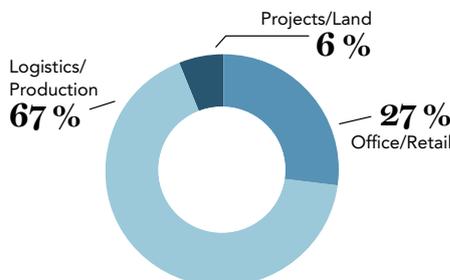
To strengthen the innovation and business climate in Helsingborg, the city fair H22 City Expo was arranged. The economic turnover from tourism during the expo is estimated at slightly more than SEK 350 million and the event has received good ratings from visitors. Wihlborgs had several engagements during the time of the fair. Read more about these on pages 36–37.

Trade accounts for almost half of the business community’s total turnover and the logistics and retail sectors in Helsingborg employs about 25 percent of the available workforce. Helsingborg benefits from the distribution of jobs across a larger number of medium and small companies, thereby spreading risk across several sectors and segments.

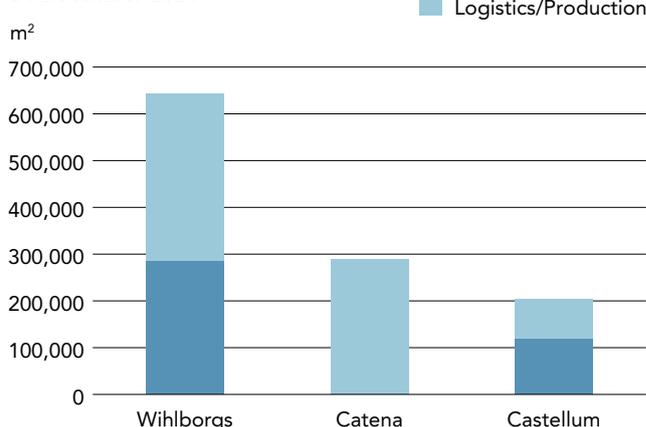
Outer Helsingborg 466,000 m²

Properties: 88
Rental value: SEK 502 million

Book value per property category



Property owners in Helsingborg, 31 December 2021



Customers and business

Wihlborgs has a mixture of properties and corporate customers operating within services, logistics and production. Office properties dominate in the city centre, whereas Outer Helsingborg including Berga and the southern areas has a logistics and production focus, while also including some office properties. Demand for all types of premises has continued to be robust in 2022. During the year, we also acquired Pilbågen 6 in Berga and Snårskogen 1 in Väla norra, thereby strengthening our clusters in two sought-after areas.



Helsingborg is not only an expansive logistics hub, but also a city at the leading edge of innovation and urban development, with H22 as a clear example.

Magnus Lambertsson, Regional Director Helsingborg

Among our largest tenants are the City of Helsingborg, Lund University Campus Helsingborg, IKEA, WSP, Nowaste Logistics, Boozt and Yves Rocher. However, there are also companies such as Tyréns, Sweco, Automationspartner, MilDef, the co-working companies Genetor and Mindpark, and several upper secondary schools.

Our tenants are showing great interest in sustainability issues. We are responding by adding more charging points. The number of charging sessions at our facilities in all of our cities has increased by 400 percent in one year. We are also continuing to invest in solar panels with new installations at properties such as Manövern 3, Hästhagen 7, Snårskogen 1 and Musköten 20.

Central Helsingborg

At Helsingborg C (Terminalen 1), visitors and travellers are greeted by an attractive and welcoming station that offers more activities than just travelling. When our renovation was completed in 2021, the City of Helsingborg took on the work of making Kungstorget a bright and green meeting place with an emphasis on pedestrians and cyclists. During the year, space was made for parking 540 bicycles under roofs.

Helsingborg C was recertified in 2022 in accordance with Purple Flag, a method for creating an equal-opportunity, safe and attractive city with a variety of offerings and activities for everyone, including in the evenings.

During the year Collector Bank established itself (300 m²) in Terminalen 1, and the dental practice Luxadent (200 m²) in Terminalen 3. In spring 2023, the start-up company Alvier Mechatronics, a subsidiary of Höganäs, is moving into about 300 m² in Wihlborgs' profile property Prisma (Ursula 1) in Oceanhamnen.

Tretorn, Campus and Galoschan – we give many names to the things we love. The old Tretornfabriken (Hermes 10) has now been given a new name and identity – Fabriken1891. The goal is to consolidate the tenants and for the public to get a clearer picture of what businesses are in the building.

In late 2022, Region Skåne's Barn- och ungdomspsykiatri (BUP) (Eng: Child and adolescent psychiatry) unit moved into premises of 2,500 m² at Fabriken1891. This has been the location of Campus Helsingborg, Ikea, the City of Helsingborg, CapGemini and WSP for some time. This is also the location of Mindpark, a popular co-working operation.

Outer Helsingborg

Outer Helsingborg consists of 88 properties distributed throughout Helsingborg with possibilities for warehouses, production, offices and shops. The largest sub-area is Berga, where Wihlborgs built its first property in the mid-1960s. Today, it is joined by an additional 31 Wihlborgs properties.

In autumn, Hedin Bil began selling the new electric car brand BYD at Pilbågen 6. Two more leases were signed at this property, with tenants such as Nika Motors. The three leases encompass 850 m².

Our existing tenant Golden Edi has outgrown its office hotel and signed a lease for 400 m² in Floretten 3 nearby. Tolv Mobil is a new tenant at Kroksabeln 12 (430 m²). During the year, Sluta Riv, which works to reduce the demolition of properties, moved to Spjutet 1 and the consultancy PSK Syd to Huggjärnet 12 (700 m²).

The solar system company Sesol has also outgrown its office hotel and is moving into 1,400 m² of space at Lansen 1 in 2023. Another existing tenant, Råå Snus, is cramped and has expanded at the same property (400 m²).

In June, ground was broken for Berga Flexhus (Huggjärnet 13), where the medtech company AutomationsPartner will move in 2023 to establish offices and production facilities (2,200 m²). The aim of Berga Flexhus is to meet the substantial need for modern business premises by facilitating the combination of offices with warehouse or production facilities of various sizes.

The same combination of premises will be found at Snårskogen 5 in Väla norra, where we have signed an agreement with Doka Sverige AB to build a facility of 2,200 m².

In November, Green Landscaping moved into premises of 2,000 m² in Grustaget 1 and Bioplant and Design to Grustaget 2 (400 m²).

At the Rausgård 21 property in southern Helsingborg, Wihlborgs will construct a new manufacturing and logistics facility of 25,000 m² for the environmental technology company Nederman. The lease is for 20 years and the facility is expected to commence operations in 2024. Read more about Nederman's facility on page 63.

Future development

Wihlborgs is active in the H+ urban regeneration project, Helsingborg's largest urban regeneration project in modern times. The old harbour and industrial areas, the university area, Oceanhamnen, Husarområdet and Gåsebäck will be transformed into modern, vibrant city districts with space for work, housing, retail and recreation. Prisma in Oceanhamnen is part of this development.

A fixed connection between Helsingborg and Helsingør is a possibility for Helsingborg's future development. Wihlborgs is involved in this issue, such as by jointly developing a proposal with the City of Helsingborg on how the city can facilitate a future connection, while creating an attractive city district.

The City of Helsingborg initiated a feasibility study for the establishment of a science park in partnership with the city, the business community and Lund University/Campus Helsingborg. An important aspect of the operations would be to contribute to the development of new and established companies. The recommendation of the feasibility study is to establish this Science park in Oceanhamnen based on two nodes – the Wihlborgs properties, Fabriken1891 and Prisma.

Planning has begun for the relocation of Helsingborg's container port to southern Helsingborg, with a construction start planned for 2026 or later. Wihlborgs has several properties in this area. The move creates new opportunities in the central parts of the city.



Fabriken1891 (Hermes 10) inaugurated in 2022.



Martin Dahlgren

Head of Global Operations and Product Development, Nederman
Rausgård 21, Helsingborg
25,000 m² of warehouse/production

A workplace for future generations

In 2024, the illustrious Helsingborg company Nederman will move into a new state-of-the-art facility near Ramlösa station. Here, the global cleantech company will continue its journey of development, while the entire local area will be invigorated when the site is upgraded.

During its more than 75 years in Helsingborg, Nederman's journey of success has left its mark, with outgrown extensions and employees spread in two different locations. With clean air as its business concept, the company has gradually transformed from an engineering company to a global cleantech company with 2,400 employees in 25 countries.

"We are working more and more with innovation, IoT solutions and driving technological development, and needed a new facility suited to tomorrow's solutions. The facility is an important means for achieving our strategic goals and becoming an even more attractive employer," explains Martin Dahlgren, Head of Global Operations and Product Development E&FT and manager of the project.

"Innovation is not something you achieve with the push of a button"

The new facility of 25,000 m² will, in addition to warehouses, production facilities and offices, contain a test and development centre as well as a showroom for demonstrating the company's products and solutions. To make room for the new facility, Wihlborgs has demolished worn-out buildings on the site, which

refreshes the entire surroundings significantly.

"It has been important for us to create a place with a wow feeling and space for creativity and communication. Innovation is not something you achieve with the push of a button; it is something you need to create a good breeding ground for. Here, we have the best conditions for developing and showcasing our operations," Martin Dahlgren explains.

Today, Nederman is world-leading in areas such as textiles, welding, foundries and waste incineration. Despite their global successes, Nederman is and will remain a Helsingborg company.

"Helsingborg is an important logistics hub and well-suited to our operations. The location and nearby transport links are also crucial for attracting new employees.

Clean air - a global issue

Nederman is also becoming increasingly assertive on the issue of clean air and the interaction between health, the environment and efficiency. Within the framework of H22 City Expo, the company collaborated with Dunkers Kulturhus on the exhibition "The Breath" – a photo exhibit about the importance of breath and the air we breathe.

"We want to challenge our employees and the surrounding community about what clean air really is, and be a workplace for future generations. We have an important role to play in highlighting global problems such as how 99 percent of the world's population is breathing air that is of lower quality than the recommendations of the World Health Organization (WHO).

Wihlborgs in Copenhagen



62
Properties

SEK 1,054 million
Property rental value

SEK 11,991 million
Property value

702,108 m²
Lettable area

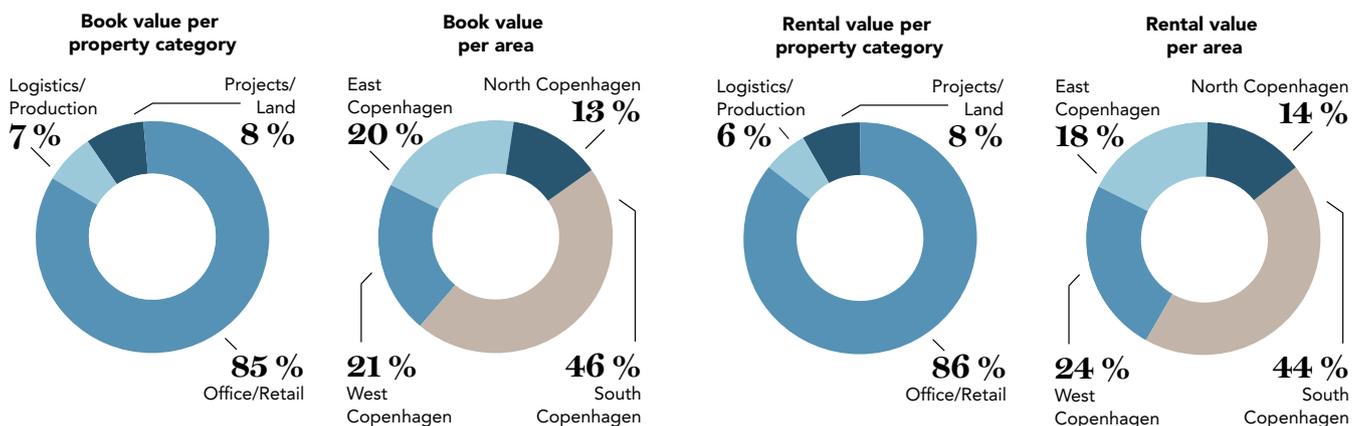
The sustainable city of commerce

Copenhagen is at the hub of the dynamic Öresund region. A historic city with traditions dating back to the 1100s, but completely in synch with modern times as a sustainable and attractive place to do business. For the second consecutive year, the lifestyle magazine Monocle has named Copenhagen the world's best city to live in.

Copenhagen is easy to get around. The city comes with a modern public transport comprising an efficient local network, including a Metro, buses and commuter trains. In the coming years, the city will expand public transport to the surrounding municipalities with the Greater Copenhagen Light Rail, which will open in 2025. However, with all due respect to public trans-

port, what Copenhageners love above all other means of transport are their bicycles, and Copenhagen is one of the world's most bike-friendly cities. Electric and hybrid cars and various car-sharing systems are becoming increasingly commonplace.

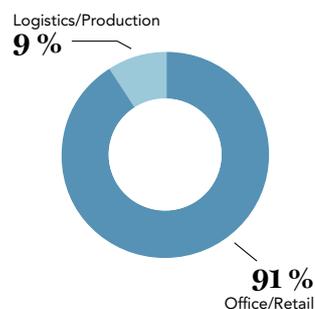
Sustainability is high on Copenhagen's agenda, which aims to become the world's first carbon-neutral capital by 2025, while maintaining growth. As part of reaching this goal, a number of projects are ongoing in energy production and consumption, green mobility and the city's administration. In order to secure Copenhagen against floods, the city has also focused on smaller homes, fewer cars and more space for greenery.



North Copenhagen 97,000 m²

Properties: 11
Rental value: SEK 150 million

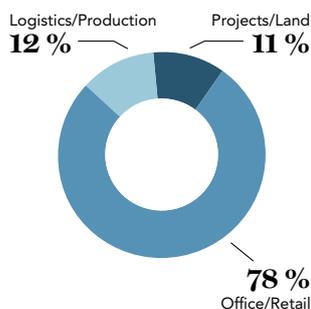
Book value per property category



South Copenhagen 302,000 m²

Properties: 19
Rental value: SEK 460 million

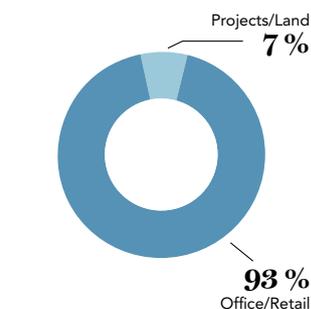
Book value per property category



West Copenhagen 125,000 m²

Properties: 11
Rental value: SEK 249 million

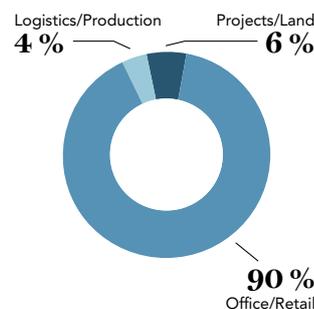
Book value per property category



East Copenhagen 178,000 m²

Properties: 21
Rental value: SEK 195 million

Book value per property category



Market conditions

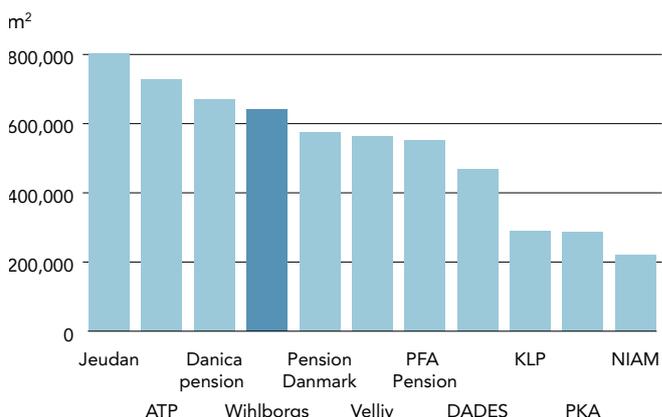
Almost a quarter of Denmark’s entire population of 6 million live in and around Copenhagen – and numbers are steadily rising. Similar to many other metropolitan areas, those moving to Copenhagen are young and well-educated, and those in search of further education do not lack for possibilities. The University of Copenhagen was founded in 1487 and with its 37,000 students is regarded as one of the foremost in the Nordic region. The Technical University of Denmark is located in Lyngby, to the north of Copenhagen, and with its 13,000 students is Denmark’s highest internationally ranked educational institution.

The trend that many young people prefer to stay in the metropolitan region even after the end of their education is expected to contribute to a continued good supply of skills. The skills supply makes Copenhagen attractive for knowledge-intensive industries, which means that many major companies in life sciences, IT and telecoms choose to locate their headquarters in the capital.

Many of Copenhagen’s companies are located in Copenhagen’s outer areas, where Wihlborgs holds a major portion of the property stock. This is where the ongoing expansion of the Greater Copenhagen Light Rail will effectively increase accessibility for employees and customers.

Copenhagen has very low unemployment and the demand for Swedish labour is high. Calculations from Greater Copenhagen

Property owners, offices, Copenhagen (capital region*), 31 December 2022



* The capital region includes Copenhagen, Frederiksberg, Dragør, Tårnby, Albertslund, Ballerup, Brøndby, Gentofte, Gladsaxe, Glostrup, Herlev, Hvidovre, Høje-Taastrup, Ishøj, Lyngby-Taarbæk, Rødovre and Vallensbæk.

show that for every thousand unemployed residents of Skåne who land a job in Denmark, the socio-economic value for the region increases by SEK 550 million per year, based solely on the fact that tax revenues are generated instead of outgoing payments for unemployment benefits and compensation.



Rising employment rates in Copenhagen are providing the basis for increased demand for modern and attractive office premises.

Søren Kempf Holm, CEO of Wihlborgs A/S

Commitment to development

During the year, the energy issue has been in focus in our Danish operations, with continued investments in energy efficiency and the energy certification of properties.

Since 2020, Wihlborgs is a member of the Green Building Council Denmark (GBC), a member organisation that promotes sustainability in the construction and property sectors. Membership in the GBC means we can ensure that we challenge and develop our operations sustainably and contribute to increased sustainability focus in the property sector. At the same time, work is ongoing to achieve a green property portfolio certification under the GNB sustainability certification system. Since 2022, Wihlborgs has been a partner in GNB's new concept, Sustainable Real-Estate and Construction, which entails that we, jointly with other players, undertake to be at the leading edge of the green transition.

Digitalisation and new technology play a central role in tomorrow's property sector and can help us become more sustainable and develop improved services for our tenants. By joining the non-profit organisation PropTech Denmark, we can contribute to the property sector's digital and green transformation.

We collaborate with several local job centres on internships, and we also have a number of employees who are employed in flex jobs.

We engage in local associations through sponsorship and through partnerships with municipalities, job centres and local schools to create opportunities for work and education. Wihlborgs is a member of Team Ballerup, an association that aims to support the development of sports talent in Ballerup, where Wihlborgs is a major property owner. We are also part of Team Herlev, which applies a similar approach but also has a business network that profiles the business community in the local community of Herlev.

In both Ballerup and Herlev, we participate in various contexts with consultancy and the realisation of the public's climate goals and climate action plans.

Jointly with several other players in the property industry, Wihlborgs has made an annual collection for the 5 Schools association, which was founded with the aim of building five new schools in Syrian refugee camps, where many children are growing up without access to basic education. At the time of writing, the organisation has established 16 schools.

Customers and business

Wihlborgs' Copenhagen property portfolio largely comprises office properties. The majority of which are located close to transport links in areas such as Herlev, Ballerup, Høje-Taastrup, Glostrup, Brøndby and Amager on the outskirts of Copenhagen. These are among the most expansive municipalities in Denmark and a large increase in workplaces is occurring here due to the areas' ease of access.

In 2022, we established ourselves in a new area of Copenhagen, where the office market is developing rapidly: Amager The area is in highly sought-after alternative to central Copenhagen, thanks to its good accessibility to the metro, Copenhagen Airport and the motorway network to Sweden and the rest of Zealand.

A key component of Wihlborgs' long-term strategy in Denmark is to acquire and develop properties that can be refined and made into the best alternative in the area. This is in

line with Denmark's general trend right now, toward fewer new builds and more renovations of existing properties, and a focus on creating good workplaces in order to attract employees. We are also investing more in standardising premises and furnishings as much as possible, so that glass partitions and carpets can be moved between properties as needed.

In 2022, our organisation was strengthened with several senior employees who will invigorate Wihlborgs' business and competitiveness in the Danish market.

Wihlborgs A/S has a wide distribution of customers in terms of segment and size, which reduces vulnerability during fluctuations in economic cycles. Some of our largest customers include the state-owned Danish Building and Property Agency, Hørsholm Municipality, ATP, HP, Pfizer, Mercedes and ABB. Among the tenants are Lån & Spar Bank, Mariehjemmene and GSV Materieludlejning A/S. Part of Wihlborgs' unique offering in Denmark is the All-in-one service concept with lunch restaurants. We work continuously with developing the concept and these efforts will continue through 2023.

In the Danish operations, Wihlborgs' relationships with tenants is one of its strengths and competitive advantages. In 2022, the organisation placed a sharp focus on customer loyalty programmes.

Wihlborgs purchased three properties in Denmark during the year. In July, we acquired Lersø Parkallé 107 in Østerbro, eastern Copenhagen, a modern 3,310 m² office building adjacent to our existing property in the area.

In September, we acquired two state-of-the-art properties in Amager: Amager Strandvej 390 ("Amager Strand") comprising 26,800 m² and Hedegaardsvej 88 ("Globetrotter") comprising 26,400 m². The acquired properties are directly connected to the metro with a journey time of 12 minutes to central Copenhagen, which enables us to meet the needs of customers from both inner and greater Copenhagen. In terms of design and technology, the premises have a high standard and are quite up to date.

We secured several major lettings during the year, including to the Danish Building and Property Agency (National Police), which is moving into premises comprising 13,000 m² at Ejby Industrivej, ALK-ABELLØ A/S into 970 m² at Slotsmarken 11, Lån og Spar Bank into 700 m², Lowell Denmark A/S into 630 m² and Web-Koncept A/S into 750 m². Forenade Services will lease 2,900 m², including a 380 m² extension at Borupvang 5E.

Future development

Wihlborgs' development work has a focus on renovating and revitalising older office buildings, and adding new functions to create more life and security. Our development projects incorporate current trends in modern urban development and urbanisation, which means that the social aspect is in focus.

The Symbiosehusene project in Herlev is a proposal for how to create new housing adjacent to existing commercial properties while maintaining a focus on sustainability and community.

Our development project at Lautrupvang 3 in Ballerup is also an example of an urban-development vision to recreate the atmosphere of traditional business areas by adding innovation, creativity and social functions in accordance with the spirit of the times – to the benefit of people, businesses and the environment.



Johan Tofte

Portfolio Manager, Wihlborgs
Lautrupvang 3 in Ballerup, Copenhagen
92 apartments

Empty office building turned into home for Ukrainian refugees

When Ballerup Municipality needed housing for Ukrainian refugees, Wihlborgs provided one of its office properties that was empty, awaiting a development project. The former office rooms were converted into 92 residential units with space for 250 refugees.

The office building in the Lautrupparken business district in Ballerup had been empty for two years when Wihlborgs came up with the idea to offer it to the municipality, which was in need of housing for Ukrainian refugees. The municipality only pays for energy consumption and the day-to-day operations of the property.

“Development projects can take time. In the meantime, we had an opportunity to use an empty property to provide refugees with a safe home together with their compatriots and we were happy to do it,” explains Johan Tofte, Portfolio Manager at Wihlborgs A/S.

The building is part of an area at Lautrupvang 3 that Wihlborgs and the municipality will jointly develop by creating new townhouses and remodelling existing buildings. The project stages have now been adjusted to enable the refugees to stay on, even when construction of the new townhouses commences.

92 homes

The property was fitted with individual office rooms, which made it easy to convert them into residential units by removing roughly every second partition wall. Some units were converted into single rooms and the large apartments have enough space

for an entire family. A total of 92 residential units were created with space for 250 refugees.

A lounge was set up in the former canteen and the large kitchen was rebuilt into 17 smaller kitchens where the residents can cook.

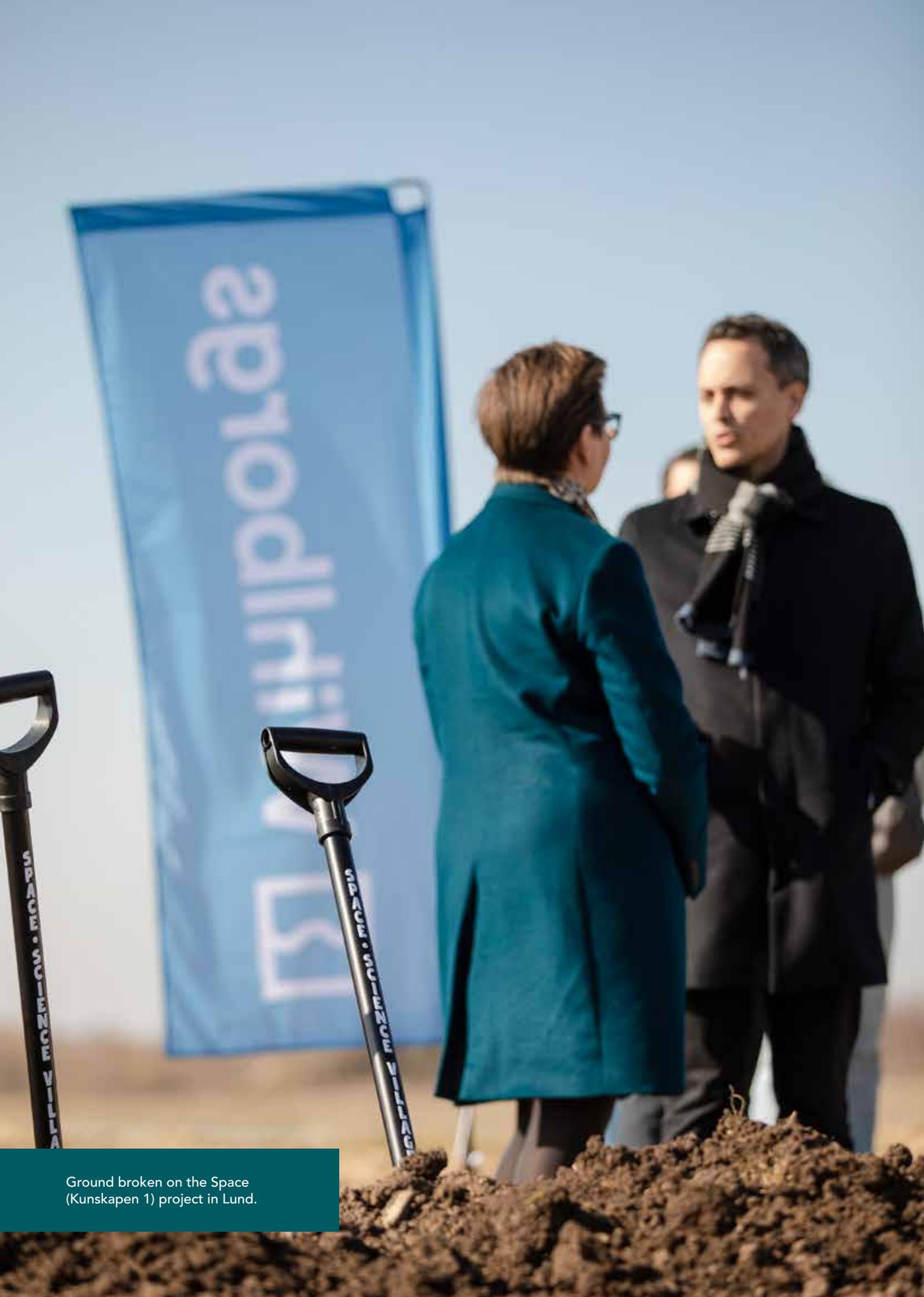
The mayor of Ballerup, Jesper Würtzen, is happy about Wihlborgs’ offering.

“It’s a really nice gesture. This way, we have room for many of the refugees who come here and don’t have to set up camps or barracks, for example. That would be far more expensive and not the ideal solution for the refugees.”

Made possible by emergency law

Wihlborgs often makes its temporarily empty buildings available to municipalities and institutions that, for example, require premises for creative projects or education.

However, this is the first time that an empty office building has been converted into residential units. This was only possible because the Danish Parliament enacted an emergency law in the wake of the war in Ukraine, enabling commercial premises to be temporarily used as housing.



Ground broken on the Space
(Kunskapen 1) project in Lund.

Projects and development

Projects for continued growth and new requirements

Project development is an important aspect of Wihlborgs' business model and one of several ways for us to keep growing and creating value. Over the past five years, we have invested an average of about SEK 1.3 billion annually in our projects and properties.

We work continuously to identify new opportunities. We do this from both a shorter-term perspective, often in direct collaboration with customers who need to develop their business, and also from a longer-term perspective to meet the future needs of the market.

Office buildings are part of the urban landscape and can impose distinctive features on an area. Its functions must align with other community-related needs, such as accessibility, transport links and mobility. It should be easy to get to the buildings and to choose between different modes of transport. Offices are also work environments and living environments, where the interiors are highly significant in terms of our well-being and conditions for growth.

All of our projects are developed through our own organisation, which is well-equipped to work with our existing projects and to replenish the land portfolio. In Sweden, our preference is to develop commercial properties, but we also have several development projects involving large volumes of housing development rights and other segments. Our resolute focus has not only made us strong and competitive in our segment, but also created a good foundation for taking on new business opportunities when they arise.

During the relatively troubled times that prevailed in 2022, we monitored market developments closely and initiated early dialogues with customers and suppliers to secure contract prices, delivery times and resources. Our projects have been able to proceed as planned and our project volume remains stable.

Completed and ongoing projects

In 2022, SEK 1,518 million was invested in redevelopment, extensions and new builds. Approved investments in ongoing projects amounted to SEK 3,631 million on 31 December 2022, of which SEK 1,367 million had been invested at the turn of the year. During the year, six projects requiring investments of over SEK 20 million were completed. The largest is Hindbygården 7.

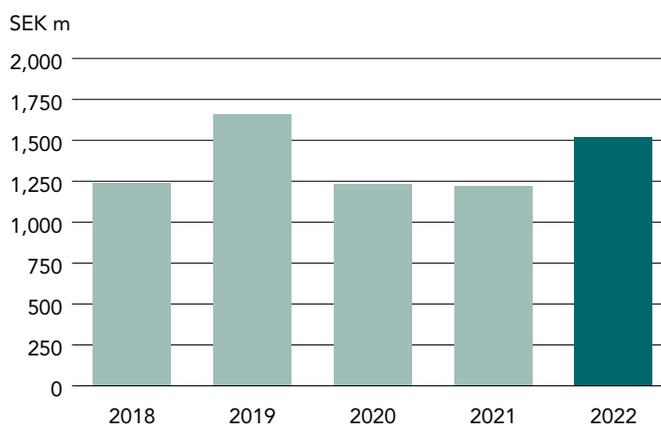
There were 18 ongoing projects requiring investments of more than SEK 20 million at the end of 2022. In total, around 300 projects of varying scope and character are under way, managed by our project organisation consisting of project managers, specialists and property developers. Descriptions of a selection of ongoing projects can be found on pages 72–75.

Commitment and long-term approach

Our overall market – concentrated in four cities and selected sub-areas in each city – provides us the opportunity and incentive to actively develop those regions, cities and city districts. We challenge and inspire, by continuously developing long-term visions and ideas in the course of our day-to-day work.

We are also keen to challenge ourselves. Through platforms such as HETCH, Ideon, Media Evolution City and others, we

Investment volume



create opportunities for others to realise their ideas, and to enhance the creativity and relevance of our own organisation.

We produce new builds with a view to owning and managing them long term. In light of this, it is self-evident for us that we should strongly focus on sustainability and prioritise a high quality of architecture, building materials and technical installations. We place great emphasis on designing the buildings in a way that ensures they are flexible and can be converted for future tenants without needing to demolish and rebuild.

Our long-term perspective also entails that we invest in what we deem will yield positive effects over time. We not only focus on large urban development projects; we also focus on opportunities in smaller contexts. Over the past few years, we have stepped up our efforts with densification projects that enable our customers to grow within the same area, without utilising more land than necessary.

Our high ambitions and confidence in the region's potential are also reflected in how we continue with new investments despite the turbulent times. Kvarterten (Pulpeten 5), which was started during the pandemic, and Vista (Bläckhornet 1), which will commence in 2023, are our biggest investments to date.

Proximity and implementation potential

Our concentrated market, and the fact that our head office is located in the region, creates good conditions for a close dialogue with municipalities on issues such as land allocation, central plans and detailed development plans. This means we are able to maintain a close relationship and gain a keen sense of what matters to the municipalities, as well as contribute our expertise and commitment to the development of attractive urban environments.

Our geographical proximity to the market also enables us to sense trends and changes in customers' wishes and demands at an early stage. Through our long-term and goal-oriented work, we have created a familiarity with what our customer groups see as most attractive. We have refined and developed our property portfolio over a long period to enable us to now have properties and development rights in the most ideal strategic locations. Our strong financial position and competent organisation provides us with clear implementation potential.

Our well-established collaborative formats enable us to take an active role in developing the industry and the supplier chain in a more sustainable direction. This has also enabled us to continue pursuing our projects according to plan despite increases in material prices and the challenges posed in various supply chains.

Land for future development

A crucial factor governing our ability to rapidly develop new projects and meet the needs of existing and future customers is our portfolio of development rights, which we can develop at different phases. Wihlborgs has an extensive, varied and mixed portfolio of development rights that are largely ready for development, but we are continuously investigating opportunities to acquire additional land from municipalities and private operators.

At the end of 2022, we had a total of 450,000 m² of existing and potential development rights distributed across Malmö, Lund, Helsingborg and Copenhagen. (See diagram on the right). Future development opportunities in each city are described on pages 50–67.

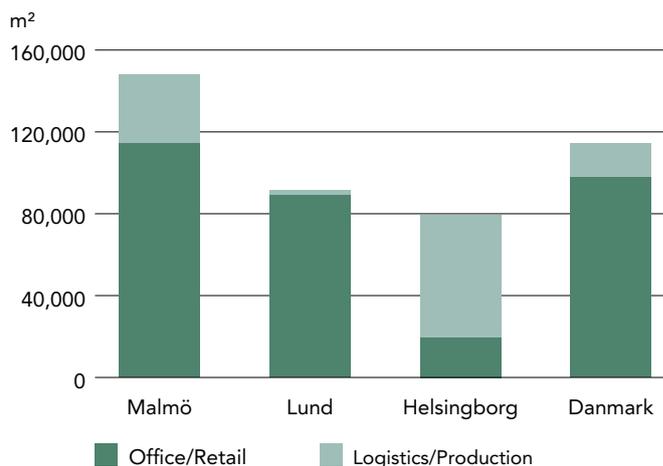
Sustainability focus within projects

Sustainability is a central and obvious part of our project development. The specific certification systems that we work with are presented on pages 40–41.

Over the past few years, we have both raised our ambitions and developed the skills and processes needed to drive our project activities in the direction of climate-neutral construction. We contribute to this development both through our involvement in various forums to reduce the climate impact of the building process and by imposing stringent requirements on contractors. Furthermore, by raising internal competence, we can educate and enthruse tenants to reduce their climate impact.

During a project, we focus on the choice of materials to reduce

Development rights



our climate impact, reuse of materials, waste management and a wide range of other areas, all of which are described in our project-tailored environmental programme and our climate roadmap. However, the vast majority of activities concern adaptations, the expansion of existing portfolios and the recycling of entire buildings. This is an approach to work that develops both Wihlborgs and customers.

Safety and work environment are central aspects of our sustainability efforts, and we place stringent requirements on these areas. Together with the contractors, we emphasise our desire to always see safety prioritised in any Wihlborgs project.

Kvartetten – a genuine Wihlborgs project

Trygg-Hansa will move into Kvartetten in early 2023, closely followed by Mindpark and SPILL restaurant. The Kvartetten project was launched in the midst of an ongoing pandemic and global uncertainties. Through solid investigative work, we have minimised our climate impact at every stage and down to every detail of the process. Kvartetten is also a place that gives people room to develop and thrive.



Long-term approach and sustainability

- Part of the development of the Hyllie city district
- One of several projects in the same area
- Opportunities for customers to stay and grow
- Pilot project in sustainability – carbon neutral
- From A to Z with our own organisation

Image and character

- Innovation and creativity through collaboration
- Eye-catching architecture
- Depiction of the Öresund region on the facade
- Murals

Mobility

- Mobility hub with cycle spa
- Good transport links (train, bus and airport)

Work and living environments

- WELL certification for health and well-being
- Vibrant entrance and ground floor
- In-house service
- Large and flexible floor plans for different types of tenants
- Design and layout for the entire working day

Jointly owned projects



Dockan Exploatering

Dockan Exploatering is a development company jointly owned by JM, Peab and Wihlborgs. In the Dockan area of Västra Hamnen, the company has developed the district with offices, housing and services. Large parts of the area are now completed, but there are some parts that still need development.

MAX IV

Wihlborgs and Peab jointly own Fastighets AB ML4. The company has built and owns the synchrotron-light facility MAX IV and the research facility "Comparative Medicine Unit" in Lund, where Lund University is a tenant with 25-year and 20-year leases. The facility consists of around 20 buildings. Discussions are being held continuously with Lund University regarding further new builds and extensions.

Hälsostaden Ängelholm AB

Hälsostaden Ängelholm AB is a joint venture between Region Skåne, Peab and Wihlborgs. The company owns, develops and manages the properties at the Ängelholm Hospital site.

Completed projects over SEK 20 million



Hindbygården 7, Malmö

AREA: 1,800 m²
LOCATION: Fosie, Malmö
COMPLETION: Q3, 2022
INVESTMENT: SEK 59 million

At Hindbygården 7, we have built new premises for Beckhoff Automation's Swedish head office alongside Inre ringvägen in Malmö. Beckhoff is leasing the entire property, where it locates functions such as sales, orders, support, administration and warehouse. The building has been certified to Miljöbyggnad Gold.



Neptun 6, Malmö

AREA: 1,300 m²
LOCATION: City, Malmö
COMPLETION: Q3, 2022
INVESTMENT: SEK 30 million

We completed a redevelopment project for the tenant Resurs Bank with the aim of creating a modern office with a more open floor plan, as well as maintenance facilities, such as a new cooling plant with a lower climate footprint.



Nya Vattentornet 4, Lund

AREA: 4,200 m²
LOCATION: Ideon, Lund
COMPLETION: Q2, 2022
INVESTMENT: SEK 29 million

At Nya Vattentornet 4 (Cube), we have implemented tenant improvements for the Swedish Social Insurance Agency on floors 5 and 6. The premises in Cube are unique in Lund's lettings market due to the property's large open floor plan.



Hermes 10, Helsingborg

AREA: 2,500 m²
LOCATION: City centre, Helsingborg
COMPLETION: Q4, 2022
INVESTMENT: SEK 34 million

The former industrial property Hermes 10, Fabriken1891, is continuing its transformation to provide a home to new operations. Here, Wihlborgs built and created modern, fit-for-purpose premises for Region Skåne's child and adolescent psychiatry clinic.



Visiret 5, Helsingborg

AREA: 1,500 m²
LOCATION: Berga, Helsingborg
COMPLETION: Q4, 2022
INVESTMENT: SEK 20 million

We completed a major extension in the form of a 1,500 m² warehouse on the southern part of the site for Dafo Fomtec, the tenant that rents the entire building. The ceiling height is generous and there are four doors with a height of 4.6 metres.



Girostrøget 1, Copenhagen

AREA: 4,300 m²
LOCATION: Høje-Taastrup, Denmark
COMPLETION: Q4, 2022
INVESTMENT: SEK 25 million

At the Høje-Taastrup C development area, we have built a new six-storey car park with 902 parking spaces both for residents and for companies in the area, of which Wihlborgs' share is 140 spaces.

Ongoing projects over SEK 20 million, selection



Pulpeten 5 (Kvartetten), Malmö

AREA: 16,000 m²
LOCATION: Hyllie, Malmö
COMPLETION: Q2, 2023
INVESTMENT: SEK 804 million

Kvartetten is our third office project in Hyllie and is located a stone's throw from Hyllie station. The building will be certified to Miljöbyggnad Gold, NollCO₂ and the WELL health certification. We are placing great focus on reducing the environmental impact of the construction phase. Trygg-Hansa, SPILL restaurant and Mindpark will be the tenants here.



Bläckhornet 1 (Vista), Malmö

AREA: Approximately 16,600 m² + 426 parking spaces/mobility hub
LOCATION: Hyllie, Malmö
COMPLETION: Q4, 2025 and Q4, 2024 respectively.
INVESTMENT: SEK 884 million

Construction of a mobility hub will begin in 2023, as part of the Vista office building. The planned construction of the office building is autumn 2023, and it will be the first building people see as they cross the bridge from Denmark. Triple certification in line with Miljöbyggnad Gold, health certification in line with WELL and NollCO₂ is planned.



Spännbucklan 9, Malmö

AREA: 6,800 m²
LOCATION: Fosie
COMPLETION: Q1, 2023
INVESTMENT: SEK 32 million

In Spännbucklan 9, we have signed a 12-year agreement with VA SYD. The redevelopment includes the maintenance of technical installations, measures for ventilation and cooling, and for updating office spaces.



Kranen 8 (Ubåtshallen), Malmö

AREA: 3,100 m²
LOCATION: Dockan, Malmö
COMPLETION: Q2, 2023
INVESTMENT: SEK 24 million

In Kockum's old Ubåtshallen, Kranen 8, we undertook a redevelopment project for the tenant, Försäkringskassan (the Swedish Social Insurance Agency), which expanded its lease with Wihlborgs in Dockan and extended the main lease to 2029.



Rausgård 21, Helsingborg

AREA: 25,000 m²
LOCATION: Söder, Helsingborg
COMPLETION: Q2, 2024
INVESTMENT: SEK 420 million

Rausgård 21 will house offices, warehousing and production facilities for the cleantech company Nederman. Nederman will establish an innovation centre in the new facility with a focus on product development and innovation for improved air filtration, a new test centre and a showroom to demonstrate the company's products and solutions.



Huggjärnet 13, (Berga Flexhus)

AREA: 8,000 m²
LOCATION: Berga, Helsingborg
COMPLETION: Q2, 2023
INVESTMENT: SEK 108 million

In west Berga, we are creating two modern office and warehouse buildings with a considerable focus on flexibility. Here, tenants can combine offices of between 230–510 m² with warehouses/light industry of between 600–1,400 m², with a ceiling height of 10.5 metres.



Snårskogen 5, Helsingborg

AREA: 2,200 m²
LOCATION: Väla norra, Helsingborg
COMPLETION: Q2, 2023
INVESTMENT: SEK 60 million

With proximity to the E4 and E6, Doka Sweden, which rents out formwork systems, will have a new facility comprising warehouses, offices and land facilities.



Plåtförädlingen 15, Helsingborg

AREA: 8,700 m²
LOCATION: Hamncity, Helsingborg
COMPLETION: Q4, 2023
INVESTMENT: SEK 141 million

In southern Helsingborg, we are building a state-of-the-art logistics facility totalling 8,700 m², where the tenant Springhill Textile has a lease for 6,400 m². The building will be the last major building block in the expansive Hamncity industrial area.



Tomaten 1, Lund

AREA: 6,400 m²
LOCATION: Gastelyckan, Lund
COMPLETION: Q2, 2024
INVESTMENT: SEK 137 million

Here, we have commenced the construction of a new state-of-the-art industrial facility in Hasslanda on behalf of the contract manufacturer Inpac. The new facility will comprise offices and warehouses, as well as production and technical facilities. Property occupancy is scheduled for the first quarter of 2023.

Continuation of ongoing projects over SEK 20 million



Posthornet 1 stage 2, Lund

AREA: 9,900 m²
LOCATION: City centre, Lund
COMPLETION: Q4, 2025
INVESTMENT: SEK 448 million

In the Posthornet block, we commenced stage 2 with another addition of modern office premises near Lund Central Station. The new Sockerbruk area block is linked directly with the station and the city centre via the new cycle and pedestrian bridge over the railway line.



Raffinaderiet 3, Lund

AREA: 5,800 m²
LOCATION: City centre, Lund
COMPLETION: Q1, 2023
INVESTMENT: SEK 190 million

Redevelopment and new construction is under way at Raffinaderiet 3, adjacent to Lund Central Station, where we are creating modern workplaces with an industrial look that respects the property's history. The project involves a total redevelopment of the existing buildings, which total 4,900 m², and a new building of 900 m².



Kunskapen 1 (Space), Lund

AREA: 6,000 m²
LOCATION: Science Village, Lund
COMPLETION: Q3, 2023
INVESTMENT: SEK 244 million

A new city district, Science Village, is growing between the research facilities MAX IV and ESS in Brunnsög in northeast Lund. Right next to the tram stop, Wihlborgs is building an iconic building, where the oat-drink manufacturer Oatly will be the first tenant. Space is being constructed with visible timber and in Scandinavian style, and will be certified to Sweden Green Building Council Gold, WELL and NollCO₂.



Amager Strandvej 390, Copenhagen

AREA: 3,400 m²
LOCATION: Kastrup, Denmark
COMPLETION: Q4, 2023
INVESTMENT: SEK 59 million

Here, we are converting one production hall into different types of offices with character and an industrial feel. The property is located right next to a metro station, and a short distance from central Copenhagen.



Hørkær 16-28, Copenhagen

AREA: 1,700 m²
LOCATION: Herlev, Denmark
COMPLETION: Q1, 2023
INVESTMENT: SEK 24 million

In southern Herlev, where there is a great need for additional preschool positions, Wihlborgs is building a state-of-the-art preschool that will be rented by Herlev Municipality.



Lersø Park Alle 107, Copenhagen

AREA: 2,300 m²
LOCATION: East Copenhagen, Denmark
COMPLETION: Q4, 2023
INVESTMENT: SEK 40 million

In outer Østerbro, we are carrying out a major renovation of the former office hotel premises at Lersø Park Allé 107, as well as optimising the premises' energy consumption.

Future projects over SEK 20 million (selection)



Polisen 7 (View), Helsingborg

AREA: 9,500 m² GFA
LOCATION: City centre, Helsingborg
CONSTRUCTION START: TBD

Wihlborgs completed a redevelopment and extension of Helsingborg District Court at Polisen 5 in 2019, just south of Helsingborg Central Station. There is potential to create new office space in a high-rise building at the neighbouring property, with its excellent location for transport links in central Helsingborg.

Future projects over SEK 20 million (selection) – continued



Smörkajen, Malmö

AREA: Approx. 10,000 m² GFA
LOCATION: Nyhamnen, Malmö
CONSTRUCTION START: TBD

North of Malmö Central Station, Nyhamnen is being developed into a green and mixed city district, with existing buildings being complemented by new housing, schools and workplaces. Wihlborgs is a major property owner in the area and has several future development rights. The first project is situated next to the area known as Smörkajen.



Syret 8 (Zenit), Lund

AREA: Approximately 16,000 m² GFA
LOCATION: Ideon, Lund
CONSTRUCTION START: TBD

Right next to the new Ideontorget tram stop, Wihlborgs is planning new innovative environments, workplaces, shops, restaurants and other services at the Zenit office building. Zenit will be Ideon Science Park's new iconic building and a natural hub for Ideon as a whole, with space for a couple of thousand workspaces. Triple certification in line with Miljöbyggnad Gold, health certification in line with WELL and NollCO₂ is planned.



Börshuset 1, Malmö

AREA: 5,500 m²
LOCATION: City centre, Malmö
COMPLETION: Q3, 2025

In 2023, we will begin the transformation of the historic Börshuset through an extensive renovation project that will focus on preserving the building's character and history while upgrading the standard to the high-class gem the building deserves to be.



Naboland 3, Malmö

AREA: 9,500 m² GFA
LOCATION: Dockan, Malmö
CONSTRUCTION START: TBD

We are planning for a new office building on six floors, with an entrance from Östra Varvgatan at Dockan, with a 500 m² shared rooftop terrace. The building will comprise large and small offices, as well as shared areas and commercial premises on the ground floor.



Vetskapen 1 (Spektra), Lund

AREA: Approximately 5,900 m² GFA
LOCATION: Science Village, Lund
CONSTRUCTION START: TBD

Spektra will be built next to Space in Science Village. Another exciting property with a focus on sustainability and employee well-being, which will comprise both offices and labs.



Bilrutan 5, Landskrona

AREA: 14,000 m² GFA
LOCATION: Kamgatan, Landskrona
CONSTRUCTION START: TBD

At the perfect logistics location in Landskrona, there is the opportunity of establishing a modern logistics building of around 14,000 m², with an internal ceiling height of about 18.5 metres.



Vaskekær 7-9, Copenhagen

AREA: 18,500 m² GFA
LOCATION: Herlev, Denmark
CONSTRUCTION START: TBD

Wihlborgs has a central plot of land in Herlev, close to our Hørkær properties. The preliminary area plan entails building homes on the empty plot and thereby adding life to the Hørkær block, which is otherwise characterised by commercial properties.



Ejby industrivej, Copenhagen

AREA: Not decided
LOCATION: Glostrup, Copenhagen
CONSTRUCTION START: TBD

After Danske Bank left, we are now working on the property as a promising urban development project. The communication situation will further improve when the Greater Copenhagen Light Rail opens a new station next door.

Financial information

Administration Report

The Board of Directors and CEO of Wihlborgs Fastigheter AB (publ), corporate registration number 556367-0230, hereby present their 2022 Annual Report for the Group and Parent Company.

Review of 2022

Operations

Wihlborgs is a property company with operations focused in the Öresund region. The company's property portfolio comprises 306 (299) commercial properties, located primarily in Malmö, Helsingborg, Lund and Copenhagen with a carrying amount on the balance-sheet date of SEK 55,179 million (50,033). As of 1 January 2023, the total rental value excluding projects and land was SEK 4,045 million (3,383) and the corresponding contractual rental income on an annualised basis was SEK 3,774 million (3,115). This gave an economic occupancy rate, excluding projects and land, of 93 percent (92).

Organisation

Wihlborgs' operational organisation comprises property management as well as projects and development. Property management is adapted to local market conditions and organised in four geographic regions: Malmö, Lund, Helsingborg and Copenhagen, which in turn are divided into eleven geographical sub-areas for efficient, customer-centric management. All management is performed by our own personnel and each region has a base office for the employees. The head office is located in Malmö. With close links to property management, the projects and developments department has project managers responsible for new-build and redevelopment projects, procurement and follow-up. The head office accommodates central functions such as accounting/finance, IS/IT, communication/marketing, HR, procurement and sustainable business. These functions drive Group-wide development initiatives and supply functional expertise to support the administration and the project department. Wihlborgs' culture is based on the four values of knowledge, honesty, community and action. Wihlborgs collaborates with Great Place to Work in terms of employee

commitment and has been certified as an excellent workplace since the start of the partnership in 2016. The 2022 survey showed that a full 94 percent of employees think that in all aspects, Wihlborgs is a very good place to work. The year-end number of full-time employees was 256, compared with 250 last year. The percentage of women was 41 percent (42) and the average age was 44, which was unchanged from last year. See pages 42–43 for further information on our workplace culture at Wihlborgs.

Results

In 2022, Group rental income amounted to SEK 3,335 million (3,060). Early lease terminations had a positive impact of SEK 69 million on revenue for last year. New lettings, renegotiations and completed projects accounted for the largest portion of the year's increase, SEK 139 million. During the year, nine properties were acquired, which contributed SEK 62 million to increased revenue, and acquisitions in 2021 accounted for a further increase of SEK 25 million. Index increases resulted in an increase in revenue of SEK 53 million and SEK 14 million in increases in property tax was passed on as a result of the general property assessment in 2022. The higher presence, post-pandemic, of tenants at the properties in Denmark led to higher service income of SEK 18 million from the canteen operations. Exchange-rate differences had a positive impact on revenue of SEK 33 million. Wihlborgs' long-standing positive net lettings trend continued through 2022 with positive net lettings in all four regions and in all four quarters of the year. Net lettings amounted to SEK 119 million (115) on a full-year basis.

Total property costs amounted to SEK 1,004 million (865), of which the largest increase was due to increased operating costs of SEK 79 million. The increase in operating costs stemmed mainly from higher electricity prices, SEK 36 million, but also from the acquisition of properties, which accounted for SEK 17 million. Energy costs are included in the supplements paid by the tenants. Increased activity in the Danish canteen business also contributed to increased operating costs. Rent losses amounted to SEK 1 million (0). The operating surplus totalled SEK 2,331 million (2,195), corresponding to a surplus ratio of 70 percent (72). Acquisitions and sales had a positive impact of SEK 55 million (negative: 64) and currency effects had a positive impact of SEK 22 million (negative: 13) on operating surplus.

Interest income totalled SEK 14 million (13). Interest

expenses, including realised effects of interest-rate derivatives and ground rents, amounted to SEK 404 million (316). During the year, net payments on interest-rate derivatives amounted to income of SEK 15 million (expense: 59). At year end, the average interest rate was 2.59 percent (1.32), including the cost of interest-rate derivatives and credit agreements. Profit participations in joint ventures amounted to SEK 13 million (6).

Changes in value in the property portfolio during the year amounted to SEK 396 million (2,153 million). Inflation assumptions for 2023 and 2024 have been raised as has the yield requirement in valuations. The net effect of these two changes was positive over the year and, moreover, project development added value of SEK 150 million (379). The remaining changes in value stemmed from new lettings and renegotiations. Increased market interest rates entailed positive changes in value of SEK 654 million (202), of which SEK 664 million (214) was attributable to interest-rate derivatives and a negative SEK 10 million (negative: 12) to other financial items. The measurement of interest-rate derivatives is based on forecast interest rates until expiry, and utilises data from external parties (banks) related to interest-rate curves, etc.

Cash flow and financial position

Cash flows from operating activities increased SEK 252 million year-on-year and entailed a surplus of SEK 1,942 million (1,690). The increase was mainly attributable to a higher operating surplus, while interest payments increased year-on-year. Investments remained high during the year, both in new properties, SEK 2,438 million (412) and in the existing portfolio SEK 1,518 million (1,236). The total cash outflow from investment activities amounted to SEK 3,860 million (outflow: 1,680). A dividend of SEK 922 million (807) was distributed to shareholders in 2022. Total cash flow for the Group during the year was a net outflow of SEK 156 million (inflow: 110).

The Group's equity increased SEK 1,432 million to SEK 23,380 million, giving an equity/assets ratio of 41.2 percent (42.9) at year end. Interest-bearing liabilities at year end totalled SEK 26,806 million (23,278), resulting in a loan-to-value ratio of 48.6 percent (46.5). All of the Group's financial targets (return on equity, equity/assets ratio, interest coverage ratio and loan-to-value ratio) were met at the end of 2022.

Acquisition and sale of properties and subsidiaries

During the year, a total of nine (five) properties were acquired, three each in Copenhagen, Helsingborg and Malmö, for a total of SEK 2,438 million (429). All acquisitions in Sweden were via a corporate wrapper. One property was divested in Copenhagen, as was a smaller section of land in Lund, with a total sales price of SEK 97 million (3). For more information on changes to the property portfolio during the year; refer to Acquisitions and Sales on pages 72–75.

Investments in existing properties and ongoing projects

Investing in the property portfolio is an important part of operations and through 2022 the pace of investment remained high. During the year, SEK 1,518 million (1,219) was invested in existing properties. At

year end, approved investments in ongoing projects amounted to SEK 3,631 million (2,804), of which SEK 1,367 million (505) had been invested at the turn of the year. During the year, a new office and warehouse building was completed at Hindbygården 7 in Malmö as was a multistorey car park on Girostrøget in Copenhagen. Moreover, major tenant improvements were completed at Neptun 6, in Malmö, Nya Vattentornet 4 in Lund and Hermes 10 in Helsingborg, where an extension at Visiret 5 was completed during the year. At year end, there were 11 ongoing projects of more than SEK 50 million, of which nine comprised new construction and two redevelopments of existing buildings. Refer to pages 69–75 for more detailed descriptions of completed, ongoing and future projects.

Parent Company

The Parent Company does not have any property holdings itself and, instead, manages issues related to the stock market and Group-wide management, administration and financial services. Sales amounted to SEK 219 million (223), primarily from the sale of services to other companies within the Group. Profit for the year amounted to SEK 1,949 million (977). The increase was mainly attributable to increased dividends from subsidiaries of SEK 657 million and to the positive change in value of derivatives of SEK 664 million, up SEK 450 million year-on-year. Otherwise, interest expenses and foreign exchange losses have both increased during the year. During the year, the Parent Company invested SEK 1,225 million (38) in shares in subsidiaries, including shareholders' contributions.

The Wihlborgs share

Since 1 January 2016, the Wihlborgs share has been listed in the Real Estate sector of the Large Cap segment of Nasdaq Stockholm. The share capital totalled SEK 192 million. Following a two-for-one share split in May 2022, the total number of shares was 307,426,912. After the split, each share has a quotient value of SEK 0.625 (0.625). All shares carry equal voting rights, one vote per share. During the year, the Board did not exercise its mandate to buy back and transfer a maximum of 10 percent of the registered shares, or its mandate to approve a new issue of shares amounting to not more than 10 percent of the shares registered.

A total of 119.8 million (121.8) Wihlborgs shares were traded on the Nasdaq Stockholm at a total value of SEK 9.8 billion (11.6), corresponding to a daily turnover of 474,000 shares (482,000). This represents a turnover rate of 39 percent (40) of the number of shares outstanding. See page 21 for a summary of the largest shareholders as of 31 December 2022.

On 31 December 2022, the market capitalisation was SEK 24.1 billion, compared with SEK 31.6 billion last year. Long-term net asset value (EPRA NRV) per share was SEK 90.64 (86.33) at year end. The share price at the same date was SEK 78.50 (102.70).

The Board of Directors proposes that the Annual General Meeting (AGM) renew the Board's mandate firstly to repurchase a maximum of 10 percent of the shares registered in the company, which could mean the acquisition of a maximum of 30,742,691 shares, and secondly to authorise a new share issue corresponding to not more than 10 percent of the shares registered.

Ownership

With 11.1 percent (11.0) both of the shares outstanding and of the voting rights on 31 December 2022, the largest share-

holder in Wihlborgs is Backahill AB. At year end, the ten largest shareholders in Wihlborgs held 39 percent (38) of the shares registered and the proportion of foreign owners amounted to 37 percent (36). At year end, the number of shareholders was around 30,000, up slightly on 28,000 at the last year end.

Profit-Sharing Fund

As of 31 December 2022, employee holdings of shares via Wihlborgs' Profit-Sharing Fund totalled 1,160,630 shares (1,126,080).

Sustainability reporting

For a number of years now, Wihlborgs reports its sustainability work in accordance with the GRI Standards: Core option. Wihlborgs' Sustainability Report for 2022 is integrated in the Annual Report and sustainability information is presented on pages 30–43 and 132–151. The location of the sustainability information is shown on page 133 in accordance with the Annual Accounts Act.

Corporate Governance Report

A separate Corporate Governance Report is presented on pages 116–123.

Board of Directors

Under Wihlborgs' Articles of Association, the company's Board is to comprise not less than four and no more than eight members. Johan Qviberg and Helen Olausson stepped down at the 2022 AGM. Johan Röstin and Anna Werntoft were elected as new members of the Board, while the five other members, including the Chairman Anders Jarl, were re-elected. No Board members are entitled to compensation at the end of their term of office. Directors' fees for 2022 are detailed in Note 6.

Guidelines and remuneration of senior executives

Senior executives are defined as the Chief Executive Officer and other members of Group Management, see page 122 for a presentation of these. The entire Board, excluding the Chairman, prepares issues pertaining to the principles governing remuneration and terms and conditions of employment for the Group Management, and decides the remuneration and terms and conditions of employment for the CEO.

The 2022 AGM resolved to adopt the following guidelines for remuneration and other terms and conditions of employment for the Group Management: remuneration and terms of employment should be market-based and competitive. All members of Group Management receive fixed remuneration. Any remuneration over and above the fixed salary is capped at half of the fixed remuneration, and is to be settled in cash. Where appropriate, remuneration in addition to the fixed salary is based on outcomes relative to set targets and must accord with the interests of the shareholders. At present, Wihlborgs has no remuneration commitments to Group Management other than fixed salary. At Wihlborgs, there is a profit-sharing fund that encompasses all employees. Allocations to the fund are based on the return on equity and are limited to a maximum of one price base amount per year for each employee.

See Note 6 for amounts pertaining to remuneration in 2022.

The retirement age is 65 for all members of Group Management. The cost of the CEO's pension comprises a premium amounting to 35 percent of the pensionable salary per year during the CEO's period of service. Other members of Group Management are covered by an ITP plan or equivalent. The notice period on termination of employment, on either side, for the CEO and other members of Group Management is four to six months. Severance pay for the Chief Executive Officer amounts to 18 months' salary and for other members of Group Management is maximised at 12 months' salary. Severance pay is deducted from other sources of income. The principles governing remuneration and terms and conditions of employment are unchanged compared with 2021.

The Board conducts an annual follow-up to ensure compliance with the guidelines for remuneration of Group Management adopted by the AGM.

The Board's proposal to the AGM regarding applicable guidelines for 2023 is the same as for 2022.

Outlook for 2023

Wihlborgs' business model is based on growth via project development and property management. As previously, the focus is on net lettings. The project portfolio remains substantial with several new production projects; depending on developments in the economy and other external factors, the investment rate for new projects may be down slightly on 2022. The balance sheet remains strong and healthy cash flow means the company is well placed to manage rising interest rates. Energy efficiency will remain a priority in 2023, as will the new sustainability targets.

Proposed appropriation of profit, etc.

The following unappropriated profit in the Parent Company is at the disposal of the AGM:

Retained earnings	5,630,818,109
Profit for the year	1,948,636,415
Total, SEK	7,579,454,524

The Board proposes that the profit be appropriated as follows:

Dividend to shareholders, SEK 3.10 per share	953,023,427
To be carried forward	6,626,431,097
Total, SEK	7,579,454,524

Wihlborgs has 307,426,912 registered shares. If the number of shares outstanding changes prior to the record date, the dividend sum of SEK 953,023,427 will be adjusted.

Statement of the Board of Directors on the proposed dividend

Reasoned statement

The Group's equity has been calculated in accordance with the IFRS standards and interpretations of those standards (IFRIC),

as adopted by the EU, and in accordance with Swedish law through the application of the Swedish Financial Reporting Board's Recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups. The Parent Company's equity has been calculated in accordance with Swedish law, via application of the Swedish Financial Reporting Board's Recommendation RFR 2, Accounting for Legal Entities.

The proposed distribution of unappropriated profit is based on 50 percent of the Group's income from day-to-day property management and 50 percent of the proceeds realised from property sales, less a deduction for tax at a standard rate of 20.6 percent, which is in line with Wihlborgs' dividend policy.

The Board is of the view that full provision will be available for the company's restricted equity following the proposed share dividend.

The Board also considers that the proposed dividend to shareholders is justifiable in terms of the parameters stipulated in Chapter 17, Section 3, second and third paragraphs of the Swedish Companies Act; nature, scope and risks of the business, as well as consolidation requirement, liquidity and general position.

Nature, scope and risks of the business

The Board's opinion is that, even after the proposed dividend, the equity of the company and the Group is sufficient for capitalising on future business opportunities and for being able to fulfil its undertakings. In this context, the Board has considered factors such as the company's and the Group's equity/assets ratio, investment plans and economic conditions.

Consolidation requirement, liquidity and general position

The Board has conducted a comprehensive assessment of the company's and the Group's financial positions and its potential to fulfil its undertakings. The proposed dividend represents less than 4.1 percent of the Group's and 12.3 percent of the Parent Company's equity. The proposed dividend also fulfils the stated target for the Group's capital structure, of an equity/assets ratio of at least 30 percent and an interest coverage ratio of at least 2.0. The company's and the Group's capital structures remain solid, taking into account the conditions prevailing in the property sector. Against this background, the Board is of the opinion that the company and the Group have excellent potential to capitalise on future business opportunities and also to withstand any losses that may arise. Planned investments have been taken into account when determining the proposed dividend. Derivatives and other financial instruments have been measured at fair value pursuant to Chapter 4, Section 14a of the Annual Accounts Act. This valuation had an impact of SEK 654 million (202) on equity.

The proposed dividend will not affect the company's and the Group's ability to promptly fulfil their payment obligations. The company and the Group have good access to liquidity reserves in the form of short- and long-term loans. The loans can be accessed at short notice, whereby the company and the Group have the preparedness necessary to withstand both variations in liquidity and any unforeseen events.

The Board has considered all known circumstances that could be of significance to the company's and the Group's financial positions and that have not been taken into account within the above framework. While so doing, no circumstance has arisen that would make the proposed dividend not appear defensible.

Taxes

In the operations conducted by Wihlborgs, several areas are subject to taxation. As well as income tax that is charged to the companies in the Group, taxes include property taxes, value added tax, stamp duties and energy taxes. Political decisions such as changes in company taxation and tax legislation, and interpretations of that legislation, may either favourably or adversely impact Wihlborgs' tax situation.

Income tax

The nominal rate of corporation tax in 2022 was 20.6 percent (20.6) in Sweden and 22 percent (22) in Denmark.

Current tax

In 2022, Wihlborgs' current tax totalled SEK 44 million (57). The taxable base does not include changes in the value of properties and unrealised changes in derivative values. Nor is income from the sale of companies included either, as this item is not normally taxable/deductible. In addition, taxation may be deferred via fiscal depreciation as well as direct deductions. Loss carryforwards can also be used.

On 1 January 2019, new corporate sector tax rules entered force, which inter alia, includes limits to tax relief for interest expenses in accordance with the EU's directive. The rules entail that the deductibility of interest is capped at 30 percent of taxable EBITDA. The new rules entail an increase in the tax base but do not entail an increase in paid tax for the next few years.

Note 11 on page 105 details how taxable income is calculated.

Deferred tax

The deferred tax is calculated using the net of temporary differences between the recognised and tax values for assets and liabilities and on loss carryforwards. The income statement reports the tax on any change in the deferred tax liability over the year. Through the sale of properties in a corporate wrapper, recognised deferred tax on divested properties becomes revenue.

As part of measures to stimulate the economy due to the ongoing pandemic, in autumn 2021, the Swedish parliament introduced a temporary tax reduction of 3.9 percent for investments in equipment made in 2021. The tax reduction is deductible from national income tax and national property tax in 2022. If the tax reduction has not been fully utilised, the remaining portion can be used in 2023. Based on investments in fixtures and fittings in 2021, Wihlborgs reported deferred tax assets of SEK 20 million for 2022, the majority of which is expected to reduce property tax in the taxation for the 2022 income year.

Tax deductible depreciation

Investments in properties in Sweden are divided among the categories of buildings, land improvements, fixtures and fittings, and land. Wihlborgs applies depreciation at the following rates for tax purposes:

Buildings	2–5% (Offices 2%, Logistics/Prod. 4%)
Land improvements	5%
Fixtures and fittings	25%
Land	0%

The depreciation of buildings and land improvements is based on the accumulated cost and depreciation of fixtures and fittings based on the taxable residual value at the start of the year, adjusted to reflect investments and disposals during the year. In the case of new builds, fixtures and fittings often represent a major part of the investment. From 2019, it is possible to make primary deductions entailing that 12 percent of the building cost of new rental accommodation production can be deducted in the first six years following completion. For investments made in 2017 and 2018, primary deductions may be made for the portion of the six-year period following completion that remained as of 1 January 2019.

In Denmark, the following depreciation categories are used:

Buildings	0–4% (Offices 0%, Logistics/Prod. 4%)
Installations	4%
Fixtures and fittings	25%
Land	0%

In Denmark, it is also possible to apply extra initial depreciation for buildings and installations during the year of investment.

Direct tax deductions in minor redevelopments

Direct tax deductions are allowed for tenant improvements, the replacement of components and minor redevelopments, even when these measures add value and are capitalized in the accounts.

Sale of properties as companies

Any profit from the sales of properties as companies is tax-free and any loss is not tax-deductible. This applies for shares that are business-related.

Loss carryforwards

The loss carryforwards that have been utilised to calculate deferred tax amounted to SEK 1,716 million (2,046).

Property tax

Property tax is paid for nearly all the Group's properties. Particular categories of buildings, such as those for communication, education and health care, are tax-exempt. Tax rates for other types of buildings are determined by the type of building and land use. The rate for office properties is 1 percent of the tax assessment value and for industrial and warehousing properties the rate is 0.5 percent. In Denmark, tax rates vary, depending on which municipality the properties are located in. In Sweden, a general property assessment was conducted for rental properties in 2022. Property tax paid by the Group for 2022 totalled SEK 226 million (192).

Value added tax

Properties are exempt from compulsory registration for value added tax (VAT). If premises are leased to a tenant permanently operating a business subject to compulsory VAT registration,

the property owner can voluntarily register for VAT and thereby have input VAT deducted from both operating costs and the investment. Where premises are leased to central or local government, there is no requirement regarding compulsory VAT registration. No deduction may be made for input VAT relating to operating costs or investments in premises that have not been registered for voluntary liability for VAT. In 2022, non-deductible input VAT on operating costs totalled SEK 8 million (9). This amount was recognised as an operating cost in the annual accounts. In 2022, non-deductible input VAT on investments totalled SEK 62 million (58) and was recognised as investment in property.

Stamp duties

The sale of real property in Sweden is subject to stamp duty (transfer of title) of 4.25 percent on the purchase price or tax assessment value, whichever is the higher. In Denmark, the tax rate is 0.6 percent and the tax is charged in the same way. In the case of intra-Group property transactions, it is possible to be granted deferral of stamp duty until the property is sold outside the Group. If properties are purchased or sold as companies (packaged in holding companies) no stamp duty is payable. In 2022, SEK 15 million (6) was paid as stamp duty on the transactions in which Wihlborgs was involved. Stamp duty of 2 percent (1.5 percent in Denmark) was also payable on mortgages taken out on properties. This tax amounted to SEK 20 million (11) in 2022.

Energy taxes

In 2022, Wihlborgs procured energy at a cost of SEK 247 million (188) for use in its properties, primarily for heating, cooling, ventilation and lighting. Of this cost, energy taxes accounted for SEK 25 million (26). Wihlborgs is striving actively to reduce its energy consumption, which in the long term, and assuming an unchanged tax rate and property portfolio, will lead to lower energy tax costs.

Summary

In 2022, Wihlborgs' operations generated a total of SEK 399 million (359) in different categories of tax, as described above and detailed in the table below.

Breakdown of taxes paid (SEK m)	2022	2021
Income tax	44	57
Property tax	226	192
Value added tax	70	67
Stamp duty	35	17
Energy tax	25	26
Total tax paid	400	359

In addition to taxes paid, Wihlborgs has liabilities in the form of deferred taxes. Deferred income tax was SEK 5,180 million (4,622) and stamp duty SEK 35 million (23).

Property valuation principles

Market valuation

Wihlborgs' consolidated accounts are prepared in accordance with International Financial Reporting Standards (IFRS) and report the properties at fair value, that is, at their market value. The properties' carrying amount on 31 December 2022 was SEK 55,179 million (50,033). The valuation of the properties as of 31 December 2022 entailed an increase in the property value of SEK 396 million (2,153), of which SEK 150 million pertained to project development. For details of all value changes, see the table below.

Change in properties' carrying amount in 2022

Value change item	Group total, SEK m
Carrying amount, 1 January 2022	50,033
Acquisitions	2,438
Investments	1,518
Divestments	-97
Change in value	396
Currency translations	891
Carrying amount, 31 December 2022	55,179

External market valuation

At the valuation date, 31 December 2022, Wihlborgs arranged for an external valuation of its entire property portfolio, whereby the market values of the individual properties were assessed. The Swedish portfolio was valued by Samhällsbyggarna-certified valuers, Malmöbryggan Fastighetsekonomi AB, while the Danish portfolio was valued by Newsec Advisory A/S. The valuations were performed pursuant to International Valuation Standards. The customary definition of market value used in Sweden is: "The probable price obtained from a sale in the general property market."

This definition is assumed to fall within the scope of, and lead to the same valuation result as, application of the definition from the International Valuation Standards Committee (IVSC):

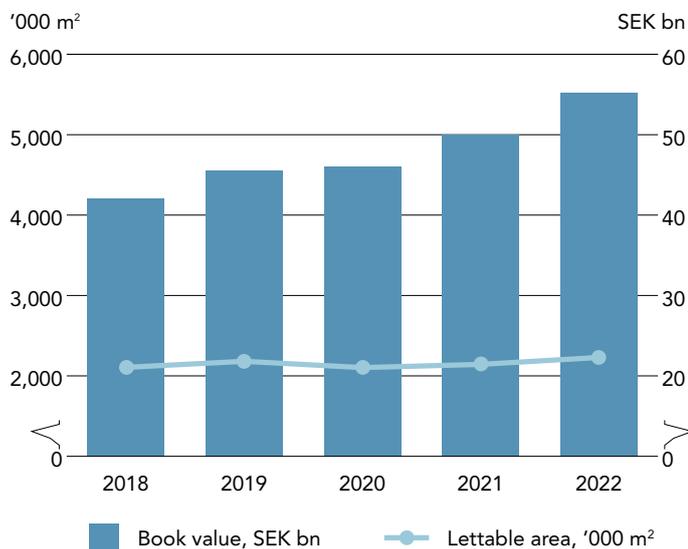
"The estimated amount for which an asset or liability should exchange on the valuation date between a willing buyer and a willing seller in an arm's length transaction, after proper marketing and where the parties had each acted knowledgeably, prudently and without compulsion."

The valuations are based on data including quality-assured contract and property-related information from Wihlborgs, data obtained from public sources and relevant market information. All developed properties were inspected in the 2020–2022 period.

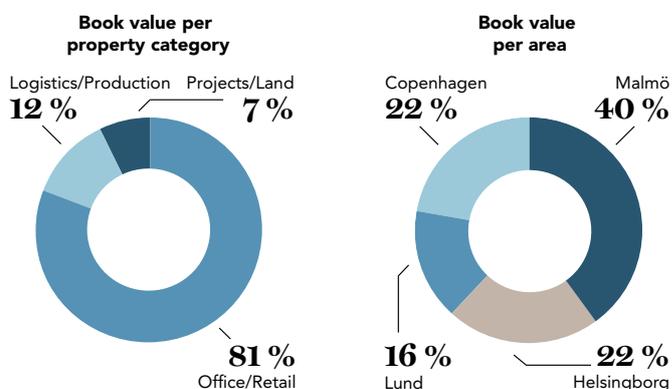
Valuation methods

In this valuation, a combination of a yield-based method (market simulation) and a location-price method is used, in which transactions completed in the sub-markets concerned are analysed in order to calibrate the parameters for the yield-based method (cash-flow method). The market parameters derived from analysis of comparable transactions encompass investment yield requirements, which include an appropriate risk premium. The market value is considered to correspond to the yield value that is normally calculated from five-year cash-flow forecasts. In cases where it is considered justified in view of long-term leases, longer estimate periods are used. Ongoing new-build projects are valued as if the project were completed, less the budgeted remaining cost of the project. Undeveloped land and other upgrade projects are valued in accordance with the location-price method.

Change in properties' carrying amount and lettable area 2018–2022



Carrying amount per property category and per area in 2022



The property values are affected by the assumed market parameters that are applied. By varying a number of parameters, a measure of the sensitivity of the valuation is obtained. For example, lowering the investment yield requirement by 0.25 percent results in an increase of 3.8 percent in the yield value for the developed properties in Sweden. A corresponding increase results in a reduction of 3.4 percent in the yield value. For a sensitivity analysis; see the table below.

Aggregated sensitivity analysis, developed properties in Sweden		
Parameter	Assumed change, %	Change in yield value, %
Market rent level	10	10.2
Market rent level	-10	-10.1
Operating and maintenance costs	20	-6.6
Operating and maintenance costs	-20	6.7
Investment yield, residual value	0.25	-3.4
Investment yield, residual value	-0.25	3.8

Source: Malmöbryggan Fastighetsekonomi AB

All assumptions on which value assessments are based reflect known market conditions at the time of valuation.

- When leases expired, rents were adjusted to market levels while consideration was given to the property-specific, long-term vacancy risk. The long-term rent trends for office and commercial premises in their existing state is assumed to be no more than the rate of inflation.
- Operating and maintenance costs are expected to rise by 0.5 percentage points above the rate of inflation during the calculation period. Standardised operating and maintenance costs are applied when assessing values, and the specific characteristics of the property are also taken into account. These estimates are based on analyses of historical outcomes and budgeted costs at both property and aggregated level for the market segments and property categories concerned.
- Over the calculation period, the CPI was assessed to be 8.5 percent in 2023, 3 percent in 2024 and thereafter to follow Riksbanken's (the Swedish Central Bank) long-term target of 2 percent.
- Other material valuation assumptions are shown in the table below. For ongoing new-build projects, the same assumptions apply as in the table below, depending on which area the project is in.

Material valuation assumptions*

Area	Cost of capital for current value calculation of net operating income, %	Investment yield requirement for calculation of residual value, %	Long-term economic vacancy rate, %	Market rent excl. heating, SEK/m ²	Operating and maintenance costs, SEK/m ²
OFFICE/RETAIL					
Malmö City Centre	5.50 – 6.70	4.35 – 5.10	4 – 8	1,300 – 5,000	308 – 660
Malmö Dockan/Hyllie	5.50 – 7.00	4.10 – 5.50	5 – 12	1,300 – 3,300	311 – 834
Outer Malmö	5.50 – 7.90	5.50 – 6.25	8 – 12	800 – 2,000	350 – 845
Central Helsingborg	5.50 – 7.30	4.25 – 5.75	4 – 8	1,100 – 4,800	322 – 785
Outer Helsingborg	7.00 – 8.30	5.75 – 6.85	6 – 12	800 – 2,500	147 – 429
Lund Ideon	5.55 – 7.10	5.00 – 5.50	5 – 8	1,400 – 3,500	488 – 782
Central Lund/Gastelyckan	6.00 – 7.80	4.60 – 6.25	5 – 8	900 – 3,200	422 – 613
Copenhagen	7.50 – 10.0	5.50 – 8.00	5 – 12	450 – 2,700	90 – 1,053
LOGISTICS/PRODUCTION					
Outer Malmö	5.50 – 8.60	5.50 – 7.00	7 – 11	650 – 1,650	108 – 580
Outer Helsingborg	5.50 – 8.30	5.75 – 7.00	5 – 12	400 – 2,200	147 – 431
Central Lund/Gastelyckan	6.30 – 7.80	6.00 – 6.25	7 – 8	500 – 1,050	168 – 264
Copenhagen	7.25 – 9.50	5.25 – 7.50	5 – 12	500 – 1,400	123 – 362

* With the exception of market rents which pertain to local levels for the interval, the reported figures are per property. The reported market rents for OFFICE/RETAIL pertain to office and retail premises, and for LOGISTICS/PRODUCTION pertain to warehouse, industry, production and workshop premises. All premises are >200 m².

Risks and uncertainties

Wihlborgs' future development and ability to reach its operational goals are influenced by 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.

Risks and uncertainties are managed on an ongoing basis in daily operations pursuant to well-established procedures and guidance. Group-wide risks are also managed in a structured process where the Group Management regularly take inventory of and assess prioritised risks that could impact Wihlborgs' future development.

Process for managing risk

Wihlborgs' annual risk management process is conducted in three main stages.

- 1. Inventory and assessment.** A working group comprised of parts of the Group management and senior personnel with expertise in various areas conduct an initial inventory and preliminary assessment of new and existing risks. The risks are assessed according to likelihood and possible impact on Wihlborgs from a short- to mid-term horizon of 3–5 years.
- 2. Prioritising and management.** The results of the initial analysis are discussed with the executive management, which prioritises the most material risks and allocates responsibility for the respective risks to relevant employees, who are often

members of Group management. Overarching strategies and action plans for managing risks are established.

- 3. Follow-up and evaluation.** The prioritised risks and risk management strategies are communicated to and established with the Board. Over the year, risk efforts are followed up by the Group management and reported annually to the Board.

The following tables compile the results of this year's risk analysis. The risks are described and graded based on their assessed impact on operations and the likelihood of the risk incurring (scale 1–5, where 5 entails a significant impact/high likelihood). Based on this analysis, risks are prioritised for monitoring and where actions could be needed (given using a scale of Low – Medium – High in the table, where high priority risks are given most focus and followed up more often by management during the year).

Wihlborgs has chosen to group in the following overarching categories.

- Financial risks – risks to the company's financing and financial stability.
- Operational risks – risks in project planning and daily management of our properties.
- Regulatory risks – risks related to lack of compliance with laws and regulations.
- Strategic risks – risks linked to our operating environment and market developments.

Risk	Impact	Likelihood	Priority
Financial risks			
Interest-rate risk	4	4	High
Financing risk	5	3	High
Credit risk	2	3	Medium
Operational risks			
Rental income	4	3	High
Property costs	4	3	High
Project development	3	4	High
Transactions	2	2	Low
Environmental risks	2	3	Medium
Occupational health and safety	3	2	Medium
IT security	3	4	High
Property incidents	2	2	Low
Regulatory risks			
Ethics & corruption	3	2	Medium
Regulatory compliance	4	2	Medium
Strategic risks			
Property values	4	2	High
Climate change	2	4	High
Organisational capacity	3	2	Medium
Property portfolio	4	2	Medium
Customer offering	4	3	High

Risk	Management	Outcome
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FINANCIAL RISKS

Interest-rate risk

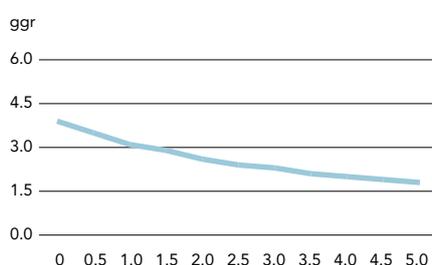
Interest expense, including the cost of interest-rate derivatives, credit agreements etc., represents Wihlborgs' largest cost item. Changes in interest rates and interest margins with banks have considerable impact on cash flow, results and key ratios. The extent to which and how quickly an interest-rate change shows through in income will depend on the fixed-interest period chosen for the loan.

A financial policy adopted by the Board forms the basis for Wihlborgs' management of interest expense. Wihlborgs uses a combination of floating interest rates and interest-rate derivatives to limit interest-rate risk.

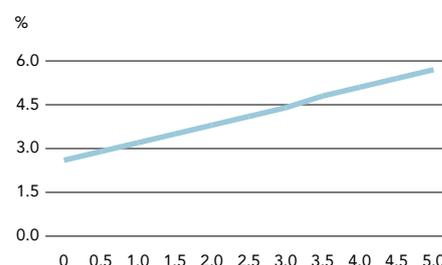
Refer to Note 2 for a more detailed description of Wihlborgs' financial risk management.

The average interest rate, including the cost of credit agreements and the effect of interest-rate derivatives, amounted to 2.59 percent (1.32) at year end. The interest coverage ratio amounted to a multiple of 5.6 (6.7). At year end, the average fixed-interest period for the loans was 2.0 years (2.9), including the effects of interest-rate derivatives. The changes in value of Wihlborgs' derivatives had a positive effect of SEK 654 million (202) on earnings. The diagram below illustrates interest-rate sensitivity in the event of a change in the market interest rate, as per 31 December 2022.

Effect of a change in market rates on the interest cover ratio, multiple



Effect of a change in market rates on the average interest rate, %

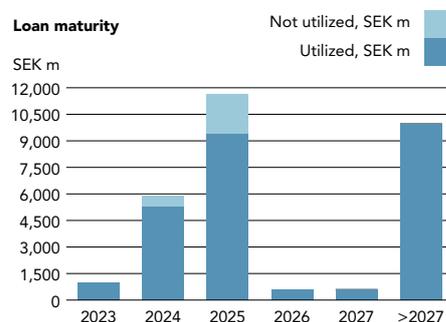
**Financing risk**

Wihlborgs is dependent on external loans to be able to fulfil its commitments and complete transactions. Turbulence in the credit markets in recent years demonstrates how conditions for and access to credit can rapidly change. If Wihlborgs is unable to extend loans or raise new loans, or if the terms and conditions are extremely unfavourable, our ability to meet our undertakings and complete transactions becomes limited.

The financial policy defines the goals, and provides guidelines and risk limits for financial operations. The policy states, for example, that the spread of loans between various credit institutions must be such that there are at least three main lenders, each of whose share of the total loan portfolio should not exceed 50 percent. Wihlborgs is also to strive for a balanced maturity structure of its borrowings.

Refer to Note 2 for a more detailed description of Wihlborgs' financial risk management.

At year end, the loan-to-value ratio amounted to 48.6 percent (46.5). Due to the weakening bond market, the share of bank loans, including mortgages, increased to 90 percent (83) of the total loan portfolio. There are a total of nine creditors, where the largest of which accounts for 22 percent of the loans. The remaining 10 percent (17) is raised in the bond market, in part through the part-owned company Svensk FastighetsFinansiering (SFF) and in part through the company's own issues of unsecured bonds. The maturity of the loans and the unutilized portions of the loans are shown in the diagram below.

**Credit risk**

In a recession, which we are likely entering, there is an increased risk of some tenants having difficulty making their rent payments. The mix of sectors and sizes of tenants means that the risk of significant rental losses is considered low. The risk also encompasses counterparty risk – that any bank is unable to meet its commitments – which could have greater consequences, but again the likelihood is assessed as low.

Refer to Note 2 for a more detailed description of Wihlborgs' financial risk management, which encompasses credit assessments, collateral and deposits.

In 2022, rent losses amounted to SEK 1 million (0).

Risk

Management

Outcome

OPERATIONAL RISKS

Rental income

Rental income is of vital importance to cash flow for operating activities. Declining rent levels and increased vacancies lead to lower property values. Rent levels are mainly driven by demand for premises, which in turn is influenced by growth in various sub-markets. In areas of economic growth, higher demand for premises is to be expected, and thus potential for higher rents and scope for new production. An economic downturn or concern in society, caused by war and an energy crisis for example, could lead to more tenants moving out and relocating, resulting in higher vacancy rates and falling rents.

Because the term of leases is normally between three and five years, changes in market rents do not immediately impact rental income. Most of Wihlborgs' leases with a term of three years and longer have index-linking clauses involving annual rental increases based either on changes in the consumer price index (CPI) or a fixed percentage increase. In shorter leases, pricing should reflect the risk. In the long term, the Öresund region is regarded as a strong market in terms of location, population growth, employment and public transport. Wihlborgs' presence both in Skåne and in the Copenhagen area also contributes to spreading risk, since circumstances differ slightly in the two countries.

As per 1 January 2023, contractual rental income in like-for-like portfolios was up 13.7 percent (4.8) year-on-year. This was partially attributable to the CPI which resulted in an increase of 10.9 percent, but also in part due to good net lettings, renegotiations and completed projects. As of 1 January 2023, vacancies, excluding projects and land, amounted to SEK 271 million (268) with an occupancy rate of 93 percent (92). In 2022, net lettings were the highest ever and totalled SEK 119 million (115). At year end, the average term for Wihlborgs' leases was 3.4 years (3.6). The following table shows when the property leases expire.

Terms of lease contracts			
	Number of leases	SEK m	Share, %
2023	1,370	765	21
2024	735	706	19
2025	489	736	20
2026	299	524	14
2027	131	352	9
2028	44	120	3
>2028	101	500	14
Total	3,169	3,703	100

Property costs

Major operating cost items are tariff-based costs for heating, electricity, water and waste management. Other costs include property tax, property upkeep, repairs and maintenance and administration. Under many of the leases, the bulk of these costs are passed on to the tenants. As a result, the impact of any change in the costs is relatively limited. Unforeseen repairs on a major scale may have a negative effect on profit, and the risk of this increases if ongoing maintenance is inadequate.

Wihlborgs works continuously with improving property energy efficiency, often in partnership with the tenants, to limit cost increases and environmental impact. The operations in Sweden hedge electricity purchase prices for a period of up to 24 months ahead. Continuous maintenance and repairs are carried out to maintain the condition and standard of the properties. Regular tenders are conducted for subcontractors to obtain competitive prices. The importance of cost-efficient property management is kept in focus in conjunction with acquisitions and all properties are insured against major negative impact through damage. Final settlement of operating costs against preliminary payments by tenants takes place once a year using a proprietary developed system linked to both rent and financial management systems.

Property costs increased SEK 139 million (13) year-on-year and included SEK 32 million attributable to acquired properties. Operating costs generally reflect price increases in society, but the increase in electricity prices stands out and had an impact of some SEK 36 million. A large portion of the energy costs are included in the supplements paid by the tenants. Of the increased property tax of SEK 34 million, SEK 19 million pertained to reassessments in conjunction with the general reassessment of rental properties in Sweden in 2022. The higher presence for the Danish canteen operations also contributed to increased property costs.

Project development

Wihlborgs' goal is to continue to grow, which will require investment in new and existing properties alike. New and evolving requirements for property design, function and efficiency increase expectations of our property development operations. There is a risk that a new build, extension or redevelopment project is more expensive than expected, is not leased on completion, is delayed during construction or could not be started as planned. In these cases, both value and cash flow are adversely affected. If there are few investment objects and these are not considered profitable, growth may be impeded.

All new projects are thoroughly evaluated, whereby estimated cost, yield and risks are analysed, and the execution is planned and established. Projects over SEK 10 million are subject to Board approval. The risks associated with internal projects managed by experienced, in-house project managers are limited partly via agreements with contractors and partly via regular internal follow-ups against budget to identify and address any deviations in good time. Through competent project managers and by showing substantial commitment to our sub-markets, we participate in the development of new areas, thereby creating opportunities for growth.

The pace of investment remained high in 2022 and during the year, SEK 1,518 million (1,219) was invested in existing properties and of the value increase in the property portfolio, project development accounted for SEK 150 million (379). The majority of projects have progressed as planned and the pandemic had no major impact on the outcome. Only one redevelopment project (Raffinaderiet 3) has, for various reasons, become more expensive than planned. At year end, approved investments in ongoing projects amounted to SEK 3,631 million (2,804), of which SEK 1,367 million had been invested at the end of the year. For more information concerning the projects, see pages 69–75.

Risk	Management	Outcome
<p>Transactions</p> <p>Property acquisitions are part of Wihlborgs' growth strategy. A risk arising in conjunction with property acquisitions is that the acquired property does not correspond to expectations or the price paid. A further risk is that of unexpected vacancies or costs arising in the properties after acquisition that are not covered by the agreement. If an acquisition is made in a corporate wrapper, other risks, such as VAT and other taxes, are also associated with that company.</p>	<p>For all transactions, calculations are made of the estimated cost and the yield. These calculations are subject to approval via set internal procedures. Property transaction risks are limited through a well-established due diligence process, which is driven by competent and experienced personnel with the support of external expertise. Wihlborgs' strategy is to act quickly and efficiently in conjunction with property transactions, which often leads to earlier conclusions and occupancy, and thus a positive cash flow from the acquired property.</p>	<p>Nine properties were acquired in 2022, of which six are in Sweden and three in Denmark. Seven of these comprised investment properties and two were project properties. The acquisitions included some vacancies, which will allow the property management organisation to add value through future lettings. One investment property was sold in Copenhagen as was a smaller section of land in Helsingborg. For more information on the acquired properties, see page 48–49.</p>
<p>Environmental risks</p> <p>Pollution at our properties and negative impacts on the environment/health through choice of materials, use of resources and waste all comprise risks for Wihlborgs and the surroundings. Not endeavouring to reduce this impact entails a risk of being in breach of the law, reduced demand from tenants, lack of trust and a negative impact on our brand.</p>	<p>Wihlborgs has an established environmental management system based on legal requirements and the environmental policy established by the CEO. Environmental aspects and operational environmental risks are identified and reviewed regularly. Environmental instructions and policies are prepared and communicated. Our property management includes a self-assessment programme and we have a project-adapted environmental programme with a clear specification of requirements for all new construction projects. All personnel complete fundamental environmental training and specific courses as needed.</p>	<p>The environmental certification of our office properties in Sweden accelerated during the year and contributed to raising employee competence and increased systemisation of the operation and maintenance of the properties. The project-adapted environmental programme has been updated and programme awareness raised through project manager and environmental coordinator training. Continued improvements in energy efficiency and savings programmes have reduced energy consumption at Wihlborgs' properties during the year. Read more about our environmental work on pages 38–41 and 147–149.</p>
<p>Occupational health and safety</p> <p>Incidents can occur in daily operations, whereby employees, contractors or tenants/third parties occasionally come to harm in our projects or at our properties. Construction site accidents, in connection with maintenance work on properties, or accidents when tenants move in or around the buildings can occur, even if the likelihood is deemed low.</p>	<p>Laws and regulations aimed at preventing ill health and accidents at work are in place that function as a base for our efforts. Work environment/health and safety-related risks are identified through regular risk inventories and work environment inspections as well as through other initiatives such as career development reviews, employee surveys and recurring health checks. Staff, managers and contractors report incidents and accidents to HR, thereby capturing them for evaluation and possible remedial measures.</p>	<p>In 2022, our work environment initiatives focused on clarifying our procedures for the work environment at the properties as well as the new needs and expectations that exist in terms of building technology. We registered 11 (six) accidents in our own operations and our contractors reported 15 (eight) accidents in conjunction with construction projects. Sick leave at Wihlborgs was 2.29 percent (1.96). Read more about our work environment initiatives on pages 42 and 145.</p>
<p>IT security</p> <p>Access to data and functioning IS/IT systems is central to Wihlborgs' entire operations. Increased digitalisation means greater dependence on these systems and larger quantities of sensitive data in all systems, which entails a potential security risk. There is a constant risk of data breaches and Wihlborgs is equally exposed to general IT attacks as other companies. Crashes or breaches of our internal business systems and of our properties' control systems could have significant consequences for us and our tenants.</p>	<p>Wihlborgs works continuously to ensure that we have high security levels in the various IS/IT systems. Both the technical and the human perspectives are important. We continuously analyse risks and implement necessary measures, for example with the help of diverse security solutions, and we have internal and external back-up solutions in place. By providing our employees with continuous information and training in behaviour and information management, and through encouraging them to pay notice, we minimise the risk of breaches and the exposure of business-critical data.</p>	<p>In 2022, few data and IT security-related incidents took place. Our IT operations have been stable and have not been exposed to any IT breach or malware. Like many others, we have encountered attempted e-mail fraud, but these have been stopped through a combination of security solutions, aware users, quick action and communication to users.</p>
<p>Property incidents</p> <p>Each day, various forms of unforeseen events could occur at any of our properties, but these are usually of a less serious nature. However, the risk of incidents that entail danger to life and health or more extensive property damage, for example from fire or a threat/intrusion directed at tenants is rare.</p>	<p>Risk management is based on extensive knowledge of our properties and tenants and thus a good preparedness for possible incidents. We maintain close contact with our tenants and thus have good insight into any possible threat scenario. We monitor our properties through regular checks and rounds. Ongoing maintenance keeps the properties in good condition and limits any risk of major damage. The properties are insured, thereby minimising any financial damage to Wihlborgs.</p>	<p>We continued our focus on the work environment and health and safety during the year, which has contributed to increased awareness and preparedness for any incidents. Additional training for Wihlborgs' property managers together with a more systematic approach to self-checks and safety inspections have resulted in a more comprehensive review of risks at the properties. In 2022, as in previous years, there were a few workplace accidents but none resulting in serious personal injury and no incidents that damaged our properties.</p>

Risk	Management	Outcome
REGULATORY RISKS		
Ethics & corruption		
<p>The risk of unethical behaviour in conflict with Wihlborgs' Code of Conduct could arise in our own operations as well as at the supplier stage. The risk of corruption applies primarily to the project/development and property management units, as well as to the central purchasing function since these units are the most exposed due to purchases of goods and services for Wihlborgs' operations.</p>	<p>Wihlborgs' corporate culture stresses the importance of honesty in our core values and the importance of clear business ethics guidelines is regularly showcased at internal gatherings. All new employees are trained in business ethics with a foundation in Wihlborgs' ethical guidelines. Systematic procurement processes involving more people increases transparency and reduces the risk of individual influence. Suppliers covered by framework agreements undertake to adhere to Wihlborgs' Code of Conduct, as do suppliers in project procurements. Any suspicion of corruption or similar improprieties can be reported using Wihlborgs' whistle-blower channel.</p>	<p>All new employees received training in Wihlborgs' ethical guidelines in 2022, which was conducted in the same manner as for previous years. Since 2022, Wihlborgs' Code of Conduct has been communicated digitally to all suppliers, who are also asked to self-assess their sustainability governance on an external platform. Suppliers' responses and the attached verifications are assessed to ensure compliance with Wihlborgs' Code of Conduct. No incidents of unethical behaviour or suspected corruption were notified through the whistle-blower channel in 2022. Read more about Wihlborgs work with business ethics and responsible business on pages 35 and 144–145</p>
Regulatory compliance		
<p>Laws, regulations and other rules govern many aspects of Wihlborgs' daily operations – from what and how we build to our management of the properties to reporting formats for the operations' performance. Lack of compliance with these regulations could lead to economic sanctions and damage confidence in Wihlborgs.</p>	<p>Wihlborgs continuously monitors regulatory developments in different areas, including through participation in various forums and collaboration with industry associations and other business organisations. The tasks of the central support functions include monitoring new or updated laws and other regulations. Other methods for reducing risks comprise good internal control of essential processes and employees' continuous skills development.</p>	<p>Wihlborgs' ethical guidelines are updated and adopted by the Board annually. A review of Wihlborgs' other policies commenced in 2022 with the aim of ensuring their relevance and that they reflect current external regulations. This review will also create an improved policy structure, making it clearer to employees which policy documents they are expected to know and comply with.</p>

STRATEGIC RISKS

Property values

The property portfolio directly affects earnings and key ratios. The extent of changes in value is determined by Wihlborgs' own capacity to add value to investment properties, drive project development and complete strategic acquisitions. This is also largely dependent on external factors such as the development of local rental and property markets as well as the general economic trend in Sweden.

Property valuations at Wihlborgs are based on a valuation policy and well-established valuation models with clear procedures for collecting relevant and reliable calculation data. On acquisition, the transaction department analyses the property concerned to determine its fair value as well as the future possibilities and risks. Prior to closing the books, Wihlborgs engages external parties to value all properties. The property valuation work is also subject to examination by the auditors.

For further information on estimates and judgements in property valuations; see pages 82–83 and Note 13.

In 2022, changes in value for Wihlborgs totalled SEK 396 million (2,153).

Inflation assumptions for 2023 and 2024 have been raised as has the yield requirement in valuations. The net effect of these two changes was positive over the year and, moreover, project development added value of SEK 150 million (379). The remaining changes in value stemmed from new lettings and renegotiations. The table below illustrates the impact of a +/-5–10 percent change in property values on Wihlborgs' results and financial position.

Sensitivity analysis, change in property values					
	-10%	-5%	0	5%	10%
Pre-tax profit, SEK m	-2,607	152	2,911	5,670	8,429
Equity/assets ratio, %	37.1	39.2	41.2	42.9	44.5
Loan-to-value ratio, properties, %	54.0	51.1	48.6	46.3	44.2

Risk	Management	Outcome
<p>Climate change</p> <p>Our weather will change and increase in turbulence over the coming decades. Climate change in the form of increasingly frequent powerful storms, warmer temperatures or raised groundwater levels, for example, entails a risk of rising costs for damp and damage claims settlement as well as increased cooling needs. In the long term, investments to adapt Wihlborgs' properties to a changing climate are also likely to increase. Furthermore, there is a risk of new rules, taxes, customer behaviour and other changes in society as a result of physical climate change.</p>	<p>Wihlborgs works systematically to reduce its operations' climate impact and to adapt the properties to global warming. An operational climate target (by 2022), a science-based climate target approved by SBTi (halving greenhouse gas emissions by 2030) and a climate roadmap based on a lifecycle perspective for the properties guide this work. In our internal environmental instructions and guidance, we showcase how we can and should systematically reduce our climate impact from our own operations and across the entire value chain. The property portfolio has been analysed based on physical climate risks and any need for adaptation of high-risk buildings will be assessed.</p>	<p>Wihlborgs continues to prioritise climate work with a focus on climate impact in the value chain. Climate calculations are required in all major construction projects and an internal CO2 emissions price has been introduced, which rewards contractors who offer low climate impact construction methods. Increased controls of properties for weather risk have been implemented with the aim of higher preparedness for extreme weather resulting from climate change. Read more about our climate work on pages 38–41 and 148. On pages 140–141, more detailed reporting is provided of climate-related risks and their long-term impact on Wihlborgs pursuant to the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD).</p>
<p>Organisational capacity</p> <p>A flexible, learning organisation is a prerequisite in a fast-moving, global world to be able to meet customer and other stakeholder expectations. The accelerating changes, in terms of expectations for digitalisation and sustainability but also for adjusted working methods for customers, means the organisation and skills need to be continuously upgraded. A risk exists that Wihlborgs will not succeed in developing the organisation further nor in attracting, retaining and developing the right skills that match customer, employee and other stakeholder needs.</p>	<p>Continuously strengthening individuals' skills, linked to their existing roles as well as the readiness to meet changes in the workplace, comprise crucial components for developing organisational capacity. Accordingly, Wihlborgs works continuously with developing skills in a number of defined key areas. Collaboration and the transfer of competence to new teams and departments is also promoted through various cross-functional forums. Wihlborgs also works with change management and communication to support employees in adapting to the changing demands and expectations of our business environment.</p>	<p>The investment in employee skills development continued in 2022, through measures including the Wihlborgs Academy. We have focused on property management and continued to review property caretaker skills with the aim of upgrading their expertise and abilities based on new requirements and expectations related to property technology. Our property managers have completed training in value-generating negotiation and we have organised internal workshops on how we can help our customers to create the workplace of the future. Moreover, we have continued work on the development of property-related sustainability issues through certifying 22 (14) buildings using our own staff.</p>
<p>Property portfolio</p> <p>A risk always exists of the property portfolio not meeting current or expected market demand in terms of the type of property/segment or geographical location – it could be the wrong property in the wrong city/area. Wihlborgs' property holdings are concentrated to four cities in the growing Öresund region, all with slightly differing characters and demand for premises, which contributes to a strong, diversified property portfolio.</p>	<p>Wihlborgs continuously evaluates the holdings based on extensive knowledge of the geographically defined market as a basis for its strategy for managing the risk of an erroneously composed property portfolio. The portfolio is diverse with different types of properties in various areas of the Öresund region. The combination of good contacts with many customers in the region and effective market monitoring as part of our project development and property management helps capture trends and analyse the local markets.</p>	<p>Wihlborgs reported positive net lettings in all regions and in all quarters in 2022. The portfolio was strengthened during the year with six properties in Sweden and three properties in Denmark, all of which complement the existing portfolio and bring new opportunities for value creation in the short and long term.</p>
<p>Customer offering</p> <p>Over time, customers' expectations of a good landlord develop and it is clear that tenants are increasingly setting new and specific requirements for the landlord and the premises. These include good environmental performance, relevant certifications, a high technical standard, flexible contract terms or increased service and ancillary services. Should Wihlborgs fail to be sufficiently innovative, flexible or fully understand customers' wishes and needs, this may result in some tenants moving to other landlords.</p>	<p>Continuous monitoring and evaluation of the customer offering and market demand is required to be able to sufficiently future-proof the properties and Wihlborgs' business. Moreover, organisational capacity is also needed to adapt the operations and customer offering to demand. Wihlborgs' strong presence in local markets and close contact and dialogue with existing and prospective customers means that Wihlborgs' property managers, letting agents and project developers can capture changes in demand.</p>	<p>In 2022, Wihlborgs once again conducted a CSI survey and received valuable tenant feedback. The overall CSI score was 78, above the industry average and up three points on the previous survey in 2020. Wihlborgs' customers are good ambassadors and a full 92 percent would recommend Wihlborgs as a landlord. Activity plans are being designed, based on the areas where our scores are not quite as high, to better meet customers' expectations going forward.</p>

Financial statements

CONSOLIDATED STATEMENT OF INCOME AND COMPREHENSIVE INCOME

SEK m	Note	2022	2021
	1-3		
Rental income	4	3,335	3,060
Property costs	5-6	-1,004	-865
Operating surplus		2,331	2,195
Other income		2	3
Central administration and marketing	6-8	-90	-86
Share in results of joint ventures		13	6
Result from other securities and receivables accounted for as non-current assets	32	9	13
Interest expense		-399	-312
Interest expense leasing, incl. ground rents		-5	-4
Income from property management		1,861	1,815
Change in value, investment properties	9	396	2,153
Change in value, derivatives	10	654	202
Pre-tax profit		2,911	4,170
Current tax	11	-44	-57
Deferred tax	11	-579	-765
Profit for the year		2,288	3,348
Other comprehensive income	12		
Items that will be reclassified to profit or loss for the year			
Year's translation differences on recalculation of foreign operations		383	67
Year's hedging of currency risk in foreign operations		-380	-69
Tax attributable to items that may be reclassified to profit or loss for the year		63	13
Other comprehensive income for the year		66	11
Comprehensive income for the year		2,354	3,359
Profit for the year, attributable to:			
Parent Company shareholders		2,288	3,348
Comprehensive income for the year, attributable to:			
Parent Company shareholders		2,354	3,359
PER-SHARE DATA (NO DILUTION AFFECT, AS THERE ARE NO POTENTIAL SHARES)			
Earnings per share, SEK		7.44	10.89
Dividend per share (2022, proposed dividend)		3.10	3.00
No. of shares at end of period, million		307.4	307.4
Average number of shares, million		307.4	307.4

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

SEK m	Note	2022	2021
ASSETS			
Non-current assets			
Investment properties	13	55,179	50,033
Right-of-use assets	14	146	150
Equipment	15	17	22
Participations in joint ventures	16	103	90
Other long-term securities holdings		0	5
Derivatives	26	696	94
Receivables from joint ventures	17	200	200
Long-term receivables	18	71	79
Total non-current assets		56,412	50,673
Current assets			
Accounts receivable	19	42	46
Other receivables		130	50
Prepaid expenses and accrued income	20	66	68
Cash and cash equivalents	21	159	315
Total current assets		397	479
Total assets		56,809	51,152
EQUITY AND LIABILITIES			
Equity	22		
Share capital		192	192
Other contributed capital		2,178	2,178
Reserves	12	144	78
Retained earnings including profit for the year		20,866	19,500
Equity attributable to Parent Company shareholders		23,380	21,948
Total equity		23,380	21,948
Non-current liabilities			
Deferred tax liability	23	5,180	4,622
Other provisions	24	26	26
Non-current interest-bearing liabilities	25	25,820	19,698
Lease liability	2	140	141
Derivatives	26	1	63
Deferred income		12	13
Other non-current liabilities		6	5
Total non-current liabilities		31,185	24,568
Current liabilities			
Current interest-bearing liabilities	25	986	3,580
Lease liability	2	4	8
Accounts payable		277	205
Current tax liabilities		21	40
Other liabilities		346	288
Accrued expenses and deferred income	27	610	515
Total current liabilities		2,244	4,636
Total equity and liabilities		56,809	51,152

For information on the Group's pledged assets and contingent liabilities; see Note 28.

CONSOLIDATED CASH FLOW			
SEK m	Note	2022	2021
OPERATING ACTIVITIES			
Operating surplus		2,331	2,195
Other income		2	3
Central administration		-90	-86
Non-cash items		16	16
Interest received		40	2
Interest paid		-406	-312
Income tax paid		-62	-50
Cash flows before change in working capital		1,831	1,768
CHANGE IN WORKING CAPITAL			
Changes in operating receivables		-88	0
Changes in operating liabilities		199	-78
Total change in working capital		111	-78
Cash flows from operating activities		1,942	1,690
INVESTMENT ACTIVITIES			
Property acquisitions	13	-2,438	-412
Investments in existing properties	13	-1,518	-1,236
Disposal of properties	13	97	3
Investments in equipment		-6	-6
Change in other long-term receivables		5	-29
Cash flow from investment activities		- 3,860	-1,680
FINANCING ACTIVITIES			
Dividends paid		-922	-807
Borrowings	29	8,194	5,680
Loan repayments	29	-5,504	-4,766
Increase in other non-current liabilities		-6	-7
Cash flow from financing activities		1,762	100
Change in cash and cash equivalents		-156	110
Opening cash and cash equivalents		315	205
Closing cash and cash equivalents	21	159	315

PARENT COMPANY INCOME STATEMENT

SEK m	Note	2022	2021
	1-2		
Net sales	30	219	223
Operating costs	6, 8, 30	-212	-206
Operating profit/loss		7	17
Result from financial items			
Result from participations in Group companies	31	1,447	690
Result from other securities and receivables accounted for as non-current assets	32	395	285
Other interest income and similar profit/loss items		0	0
Interest expense and similar profit/loss items	33	-726	-365
Change in value, derivatives	10	664	214
Profit after financial items		1,787	841
Appropriations	34	297	216
Pre-tax profit		2,084	1,057
Tax on profit for the year	11	-135	-80
Profit for the year		1,949	977

PARENT COMPANY STATEMENT OF OTHER COMPREHENSIVE INCOME

Profit for the year	1,949	977
Other comprehensive income for the year	-	-
Comprehensive income for the year	1,949	977

PARENT COMPANY BALANCE SHEET			
SEK m	Note	2022	2021
ASSETS			
Non-current assets			
<i>Property, plant and equipment</i>			
Equipment	15	4	6
<i>Financial assets</i>			
Participations in Group companies	35	10,651	9,431
Receivables from Group companies		17,306	15,791
Participations in joint ventures	16	43	43
Other long-term securities holdings		0	5
Receivables from joint ventures	17	217	217
Other long-term receivables	18	1	–
Derivatives	26	696	94
<i>Total financial assets</i>		28,914	25,581
Total non-current assets		28,918	25,587
Current assets			
Accounts receivable		1	0
Other receivables		5	7
Prepaid expenses and accrued income	20	21	38
Cash at bank and in hand	21	41	173
<i>Total current assets</i>		68	218
Total assets		28,986	25,805
EQUITY AND LIABILITIES			
Equity			
<i>Restricted equity</i>			
Share capital		192	192
<i>Unrestricted equity</i>			
Retained earnings		5,631	5,577
Comprehensive income for the year		1,949	977
<i>Total unrestricted equity</i>		7,580	6,554
Total equity		7,772	6,745
Provisions			
Other provisions for pensions	24	2	3
Provisions for deferred tax	36	137	2
Total provisions		139	5
Non-current liabilities			
Non-current interest-bearing liabilities	25	18,681	14,519
Liabilities to Group companies		1,962	2,512
Derivatives	26	1	63
Total non-current liabilities		20,644	17,094
Current liabilities			
Current interest-bearing liabilities	25	350	1,884
Accounts payable		8	5
Other liabilities		17	11
Accrued expenses and deferred income	27	56	61
Total current liabilities		431	1,961
Total equity and liabilities		28,986	25,805

STATEMENT OF CHANGES IN EQUITY IN PARENT COMPANY

SEK m	Note	Share capital	Restricted reserves	Unrestricted equity	Total equity
	22				
Equity, 1 January 2021		192	0	6,384	6,576
Dividends paid		–	–	-807	-807
Profit for the year/Comprehensive income for the year		–	–	977	977
Equity, 31 December 2021		192	0	6,554	6,745
Equity, 1 January 2022		192	0	6,554	6,745
Dividends paid		–	–	-922	-922
Profit for the year/Comprehensive income for the year		–	–	1,949	1,949
Equity, 31 December 2022		192	0	7,580	7,772

PARENT COMPANY CASH FLOW STATEMENT

SEK m	Note	2022	2021
OPERATING ACTIVITIES			
Operating profit/loss		7	17
Depreciation/amortisation		2	3
Interest and dividends received		1,778	1,072
Interest paid		-351	-294
Cash flows before change in working capital		1,436	798
CHANGE IN WORKING CAPITAL			
Changes in operating receivables		20	-4
Changes in operating liabilities		8	-24
Total change in working capital		28	-28
Cash flows from operating activities		1,464	770
INVESTMENT ACTIVITIES			
Acquisitions of non-current assets		0	0
Shareholders' contributions paid and new share issues		-1,225	-34
Acquisition of participations in Group companies		-1	-3
Disposal of participations in Group companies		-4	–
Increase in receivables from Group companies		-1,440	-1,551
Cash flow from investment activities		-2,670	-1,588
FINANCING ACTIVITIES			
Dividends paid		-922	-807
Borrowings	29	5,888	4,688
Loan repayments	29	-3,639	-3,033
Changes in other non-current liabilities and provisions		-550	-126
Group contributions received		297	216
Cash flow from financing activities		1,074	938
Change in cash and cash equivalents		-132	120
Opening cash and cash equivalents		173	53
Closing cash and cash equivalents	21	41	173

Notes

Unless otherwise stated, amounts are in SEK million.

NOTE 1 | Significant accounting policies

General information

The consolidated accounts and the annual accounts of Wihlborgs Fastigheter AB for the 2022 financial year have been approved by the Board of Directors and the Chief Executive Officer for publication on 15 March 2023 and will be presented to the Annual General Meeting (AGM) on 26 April 2023 for adoption. The Wihlborgs Group conducts property management with operations focused in the Öresund region. The property portfolio comprises commercial properties, located primarily in Malmö, Helsingborg, Lund and Copenhagen. The Parent Company Wihlborgs Fastigheter AB is a public limited company with its registered address in Malmö, Sweden. The Parent Company's functional currency is Swedish kronor (SEK), which is also the reporting currency of the Parent Company and the Group. The address of the head office is Box 97, SE-201 20 Malmö, Sweden.

Compliance with standards and statutory requirements

The consolidated accounts have been prepared in accordance with 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. Furthermore, the consolidated accounts have been prepared according to the Swedish Financial Reporting Board's recommendation RFR 1, Supplementary Accounting Rules for Corporate Groups. The Parent Company's annual accounts have been prepared in accordance with the Annual Accounts Act and by application of recommendation RFR 2, Accounting for Legal Entities issued by the Swedish Financial Reporting Board. Deviations between the Group's and the Parent Company's accounting policies are described in the "Parent Company's accounting policies" section, below.

Basis of preparation

Assets and liabilities are recognised at cost, other than investment properties and derivatives, which are measured at fair value.

Judgements and estimates used

The preparation of financial statements in accordance with IFRS requires that the management and Board make judgements and assumptions that affect the amounts recognised for assets, liabilities, income and expenses, as well as other information disclosed. These judgements are based on experience and the various assumptions that are considered reasonable by the management and the Board in view of the prevailing circumstances. Actual outcomes may differ from these judgements if other assumptions are made or if the conditions change.

The accounts are particularly sensitive to the judgements and assumptions applied in the valuation of investment properties as well as deferred tax liabilities. Further information on the input data and the methods used in property valuation is provided in notes 9 and 13. Deferred tax assets pertaining to loss carryforwards are recognised only to the extent it is probable that they will be utilised.

Significant accounting policies applied

The following accounting policies have been applied consistently in all periods that are presented in the Group's financial statements, unless otherwise indicated below.

New accounting policies

New standards and interpretations effective 2022 and thereafter
Wihlborgs' assessment is that none of the new or amended standards approved by the EU, or interpretations from the IFRS Interpretations Committee, that entered force in 2022 or enter force in 2023 or later, will affect its results or financial position in any material sense.

Definition of segments

Wihlborgs reports on four geographical market areas: Malmö, Helsingborg, Lund and Copenhagen. Each market area corresponds to an operating segment whose revenue and costs are regularly monitored through reporting to the CEO, who is the chief operating decision maker. The Group Management monitors operating profit and changes in property values; other profit and loss items are not broken down by market area. On the assets side, investments in properties and their fair values are monitored.

Consolidated accounts

The consolidated accounts include the Parent Company, Wihlborgs Fastigheter AB, and all companies in which the Parent Company has a direct or indirect controlling interest. A "controlling interest" comprises a direct or indirect right to design a company's financial and operational strategies in order to obtain economic benefits. The consolidated accounts are based on accounting documents prepared for all Group companies as per 31 December. The consolidated income statement includes companies acquired or disposed of during the year for the period during which the Group company was owned by Wihlborgs. The Group's equity only includes the portion of the subsidiary's equity that has arisen following the acquisition. The functional currency for the Group's foreign operations is the currency in which the Group entity concerned conducts its business activities. The income statements and balance sheets for foreign operations are translated to SEK, which means that assets and liabilities are translated at the closing day rate, and the income statements at the average exchange rate for the period. Any translation differences arising in translation to SEK are recognised in other comprehensive income.

Acquisition of properties via companies

A company acquisition may be regarded either as an asset acquisition or a business combination. If essentially, the entire fair value of the gross assets acquired pertain to one separate identifiable asset, a property for example, or to a group of similar identifiable assets, the acquisition comprises an asset acquisition. In other cases, the acquisition is considered to constitute a business combination.

In the case of an asset acquisition, no deferred tax is recognised on the surplus value of the properties; any discount attributable to the deferred tax is instead deducted from the property value. When establishing an initial fair value after the acquisition date, the change in value is impacted by the tax discount.

Joint arrangements

Companies in which Wihlborgs has a long-term ownership stake and in which it exercises a controlling influence, together with one or several joint venture partners, are classified as a joint venture or joint operation, depending on whether the Group has direct rights to assets and obligations for liabilities (joint operation) or not (joint venture). The assessment is based on the structure of the investment, its legal form, contractual agreements and other factors and circumstances. Joint ventures are reported in the consolidated income statement and balance sheet using the equity method, which means that Wihlborgs' share of this result is recognised annually in the consolidated statement of income. The values of these participations are adjusted in the balance sheet to reflect the share of earnings and any dividend payments. For joint operations, Wihlborgs' direct share of the assets, liabilities, income and costs is recognised in the consolidated accounts. The assets, liabilities, income and costs that cannot be attributed directly to the partners are allocated on the basis of the respective participating interest. Intra-Group balances corresponding to ownership shares are eliminated on consolidation.

Joint arrangements are accounted for on the basis of the latest available accounts for the company concerned, adjusted for any differences in accounting policies.

Foreign currency

Transactions in foreign currency are translated to SEK using the exchange rate at the transaction date. Monetary assets and liabilities in foreign currency are translated at the closing day rate, with any resulting exchange-rate differences recognised in profit or loss. Non-monetary assets and liabilities carried at historical cost should be reported using the exchange rate at the date of the transaction. Non-monetary assets and liabilities carried at fair value should be reported in the functional currency at the rate on the date when the fair values were determined. Exchange-rate differences on operating receivables and liabilities are recognised in profit or loss, while exchange-rate differences attributable to financial assets and liabilities are recognised under "Result from financial items."

Net investment in foreign operations

Monetary long-term receivables [alt monetary long-term liabilities] to a foreign operation for which settlement is not planned or likely will not occur in the foreseeable future, is in practice part of [the company's] net investment in the foreign operation. An exchange rate difference that arises on the monetary long-term receivable [alt monetary long-term debt] is reported in other comprehensive income and accumulated in a separate component of equity, called the translation reserve. When divesting a foreign operation the accumulated exchange rate differences attributable to monetary long-term receivables [alt monetary long-term liabilities] are included in the accumulated translation differences that are reclassified from the translation reserve in equity to the year's profit.

Hedging of net investments in foreign operations

To reduce currency risks related to net assets in foreign operations, foreign currency loans have been raised. At the end of accounting periods, monetary assets and liabilities in foreign currency are translated at the closing day rate. The effective portion of the period's changes in exchange rates attributable to the hedging instruments is recognised in other comprehensive income to take into account the translation differences pertaining to the net assets of foreign operations. Hedge ineffectiveness is recognised immediately in profit or loss. On divestment of foreign operations, the accumulated translation differences both from net investments and from hedging instruments are settled and recognised, in proportion to the share divested, in profit or loss.

Income

Income from property management is invoiced in advance and recognised as income in the period to which it relates. Income is reported pursuant to IFRS 16, income from operating leases, and is divided into rental income and service income. The former includes standard invoiced rent including index and supplementary billing for investments and property tax. Service income, which is treated pursuant to IFRS 15, includes all other supplementary billing, for example electricity, heating, water and services provided to tenants. In cases where a tenant is granted a time-limited rent reduction and charged a higher rent in another period, the respective underpayment or overpayment is accrued on a straight-line basis over the term of the lease, provided that the rent reduction is not associated with phased occupancy or the like. Remuneration relating to early lease termination is recognised immediately unless any outstanding obligations exist vis-à-vis the tenant.

Income from the sale of property is recognised on the contract date, provided there are no specific terms or conditions in the purchasing contract. The result of a property sale is recognised as a change in value and pertains to the difference between the received sales price after deductions for selling costs and the carrying amount in the most recent quarterly report, adjusted for subsequent investments. Should the sale of a property be effected via a company sale, the portion of profit/loss that is attributable to the recognised deferred tax is to be recognised in profit/loss on the line for tax on profit for the year.

Leaseholds and agreements as lessee

For Wihlborgs as a lessee all leases are recognised in the statement of financial position, measured at the present value of future lease payments. With the exception of contracted site leasehold agreements, Wihlborgs' exposure as a lessee, through leases for premises and smaller leases for assets, such as vehicles, is limited. All leases are included in the lease liability that is remeasured in the event of any change in, inter alia, the lease term, residual value guarantees and any changes in lease payments. Interest expense for ground rents is recognised under the line item Interest expense leasing in profit or loss. Other costs for leased assets are recognised as depreciation. Short leases (12 months or less) and leases where the underlying asset is of low value do not require recognition in the statement of financial position, and are instead recognised in profit or loss in the same manner as the former operating leases.

Remuneration of employees

Remuneration of employees, in the form of salaries, paid holiday, paid sick leave etc., is recognised as it is earned. Pensions and other post-employment benefits are classified as defined-contribution or defined-benefit plans. Commitments under the defined-contribution plans are fulfilled via premiums to independent government agencies or companies that administer the plans. A number of Wihlborgs employees are covered by the ITP Plan, with regular contributions to Alecta. According to IFRS, this is to be classified as a multi-employer defined-benefit plan. Since sufficient information to recognise these plans as defined-benefit is not available, they are recognised as defined-contribution plans.

All employees in Sweden can receive shares in the Wihlborgs Profit-Sharing Fund, which is entirely independent of Wihlborgs. Employees in Denmark receive employee shares in Wihlborgs Fastigheter AB. The allocations in Sweden and Denmark are decided each year by the Board and assume that set criteria for the Group's performance are met. The allocations are recognised as personnel costs in the period to which the profit shares pertain.

Financial income and expenses

Financial income pertains to interest income and is recognised in the period in which it arises. Dividends on shares are recognised as financial income in the period in which the entitlement to receive payment is considered certain.

Financial expenses pertain to interest and other expenses that arise when money is borrowed. Costs incurred for raising mortgage deeds are not regarded as a financial expense, but are capitalised as value-generating investments in property. Financial expenses are recognised in the period in which they arise. Financial expenses also include interest expenses for interest-rate derivative agreements. Payment flows from interest-rate derivative agreements are recognised in the period in which they arise. Net financial

items are not affected by the market value of contracted interest-rate derivatives, which are instead reported as changes in value under a separate heading. The portion of interest expenses that include interest during production time for major new builds, extensions or renovations is capitalised. Interest is calculated based on an average borrowing cost for the Group.

Income from property management

IAS 1 prescribes the information that is to be presented in the statement of income and the appendix describes how it is to be presented. However, neither what is prescribed nor what is described is exhaustive or specific to developments at a property management company in Sweden, and a fairly clear tendency can be discerned. Against that background, income from property management is recognised in one section and changes in the value of properties and derivatives in a separate section between income from property management and pre-tax profit.

Taxes

Tax on profit for the year includes both current and deferred income tax for Swedish and foreign Group entities. Current tax is based on taxable profit for the year, which differs from the recognised profit for the year, in that it has been adjusted for non-taxable income, non-deductible expenses and for any change in temporary differences between recognised and taxable values for assets and liabilities. Current tax for the Group is based on the tax rates that applied on the balance-sheet date.

Deferred tax has been calculated using the balance sheet method.

This method is used to account for deferred tax liabilities and claims for all temporary differences between recognised and taxable values for assets and liabilities and for other taxable deductions or deficits. Deferred tax liabilities and tax assets are calculated on the basis of the tax rate anticipated for the time at which the temporary difference is reversed. When valuing tax loss carryforwards, an assessment is made of the likelihood that the deficit can be utilised. Deferred tax assets and deferred tax liabilities are offset if they relate to income tax to the same tax authority, and if the Group can settle the tax by paying a net amount. Both current and deferred tax are recognised in profit or loss as income or expenses except where the underlying transaction is recognised in other comprehensive income. In such cases, the tax is also recognised in other comprehensive income.

Investment properties

All properties in the Group are classified as investment properties on the basis that they are held to earn rental income or for capital appreciation, or a combination of the two. Wihlborgs rents offices in Copenhagen, Lund and Helsingborg in its own properties and the office in Malmö is rented from an external party from 1 December 2019. The rental value for own renting represents, in all cases, a negligible portion of the total rental value for the property concerned and consequently none of these properties is classified as owner-occupied property. Investment properties are measured at fair value in the balance sheet in accordance with IAS 40, which means that depreciation is not recognised in profit or loss. Any change in value is recognised on a separate line in the income statement and is calculated on the basis of the period-end valuation compared with the preceding year's valuation, or alternatively cost if the property was acquired during the year, plus capitalised additional expenditure during the year. The change in value for divested properties is described in the accounting policies for income from property sales.

Investment properties are valued quarterly on the basis of an internal valuation model. The valuation of investment properties has been classified as falling within Level 3 in the fair value hierarchy, since the estimated value is materially affected by non-observable input data used in the valuation. At year end, all properties are valued by independent external appraisers with recognised and appropriate qualifications. Ongoing new-build projects are valued as if the project were completed, less the budgeted remaining cost of the project. Projects in early stages are valued as undeveloped land with a supplement for expenses incurred. Undeveloped land and other upgrade projects are valued in accordance with the location-price method. Further information on the valuation of the property portfolio and the carrying amounts included therein is provided in Note 13.

Additional expenses relating to redevelopment/extension are added to the carrying amount only when it is probable that the future economic benefits associated with the asset will accrue to the company and the cost can be measured in a reliable manner. All other subsequent costs are expensed in the period in which they arise. The decisive factor in determining when an additional expense is added to the carrying amount is whether the expense relates to replacement of whole or parts of identified components, in which case the expenditure is capitalised. Expenditure on entirely new components is also added to the carrying amount. In major new, extension and redevelopment projects, interest during the project period is capitalised. Expenditure on repairs is recognised in the period in which it arises.

Financial instruments

Financial instruments that are recognised in the balance sheet include assets such as cash and cash equivalents, rent receivables, other receivables and loan receivables, and liabilities such as interest-rate derivatives, accounts payable, other liabilities and borrowings.

Financial instruments are initially measured at fair value and thereafter regularly at fair value or amortised cost depending on the classification. Financial instruments recognised at cost are initially recognised at an amount corresponding to the instrument's fair value plus transaction costs. Financial instruments recognised at fair value are initially recognised at an amount corresponding to the instrument's fair value and transaction costs are expensed directly. All financial derivatives are recognised regularly at fair value.

A financial asset or liability is recognised in the balance sheet when the company becomes a party under the contractual terms and conditions for the instrument. A receivable is recognised when the company has discharged its undertaking and a contractual obligation has arisen to be paid by the counterparty, even if the invoice has yet to be sent. Rent receivables are recognised in the statement of financial position from the first day of the rental period. A liability is recognised when the counterparty has executed its part of the agreement and there is a contractual obligation to pay, even if the invoice has not been received. Accounts payable are recognised when the invoice has been received. A financial asset is derecognised from the balance sheet when all of the risks and benefits associated with ownership have been transferred. A financial liability is derecognised from the balance sheet when the obligation is fulfilled or is otherwise extinguished.

Cash and cash equivalents

Cash and cash equivalents consist of bank balances at the end of the reporting period and are recognised at their nominal value.

Financial assets

Financial assets that are not derivatives, that have fixed or determinable payments and that are not quoted in an active market are reported as receivables. Financial assets are classified as amortised cost, fair value through profit or loss or fair value via other comprehensive income based on the character of the asset's cash flow and on the business model encompassing the asset.

All financial assets that are not derivatives fulfil the criterion for contractual cash flows and are held in a business model to collect on these contractual cash flows. Borrowings are thereby recognised at amortised cost. In the Group, there are rent receivables, other receivables and receivables pertaining to sold properties. After individual valuation, receivables are recognised at the amount at which they are expected to be realised, which means that they are recognised at cost, with a provision for bad debt.

The modified retrospective approach for provisions for credit losses is used for the Group's receivables, excluding cash and cash equivalents. Provisions for credit losses are continuously assessed based on historic, current and forward-looking factors. Because of the short tenor of the receivables, the reserve amounts are negligible. The Group defines default as receivables that are more than 90 days past due and in these cases, an individual assessment and loss allowance is made. Assessment of cash and cash equivalents is based on the banks' likelihood of defaulting and forward-looking factors. Because of their short tenor and high credit value, the provision amounts are negligible.

Debt instruments

Liabilities including credit and operating liabilities such as accounts payable. Most of the credit agreements are non-current. The credit is recognised in the balance sheet on the payment date under amortised cost. Accrued unpaid interest is reported under the item accrued expenses. A liability is recognised when the counterparty has executed its part of the agreement and there is a contractual obligation to pay, even if the invoice has not been received. Accounts payable are recognised when the invoice has been received. Accounts payable and other operating liabilities with short terms are recognised at their nominal value.

Derivatives

An interest-rate derivative consists of a financial asset or liability measured at fair value together with changes in value through profit or loss. To manage exposure to fluctuations in the market interest rate in accordance with the established financial policy, the Group has entered into interest-rate derivatives. When using interest-rate derivatives, changes in value arise depending primarily on changes in the market interest rate. The interest-rate derivative is initially recognised in the balance sheet at cost on the transaction date, and valued thereafter at fair value together with changes in value through profit or loss. Payment flows from interest-rate derivative agreements are recognised in the period in which they arise.

Equipment

Assets are recognised in the balance sheet at accumulated cost, less accumulated depreciation according to plan and impairment. Annual depreciation is applied at 20 percent, on a straight-line basis, to the acquisition cost.

Share buy-backs

If any buy-back of Wihlborgs' own shares takes place, equity is reduced by the purchase consideration paid, including transaction costs. Payments received from any sale of the company's own shares are recognised as an increase in equity. Any transaction costs, including tax effects, are recognised directly against equity.

Parent Company's accounting policies

The changes to RFR 2, Accounting for Legal Entities, in 2022 have not had any material effect on the Parent Company's financial reports from 2022, aside from some disclosure requirements. The same applies for amendments that enter force in 2023 or later.

The deviations between the Parent Company's and the Group's policies arise from limitations in the Parent Company's ability to apply IFRS as a result of statutory provisions in, above all, the Swedish Annual Accounts Act, and in view of the relationship between accounting and taxation. Leases are reported in the Parent Company pursuant to the exemption in RFR2, which means that lease costs are recognised in profit or loss since they are included in property management and central administration. Group contributions are recognised in accordance with the alternative rule of recommendation RFR 2. According to the alternative rule, Group contributions received and paid are both recognised as appropriations. Shareholders' contributions are recognised by the donor as an increase in shares in subsidiaries and by the recipient as an increase in unrestricted equity. Receivables in the Parent Company essentially comprise receivables from subsidiaries, which are recognised using the cost model in accordance with IFRS 9. The general model is applied to the analysis of receivables from subsidiaries and the expected provisions for credit losses are calculated based on the contracts with adjustments for forward-looking factors and taking into account the value of collateral. Receivables without collateral in real property represent negligible amounts and, given the value of the collateral, the provisions represent negligible amounts.

Appropriations and untaxed reserves

Tax legislation in Sweden allows the payment of tax to be postponed by appropriation to untaxed reserves in the balance sheet via the income statement item "Appropriations." Depreciation rules in legislation allow accelerated depreciation. However, appropriations and untaxed reserves are not recognised in the consolidated accounts.

NOTE 2 | Financial risk management

Operations are financed by equity and interest-bearing liabilities. The relationship between equity and liabilities is determined by the chosen level of financial risk as well as the amount of equity required to satisfy lenders' requirements for maintaining the loan under reasonable terms and conditions. The objective for the capital structure is to generate a return on equity, to enable the company to obtain the necessary loan financing and to ensure scope for investment. The objective is to achieve a return on equity that exceeds the risk-free interest rate by not less than six percentage points, which was 6.12 percent for 2022, an equity/assets ratio of not less than 30 percent, an interest coverage ratio of at least 2.0 times and a loan-to-value ratio of not more than 60 percent. On 31 December, all of the targets had been met by healthy margins, refer to the table in Note 22 Equity for outcomes.

Financial policy

Each year, the Board sets the financial policy that governs Wihlborgs' financial operations. The aim of the financial policy is to define the goals, and to provide guidelines and risk limits for the financial operations within the Wihlborgs Group. The financial policy also provides a general allocation of responsibilities and how reporting and follow up of the financial risks is to be conducted. The Parent Company's Finance function is a Group executive function with responsibility for the Group's financing, interest-rate risk management, liquidity planning and management of other financial risks. The function reports quarterly to the Board in accordance with guidelines established in the financial policy. The overall goals for the Finance function are to:

- Ensure good access to funds so that Wihlborgs' payment obligations can be met at any given time
- Achieve the best possible accessibility and diversity within Wihlborgs' funding sources
- Achieve the best possible net financial items within the framework for established risk levels and set risk limits
- Identify and ensure good management of the financial risks that arise in Wihlborgs
- Ensure that financial operations are conducted with good internal controls.

Management of financial risks

Financing risk

Financing risk refers to the risk of not having access to assets, or only having access to them at a significantly increased cost, for refinancing, investing and other payment obligations. Wihlborgs must be able to carry out transactions when the opportunity arises and must always be able to meet its commitments. The financing risk increases if the company's creditworthiness deteriorates or if a large portion of its loan portfolio falls due on one or a few occasions.

Liquidity risk is managed by performing regular liquidity forecasts and by ensuring a liquidity reserve in the form of credit lines or cash and cash equivalents that can be used at short notice. The bank overdraft facility at year end amounted to SEK 450 million (437), of which SEK 88 million (57) was utilised.

Financing risk is limited by the guidelines given in the financial policy regarding approved counterparties when signing credit facilities, the effort to ensure a balanced maturity structure in borrowings including renegotiating credit margin terms, limiting the average contractual tenor of credits and guidelines about the number of lenders regarding bank loans. No individual lender should represent more than 50 percent of total bank borrowings outstanding, and the number of lenders should be not less than three. The financial policy also stipulates a maximum distribution of different financing formats. At year end, 48 percent (47) of total borrowings comprised bank loans, Danish mortgages have increased to 42 percent (36) while bonds issued decreased to 10 percent (17). There were 9 (9) main lenders, of whom the largest represented 22 percent (17). Wihlborgs has issued non-covered bonds totalling SEK 1,150 million (1,550) in a Medium Term Note programme. Additionally, bonds amounting to SEK 1,430 million (2,332) were issued via the part-owned finance company Svensk FastighetsFinansiering. Bonds maturing in 2023 amount to SEK 986 million and will either be repaid through existing unutilised credit facilities or through the issue of new bonds depending on the bond market conditions at the time.

Most of the interest-bearing liabilities, which amounted to SEK 26,806 million (23,278) at year end, were raised by the Parent Company by pledging collateral in the form of promissory notes from subsidiaries containing pledged property mortgages. Most of the collateral contains conditions regarding loan-to-value ratio and interest coverage ratio in the agreements with lenders, known as financial covenants. These covenants to lenders are issued with satisfactory margins for Wihlborgs' capital structure targets. Wihlborgs' total available credit is SEK 29,662 million (25,798), of which SEK 26,806 million (23,278) had been utilised on 31 December 2022. Wihlborgs has secured access to financing via long-term credit facilities. The average loan maturity, including credit facility, was 6.1 years (6.0). The following table shows the credit facilities that existed at year end.

Credit facilities, SEK m

	31 Dec 2022		31 Dec 2021	
	Amount	Utilised	Amount	Utilised
Long-term binding loan agreements with banks	26,632	24,138	19,494	17,855
Short-term binding loan agreements with banks	0	0	1,984	1,484
Overdraft facilities	450	88	438	57
Total loan agreements	27,082	24,226	21,916	19,396
Long-term bonds, covered	794	794	636	636
Short-term bonds, covered	636	636	1,696	1,696
Long-term bonds, non-covered	800	800	1,150	1,150
Short-term bonds, non-covered	350	350	400	400
Total bonds	2,580	2,580	3,882	3,882
Total	29,662	26,806	25,798	23,278

Maturity structure of credit framework agreements, SEK m

	31 Dec 2022		31 Dec 2021	
	Agreement	Utilised	Agreement	Utilised
0–1 year	986	986	4,080	3,580
1–2 years	5,858	5,282	1,043	1,043
2–3 years	11,666	9,386	11,850	9,830
3–4 years	596	596	405	405
4–5 years	595	595	549	549
>5 years	9,960	9,960	7,871	7,871
	29,662	26,806	25,798	23,278

Interest-rate risk

Interest expense is one of the largest cost items to which Wihlborgs is exposed. The extent to which and how quickly an interest rate change impacts earnings depends on the fixed-interest period. Interest-rate risk refers to the risk that developments in the interest-rate market negatively impact Wihlborgs' earnings, through running interest expenses for loans and derivatives and through changes in the market values of the derivatives. The aim of interest-rate risk management is to achieve the desired stability in the Group's combined cash flows to support property investments and to fulfil requirements and expectations that lenders and other external parties have of Wihlborgs. Interest-rate risk strategy should take into account the sensitivity of Wihlborgs' combined cash flow to trends in the interest-rate market over a multi-year time horizon. The interest-rate risk strategy is expressed in the form of a normal portfolio described through a maturity structure for fixed interest-rates in loan agreements combined with derivatives. According to the financial policy, the target for the interest coverage ratio is to exceed a multiple of 2.0; for 2022, the interest coverage ratio was a multiple of 5.6 (6.7). The average interest rate, including the cost of credit agreements, amounted to 2.59 percent (1.32) as of 31 December 2022. An interest expense sensitivity analysis showed that an increase or a decrease in the market interest rate of 1 percentage point would result in interest expense increasing SEK 166 million (97) and decreasing SEK 383 million (65), respectively. For further information on interest-rate sensitivity, see page 85.

The tables below showing the respective interest maturity structures for 2022 and 2021, show the nominal value of loans and derivatives respectively.

Interest maturity structure as of 31 Dec 2022, SEK m

	Excl. derivatives	Interest-rate derivatives	Net	Average interest, %
2023	25,071	-7,932	17,139	3.02
2024	–	1,788	1,788	1.43
2025	–	1,788	1,788	1.44
2026	–	1,252	1,252	1.62
2027	–	1,352	1,352	2.96
>2027	1,735	1,752	3,487	1.59
	26,806	0	26,806	2.55

Interest maturity structure as of 31 Dec 2021, SEK m

	Excl. derivatives	Interest-rate derivatives	Net	Average interest, %
2022	21,455	-9,762	11,693	1.02
2023	146	2,430	2,576	1.35
2024	0	1,788	1,788	1.43
2025	0	1,788	1,788	1.44
2026	0	1,252	1,252	1.62
>2026	1,677	2,504	4,181	1.67
	23,278	0	23,278	1.27

The fair value of Wihlborgs' interest-rate derivative portfolio at the end of the year was SEK 695 million (31). At year end, the interest-rate derivative portfolio included a total of SEK 10.4 billion (11.4) comprising 25 (26) different interest-rate swaps. For more detailed information about the interest-rate derivative portfolio see the table below.

Interest-rate derivative portfolio

Interest-rate swaps			
Final maturity	Amount, SEK m	Interest rate, %	
2023	2,430	0.39	
2024	1,788	0.41	
2025	1,788	0.42	
2026	1,252	0.59	
2027	1,352	1.92	
2028	752	1.12	
2029	500	0.12	
2030	500	0.13	
Total	10,362	0.65	

Future liquidity flows attributable to credits are described below. The STIBOR rate at the end of the reporting period was used in the calculation of credits and the variable components of the interest-rate swaps. Outstanding borrowings and credit margins were assumed to be the same at the end of the reporting period until the maturity of each credit, at which point the final payment is assumed to have been made.

Future liquidity flows for credits, calculated as of 31 Dec 2022, SEK m

	Maturity of credits	Interest on credits	Interest on derivatives	Total
1–3 months	166	172	32	370
4–12 months	820	458	104	1,382
1–2 years	5,282	699	114	6,095
2–3 years	9,386	431	72	9,889
3–4 years	596	228	54	878
4–5 years	595	227	41	863
>5 years	9,961	1,991	53	12,005
	26,806	4,207	470	31,483

Future liquidity flows for credits, calculated as of 31 Dec 2021, SEK m

	Maturity of credits	Interest on credits	Interest on derivatives	Total
1–3 months	2,324	56	16	2,396
4–12 months	1,256	148	45	1,449
1–2 years	1,043	171	54	1,268
2–3 years	9,830	145	44	10,019
3–4 years	405	69	35	509
4–5 years	549	66	27	642
>5 years	7,871	604	29	8,504
	23,278	1,259	250	24,787

Future liquidity flows for other financial liabilities on 31 Dec 2022, SEK million

The following table illustrates the maturity breakdown of financial liabilities (excl. borrowings and derivatives). The amounts in the table are undiscounted.

31 Dec 2022					
	0–3 months	4–12 months	1–5 years	>5 years	Total
Lease liabilities	3	5	20	213	241
Accounts payable	277	–	–	–	277
Other liabilities	65	109	144	33	351
	345	114	164	246	869

Counterparty risk

Counterparty risk refers to the risk that the counterparty will not be able to fulfil a delivery or payment. In Wihlborgs' financial activities, counterparty risk primarily arises when the company invests excess liquidity, in derivative transactions and credit facilities. To reduce counterparty risk, Wihlborgs' financial policy states that the company is to endeavour to spread counterparty risk. To reduce the risks, only approved counterparties are to be used. Regarding Wihlborgs' accounts receivable, standard customer credit checks are performed before a new tenant is accepted, and if necessary the lease is backed by a personal guarantee, deposit or bank guarantee. Similarly, credit checks are carried out in connection with any promissory notes that may arise in connection with the disposal of properties or companies. The maximum credit exposure for financial assets corresponds to the carrying amount.

Currency risk/translation exposure

Currency risk refers to the risk of an impact from changes in exchange rates on Wihlborgs' income statement and balance sheet. Currency risk exposure includes unhedged net positions – the difference between assets and liabilities, and the difference between in- and outflows in foreign currencies. In both Sweden and Denmark, only limited transactions are conducted in currencies other than SEK and DKK. With the aim of limiting exchange-rate risk exposure, as far as possible, Wihlborgs' foreign currency investments are to be financed in local currency, firstly through borrowings in the Danish subsidiary, secondly through local currency borrowings in the Parent Company and thirdly through derivatives. The hedge ratio in relation to the net assets' fair value is to amount to not less than 80 percent and not more than 100 percent. Wihlborgs owns properties in Denmark through Wihlborgs A/S. At the balance-sheet date, Wihlborgs' exposure in DKK comprised the following: net assets in the Danish operations of the Group amounting to DKK 2,412 million (2,412); lending to the same operations of DKK 830 million (370); and Danish kronor bank loans in the Swedish Group companies of DKK 3,348 million (2,864), which have been taken up as a currency hedge for net investments and lending. After taking into account the tax effect, net exposure is 87 percent (84). An movement in the exchange rate of one percentage point would have an impact on other comprehensive income of SEK 6 million (6), including fiscal effects. Note 12 states the amounts for the translation of net investments and hedging of currency risk.

NOTE 3 | Operating segment

The Group's operations are focused on commercial properties in the Öresund region. In internal reporting to Group Management, operations are evaluated per market area, which represents the Group's only division into segments. These market areas are Malmö, Helsingborg, Lund and Copenhagen.

Segment reporting

Market areas	Malmö		Helsingborg		Lund		Copenhagen		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
Items classified per segment										
Rental income	1,095	1,019	764	688	496	458	607	615	2,962	2,779
Service income	103	85	62	50	71	59	137	87	373	281
Property costs	-292	-262	-221	-199	-171	-160	-320	-244	-1,004	-865
Operating surplus	906	841	605	539	396	357	424	458	2,331	2,195
Ground rents	0	0	-5	-4	0	0	0	0	-5	-4
Changes in property values	156	797	-239	778	31	403	448	174	396	2,153
Segment profit	1,062	1,638	361	1,313	427	760	872	632	2,722	4,344
ITEMS NOT CLASSIFIED BY SEGMENT										
Other income and central administration	-	-	-	-	-	-	-	-	-88	-83
Net financial items excl. ground rents	-	-	-	-	-	-	-	-	-385	-299
Profit participation in other companies	-	-	-	-	-	-	-	-	8	6
Change in value, derivatives	-	-	-	-	-	-	-	-	654	202
Tax on profit for the year	-	-	-	-	-	-	-	-	-623	-822
Net profit	-	-	-	-	-	-	-	-	2,288	3,348
PROPERTY VALUES AND INVESTMENTS PER SEGMENT										
Properties	22,035	20,813	12,292	11,791	8,861	8,465	11,991	8,963	55,179	50,033
Property acquisitions for the year	444	17	322	94	-	-	1,672	318	2,438	429
Other investments in properties	622	638	418	262	365	155	113	164	1,518	1,219

Further information on the respective market areas is available on pages 50–66.

Revenue and property value per country

	Rental income		Property value	
	2022	2021	2022	2021
Denmark	744	702	11,991	8,963
Sweden	2,591	2,358	43,188	41,070
	3,335	3,060	55,179	50,033

Wihlborgs has no tenant whose rent represents more than 10 percent or more of the Group's total rental income.

NOTE 4 | Revenue

	Group	
	2022	2021
Rental income, gross	3,274	3,092
Rental income, unlet	-312	-313
Service income, gross	387	298
Service income, unlet	-14	-16
	3,335	3,060

The Group's revenue comprises rental income and service income. Rental income also includes property tax and rent discounts. Service income pertains to onward invoicing of expenses including heating, electricity, and water and sewerage. SEK 61 million (52) of rental income is sales-based rent on premises and SEK 166 million (151) is invoiced property tax. Rents and rent discounts only charged during a specific part of the term of the lease are normally recognised on an accrual and a straight-line basis over the entire term of the lease. Rent discounts provided due to the impact of Covid-19 on tenants in 2021 reduced income as a whole for the period covered by the discounts, which had a net negative impact on revenue of SEK 2 million, after government support received of SEK 3 million.

Rental and service income is based on leases classified as operating leases, where the Group is the lessor. Future payments regarding rental and service income not subject to lease termination are as follows, by maturity:

	Group	
	2022	2021
Within 1 year	3,494	2,801
Between 1 and 5 years	7,465	6,250
More than 5 years	3,776	2,421
	14,735	11,472

Of the above-mentioned future payments regarding rental and service income not subject to lease termination, SEK 1,707 million (964) related to leases signed before year end but with occupancy taking place on a later date in the following year. At year end, Wihlborgs had 3,169 commercial lease agreements (2,840) with contractual rental income totalling SEK 3,703 million (3,472) and an average term of 3.4 years (3.6). For more information on rents and leases, see pages 46–48.

NOTE 5 | Property costs

	Group	
	2022	2021
Heating, electricity and water/sewage	262	201
Other operating costs	259	233
Repairs and maintenance	115	101
Property tax	226	192
Property management	142	138
	1,004	865

Other operating costs include costs for property upkeep, cleaning, insurance, alarm systems and security as well as rent losses. Rent losses in 2022 amounted to SEK 1 million (0).

Property management includes indirect costs for ongoing property management, such as costs for the management organisation, lettings, lettings system, rent negotiations, rent invoicing and marketing linked to the properties.

NOTE 6 | Employees, personnel costs and executive remuneration

Average number of employees	2022	Of whom,		Of whom,	
		men	2021	men	2021
Parent Company, Sweden	134	82	131	78	
Subsidiaries, Sweden	6	0	6	0	
Subsidiaries, Denmark	111	67	108	67	
Group, total	251	149	245	145	

Gender distribution	Board of Directors		Senior executives	
	2022	2021	2022	2021
Men	4	4	4	4
Women	3	3	4	4
Total	7	7	8	8

Salaries, other remuneration and social security costs	Group		Parent Company	
	2022	2021	2022	2021
SALARIES AND OTHER REMUNERATION				
Chief Executive Officer				
Basic salary	4.6	4.6	4.6	4.6
Benefits	0.1	0.1	0.1	0.1
Other senior executives				
Basic salary	12.0	10.8	12.0	10.8
Benefits	0.4	0.3	0.4	0.3
Other employees	143.5	135.0	70.2	69.2
Total	160.6	150.8	87.2	85.0
PENSION COSTS				
Chief Executive Officer				
	1.6	1.6	1.6	1.6
Other senior executives				
	3.1	4.8	3.1	4.8
Other employees				
	19.2	17.5	9.4	9.7
OTHER SOCIAL SECURITY COSTS				
Of which, Chief Executive Officer	2.1	2.1	2.1	2.1
Of which, other senior executives	5.0	5.0	5.0	5.0
Total	59.5	57.7	47.7	47.8

Remuneration of senior executives

Principles

Fees are paid to the Chairman and Board members in accordance with the resolution passed by the AGM. The Chairman receives SEK 460,000 (440,000) and other Board members, excluding the CEO, receive SEK 205,000 (195,000) each. Remuneration to Chairman of the Board also pertained to the disbursement of an endowment insurance. Fees to the Audit Committee, which was formed in 2021, amounted to SEK 85,000 (80,000) to the Committee

Chairman and SEK 42,500 (40,000) each to the two other members of the Committee. Remuneration of the CEO and other senior executives comprises basic salary, other benefits and pension. "Other senior executives" refers to the Board and Group Management, which in addition to the CEO consists of the Chief Financial Officer, the Director of Corporate Communications, the Director of Projects & Developments, the Director of Sustainable Business (until 31 Aug), HR Director (From 1 Sep) and the regional directors for Malmö, Lund and Helsingborg. Group Management is not entitled to any specific variable or share-price related remuneration.

Remuneration of the Board impacting profit/loss for the year, SEK thousand	2022	2021
Anders Jarl	587	2,521
Tina Andersson	243	220
Sara Karlsson	–	63
Jan Litborn	285	247
Helen Olausson	65	193
Per-Ingemar Persson	–	63
Johan Qviberg	65	193
Amela Hodzic	202	130
Lennart Mauritzson	243	157
Anna Werntoft	137	–
Johan Röstin	137	–
	1,964	3,788

Remuneration and other benefits during the year

"Other benefits" refers to company cars and healthcare. "Pension cost" refers to the cost charged to profit for the year. The retirement age for the CEO is 65 years. The cost of the CEO's pension comprises a premium amounting to 35 percent of pensionable salary per year during the CEO's period of employment. Other senior executives are covered by an ITP plan or equivalent, with the retirement age being 65.

A number of administrative personnel in Sweden are covered by the ITP2 Plan's defined-benefit pension commitments for retirement and family pensions via an insurance policy with Alecta. According to a statement from the Swedish Financial Reporting Board UFR 3 Classification of ITP plans financed by insurance with Alecta, this comprises a multi-employer defined-benefit plan. For the 2022 financial year, the company did not have access to information to enable it to recognise its proportional share of the plan's commitments, plan assets and costs. As a result, the company was unable to recognise it as a defined-benefit plan. Accordingly, the ITP 2 Pension Plan secured via insurance with Alecta was recognised as a defined-contribution plan. The premium for the defined-benefit retirement and family pension is calculated individually on the basis of such factors as salary, previously earned pension entitlement and estimated remaining period of employment. Anticipated charges for the next reporting period for ITP 2 insurance policies held with Alecta totalled SEK 3.8 million (5.4). The collective consolidation level is the market value of Alecta's assets as a percentage of its insurance commitments, calculated according to Alecta's actuarial methods and assumptions, which do not correspond to IAS 19. Normally, the collective consolidation is permitted to vary between 125 and 155 percent. If Alecta's collective consolidation level falls below 125 percent or exceeds 155 percent, action is to be taken to create the conditions for returning the consolidation level to within the normal range. In the case of low consolidation, one step can be to increase the price of new, and extending existing, benefits. In the case of high consolidation, one alternative can be to reduce premiums. At year-end 2022, Alecta's surpluses in the form of the collective consolidation level was 172 percent (172), which will mean a certain reduction in premiums in the coming year.

Severance pay

The notice of termination of employment, on either side, for the CEO is six months. If employment is terminated by Wihlborgs, the CEO is entitled to severance pay corresponding to 18 months' salary. Severance pay is deducted from other sources of income. If the employment is terminated by the CEO, no severance pay is due. In the case of other senior executives, employment is subject to a mutual notice of termination of four to six months. If employment is terminated by the company, the senior executive is entitled to severance pay for up to 12 months. Severance pay is deducted from other sources of income. If the employment is terminated by the senior executive, no severance pay is due.

Remuneration-setting procedure

Remuneration of the CEO for the 2022 financial year was approved by the Board. Remuneration of other senior executives was approved by the CEO.

Profit-Sharing Fund

Wihlborgs has a Profit-Sharing Fund for which all employees are eligible. Allocations to the Profit-Sharing Fund may not exceed one price base amount per

employee per year and is based on a combination of Wihlborgs' profits, excluding changes in the value of properties and derivatives, return on equity requirements and dividend to shareholders. The Profit-Sharing Fund is required to invest its assets in shares in Wihlborgs Fastigheter AB. Payments to employees are made in accordance with the Fund's articles of association. Employees in Denmark receive employee shares in Wihlborgs Fastigheter AB corresponding to an amount equivalent to one Danish price base amount. The allocations in Sweden and Denmark are decided each year by the Board with the proviso that the allocation criteria are met. Personnel costs for 2022 include an allocation of SEK 9.4 million (8.9), of which SEK 6.2 million (5.9) pertained to Sweden.

NOTE 7 | Central administration and marketing

Central administration and marketing include costs for Group Management and Group-wide functions for accounting and finance, investor relations and central marketing as well as other costs associated with being a public listed company. In addition, some of the components of the cost for sustainable business and IT are also included. Property-related administration is not included, and is instead recognised under property costs.

NOTE 8 | Fees and cost compensation to auditors, SEK 000

	Group		Parent Company	
	2022	2021	2022	2021
Deloitte				
Audit engagement	3,527	3,017	2,853	2,420
Auditing activities other than the audit engagement	690	660	690	660
Tax advice	–	–	–	–
Other services	7	247	7	247

Fees charged to Swedish subsidiaries are invoiced to the Parent Company.

The audit engagement encompasses statutory auditing of the annual accounts, the consolidated accounts and the accounting records, as well as examination of the administration of the Board and CEO and other auditing functions performed by agreement or under contract.

This also includes other duties that fall to a company's auditor, together with advisory services and other support caused by observations made during audits or the performance of such other duties.

NOTE 9 | Change in value, investment properties

The change in value during the year relates to properties sold and the property portfolio at year end.

	Group	
	2022	2021
Change in value, properties sold	15	0
Change in value, property portfolio on 31 Dec.	381	2,153
	396	2,153

To determine the change in value for each period, the properties are valued at the end of every quarter. Internal valuations are performed on 31 March, 30 June and 30 September. To confirm internal valuations at these times, a small selection of properties is valued externally. The properties are selected with a focus on properties showing major changes in rental levels, vacancy rates or substantial investments. At every year end, all properties are valued externally. Malmöbyggnadsfastigheter AB's valuers, authorised by Samhällsbyggarna (Swedish professionals for the built environment), performed a valuation of all Wihlborgs' properties in Sweden as per 31 December 2022. The values of the properties are determined individually to correspond to the fair value of each property. In Denmark, the properties were valued by Newsec Advisory A/S. For further information, see Note 13.

NOTE 10 | Change in value, derivatives

Derivatives are financial instruments that in accordance with IFRS 9 are measured at fair value in the balance sheet. Any change in value for interest-rate derivatives is recognised on a separate line after income from property management in the income statement. For information on the principles for valuation of derivatives, refer to Note 1. The fair value in the derivative portfolio at the end of the year was SEK 695 million (31).

	Group		Parent Company	
	2022	2021	2022	2021
Change in value				
– Interest-rate derivatives	664	214	664	214
– Other financial items	-10	-12	–	–
Total	654	202	664	214

NOTE 11 | Tax on profit for the year

	Group		Parent Company	
	2022	2021	2022	2021
Current tax on profit for the year	-40	-56	0	0
Adjustment of current tax, previous years	-4	-1	0	0
Total current tax	-44	-57	0	0
Deferred tax	-579	-765	-135	-80
Total tax	-623	-822	-135	-80
Nominal tax on pre-tax profit	-610	-867	-428	-218
Tax effect, adjustment items				
– Dividend from Group companies	–	–	300	164
– Impairment/reversal of participations in Group companies/other companies	-1	–	-2	-22
– Sale of properties via companies	–	–	-1	–
– Revaluation of previous provisions	–	10	–	–
– Adjustment of opening temporary differences and loss carryforwards	0	18	–	0
– Share of profits of associated companies	3	1	–	–
– Tax reduction, equipment	-7	1	-3	0
– Non-deductible interest	-4	-4	-1	-4
– Other adjustment items	–	–	–	–
Total tax, excl. current tax, previous years	-619	-821	-135	-80
Adjustment of current tax, previous years	-4	-1	0	0
	-623	-822	-135	-80

In addition to that reported above, the Group has tax revenue attributable to components of other comprehensive income amounting to SEK 63 million (13).

The nominal tax rate is 20.6 percent (20.6) in Sweden and 22 percent (22) in Denmark. Current tax is based on the taxable income of the companies incorporated in the Group. This is lower than the Group's pre-tax profit. This is primarily because:

- The change in value for investment properties is not included in the taxable profit.
- The change in value for derivatives is not included in the taxable profit.
- Tax deductible depreciation on buildings, land improvements and fixtures and fittings in buildings is not charged to consolidated profit.
- Directly tax-deductible amounts for certain redevelopment investments in properties are not charged to consolidated profit.
- Loss carryforwards utilised are not charged to consolidated profit.

Calculation of current tax on profit for the year in the Group	2022	2021
Pre-tax profit	2,911	4,170
Changes in value – property and derivatives	-1,061	-2,356
Tax deductible depreciation on buildings	-764	-730
Direct deductions, tenant improvements and replacement of components, etc.	-305	-243
Taxable profit, property sales	34	0
Effect of limit on interest expense tax relief	45	-3
Currency effects recognised in consolidated equity	-305	-60
Miscellaneous	-47	-40
Taxable profit before loss carryforwards	507	738
Loss carryforwards, opening balance	-2,046	-2,428
Adjustment of opening deficit for retaxation and revaluation	4	-100
Loss carryforwards, closing balance	1,716	2,046
Taxable profit	181	256
Current tax on profit for the year	-40	-56
Current tax on profit for previous years	-4	-1
Total current tax	-44	-57

NOTE 12 | Statement of other comprehensive income and change in reserves

The translation reserve includes all currency differences that arise in translation of financial statements from foreign subsidiaries that have prepared their financial statements in a currency other than the one in which the Group's financial statements are presented.

The translation reserve also includes currency differences that arise in translation of liabilities and other items accounted for as hedging instruments for a net investment in a foreign operation. When the foreign subsidiary is wound up or sold, its portion of the translation reserve is transferred to profit for the year. These reserves are recognised as a separate item in equity. Various reserves may appear here, but at present the only one included is the translation reserve.

2022	Opening balance	Change in translation reserve for the year	Transferred to profit for the year	Closing balance
Translation of net investments in foreign operations	221	383	–	604
Hedging of currency risk in foreign operations	-149	-380	–	-529
Tax attributable to the above items	5	63	–	68
	78	66	–	143

2021	Opening balance	Change in translation reserve for the year	Transferred to profit for the year	Closing balance
Translation of net investments in foreign operations	154	67	–	221
Hedging of currency risk in foreign operations	-79	-70	–	-149
Tax attributable to the above items	-8	13	–	5
	67	11	–	78

In order to minimise the impact of exchange rate fluctuations on translation of the net assets of foreign operations into SEK, both forward currency contracts and loans in foreign currency have historically been used. At present, only loans denominated in foreign currency are used for hedging.

NOTE 13 | Investment properties

All Wihlborgs' properties are classified as investment properties. Investment properties are those owned in order to earn rental income or for capital appreciation or a combination of the two. Investment properties are measured at fair value in the statement of financial position.

Wihlborgs rents offices in Copenhagen, Lund and Helsingborg in its own properties. The rental value for own renting represents, in all cases, a negligible portion of the total rental value for the property concerned and consequently none of these properties is classified as owner-occupied property.

Wihlborgs does not own any property that was acquired or redeveloped with a view to reselling it quickly thereafter. As a result, no property is recognised as property held for resale.

Approved investments amount to SEK 3,631 million (2,804), of which SEK 1,367 million (505) had been invested at year end. Of the carrying amounts for the properties, it is estimated that SEK 175 million (165) pertains to capitalised borrowing costs. The interest rate used to calculate the capitalised borrowing cost is based on the average interest rate of the loan portfolio. On 31 December 2022, the interest rate was 2.02 percent (1.63).

At year end, the residual value of the property portfolio for tax purposes was SEK 23,992 million (21,041).

Change in carrying amount for the year

	Group	
	2022	2021
Carrying amount, beginning of year	50,033	46,072
Property acquisitions	2,438	429
Investments	1,518	1,219
Divested properties	-97	-3
Change in value	396	2,153
Currency translations	891	163
Carrying amount	55,179	50,033

The valuation of the properties at year end entailed an increase in the property value of SEK 396 million (2,153). Inflation assumptions that impact revenue in 2023 and 2024 have been raised as has the yield requirement in valuations. The net effect of these two changes was positive over the year and, moreover, project development added value of SEK 150 million (379). The remaining changes in value stemmed from new lettings and renegotiations. For details of all value changes, see the table above.

The fair value of investment properties was assessed by impartial external property appraisers with appropriate professional qualifications and experience not of only the market areas concerned but also the type of properties valued. In Sweden, the valuations were performed by Malmöbryggan Fastighetsekonomi AB. In Denmark, the properties were valued by Newsec Advisory A/S. When determining fair value, the point of departure has been the maximum and best use.

Fair value has been established 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 yield-based method is based on a present value calculation of future actual cash flows, which is continually adjusted to the market, and the present value of the estimated residual value at the end of the calculation period. Ongoing new-build projects are valued as if the project were completed, less the budgeted remaining cost of the project. Projects in early stages are valued as undeveloped land with a supplement for expenses paid. Undeveloped land and other upgrade projects are valued in accordance with the location-price method. The valuation of investment properties has been classified as falling within Level 3 in the fair value hierarchy, since the estimated value is materially affected by non-observable input data used in the valuation. The values of the properties are determined individually to correspond to the fair value of each property.

Aggregated sensitivity analysis, developed properties in Sweden

Parameter	Assumed change, %	Change in yield value, %	
		2022	2021
Market rent level	10	10.2	10.2
Market rent level	-10	10.1	-10.3
Operating and maintenance costs	20	-6.6	-5.6
Operating and maintenance costs	-20	6.7	5.7
Investment yield, residual value	0.25	-3.4	-3.8
Investment yield, residual value	-0.25	3.8	4.4

Source: Malmöbryggan Fastighetsekonomi AB

The property values are affected by the assumed market parameters that are applied. All assumptions on which value assessments are based reflect known market conditions at the time of valuation. The most material valuation assumptions are shown in the following tables. For further information on the valuation of the property portfolio, see pages 82–83.

Summary of valuation assumptions

Calculation period	Normally five years for Swedish properties and ten years for Danish properties. However, for certain properties, different calculation periods are justified on the basis of the length of the lease.
Market rent	When leases expired, rents were adjusted to market levels while consideration was given to the property-specific, long-term vacancy risk. The long-term rent trends for office and commercial premises in their existing state is assumed to be no more than the rate of inflation.
Operating and maintenance costs	These are expected to rise by 0.5 percentage points above the rate of inflation during the calculation period. Standardised operating and maintenance costs are applied when assessing values, taking the specific characteristics of the property, valuation year and location into account. These estimates are based on analyses of historical outcomes and budgeted costs at both property and aggregated level for the market segments and property categories concerned.
Inflation assumption	Over the calculation period, the CPI was assessed to be 8.5 percent in 2023, 3.0 percent in 2024 and thereafter to follow Riksbanken's (the Swedish Central Bank) long-term target of 2.0 percent.
Other material valuation assumptions	Shown in the table below. For ongoing new-build projects, the same assumptions for completion apply as in the table below, depending on which area the project is in.

Other material valuation assumptions

Area	Cost of capital for current value calculation of net operating income, %	Investment yield requirement for calculation of residual value, %	Long-term economic vacancy rate, %	Market rent excl. heating, SEK/m ²	Operating and maintenance costs, SEK/m ²
OFFICE/RETAIL					
Malmö City Centre	5.50 – 6.70	4.35 – 5.10	4 – 8	1,300 – 5,000	308 – 660
Malmö Dockan/Hyllie	5.50 – 7.00	4.10 – 5.50	5 – 12	1,300 – 3,300	311 – 834
Outer Malmö	5.50 – 7.90	5.50 – 6.25	8 – 12	800 – 2,000	350 – 845
Central Helsingborg	5.50 – 7.30	4.25 – 5.75	4 – 8	1,100 – 4,800	322 – 785
Outer Helsingborg	7.00 – 8.30	5.75 – 6.85	6 – 12	800 – 2,500	147 – 429
Lund Ideon	5.55 – 7.10	5.00 – 5.50	5 – 8	1,400 – 3,500	488 – 782
Central Lund/Gastelyckan	6.00 – 7.80	4.60 – 6.25	5 – 8	900 – 3,200	422 – 613
Copenhagen	7.50 – 10.0	5.50 – 8.00	5 – 12	450 – 2,700	90 – 1,053
LOGISTICS/PRODUCTION					
Outer Malmö	5.50 – 8.60	5.50 – 7.00	7 – 11	650 – 1,650	108 – 580
Outer Helsingborg	5.50 – 8.30	5.75 – 7.00	5 – 12	400 – 2,200	147 – 431
Central Lund/Gastelyckan	6.30 – 7.80	6.00 – 6.25	7 – 8	500 – 1,050	168 – 264
Copenhagen	7.25 – 9.50	5.25 – 7.50	5 – 12	500 – 1,400	123 – 362

* With the exception of market rents which pertain to local levels for the interval, the reported figures are per property. The reported market rents for OFFICE/RETAIL pertain to office and retail premises, and for LOGISTICS/PRODUCTION pertain to warehouse, industry, production and workshop premises. All premises are >200 m².

NOTE 14 | Leases pursuant to IFRS 16

Right-of-use assets OB/CB per lease class

	Lease-holds	Office premises	Vehicles	Total
Opening balance (OB), 1 Jan 2022	134	8	8	150
New leases	–	–	5	5
Depreciation	–	-6	-3	-9
Remeasurements	–	0	0	0
Terminations/sales	–	–	0	0
Closing balance (CB), 31 Dec 2022	134	2	10	146

Amounts recognised in profit or loss

	2022	2021
Depreciation of right-of-use assets	-9	-8
Interest expense on lease liabilities	-5	-4
Costs for low-value and short-term leases		
	-1	-1
Total	-14	-13

Refer to the table of maturities for financial liabilities in Note 2 for maturity dates for lease liabilities. The following table presents future contracted lease payments pertaining to all leases.

Future lease payments

	2022	2021
Year 1	9	13
Years 2–5	20	22
More than 5 years	75	79
Total	104	114

NOTE 15 | Equipment

	Group		Parent Company	
	2022	2021	2022	2021
Opening balance, cost	80	76	24	24
Currency translations	3	0	–	–
Investments	2	6	0	0
Sales and disposals	-27	-2	–	–
Closing balance, cost	58	80	25	25
Opening balance, depreciation	-58	-51	-19	-16
Currency translations	-1	0	–	–
Sales and disposals	26	-8	–	–
Depreciation for the year	-8	1	-2	-3
Closing balance, depreciation	-41	-58	-21	-19
Carrying amount	17	22	4	6

NOTE 16 | Participations in joint ventures and holdings in joint operations

In accordance with IFRS 11, joint arrangements are to be adjudged as either a joint operation or a joint venture, depending on whether the Group has direct rights to the assets and obligations for the liabilities (joint operation) or not (joint venture). The assessment is based on the structure of the investment, its legal form, contractual agreements and other factors and circumstances. For Wihlborgs, the effect of this is that Dockan Exploatering AB and SFF Holding AB are classified as joint operations, which means that Wihlborgs' share of assets, liabilities, income and expenses in these companies has been consolidated into the consolidated accounts. Joint ventures are recognised according to the equity method. Refer to Note 1 for a more detailed description of the accounting policies.

	Group		Parent Company	
	2022	2021	2022	2021
Carrying amount at beginning of year	90	84	43	43
Share of profit	13	6	–	–
Carrying amount at year end	103	90	43	43

Name/Corp. Reg. No.	Registered office	Proportion of equity, %	Group	Parent Company
Dockan Exploatering AB 556594-2645	Malmö	33.3	–	17
Hälsostaden Ängelholm Holding AB, 556790-5723	Ängelholm	33.3	20	5
Medeon AB 556564-5198	Malmö	40.0	1	0
Ideon AB 559033-2598	Lund	66.6	1	0
Ideon Open AB 556862-4026	Lund	60.0	1	–
Fastighets AB ML4 556786-2155	Lund	50.0	80	21
SFF Holding AB 556958-5606	Stockholm	20.0	–	–
			103	43

Description of participations classified as joint ventures

- Hälsostaden Ängelholm AB is a joint venture between Region Skåne, Peab and Wihlborgs. The company owns, develops and manages the properties at the Ängelholm Hospital site. During the year, a sale of the southern part of the hospital site was contracted. The area is expected to be divided in 2023, whereupon ownership will transfer to the buyer. A new care facility was completed as planned in the northern part of the hospital site.
- Medeon AB is marketing Medeon Science Park, a research park in Malmö focusing on life sciences (pharmaceuticals, medical technology, biotechnology and healthcare).
- Ideon AB, which is owned jointly with Castellum, has the mission of marketing the Ideon area.
- Ideon Open AB, owned jointly with Lund University Innovationssystem AB and the City of Lund, was established to strengthen and develop Ideon as a creative and active research community in close contact with universities and other institutes of higher education.
- The purpose of Fastighets AB ML4, which Wihlborgs owns jointly with Peab Sverige AB, is to develop, own and manage the MAX IV and CMU "Comparative Medicine Unit" research centres located in Lund. Lund University is the lessor of both facilities. The lease for the MAX IV facility extends until 2040 and the lease for CMU extends for 20 years from 1 January 2022. Financing of the CMU and the MAX IV facility has been arranged through the Nordic Investment Bank (NIB).

Summary of joint venture company earnings and financial position (100%)

	2022	2021
Earnings		
Operating income	292	241
Operating costs	-101	-88
Net financial items	-67	-53
Depreciation	-92	-81
Tax	-4	-6
Earnings	28	13

Summary of joint venture company earnings and financial position (100%)		
Assets	2022	2021
Non-current assets	3,398	3,440
Current assets	116	175
	3,514	3,615
Liabilities and equity		
Equity	227	199
Non-current liabilities	3,043	3,163
Current liabilities	243	253
	3,514	3,615
Carrying amount	103	90

Description of holdings classified as joint operations

- Dockan Exploatering AB conducts development activities in the Dockan area of Malmö. The company's purpose is to source development land for its owners.
- SFF Holding AB, which owns 100% of Svensk FastighetsFinansiering AB, is a finance company that issues bonds in the Swedish capital markets under a covered MTN programme of SEK 12 billion. The bonds are secured against collateral in immovable property and are listed on Nasdaq Stockholm. SFF Holding AB is owned equally by the listed property companies Catena AB, Diös Fastigheter AB, Fabège AB, Platzer Fastigheter Holding AB and Wihlborgs Fastigheter AB. The objective is to broaden the base for the company's borrowing structure in a situation where the capital market is showing a strong appetite for bonds. At the end of the year, bonds of SEK 5,896 million (8,382) had been issued, of which Wihlborgs' share amounted to SEK 1,430 million (2,332).

Summary of joint operation company earnings and financial position (100%)		
Earnings	2022	2021
Operating income	15	13
Operating costs	-11	-13
Net financial items	6	4
Changes in property values	-13	109
Tax	1	-22
Earnings	-2	91
Assets		
Investment properties	303	320
Other non-current assets	4,466	4,616
Current assets	2,523	4,837
	7,292	9,773
Liabilities and equity		
Equity	1,270	1,274
Non-current liabilities	3,994	4,454
Current liabilities	2,028	4,045
	7,292	9,773

NOTE 17 | Receivables from joint ventures

	Group		Parent Company	
	2022	2021	2022	2021
Maturity date between 1–5 years from balance-sheet date	–	–	17	17
Maturity date more than 5 years from balance-sheet date	200	200	200	200
Carrying amount	200	200	217	217

NOTE 18 | Other long-term receivables

	Group		Parent Company	
	2022	2021	2022	2021
Maturity date between 1–5 years from balance-sheet date	56	61	1	–
Maturity date more than 5 years from balance-sheet date	15	18	–	–
Carrying amount	71	79	1	–

Of the above receivables, SEK 1 million (0) for the Group and SEK 1 million (0) for the Parent Company pertained to interest-bearing receivables. From 2021, non-current receivables pertaining to endowment insurance, both in the Group and in the Parent Company, have been recognised net against the corresponding liabilities, refer to Note 24 Other provisions.

NOTE 19 | Analysis of credit exposures in accounts receivable

Maturity structure – accounts receivable due	Group	
	2022	2021
Accounts receivable that are neither due nor impaired	20	16
Accounts receivable that are due		
1–30 days	6	5
31–60 days	3	5
61–90 days	2	1
>90 days	18	34
Of which, provision made (excluding VAT)	-8	-15
Total	42	46

The total cost for the year for confirmed and anticipated bad debts amounted to SEK 1 million (0).

NOTE 20 | Prepaid expenses and accrued income

	Group		Parent Company	
	2022	2021	2022	2021
Accrued rental income, etc.	28	9	–	–
Accrued interest income	1	27	0	26
Accrued borrowing costs	10	4	10	4
Prepaid expenses	27	28	11	8
Total	66	68	21	38

NOTE 21 | Cash and cash equivalents

Cash and cash equivalents comprise bank balances. Unused bank overdraft facilities that are not included in cash and cash equivalents amounted to SEK 361 million (380), of which SEK 250 million (300) in the Parent Company.

NOTE 22 | Equity

The number of shares registered and outstanding at the beginning and the end of the year, after adjustment for the 2:1 split in May 2022

307,426,912

All shares have equal voting rights, one vote per share. A 2:1 split was completed in May 2022, after which the quotient value per share was SEK 0.625 (0.625). In 2022, shareholders received a dividend of SEK 3.00 (2.63) per share, representing a total of SEK 922 million (807).

PROPOSED DISTRIBUTION OF PROFIT

The Board proposes that the funds available for appropriation by the AGM, an amount of SEK 7,579,454,524, be distributed as follows: dividend to shareholders SEK 3.10/share, a total of SEK 953,023,427, and that SEK 6,626,431,097 be carried forward.

The proposed dividend is subject to approval by the AGM, to be held on 26 April 2023.

The proposed dividend complies with the company's dividend policy and is based on:

- 50 percent of income from property management, after deduction of tax at 20.6 percent.
- 50 percent of profit realised from property sales, that is, the sales price, less total capital invested, after deduction of tax at 20.6 percent.

In order to control and manage the company's capital, a number of financial targets have been established to provide Wihlborgs with a capital structure that delivers the best return to shareholders, with due account taken of risk. Capital refers to equity. For definitions and calculation bases, refer to pages 129–130.

	Target Outcome		Average
	2022	2022	2018–2022
Return on equity is to exceed the risk-free interest rate by no less than six percentage points, %	>6.12	10.1	16.2
Equity/assets ratio, %	>30	41.2	40.0
Loan-to-value ratio, %	<60	48.6	49.9
Interest coverage ratio, multiple	>2.0	5.6	5.8

The company's lenders have been given guarantees (financial covenants) concerning the equity/assets ratio and interest coverage ratio. There is an adequate margin between the level of guarantees provided and targets/outcomes for 2022. For more information on the Group's targets, dividend policy etc., see pages 17–21.

NOTE 23 | Deferred tax liability

	Group	
	2022	2021
Deferred tax is based on the net of:		
– Loss carryforwards	-354	-421
– Difference between carrying amount and taxable value of properties	5,396	5,042
– Difference between carrying amount and taxable value related to derivatives	143	6
– Tax reduction on investments in fixtures and fittings	-20	-20
– Difference in loans and interest rates	2	-5
– Other temporary differences		
	5,180	4,622

The loss carryforwards that have been utilised to calculate deferred tax amounted to SEK 1,716 million (2,045). Of this amount, SEK 8 million (1,976) is a deficit that is non-permissible since it comprises Group contributions or is merger-related.

NOTE 24 | Other provisions

	Group		Parent Company	
	2022	2021	2022	2021
Stamp duty, property acquisition	23	23	–	–
Other provisions for pensions	2	3	2	3
Carrying amount	26	26	2	3

The stamp duty liability arose in connection with sales of properties within the Group. The liability only falls due for payment when the properties or the Group companies that own the properties are sold to an external party. From 2022, provisions for pensions in the Parent Company have been recognised net against long-term receivables for endowment insurances, refer to Note 18 Long-term receivables.

NOTE 25 | Interest-bearing liabilities

	Group		Parent Company	
	2022	2021	2022	2021
Loans to credit institutions				
Maturity date up to 1 year from balance-sheet date	986	3,580	350	1,884
Maturity date between 1 and 5 years from balance-sheet date	15,860	11,827	16,929	11,128
Maturity date more than 5 years from balance-sheet date	9,960	7,871	1,752	3,391
	26,806	23,278	19,031	16,403
– of which, non-current portion	25,820	19,698	18,681	14,519
– of which, current portion	986	3,580	350	1,884
	26,806	23,278	19,031	16,403

The amounts above include the utilised bank overdraft facility, which was SEK 88 million (57) for the Group and SEK 50 million (0) for the Parent Company. The credit limit approved as a bank overdraft facility was SEK 450 million (438) for the Group and SEK 300 million (300) for the Parent Company. The portion of the loans classified as short-term, due to formally falling due for repayment within 12 months, is subject to clauses providing the Group and the Parent Company with the unconditional right to defer repayment of the principal insofar as it is covered by unused portions of the respective credit facilities. After adjustment for the above, the net exposure to short-term loan obligations was SEK 0 million (1,560). In addition to loans from banks and credit institutions, the loan portfolio also includes bond loans from the finance company Svensk FastighetsFinansiering AB in the amount of SEK 1,430 million (2,332) and own bond loans of SEK 1,150 million (1,550).

NOTE 26 | Derivatives

	Group		Parent Company	
	2022	2021	2022	2021
Analysis of value of derivatives based on maturity				
Less than 1 year from balance-sheet date	27	-2	27	-2
Between 1 and 5 years from balance-sheet date	402	4	402	4
More than 5 years from balance-sheet date	267	29	267	29
	695	31	695	31
of which, recognised as				
Non-current receivable				
– Interest-rate derivative, surplus value	696	94	696	94
Non-current liability				
– Interest-rate derivative, deficit value	-1	-63	-1	-63

Derivatives are classified as non-current liabilities in the balance sheet and measured regularly in accordance with IFRS 9 at fair value at level 2. For more detailed information on Wihlborgs' derivatives and the risks they are intended to minimise, refer to Note 2 – Financial risk management.

NOTE 27 | Accrued expenses and deferred income

	Group		Parent Company	
	2022	2021	2022	2021
Prepaid rent	495	394	–	–
Interest expense	26	28	22	26
Personnel-related expenses	28	26	20	24
Other accrued costs	61	67	14	11
	610	515	56	61

NOTE 28 | Pledged assets and contingent liabilities

Pledged assets	Group		Parent Company	
	2022	2021	2022	2021
Property mortgages	26,822	23,426	–	–
Participations in Group companies	2,633	3,360	827	921
Participations in joint ventures	80	68	21	21
Promissory notes	–	–	12,269	15,231
Bank deposits	20	6	–	–
	29,555	26,860	13,117	16,173
Contingent liabilities				
Guarantee commitments on behalf of subsidiaries	6,346	4,543	6,346	4,543
Other contingent liabilities	620	620	2,057	2,960
	6,966	5,163	8,403	7,503

Indemnity bond for Fastighets AB ML4

As security for all loans in Fastighets AB ML4 to the Nordic Investment Bank, the bank has collateral in the form of the lease with Lund University and in rent payments, liens on insurance receivables and mortgages covering leaseholds and buildings. If Lund University neglects to make rental payments due to mandatory legislation in the Swedish Land Code/Tenancy Act, Wihlborgs has agreed an indemnity bond for 50 percent of unpaid, due payments of interest and repayment instalments for loans pertaining to the MAX IV facility that Fastighets AB ML4 has not paid. At year end, 50 percent of the (unpaid but not past due) liability for the loan concerned amounted to SEK 638 million (659).

NOTE 29 | Summary of interest-bearing liabilities

Opening balance – loans	Group		Parent Company	
	2022	2021	2022	2021
Borrowings	8,194	5,680	5,888	4,688
Loan repayments	-5,504	-4,766	-3,639	-3,033
Total cash flow items	2,690	914	2,249	1,655
Translation of loans in foreign companies	449	50	–	–
Exchange rate changes for loans in foreign currencies	379	94	379	66
Miscellaneous	10	12	–	–
Total non-cash items	838	156	379	66
Closing balance – loans	26,806	23,278	19,031	16,403

NOTE 30 | Net sales and operating costs

Net sales largely comprise the Parent Company's onward invoicing of costs to other Group companies, primarily relating to property management, property upkeep and a share of central administration.

Operating costs	Parent Company	
	2022	2021
Personnel costs	147	141
Administration costs	65	65
	212	206

NOTE 31 | Result from participations in Group companies

Dividends on participations	Parent Company	
	2022	2021
Dividends on participations	1,454	797
Impairment of participations	-4	-107
Gain from sale of participations	-3	–
	1,447	690

Participations in Group companies are impaired when the carrying amount in the Parent Company exceeds the fair value of an individual Group company. In cases where the impaired value of participations has risen and exceeds the carrying amount in the Parent Company, these impairments are reversed, wholly or in part. In 2022, an impairment loss was recognised on the value of shareholdings in 2 (3) Group companies.

NOTE 32 | Result from other securities and receivables accounted for as non-current assets

Interest income, Group companies	Group		Parent Company	
	2022	2021	2022	2021
Interest income, Group companies	–	–	388	273
Interest income, other	14	13	12	12
Result from other securities and receivables	-5	–	-5	–
	9	13	395	285

NOTE 33 | Interest expense and similar profit/loss items

Interest expense, Group companies	Parent Company	
	2022	2021
Interest expense, Group companies	31	43
Interest expense, other	695	322
	726	365

NOTE 34 | Appropriations

This item consists of Group contributions received from other Group companies. Group contributions are recognised in accordance with the alternative rule of recommendation RFR 2. According to the alternative rule, Group contributions received and paid are both recognised as appropriations.

NOTE 35 | Participations in Group companies

Opening balance, cost	Parent Company	
	2022	2021
Opening balance, cost	12,490	12,458
Acquisitions	–	-2
Shareholders' contributions paid/new share issues	1,225	34
Sales	–	–
Closing balance, cost	13,715	12,490
Opening balance, impairment	-3,059	-2,952
Sales	–	–
Impairment for the year	-5	-107
Closing balance, impairment	-3,064	-3,059
Carrying amount	10,651	9,431

NOTE 37 | Categorisation of financial instruments

Accounts receivable, other receivables, cash at bank and in hand, accounts payable and other liabilities are recognised at amortised cost less any impairment; as a result, the fair value is considered to be the same as the carrying amount. Interest-bearing liabilities are mainly subject to a short fixed-interest period, meaning that the amortised cost is the same as fair value.

The carrying amounts for financial assets and liabilities are allocated by valuation category pursuant to IFRS 9.

31 Dec 2022	Group		Parent Company	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Receivables from Group companies			17,306	
Receivables from joint ventures	200		217	
Other long-term receivables	71		1	
Derivatives		696		696
Accounts receivable	42		1	
Other current receivables	130		4	
Cash at bank and in hand	159		41	
Total	602	696	17,570	696
Financial liabilities				
Liabilities to credit institutions	26,806		19,031	
Liabilities to Group companies			1,962	
Other non-current liabilities	144			
Lease liabilities	6			
Derivatives		1		1
Accounts payable	277		8	
Other current liabilities	332		30	
Total	27,565	1	21,031	1

31 Dec 2021	Group		Parent Company	
	Amortised cost	Fair value through profit or loss	Amortised cost	Fair value through profit or loss
Financial assets				
Receivables from Group companies			15,791	
Receivables from joint ventures	200		217	
Other long-term receivables	79			
Derivatives		94		94
Accounts receivable	46		0	
Other current receivables	50		2	
Cash at bank and in hand	315		173	
Total	690	94	16,183	94
Financial liabilities				
Liabilities to credit institutions	23,278		16,403	
Liabilities to Group companies			2,512	
Other non-current liabilities	5			
Lease liabilities	149			
Derivatives		63		63
Accounts payable	205		5	
Other current liabilities	253		30	
Total	23,890	63	18,950	63

NOTE 38 | Related parties

Joint arrangements

The Group and Parent Company have close relationships with joint ventures and joint operations, refer to Note 16.

Group companies

The Parent Company has a close relationship with its subsidiaries; refer to Note 35.

Senior executives

For more information on salaries and other remuneration of the Board, CEO and other senior executives, as well as costs and commitments regarding pensions and similar benefits and agreements on severance pay; refer to Note 6. All transactions with related parties are priced in line with market conditions.

Summary of related-party transactions

TRANSACTIONS WITH JOINT ARRANGEMENTS	Group	
	2022	2021
Sales to joint arrangements	9	7
Invoicing from joint arrangements	-25	-17
Acquisition of properties from joint arrangements	0	-17
Interest income from joint arrangements	11	12
Interest expense to joint arrangements	-25	-22
Receivables from joint arrangements on 31 December	218	243
Liability to joint arrangements on 31 December	1,630	2,533

TRANSACTIONS WITH JOINT ARRANGEMENTS	Parent Company	
	2022	2021
Sales to joint arrangements	4	3
Interest income from joint arrangements	11	12
Receivables from joint arrangements on 31 December	218	243

TRANSACTIONS WITH GROUP COMPANIES		
Sales to Group companies	216	216
Purchases from Group companies	-5	-4
Interest income from Group companies	388	273
Dividend from Group companies	1,454	797
Interest expense to Group companies	-31	-43
Receivables from Group companies on 31 December	17,306	15,791
Liabilities to Group companies on 31 December	1,962	2,512

NOTE 39 | Events after the balance-sheet date

During January, Wihlborgs agreed that from March 1, 2023, an external actor will run the canteens in Wihlborgs' Danish properties, which also includes around forty employees. In 2022, the canteen operations generated revenues of SEK 38 million with a negative operating result of SEK 11 million.

Signing of the Annual Report

The consolidated statement of income and consolidated statement of financial position, together with the Parent Company income statement and balance sheet are subject to approval by the Annual General Meeting on 26 April 2023.

The Board of Directors and the Chief Executive Officer hereby certify that the annual accounts have been prepared in accordance with generally accepted accounting practice in Sweden and that the consolidated accounts have been prepared in accordance with the International Financial Reporting Standards as referred to in Regulation (EC) No 1606/2002 of the European Parliament and of the Council of 19 July 2002 on

the application of international accounting standards.

The annual accounts and the consolidated accounts provide a true and fair view of the financial position and results of the Parent Company and the Group.

The administration report for the Parent Company and the Group together with the sustainability report provide a true and fair view of the development of the operations, financial position and performance of the Parent Company and the Group and also describes the material risks and uncertainties facing the Parent Company and the other companies in the Group.

Malmö, 15 March 2023

Anders Jarl
Chairman

Lennart Mauritzson
Deputy Chairman

Tina Andersson
Board Member

Amela Hodzic
Board member

Jan Litborn
Board Member

Johan Röstin
Board member

Anna Werntoft
Board member

Ulrika Hallengren
CEO

Our Auditor's Report was submitted on 15 March 2023
Deloitte AB

Richard Peters
Authorised Public Accountant

Corporate Governance Report

Wihlborgs is a Swedish public limited company that is listed on Nasdaq Stockholm. Wihlborgs applies the Swedish Corporate Governance Code (the Code). This is a separate report and does not form part of the formal Annual Report. Wihlborgs' Corporate Governance Report has been reviewed by the company's auditors.

The shareholders influence the governance of the company through participating in and exercising their voting rights at the Annual General Meeting (AGM), Wihlborgs' highest decision-making body.

The management and responsibilities of the Wihlborgs Group are allocated between the Board and the CEO in accordance with the Swedish Companies Act, other legislation and regulations, Nasdaq Stockholm's Rule Book for Issuers, the Code, the Articles of Association and internal governance instruments, such as the rules of procedure for the Board, instructions to the Chief Executive Officer and the financial policy.

Shareholders

Wihlborgs' shares were listed on the Stockholm Stock Exchange on 23 May 2005. Since January 2016, Wihlborgs has been included in the Large Cap segment on the Nasdaq Nordic market. At year end, the company's share capital totalled SEK 192 million. The number of shares registered and outstanding was 307,426,912 with a quotient value of SEK 0.625 per share. Each share entitles the holder to one vote and, at general meetings, each person entitled to vote may vote for the full number of shares held and represented by that individual. All shares are entitled to an equal share in Wihlborgs' profits.



The largest shareholder in Wihlborgs is Backahill, which owns 11.1 percent of the shares outstanding. At the end of December 2022, the ten largest shareholders owned 39 percent of the shares. The number of shareholders was about 30,000, up around 2,000 year-on-year. Of total share ownership, 82 percent was represented by legal entities and 18 percent by natural persons.

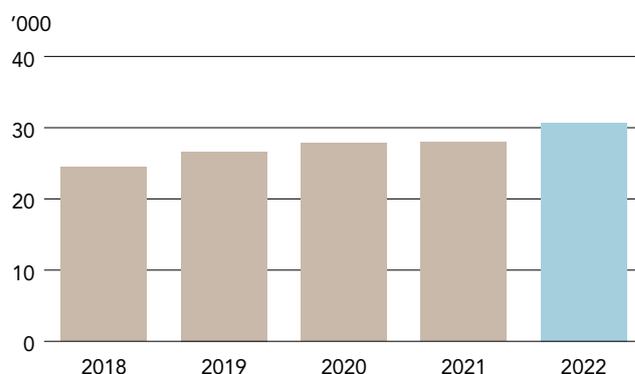
At the end of December, foreign shareholders represented 37 percent of the total, up 1 percentage point year-on-year.

Further information on the share and shareholders is available on pages 20–21.

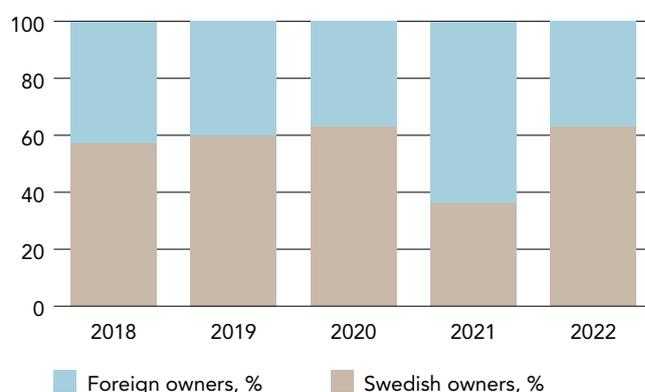
Articles of Association

Wihlborgs' Articles of Association were most recently amended at the 2021 AGM. The object of the company's operations is to acquire, manage, develop and sell properties, primarily in the Öresund region, and conduct associated operations. The company's registered address is in Malmö. The full text of the Articles of Association is available on the company's website: www.wihlborgs.se/en/investor-relations/corporategovernance.

Number of shareholders on 31 December



Shareholder structure on 31 December



2022 Annual General Meeting

Wihlborgs' AGM was held on 26 April 2022. A total of 442 shareholders participated in the AGM, of which 349 were represented by proxy. The shareholders represented 59.4 percent of the votes in the company. The AGM minutes are available at www.wihlborgs.se.

In brief, the most significant resolutions were:

Election of Board members and auditors — It was resolved that the number of Board members should be seven. The following Board members were re-elected: Tina Andersson, Amela Hodzic, Anders Jarl, Jan Litborn and Lennart Mauritzson. Johan Röstin and Anna Werntoft were elected as new members of the Board. Anders Jarl was appointed Chairman of the Board. It was resolved to appoint Deloitte AB as auditors, with Richard Peters as Auditor-in-Charge.

Nomination Committee – The Nomination Committee is to comprise not fewer than four (4) and not more than six (6) members. Four (4) of the members are to be nominated by the largest shareholders in terms of voting rights as recorded in Euroclear Sweden AB's information on the ownership structure on 31 January, provided that said shareholders wish to nominate a member of the Nomination Committee. Should any of the four largest shareholders in terms of voting rights abstain from appointing a member, the next largest shareholder in terms of voting rights will instead be entitled to nominate a member, and so on. The mandate period of the Nomination Committee elected at the AGM extends until such time as a new Nomination Committee has been appointed at the next AGM. The Committee's Chairman should be the member nominated by the largest shareholder in terms of voting rights unless agreed otherwise by the Committee.

Acquisition and transfer of treasury shares – A resolution was passed to authorise the Board, for the period until the next AGM, to buy back and transfer Wihlborgs shares corresponding to a maximum of 10 percent of the shares outstanding.

New share issue — A resolution was passed to authorise the Board, for the period until the next AGM, to approve a new share issue corresponding to no more than 10 percent of the shares outstanding.

Split – A resolution was passed to conduct a two-for-one division of the company's shares (a "split"), by which each old share will be replaced with two new shares.

The Nomination Committee and proposals for the 2023 AGM

The Code states that AGM resolutions on nominations for the Board and auditors should be prepared through a structured and transparent process, managed by the shareholders, that provides all shareholders with the opportunity to present their views on and proposals for each individual issue and to create the requisite conditions for well-prepared decisions. The Nomination Committee is the AGM's body for preparing decisions relating to appointments. Wihlborgs' Nomination Committee has therefore prepared proposals for the Chairman of the AGM, Chairman of the Board, Board members,

Directors' fees, and auditors and their fees. The Nomination Committee has chosen to use the section under Code rule 4.1 of the Swedish Corporate Governance Code as the Board's diversity policy. This states that the Board members elected by the shareholders' meeting are collectively to exhibit diversity and breadth of qualifications, experience and background. Moreover, the company is to strive for gender balance on the Board.

In accordance with the AGM's resolution, the Nomination Committee comprises: Göran Hellström, representing Backahill; Elisabet Jamal Bergström, representing SEB Investment Management; Eva Gottfridsdotter-Nilsson, representing Länsförsäkringar Fondförvaltning; and Krister Eurén, representing minor shareholders. On 31 December 2022, the representatives of the three largest shareholders on the Committee accounted for 23 percent of the votes in Wihlborgs. Göran Hellström was appointed Chairman of the Committee.

The Nomination Committee has met on eight occasions. To support its work, the Committee has held dialogues with the Board members and held meetings with the Chairman and CEO. The Committee was informed of the company's strategy, risk management and control functions. The Committee has also engaged an external evaluation of the Board's work, which comprised a questionnaire that was answered by all of the Board members as well as interviews of the Board members and CEO.

Ahead of the AGM on 26 April 2023, the Nomination Committee proposes that the Board consist of seven members. The Nomination Committee proposes re-election of Board members Tina Andersson, Amela Hodzic, Anders Jarl, Jan Litborn, Lennart Mauritzson, Johan Röstin and Anna Werntoft. Furthermore, the Committee proposes that Anders Jarl be elected as Chairman of the Board.

It is proposed that total fees of SEK 1,915,000 (1,860,000) be paid to the Board. It is proposed that a fee of SEK 480,000 (460,000) be paid to the Chairman and SEK 210,000 (205,000) be paid to the other Board members. That fees totalling SEK 175,000 (170,000) be paid to the Audit Committee, to be distributed as SEK 88,000 (85,000) to the Committee Chairman and SEK 43,500 (42,500) to two Committee members.

The Nomination Committee proposes that Deloitte AB be re-elected as auditor, with Richard Peters as Auditor-in-Charge.

The Nomination Committee until the 2024 AGM

Name	Nominated by	Percent of votes,	
		31 Jan 2023	31 Dec 2022
Göran Hellström	Backahill AB	11.1	11.1
Elisabet Jamal Bergström	SEB Investment Management	7.3	5.6
Åsa Wallenberg	Länsförsäkringar Funds	5.6	5.9
Caroline Sjösten	Swedbank Robur funds	5.1	4.7

Other resolutions for the 2023 AGM

The Board has submitted the following proposals ahead of the AGM on 26 April 2023:

- A dividend of SEK 3.10 per share, with the record date 28 April
- Resolution on the principles for remuneration and terms of employment for Group Management.
- Authorisation of the Board, for the period until the next

AGM, to acquire and transfer Wihlborgs shares corresponding to no more than 10 percent of the shares outstanding.

- Authorisation of the Board, for the period until the next AGM, to approve a new share issue corresponding to a maximum of 10 percent of the shares outstanding.

Board of Directors

The overriding duty of the Board is, on behalf of the owners, to administer the company's affairs in a way that optimally secures the owners' interests in a healthy long-term return on capital, in accordance with set rules of procedure. According to Wihlborgs' Articles of Association, the Board may consist of no fewer than four and no more than eight members. At the April 2022 AGM, Anders Jarl was re-elected Chairman of the Board and Lennart Mauritzson was appointed Deputy Chairman at the subsequent Board meeting. The company's Chief Financial Officer, Arvid Liepe, served as Secretary to the Board.

Wihlborgs' Board possesses skills and experience in areas that are of major importance in terms of being able to support, monitor and control the activities of a leading property company in Sweden. The various Board members possess in-depth knowledge of property, the property market, financing and business development.

The Board and Group Management are responsible for ensuring that work related to the environment, work environment, monitoring of ethical guidelines, social responsibility and sustainable financial development is performed in line with established rules, strategies and goals.

The Board meets the requirement of the Code and the listing requirement of Nasdaq Stockholm that not more than one Board member has an operational role in day-to-day business. The majority of Board members are independent in relation to the company and its executive management. In 2022, the Board held 12 meetings, including the statutory and per capsulam meetings. Of these 12 meetings, five were scheduled Board meetings.

Members of the Board, independence, number of meetings and attendance

	Indep. of company	Indep. of major owners	No. of meetings/attendance
Anders Jarl, Chairman	no	yes	12 of 12
Lennart Mauritzson, Deputy Chairman	yes	no	12 of 12
Tina Andersson	yes	yes	12 of 12
Amela Hodzic	yes	yes	12 of 12
Helen Olausson	yes	yes	5 of 5
Johan Qviberg	yes	yes	5 of 5
Jan Litborn	yes	no	12 of 12
Johan Röstin	yes	yes	7 of 7
Anna Werntoft	yes	yes	7 of 7

The work of the Board of Directors

February	No. 1	Final audit, financial report, project investments, resolutions for the AGM, employment terms for the CEO and executive management and the prospectus for the MTN programme.
February	No. 2	Year-end report
March	No. 3	Annual Report
April	No. 4	Project investments
April	No. 5	Q1 interim report, financial report and project investments
April	No. 6	Statutory meeting
June	No. 7	Project investments, financing, strategy
June	No. 8	Property acquisitions
September	No. 9	Q2 interim report, project investments, acquisitions and sales, financial report, review of rules of procedure and ethical guidelines
September	No. 10	Project investments
November	No. 11	Property acquisitions
December	No. 12	Q3 interim report project investments, financial report, property valuations, budget for 2023, interim audit, financial policy, risk analysis, evaluation of the Board's work and evaluation of the CEO's performance.

Committees

The Board of Wihlborgs has an Audit Committee that comprises Jan Litborn (Chairman), Tina Andersson and Lennart Mauritzson. The company's Chief Financial Officer Arvid Liepe, acts as secretary to the Committee. Wihlborgs has no separate remuneration committee as this allows the full competence of the Board to be utilised for these issues and makes the meetings more efficient. With the exception of Anders Jarl, the full Board comprises the remuneration committee.

Rules of procedure and instructions

The Board observes Rules of Procedure comprising instructions for the delegation of work and financial reporting. The Rules of Procedure, which supplement the provisions of the Swedish Companies Act and Wihlborgs' Articles of Association, are reviewed annually.

Under the above rules, the Board is also required to ensure that the CEO discharges his obligations. The performance of the CEO is evaluated each year against set long- and short-term targets.

The Board is further required, on an ongoing basis, to evaluate Wihlborgs' administrative procedures, and guidelines on property management and investment of the company's assets. The Board is required to establish goals, major policies and strategic plans for Wihlborgs and to continuously monitor not only compliance with the same, but also that they are updated and reviewed following reports from the CEO.

In addition to the statutory meeting, five scheduled Board meetings are normally held each calendar year. The meetings address issues including economic and financial reports, sales and investments, and current market and personnel issues. Extraordinary meetings may be held to discuss and resolve issues that cannot be referred to scheduled Board meetings.

According to the Rules of Procedure, the Chairman is required, through contact with the CEO, to monitor developments at Wihlborgs and to ensure that the Board members receive the information they need through the agency of the CEO. The Chairman is also required to consult with the CEO on strategic issues and ensure that the conduct of business does not conflict with the provisions of the Swedish Companies Act, the Articles of Association or the Code.

Group Management

The CEO is responsible for the company's day-to-day management and for leading the organisation in accordance with the Board's guidelines, instructions and directions. Wihlborgs' rules of procedure for the Board include instructions to the CEO, who is required to ensure that the Board receives the necessary information and decision data ahead of Board meetings, that the Board is kept informed between its meetings and that financial reporting is conducted in such a way that the Board can make well-founded decisions. This also includes separate reporting instructions specifying timetables. The Group Management discusses and decides overriding operational issues within the scope of business development, the organisation, sustainability and digitalisation. Issues pertaining to sustainability are raised on a continuous basis at Group Management meetings.

Continuous reporting and follow-up by the Group Management is implemented through presentations by the individuals responsible for various sub-areas, such as the environment, purchasing, HR, communication and finance.

The Group Management consists of:

Ulrika Hallengren, CEO

Andreas Ivarsson, Director of Projects & Development

Arvid Liepe, Chief Financial Officer

Anna Nambord, Director of Sustainable Business, until September 2022

Mia Rolf, Director of Marketing and Corporate Communications

Maria Ivarsson, Regional Director Lund

Magnus Lambertsson, Regional Director Helsingborg

Peter Olsson, Regional Director Malmö

Tove Gleisner, HR Director, from September 2022

Principles for employment terms and conditions for the CEO and Group Management

Under the Swedish Corporate Governance Code, the Board is tasked with presenting proposals to the AGM on the principles for remuneration and other terms and conditions of employment for the Group Management. Wihlborgs' Board of Directors proposes that remuneration and other employment terms and conditions should be competitive and on market terms. Remuneration is paid in the form of fixed salary to all members of Group Management. Any remuneration over and above the fixed salary is subject to a cap of 50 percent of fixed salary, and is to be paid in the form of cash. Where appropriate, remuneration in addition to the fixed salary is based on outcomes relative to set targets and must accord with the interests of the shareholders. The conditions for other benefits, if such funds are provided, represent a limited part of total remuneration and mainly consist of company car benefits.

At Wihlborgs, there is a profit-sharing fund that encompasses all employees. Allocations to the fund are based on the return on equity and are limited to a maximum of one price base amount per year for each employee.

The pensionable age is 65 for all members of Group Management. The cost of the CEO's pension is fixed at premium of 35 percent of the pension-based salary per year during the period of employment. For other members of Group Management, the ITP plan or its equivalent applies. The notice of termination of employment, on either side, for the CEO and other members of Group Management is four to six months. Severance pay for the CEO consists of 18 months' salary and for other members of Group Management up to 12 months' salary. Severance pay is to be offset against other sources of income.

The principles governing remuneration and terms and conditions of employment for the Group Management and remuneration and terms and conditions of employment for the CEO are decided by the full Board without the Chairman of the Board. The principles for the conditions of employment are unchanged.

Remuneration and other benefits 2022, SEK thousand

	Salary	Other benefits	Pension	Total
Chief Executive Officer	5,543	76	1,572	7,190
Other senior executives	11,383	365	2,933	14,681

Other benefits consist of company car, fuel and healthcare.

Board of Directors



Anders Jarl

Chairman of the Board since 2018, elected 2004
Malmö, born 1956

Education: MSc in Engineering from Lund University's Faculty of Engineering.

Main occupation: Chairman of the Board of Wihlborgs.

Other Board assignments: Board member of Platzer Fastigheter Holding AB, Brinova Fastigheter AB and Malmö City fastigheter AB.

Holding in Wihlborgs: 1,299,294 shares.



Anna Werntoft

Board member, elected 2022
Malmö, born 1970

Education: MSc in Business and Economics from Lund University.

Main occupation: Chief Transformation Officer Ikano Bank AB

Other Board assignments: Board member of Minc AB

Holding in Wihlborgs: 0 shares.



Tina Andersson

Board member, elected 2014
Malmö, born 1969

Education: MSc in Business and Economics from Lund University.

Main occupation: Own consulting and interim activities

Other Board assignments: Board Member of Malmö FF, Planman and Röda Korset Malmö.

Holding in Wihlborgs: 8,000 shares through companies.



Lennart Mauritzson

Board member, elected 2021
Ångelholm, born 1967

Education: MSc in Economics, Halmstad University/Lund University, lawyer Lund University (not degree)

Main occupation: President & CEO Backahill AB

Other Board assignments: Board member of Brinova Fastigheter AB (publ), Fabege AB (publ), Catena AB and Röggle Marknads AB.

Holding in Wihlborgs: 0 shares



Amela Hodzic

Board member, elected 2021
Malmö, born 1974

Education: Master's degree in economic history, Lund University, Bachelor of Philosophy degree, German, Lund University.

Main occupation: Head of Communications Service Administration, City of Malmö

Other Board assignments: Board member of Skurups Sparbank, Allard Support for Better Life and FramtidNu.

Holding in Wihlborgs: 0 shares



Johan Röstin

Board member, elected 2022
Helsingborg, born 1962

Education: Business Administration and Sociology, Lund University (no degree)

Main occupation: Own consultancy business

Other Board assignments: Chairman of the Board of Beowulf Mining PLC. Board member of Velove Bikes AB and Jokkmokk Iron Mines AB.

Holding in Wihlborgs: 0 shares.



Jan Litborn

Board member, elected 2018
Stockholm, born 1951

Education: LL.M. from Stockholm University, studies at Stockholm School of Economics (no degree).

Main occupation: Managing Partner and lawyer at law firm BORN Advokater

Other Board assignments: Chairman of the Board of Fabege AB, Arenabolaget i Solna AB, and Hedin Mobility Group AB. Board member of Consensus Asset Management AB, Aimo Holding AB, Revelop Management AB, Slättö Förvaltning AB and Backahill AB.

Holding in Wihlborgs: 10,000 shares.

Auditing

Under the Swedish Companies Act, the company's auditor is required to examine the company's annual accounts and day-to-day accounting records, as well as the administration of the company by the Board of Directors and the CEO. This examination results in an auditor's report that is presented to the AGM after the end of the financial year.

The Nomination Committee proposes auditors to the AGM.

At the 2022 AGM, Deloitte AB was re-elected as the company's auditor, with Richard Peters as the Auditor-in-Charge for Wihlborgs, for a period of one year and, accordingly, the next election of auditors will be at the 2023 AGM. Richard Peters has no assignments with any companies that are closely related to Wihlborgs' major owners or to the CEO. Alongside the auditing assignment on behalf of Wihlborgs, Richard Peters is also responsible for the following major audit engagements: Beijer Ref, Diös Fastigheter, Fasadgruppen, Lindéngruppen and Mellby Gård.

Richard Peters attends the meeting in person to discuss the year-end accounts and delivers a report on the final examination of the company's accounts. The auditor also participates in Audit Committee meetings and provides information to the Board on a regular basis regarding the examinations conducted during the year.

In addition to its audit engagement, Deloitte has also advised Wihlborgs in areas related to tax and accounting issues.

Fees and reimbursement of expenses to auditors, SEK thousand		
Group	2022	2021
Deloitte		
Audit engagement	3,527	3,017
Auditing activities other than the audit engagement	690	660
Tax advice	–	–
Other services	7	247

Swedish Corporate Governance Code

The overall aim of the Code is to promote positive development of governance in Swedish companies so that they meet their owners' requirements for return on the capital invested. Any deviations from the rules of the Code must be described and justified in accordance with the comply or explain principle. The reasons for each deviation must be clearly presented.

Wihlborgs' deviations from the Code are presented below:

No separate remuneration committee has been established and, instead, the functions of a remuneration committee were carried out by the entire Board excluding Anders Jarl. During discussions of these matters, no member of executive management was present.

The Board's motivation for not establishing any separate remuneration committee is that this allows the full competence of the Board to be utilised and makes the meetings more efficient.

Internal controls related to financial reporting

Under the Swedish Companies Act and the Swedish Corporate Governance Code, the Board is responsible for internal control. Wihlborgs applies the Committee of Sponsoring Organizations of the Treadway Commission's (COSO) framework for internal control, which is an internationally recognised and widely accepted system,

to describe the company's control structure. COSO describes internal control as being divided into five components: Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities.

The control environment is designed by the Board, Group Management and the company's personnel to ensure that the company observes laws and regulations, has an efficient organisation and that the company operates an effective system of financial reporting.

Control environment – has key significance for the organisation and provides the foundation for effective internal control.

Rules of procedure have been established to ensure adequate internal control and to perform accurate risk assessment. These describe the allocation of responsibilities between the Board and the CEO to provide for an effective assessment of risks in the organisation and its financial reporting. The rules of procedures and the ethical guidelines that apply to the Board and the company's employees are updated each year.

In its rules of procedure, the Board has clearly set out its delegation of decision-making to management for financial reporting. The organisational structure at Wihlborgs enables effective internal control. The company's organisation into management areas led by a property director shows defined responsibilities together with authorities. This has been described in an instruction governing the signing of leases, authorisation rules and project applications. Consolidated reporting for Wihlborgs' approximately 160 subsidiaries is standardised.

Internal accounting is reconciled with external accounting on each reporting occasion. In accordance with Wihlborgs' personnel policy, employees working with financial issues have individual training plans to ensure competence in the field.

Overall policies are in place for finance, IT, communication, purchasing, equal opportunities and personnel.

Wihlborgs has signed up to the UN Global Compact, which means that the company has committed itself to supporting the ten principles in the areas of human rights, labour law, the environment and anti-corruption. As a result, the company annually reports the current status in its Communication on Progress. Wihlborgs has decided to report on sustainability in accordance with the Global Reporting Initiative (GRI). Sustainability reporting for the 2022 financial year follows the GRI Standards: Core option. This reporting is integrated with the reporting required for the Global Compact.

Risk assessment – Wihlborgs continuously conducts risk assessment in respect of its financial reporting. A risk analysis indicates that internal control is especially important regarding:

- Procedures for rent invoicing, including supplementary billing to tenants
- Buying and selling properties, individually and as companies
- Property costs, primarily energy
- Financing, interest rates and derivatives
- The IT system
- Property valuation
- Project activities
- Taxes

These risks are assessed each year in consultation with the management and the auditors.

Control activities – are intended to create methods that enable the company to manage risks. Such activities are designed to prevent, record and correct any errors that may arise. The aim of control

activities is to secure the company's income and assets, to check the accuracy and reliability of its financial reports and also to ensure that established systems of rules are complied with.

Quarterly reports are submitted by operations. Monitoring takes the form of measuring the financial outcome against budget. Once each quarter, project managers and the property management organisation meet to coordinate redevelopment and new-build issues with day-to-day management. Group Management and the heads of property management meet regularly during the quarter to report deviations, major new lets and lease terminations.

A central unit prepares consolidated accounts and financial reporting on a quarterly basis. On these occasions, a property table is also drawn up showing details, at that date, of: rental value, current rental income, vacancies, operating surplus, property valuations and yield.

Information and communication – The Communications Department is responsible for ensuring that external information is provided in accordance with the Nasdaq Exchange agreement. The company's communication policy describes, for example, how financial reporting should be performed.

The Board receives information about risks of error in the company's financial reporting and the internal control by the audi-

tors in connection with the year-end accounts and their auditing of the interim reports.

Wihlborgs' employees receive continuous information on updated guidelines and policies via the company's intranet.

The Wihlborgs' website is continuously updated to adapt and improve the external disclosure in line with market requirements.

Monitoring activities — The control system is monitored and evaluated on an ongoing basis to guarantee its quality. Feedback on each sub-market is regularly communicated to management and any failings that have emerged in internal controls are rectified.

Group Management reports to the Board in accordance with the instructions for financial reporting. The company's auditors review the financial reports pertaining to the year-end accounts and carry out a review of the accounts for the third quarter. At least twice each year, the auditors present their assessment of the company's internal control to the Board.

Internal audit – To complement the external audit, internal assessments of internal control for the company's most important procedures are maintained continuously. Moreover, as the organisation is simple and the business is geographically limited in extent, the Board has concluded that the appointment of an internal auditor is not necessary.

Group Management



Ulrika Hallengren

Chief Executive Officer
Lomma, born 1970
Employed at Wihlborgs since 2010

Education: BSc in Construction Sciences from Lund University's Faculty of Engineering.

Holding in Wihlborgs: 249,203 shares held privately and through company.



Andreas Ivarsson

Director of Projects & Development
Helsingborg, born 1977
Employed at Wihlborgs since 2017

Education: Property development, organisation, leadership, marketing at the University of Kalmar, KTH Royal Institute of Technology, Malmö University.

Holding in Wihlborgs: 13,106 shares through companies.



Arvid Liepe

Chief Financial Officer
Falsterbo, born 1967
Employed at Wihlborgs since 2013

Education: MSc in Business and Economics from the Stockholm School of Economics.

Holding in Wihlborgs: 230,650 shares held privately and through company.



Tove Gleisner

HR Director
Åkarp, born 1984
Employed at Wihlborgs since 2020

Education: Bachelor of Arts in Human Resource Management, Uppsala University

Holding in Wihlborgs: 0 shares.



Mia Rolf

Director of Marketing and Corporate Communications
Malmö, born 1971
Employed at Wihlborgs since 2021

Education: BSc in Communication and Media Studies, Stockholm University, EFL Executive MBA

Holding in Wihlborgs: 6,935 shares through companies.



Maria Ivarsson

Regional Director, Lund
Lund, born 1972
Employed at Wihlborgs since 2018

Education: MBA Executive Master of Management and Leadership, MGruppen.

Holding in Wihlborgs: 13,106 shares through companies.



Magnus Lambertsson

Regional Director, Helsingborg
Helsingborg, born 1977
Employed at Wihlborgs since 2020

Education: Bachelor of Science in Real Estate Science, Malmö University.

Holding in Wihlborgs: 14,376 shares through companies.



Peter Olsson

Regional Director, Malmö
Malmö, born 1979
Employed at Wihlborgs since 2017

Education: MSc in Engineering from Lund University's Faculty of Engineering.

Holding in Wihlborgs: 13,106 shares through companies.

Signatures to the Corporate Governance Report

Malmö, 15 March 2023

Anders Jarl
Chairman

Lennart Mauritzson
Deputy Chairman

Tina Andersson
Board Member

Amela Hodzic
Board member

Jan Litborn
Board Member

Johan Röstin
Board member

Anna Werntoft
Board Member

Ulrika Hallengren
CEO

Auditor's report

To the general meeting of the shareholders of Wihlborgs Fastigheter AB (publ), corporate identity number 556367-0230

Report on the annual accounts and consolidated accounts

Opinions

We have audited the annual accounts and consolidated accounts of Wihlborgs Fastigheter AB (publ) for the financial year 2022-01-01 – 2022-12-31 except for the corporate governance statement on pages 116 to 123. The annual accounts and consolidated accounts of the company are included on pages 76–115 in this document.

In our opinion, the annual accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the parent company as of 31 December 2022 and its financial performance and cash flow for the year then ended in accordance with the Annual Accounts Act. The consolidated accounts have been prepared in accordance with the Annual Accounts Act and present fairly, in all material respects, the financial position of the group as of 31 December 2022 and their financial performance and cash flow for the year then ended in accordance with International Financial Reporting Standards (IFRS), as adopted by the EU, and the Annual Accounts Act. Our opinions do not cover the corporate governance statement on pages 116–123. The statutory administration report is consistent with the other parts of the annual accounts and consolidated accounts.

We therefore recommend that the general meeting of shareholders adopts the income statement and balance sheet for the parent company and the group.

Our opinions in this report on the annual accounts and consolidated accounts are consistent with the content of the additional report that has been submitted to the parent company's audit committee in accordance with the Audit Regulation (537/2014) Article 11.

Basis for Opinions

We conducted our audit in accordance with International Standards on Auditing (ISA) and generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements. This includes that, based on the best of our knowledge and belief, no prohibited services referred to in the Audit Regulation (537/2014) Article 5.1 have been provided to the audited company or, where applicable, its parent company or its controlled companies within the EU.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Key Audit Matters

Key audit matters of the audit are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts and consolidated accounts of the current period. These matters were addressed in the context of our audit of, and in forming our opinion thereon, the annual accounts and consolidated accounts as a whole, but we do not provide a separate opinion on these matters.

Valuation of investment properties

Description of risk

The most significant transactions and assets of Wihlborgs are related to investment properties and their valuation. The carrying amount represents 97 percent of total assets and is reported at fair value of 55 179 MSEK and this year's change in value amounts to 396 MSEK in profit. The valuation is based on significant estimates and assumptions of factors such as the individual property's type, its location, future earning capacity and the market's required return. For project properties, an assessment is made of the remaining construction costs. Undeveloped project properties are valued according to projects location price. These estimates and assumptions may cause a significant impact on the Group's results and financial position.

For further particulars please refer to the section on risks and uncertainties on page 84-89, Group accounting policies on page 98, note 9 and note 13.

Our audit procedures

Our audit covered the following audit actions, but was not limited to these:

- We have reviewed and assessed Wihlborgs' routines to produce input for external valuations, that the routines are consistently applied and that there is integrity in the process.
- We have examined input on a property level for a selection of properties in the external valuations and studied these to ensure that they are complete and accurate.
- For a selection of properties we have evaluated the assumptions of the external valuers about the underlying parameters relating to inflation, rental development, cost development, yield and vacancies. We have also evaluated the competence and objectivity of the external valuers.
- We have examined for a selection of acquired and divested properties that these have been reported in accordance with underlying agreements, applicable tax rules and accounting principles.
- We have reviewed and assessed Wihlborgs routines for development and processing of real estate, including the process of investment decisions, authorization instructions and follow-up of project outcomes.
- We have reviewed that appropriate accounting policies are applied and that adequate information is provided in the relevant notes to the financial statements.

Other information than the annual accounts and consolidated accounts

This document also contains other information than the annual accounts and consolidated accounts and is found on pages 1–75 and 132–161. The Board of Directors and the Managing Director are responsible for this other information.

Our opinion on the annual accounts and consolidated accounts does not cover this other information and we do not express any form of assurance conclusion regarding this other information.

In connection with our audit of the annual accounts and consolidated accounts, our responsibility is to read the information identified above and consider whether the information is materially inconsistent with the annual accounts and consolidated accounts. In this procedure we also take into account our knowledge otherwise obtained in the audit and assess whether the information otherwise appears to be materially misstated.

If we, based on the work performed concerning this information, conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the annual accounts and consolidated accounts and that they give a fair presentation in accordance with the Annual Accounts Act and, concerning the consolidated accounts, in accordance with IFRS as adopted by the EU. The Board of Directors and the Managing Director are also responsible for such internal control as they determine is necessary to enable the preparation of annual accounts and consolidated accounts that are free from material misstatement, whether due to fraud or error.

In preparing the annual accounts and consolidated accounts, The Board of Directors and the Managing Director are responsible for the assessment of the company's and the group's ability to continue as a going concern. They disclose, as applicable, matters related to going concern and using the going concern basis of accounting. The going concern basis of accounting is however not applied if the Board of Directors and the Managing Director intends to liquidate the company, to cease operations, or has no realistic alternative but to do so.

The Audit Committee shall, without prejudice to the Board of Director's responsibilities and tasks in general, among other things oversee the company's financial reporting process.

Auditor's responsibility

Our objectives are to obtain reasonable assurance about whether the annual accounts and consolidated accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual accounts and consolidated accounts.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the annual accounts and consolidated accounts, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of the company's internal control relevant to our audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Board of Directors and the Managing Director.
- Conclude on the appropriateness of the Board of Directors' and the Managing Director's use of the going concern basis of accounting in preparing the annual accounts and consolidated accounts. We also draw a conclusion, based on the audit evidence obtained, as to whether any material uncertainty exists related to events or conditions that may cast significant doubt on the company's and the group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the annual accounts and consolidated accounts or, if such disclosures are inadequate, to modify our opinion about the annual accounts and consolidated accounts. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause a company and a group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the annual accounts and consolidated accounts, including the disclosures, and whether the annual accounts and consolidated accounts represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the group to express an opinion on the consolidated accounts. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our opinions.

We must inform the Board of Directors of, among other matters, the planned scope and timing of the audit. We must also inform of significant audit findings during our audit, including any significant deficiencies in internal control that we identified.

We must also provide the Board of Directors with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, actions taken to eliminate threats or safeguards applied.

From the matters communicated with the Board of Directors, we determine those matters that were of most significance in the audit of the annual accounts and consolidated accounts, including the most important assessed risks for material misstatement, and are therefore the key audit matters. We describe these matters in the auditor's report unless law or regulation precludes disclosure about the matter.

Report on other legal and regulatory requirements

Opinions

In addition to our audit of the annual accounts and consolidated accounts, we have also audited the administration of the Board of Directors and the Managing Director of Wihlborgs Fastigheter AB (publ) for the financial year 2022-01-01 – 2022-12-31 and the proposed appropriations of the company's profit or loss.

We recommend to the general meeting of shareholders that the profit to be appropriated in accordance with the proposal in the statutory administration report and that the members of the Board of Directors and the Managing Director be discharged from liability for the financial year.

Basis for Opinions

We conducted the audit in accordance with generally accepted auditing standards in Sweden. Our responsibilities under those standards are further described in the Auditor's Responsibilities section. We are independent of the parent company and the group in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions.

Responsibilities of the Board of Directors and the Managing Director

The Board of Directors is responsible for the proposal for appropriations of the company's profit or loss. At the proposal of a dividend, this includes an assessment of whether the dividend is justifiable considering the requirements which the company's and the group's type of operations, size and risks place on the size of the parent company's and the group's equity, consolidation requirements, liquidity and position in general.

The Board of Directors is responsible for the company's organization and the administration of the company's affairs. This includes among other things continuous assessment of the company's and the group's financial situation and ensuring that the company's organization is designed so that the accounting, management of assets and the company's financial affairs otherwise are controlled in a reassuring manner. The Managing Director shall manage the ongoing administration according to the Board of Directors' guidelines and instructions and among other matters take measures that are necessary to fulfill the company's accounting in accordance with law and handle the management of assets in a reassuring manner.

Auditor's responsibility

Our objective concerning the audit of the administration, and thereby our opinion about discharge from liability, is to obtain audit evidence to assess with a reasonable degree of assurance whether any member of the Board of Directors or the Managing Director in any material respect:

- has undertaken any action or been guilty of any omission which can give rise to liability to the company, or
- in any other way has acted in contravention of the Companies Act, the Annual Accounts Act or the Articles of Association.

Our objective concerning the audit of the proposed appropriations of the company's profit or loss, and thereby our opinion about this, is to assess with reasonable degree of assurance whether the proposal is in accordance with the Companies Act.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with generally accepted auditing standards in Sweden will always detect actions or omissions that can give rise to liability to the company, or that the proposed appropriations of the company's profit or loss are not in accordance with the Companies Act.

As part of an audit in accordance with generally accepted auditing standards in Sweden, we exercise professional judgment and maintain professional scepticism throughout the audit. The examination of the administration and the proposed appropriations of the company's profit or loss is based primarily on the audit of the accounts. Additional audit procedures performed are based on our professional judgment with starting point in risk and materiality. This means that we focus the examination on such actions, areas and relationships that are material for the operations and where deviations and violations would have particular importance for the company's situation. We examine and test decisions undertaken, support for decisions, actions taken and other circumstances that are relevant to our opinion concerning discharge from liability. As a basis for our opinion on the Board of Directors' proposed appropriations of the company's profit or loss we examined the Board of Directors' reasoned statement and a selection of supporting evidence in order to be able to assess whether the proposal is in accordance with the Companies Act.

The auditor's examination of the Esef report

Opinion

In addition to our audit of the annual accounts and consolidated accounts, we have also examined that the Board of Directors and the Managing Director have prepared the annual accounts and consolidated accounts in a format that enables uniform electronic reporting (the Esef report) pursuant to Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528) for Wihlborgs Fastigheter AB (publ) (publ) for the financial year 2022-01-01 – 2022-12-31.

Our examination and our opinion relate only to the statutory requirements.

In our opinion, the Esef report has been prepared in a format that, in all material respects, enables uniform electronic reporting.

Basis for opinion

We have performed the examination in accordance with FAR's recommendation RevR 18 Examination of the Esef report. Our responsibility under this recommendation is described in more detail in the Auditors' responsibility section. We are independent of Wihlborgs Fastigheter AB (publ) in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of The Board of Directors and the Managing Director

The Board of Directors and the Managing Director are responsible for the preparation of the Esef report in accordance with the Chapter 16, Section 4 a of the Swedish Securities Market Act (2007:528), and for such internal control that the Board of Directors and the Managing Director determine is necessary to prepare the Esef report without material misstatements, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to obtain reasonable assurance whether the Esef report is in all material respects prepared in a format that meets the requirements of Chapter 16, Section 4(a) of the Swedish Securities Market Act (2007:528), based on the procedures performed.

RevR 18 requires us to plan and execute procedures to achieve reasonable assurance that the Esef report is prepared in a format that meets these requirements.

Reasonable assurance is a high level of assurance, but it is not a guarantee that an engagement carried out according to RevR 18 and generally accepted auditing standards in Sweden will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the Esef report.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

The examination involves obtaining evidence, through various procedures, that the Esef report has been prepared in a format that enables uniform electronic reporting of the annual accounts and consolidated accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement in the report, whether due to fraud or error. In carrying out this risk assessment, and in order to design audit procedures that are appropriate in the circumstances, the auditor considers those elements of internal control that are relevant to the preparation of the Esef report by the Board of Directors and the Managing Director, but not for the purpose of expressing an opinion on the effectiveness of those internal controls. The examination also includes an evaluation of

the appropriateness and reasonableness of assumptions made by the Board of Directors and the Managing Director.

The procedures mainly include a validation that the Esef report has been prepared in a valid XHTML format and a reconciliation of the Esef report with the audited annual accounts and consolidated accounts.

Furthermore, the procedures also include an assessment of whether the consolidated statement of financial performance, financial position, changes in equity, cash flow and disclosures in the Esef report have been marked with iXBRL in accordance with what follows from the Esef regulation.

The auditor's examination of the corporate governance statement

The Board of Directors is responsible for that the corporate governance statement on pages 116–123 has been prepared in accordance with the Annual Accounts Act.

Our examination of the corporate governance statement is conducted in accordance with FAR's auditing standard RevU 16 The auditor's examination of the corporate governance statement. This means that our examination of the corporate governance statement is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden. We believe that the examination has provided us with sufficient basis for our opinions.

A corporate governance statement has been prepared. Disclosures in accordance with chapter 6 section 6 the second paragraph points 2-6 of the Annual Accounts Act and chapter 7 section 31 the second paragraph the same law are consistent with the other parts of the annual accounts and consolidated accounts and are in accordance with the Annual Accounts Act

Deloitte AB, was appointed auditor of Wihlborgs Fastigheter AB (publ) by the general meeting of the shareholders on the 2022-04-26 and has been the company's auditor since 2004-12-28.

Malmö, 20 March 2023

Deloitte AB

Richard Peters

Authorized Public Accountant

Five-year review

	2022	2021	2020	2019	2018
Comprehensive income, SEK m					
Rental income	3,335	3,060	3,074	2,983	2,684
Operating surplus	2,331	2,195	2,222	2,140	1,941
Income from property management	1,861	1,815	1,830	1,775	1,406
Changes in value	1,050	2,355	753	1,492	1,349
Tax	-623	-822	-361	-344	-352
Profit for the year	2,288	3,348	2,222	2,923	2,403
Comprehensive income for the year	2,354	3,359	2,201	2,933	2,418
Financial position, SEK m					
Investment properties	55,179	50,033	46,072	45,519	42,146
Other non-current assets	1,233	640	534	558	351
Current receivables	238	164	150	201	62
Cash and cash equivalents	159	315	205	280	183
Total assets	56,809	51,152	46,961	46,558	42,742
Equity	23,380	21,948	19,396	17,887	15,530
Deferred tax liability	5,180	4,622	3,853	3,582	3,295
Other non-current liabilities	26,005	19,946	19,596	22,872	19,677
Current liabilities	2,244	4,636	4,116	2,217	4,240
Total equity and liabilities	56,809	51,152	46,961	46,558	42,742
Key financial metrics					
Return on equity, %	10.1	16.2	11.9	17.5	16.5
Return on capital employed, %	5.5	9.8	7.1	9.0	8.8
Equity/assets ratio, %	41.2	42.9	41.3	38.4	36.3
Interest coverage ratio, multiple	5.6	6.7	6.5	6.2	3.9
Loan-to-value ratio, properties, %	48.6	46.5	48.2	51.9	54.1
Debt/equity ratio, multiple	1.2	1.1	1.2	1.3	1.5
Share-related key metrics					
Earnings per share, SEK	7.44	10.89	7.23	9.51	7.82
Earnings per share before tax, SEK	9.47	13.56	8.40	10.63	8.96
EPRA EPS, SEK	5.45	5.33	5.33	5.27	4.03
Cash flows from operating activities per share, SEK	6.32	5.50	5.96	5.48	4.85
EPRA NDV per share, SEK	76.05	71.39	63.09	5.82	50.52
EPRA NRV per share, SEK	90.64	86.33	76.22	70.1	61.32
Market price per share, SEK	78.50	102.70	92.7	86.25	51.20
Dividend per share, SEK (2021 = proposed dividend)	3.10	3.00	2.63	2.25	1.88
Dividend yield per share, %	3.9	2.9	2.8	2.6	3.7
Total yield per share, %	-20.6	13.6	10.1	72.1	7.5
P/E ratio I, multiple	10.5	9.4	12.8	9.1	6.6
P/E ratio II, multiple	14.4	19.3	17.4	16.4	12.7
Number of shares at period end, thousand	307,427	307,427	307,427	307,427	307,427
Average number of shares, thousand	307,427	307,427	307,427	307,427	307,427
*An adjustment has been made to reflect the two-for-one share split carried out in May 2022.					
Property-related key metrics					
Number of properties	306	299	294	312	310
Carrying amount for properties, SEK m	55,179	50,033	46,072	45,519	42,146
Investment yield, % – all properties	5.0	4.8	4.6	4.9	4.9
Estimated investment yield, % – excl. project properties	5.4	5.1	4.8	5.0	5.1
Lettable area, m ²	2,228,929	2,142,892	2,102,707	2,181,359	2,105,851
Rental value, SEK per m ²	1,871	1,620	1,554	1,508	1,423
Operating surplus, SEK per m ²	1,245	1,048	1,011	1,015	972
Economic occupancy rate, % – all properties	91	90	90	93	93
Economic occupancy rate, % – excl. project properties	93	92	91	93	94
Estimated surplus ratio, %	73	72	72	72	73
Employees					
No. of full-time equivalents (FTEs) at end of period	256	250	236	221	187

Turn to pages 129–130 to see calculation bases and definitions of metrics.

Calculation bases and definitions of Group metrics

Some of the financial metrics that Wihlborgs presents 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. Presented below are calculation bases and definitions of metrics that, with a few exceptions, are not defined in accordance with IFRS. Historical per share metrics have been restated to reflect the two-for-one share split carried out in May 2022.

Calculation bases

Unless otherwise stated, amounts are in SEK million.

	31 Dec. 2022	31 Dec 2021
Return on equity		
Profit for the period	2,288	3,348
Equity, opening balance (OB)	21,948	19,396
Equity, closing balance (CB)	23,380	21,948
Average equity	22,664	20,672
Return on equity, %	10.1	16.2
Return on capital employed		
Pre-tax profit	2,911	4,170
Interest expense (incl. change in value, interest-rate derivatives)	-255	110
Total	2,656	4,280
Total assets, OB	51,152	46,961
Total assets, CB	56,809	51,152
Non-interest-bearing liabilities and provisions, OB	-5,764	-5,198
Non-interest-bearing liabilities and provisions, CB	-6,465	-5,764
Average capital employed	47,866	43,576
Return on capital employed, %	5.5	9.8
Equity/assets ratio		
Equity	23,380	21,948
Total assets	56,809	51,152
Equity/assets ratio, %	41.2	42.9
Interest coverage ratio		
Income from property management	1,861	1,815
Interest expense	404	316
Total	2,265	2,131
Interest expense	404	316
Interest coverage ratio, multiple	5.6	6.7
Loan-to-value ratio, properties		
Borrowings	26,806	23,278
Carrying amount, investment properties	55,179	50,033
Loan-to-value ratio, properties, %	48.6	46.5
Debt/equity ratio		
Interest-bearing liabilities	26,962	23,440
Equity	23,380	21,948
Debt/equity ratio, multiple	1.2	1.1

	31 Dec. 2022	31 Dec 2021
Earnings per share		
Profit for the period	2,288	3,348
Average number of shares, thousand	307,427	307,427
Earnings per share, SEK	7.44	10.89
Earnings per share before tax		
Pre-tax profit	2,911	4,170
Average number of shares, thousand	307,427	307,427
Earnings per share before tax, SEK	9.47	13.56
EPRA EPS		
Income from property management	1,861	1,815
Fiscal depreciation/amortisation, direct deductions, etc.	-972	-967
Taxable income from property management	889	848
Current tax on the above	-186	-178
Income from property management after deduction of current tax	1,675	1,637
Average number of shares, thousand	307,427	307,427
EPRA EPS, SEK	5.45	5.33
Cash flows from operating activities per share		
Cash flows from operating activities	1,942	1,690
Average number of shares, thousand	307,427	307,427
Cash flows from operating activities per share, SEK	6.32	5.50
EPRA NDV per share		
Equity	23,380	21,948
Number of shares at period end, thousand	307,427	307,427
Equity per share I, SEK	76.05	71.39
EPRA NRV (long-term net asset value)		
Equity	23,380	21,948
Deferred tax liability	5,180	4,622
Derivatives	-695	-31
Total	27,865	26,539
Number of shares at period end, thousand	307,427	307,427
EPRA NAV per share, SEK	90.64	86.33
Dividend yield per share		
Proposed dividend, SEK	3.10	3.00
Share price at year end, SEK	78.50	102.7
Dividend yield per share, %	3.9	2.9
Total yield per share		
Share price at start of year	102.70	92.7
Share price at year end, SEK	78.50	102.7
Change in share price over the year, SEK	-24.20	10
Dividends paid over the year, SEK	3.00	2.625
Total yield per share, %	-20.6	13.6
P/E ratio I		
Share price at period end	78.50	102.70
Earnings per share	7.44	10.89
P/E ratio I, multiple	10.5	9.4
P/E ratio II		
Share price at period end	78.50	102.7
EPRA EPS	5.45	5.33
P/E ratio II, multiple	14.4	19.3

Definitions

Key financial metrics

When profit for the year or equity is included in key metrics, profit and equity are stated including non-controlling interests unless otherwise indicated.

Return on equity

Profit for the period as a percentage of average equity. Average equity refers to the average of the opening and closing values for the respective period. The ratio comprises a measure of the profitability in terms of the shareholders' equity.

Return on capital employed

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. The metric shows the return on the capital provided by shareholders and lenders without regard to how the company is financed.

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 relative to equity. 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

Operating surplus 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 year. The ratio illustrates the yield on the property portfolio without taking account of its financing costs.

Share-related key metrics

Earnings per share for the year

Profit for the year divided by the average number of shares outstanding. Definition in accordance with IFRS.

Earnings per share before tax

Earnings divided by the average number of shares outstanding.

EPRA EPS

Income from property management less the estimated current 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

Recognised equity in the balance sheet divided by the number of shares at period end.

EPRA NRV (Net reinstatement value) per share

Recognised equity in the balance sheet with the add back of interest-rate derivatives and deferred tax pursuant to the balance sheet and then divided by the number of shares at period end.

Dividend yield per share

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

Total yield per share

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

P/E ratio I, multiple

Market price per share divided by earnings per share.

P/E ratio II, multiple

Market price per share divided by EPRA EPS.

Average fixed-interest period

The average of the tenors remaining until rate adjustment for the entire interest-bearing debt.

Average loan maturity

The time remaining until the entire interest-bearing debt has been refinanced.

Property-related key metrics*

These key metrics are based on the property table on page 47. The table shows the estimated rental value, rental income and property costs on an annualised basis with an unchanged property portfolio based on the lettings portfolio as of 1 January 2023.

Rental value

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

Estimated investment yield

Operating surplus, including property management, as a percentage of the carrying amount for the properties at the end of the period.

Rental value per m²

Rental value divided by lettable area.

Operating surplus per m²

Operating surplus, including property management, 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 contracted during the period less lease terminations.

Like-for-like portfolios

Excludes properties that in the current and comparative period were classified as projects/land, acquisitions or disposals.

*These key metrics are operational and do not constitute alternative performance measures in accordance with the guidelines of the European Securities and Markets Authority (ESMA).



Shared activities promoting health such as the Wihlborgs' Klassikern are held annually. Lundalet is one such event.

**In-depth
sustainability
information**

2022 Sustainability Report

2022 was undeniably a year when energy consumption was high on the agenda, and, moving forward, Wihlborgs will be focusing on energy consumption and production at our properties. I am satisfied that we have worked so methodically to improve our sustainability efforts and increase internal expertise in the area of sustainability in recent years. This has made it easier for us to scale up the solutions that we developed even before the financial incentives became obvious to everyone. It is important for the property sector to contribute by focusing on solutions that yield results here and now, while maintaining a long-term ambition to significantly reduce climate emissions.



During the year, we achieved our first NollCO₂ property certification through Kvartetten in Hyllie. This property, as well as Space in Lund, were also certified under the health-oriented WELL system. Although these are important steps in our sustainability efforts, more importantly, they are lessons that we take with us from the processes, as well as opportunities to influence the design and development of certification systems. For example, we would like to see more certifications that reward measures in existing portfolios. After all, this is where we have the greatest potential to make a difference.

Another way to make a genuine difference is to dare to ask our customers, suppliers and partners unexpected questions. Individually, we seldom have the best answers or solutions, but through a lively dialogue, we can help to challenge each other.

Thanks to our strong roots in the region, our social initiatives are integrated in our operations and are part of our business concept. What is good for the region is good for Wihlborgs. Therefore, we continue to create steppingstones for people, companies and businesses in our region to grow, as part of our own growth and development.

Malmö, March 2023
Ulrika Hallengren
Chief Executive Officer

About the sustainability report

Wihlborgs' sustainability report – which also constitutes a sustainability report under the Annual Accounts Act – is integrated into various sections of the annual report.

Wihlborgs' business model is presented on pages 14 and 16. We report on our priorities and important activities during the year on pages 30–43. A compiled report on risks and uncertainties including important sustainability risks can be found on pages 84–89. The in-depth sustainability information on pages 132–151 in this section includes additional information concerning governance, measurement and follow-up on our sustainability agenda. The section also includes performance indicators regarding the environment, personnel, human rights and anti-corruption in accordance with the Annual Accounts Act, and the supplementary disclosures requested by the reporting frameworks that we apply.

The sustainability report covers the period of 1 January to 31 December 2022. We report annually and the previous sustainability report, which pertained to 2021, was published on 1 April 2022. We intend to publish the next sustainability report in April 2024.

The information in the Sustainability Report has been subject to a limited review from Wihlborgs' auditors elected by the Annual General Meeting. Their statement is found on page 151. For further information about Wihlborgs' sustainability work and our sustainability reporting, please contact Sustainability Manager Elsa Hagdahl: elsa.hagdahl@wihlborgs.se, +46 (0)40-661 97 07.

Reporting framework

Wihlborgs' sustainability report is prepared in accordance with GRI Standards (GRI 1: Foundation 2021 is applied) and the guidelines for sustainability reporting issued by EPRA (European Public Real Estate Association).

On pages 138–139 there is an index showing where in the annual report the GRI information is presented and on pages 142–143 the majority of the performance indicators in accordance with EPRA's Sustainability Best Practice Recommendations are presented.

The sustainability report also discloses information about climate-related risks in line with the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) on pages 140–141.

In addition, information regarding the application of the EU Taxonomy for sustainable activities, including performance indicators, is presented on pages 136–137. We also present our view of how Wihlborgs' operations are contributing toward the Sustainable Development Goals of the 2030 Agenda for Sustainable Development on page 33.

Wihlborgs has been a member of the UN Global Compact since 2010, an initiative we continue to support. Our most recent Communication on Progress was submitted in May 2022 according to the new expanded format applicable as of 2023.

Sustainability management

In this section, basic information about Wihlborgs' operations is presented as a basis for the identification, prioritisation and management of material sustainability topics.

Operations and value chain

Wihlborgs' principal business is to own, manage and develop commercial properties in the Öresund region. Properties are managed in-house by employed property managers and property caretakers. The development of new and existing properties is managed by Wihlborgs' project managers, but implemented by procured construction contractors.

The upstream value chain mainly consists of local suppliers of various services required for the management and development of Wihlborgs' properties, where construction contractors and property upkeep suppliers are strategically important partners. These activities are often labour intensive and, in some cases, are carried out by subcontractors. This is probably where the greatest potential risks exist, regarding business ethics and human rights in the Wihlborgs value chain. The construction of new buildings and extensive modifications also have a significant impact on the environment and climate.

Wihlborgs' customers consist of some 2,000 companies and other organisations that are tenants in our approximately 300 properties. A fifth of our rental income originates from the 10 largest customers and of these, eight are active in the public sector.

Further information about Wihlborgs' operations can be found on pages 14–16 and 77, and a more in-depth account of employees, suppliers and customers can be found on pages 144–149.

Sustainability framework and materiality analysis

The foundation of Wihlborgs' sustainability efforts is our framework that covers the most material sustainability topics grouped into four areas, with the overall ambition of being a region-builder through these efforts.

The framework is presented on page 33 and serves as our guide for establishing targets and prioritising sustainability-related activities. This establishes a focus in our reporting, and the structure of our Sustainability Report is based on this framework.

In 2022, a minor review was made of the material topics disclosed by Wihlborgs in the sustainability report. Based on our sustainability framework, a reconciliation was made pursuant to external guidelines and regulations, impressions from the reporting of other property companies, as well as a compilation of topics highlighted by Wihlborgs' employees, customers and financiers in various surveys or questionnaires.

The feedback from stakeholders made it clear that the most significant environmental issues for them related primarily to energy and resource efficiency, climate impact and climate adaptation. In the social dimension of sustainability, the competence and well-being of employees were emphasised, as well

as the importance of having an inclusive workplace. From a customer perspective, safe, secure and healthy properties and workplaces were also highlighted as important sustainability issues. It was also clear that the impact of sustainability in the value chain and the Board's role in sustainability work were important issues for stakeholders as well as in current guidelines and regulations.

Our overall assessment is that the Wihlborgs sustainability framework is still relevant, as is the content of our sustainability report. Examples of issues that will continue to be of a high priority in the future include energy consumption, climate-change mitigation and adaptation, and Wihlborgs' impact on the environment and people in the value chain.

Disclosures on economic performance (GRI 201) were removed from the sustainability report, as they are essentially already covered under financial reporting elsewhere in the annual report. The table shows the prioritised sustainability issues within each area of the framework, as addressed in the sustainability report (with reference to the respective GRI Standard).

Responsible business

Anti-corruption 2016 (GRI 205)

Procurement practices 2016 (GRI 204)

Supplier environmental assessment 2016 (GRI 308) and Supplier social assessment 2016 (GRI 414)

Commitment to the region and its community

Societal commitment (–)

Attractive employer

Occupational health and safety 2018 (GRI 403)

Training and education 2016 (GRI 404)

Diversity and equal opportunity 2016 (GRI 405)

Sustainable properties

Energy 2016 (GRI 302)

Emissions 2016 (GRI 305)

Certified properties (–)

Corporate governance and sustainability

Wihlborgs' Board of Directors and Group Management have important roles in sustainability management. The Board adopts the Wihlborgs strategy, to which sustainability is integral, as well as the Group's goals, which include clear and fixed-time sustainability goals linked to Wihlborgs' sustainability framework. The preparation of and responsibility for goal fulfilment rests with Group Management, which delegates the operational work with individual goals to the organisation's relevant functions. Property management and project operations are responsible for the implementation of activities that result in goal fulfilment. In terms of sustainability efforts, they are supported by the central sustainability department and other Group executive functions.

In conjunction with quarterly reporting, the outcome of our overall sustainability goals is followed up by Group Manage-

ment and the Board of Directors. Quarterly reports and the annual report, including the sustainability report, are approved by Group Management and the Board of Directors prior to their publication. The Sustainability Manager is part of the expanded Group Management that meets monthly and addresses current sustainability issues, and reports on the status of the overall goals, as well as the outcome of specific activities within prioritised sustainability areas.

The Board of Directors' overall competence in terms of sustainability issues is deemed to be good. The Board members have broad and extensive experience from leading positions in business and society. Jointly with Group Management and other senior employees, the Board of Directors provides valuable input for the development of Wihlborgs' sustainability agenda and the prioritisation of key sustainability issues – continuously throughout the year and on annual strategy days. On these occasions, the Board also gains a deeper understanding of the sustainability efforts undertaken during the year and the planning for the coming year. More in-depth information about the Board of Directors can be found in the Corporate Governance Report, pages 116–123.

Remuneration of the Management Group and Board of Directors

A detailed account of the remuneration of Group Management and the Board of Directors is presented in the Corporate Governance Report (pages 116–123), the Administration Report (page 79) and in Note 6 (page 104). Wihlborgs does not apply any form of variable remuneration or other incentives to senior executives linked to, for example, the fulfilment of the sustainability goals. However, an annual provision corresponding to one price base amount is made to a profit-sharing fund for all employees, including the Management Group.

Key policies and commitments

The board annually adopts Wihlborgs "Ethical Guidelines," which clarify the basic values of and positions on a range of important sustainability issues. Based on the ten principles of the UN Global Compact concerning human rights, labour, the environment and anti-corruption, Wihlborgs' "Ethical Guidelines" is an overarching governing document to which other policies regarding more specific sustainability issues are linked. All new employees undergo training in business ethics, the work environment and environmental issues based on the ethical guidelines and underlying policies, including an introduction to key internal processes and procedures concerning these issues.

Wihlborgs' "Ethical Guidelines" encompass all employees and Board members. There is a corresponding "Code of Conduct for Suppliers" that clarifies Wihlborgs' expectations for partners to conduct their operations in a responsible and sustainable manner, in line with the UN Global Compact, the UN's Universal Declaration of Human Rights and conventions adopted by the UN's international labour organisation, ILO. Suppliers are also expected to ensure that the subcontractors

they hire understand and comply with Wihlborgs' Code of Conduct. All suppliers covered by framework agreements are requested to complete a self-assessment to demonstrate how they apply the principles in the Code of Conduct. The maturity of the supplier's sustainability management is also thereby assessed (read more on pages 144–145).

Wihlborgs' "Ethical Guidelines" and "Code of Conduct for Suppliers" are available on our website.

Stakeholder dialogues

Wihlborgs regularly holds formal and informal dialogues with a number of key stakeholder groups, such as tenants, employees, financiers and municipalities, in order to gain a better understanding of and discuss issues that are important to them in their relationship with Wihlborgs.

Customer surveys (CSI) are conducted every two years, but our property managers and maintenance staff also meet with individual tenants every day. In addition, Wihlborgs Kontaktyta forums are arranged from time to time at our locations, through which customers are invited to participate in seminars, knowledge exchanges and dialogues.

Wihlborgs employees participate in an annual "Great Place to Work" employee survey, through which they have the opportunity to provide feedback on their perceptions of Wihlborgs as a workplace. All employees also have an annual career development review with their immediate manager and information about the operations is disseminated regularly through the intranet and weekly meetings.

Our starting point is that customers, employees and other stakeholders should be able to trust Wihlborgs and that all relationships should be characterised by openness, transparency and honesty. If someone feels incorrectly treated or is privy to something that goes against Wihlborgs' Ethical Guidelines or Code of Conduct for Suppliers, we welcome the information about this so that the matter can be investigated and remedied. It is always possible to submit a report anonymously through a whistle-blower function provided independently of Wihlborgs.

Membership and collaboration

For Wihlborgs, it is important and natural to engage in collaboration with organisations that contribute to the development of the region or that drive important societal issues.

We support and are involved in local initiatives such as LFM30 (local roadmap for a climate neutral construction sector in Malmö) and in 2022, we were involved in the H22 expo in Helsingborg, which focused intensely on sustainability. We are also represented on the committee promoting a metro rail link between Malmö and Copenhagen, to name just a few examples.

Many of Wihlborgs' employees sit on external boards and forums through which they drive important issues concerning urban development. We are represented on various boards, including those of Fastighetsägarna Syd, Fastighetsföreningen Lund City, Malmö Citysamverkan, Lund Citysamverkan, Helsingborg Citysamverkan, Medeon, Ideon and Øresundsinstittuet.

EU Taxonomy

Wihlborgs is yet to be encompassed by the EU Taxonomy for sustainable activities, but voluntarily chooses to provide information on how its operations contribute toward the fulfilment of EU environmental objectives. The tables below show the share of turnover, operational expenditures and capital expenditures that are “sustainable” pursuant to the Taxonomy criteria.

Taxonomy-eligible economic activities

Wihlborgs owns, manages and develops commercial properties. Our operations correspond with the activities in the Taxonomy under activity 7.7 “Acquisition and ownership of buildings” and essentially all of our turnover and all of our capital expenditures derive from this activity.

Our capital expenditure essentially consists of property acquisitions or the construction of new buildings that we intend to own and manage, and are encompassed by our main activity, activity 7.7. In addition, we are implementing a large number of projects in existing properties every year in the form of tenant improvements and regular maintenance. These projects include energy efficiency measures – such as the replacement of windows and installations of LED lighting, in line with activity 7.3 – and upgrades of control systems (activity 7.5). Installation, maintenance and repair of charging stations for electric vehicles in buildings (and parking spaces attached to buildings) (activity 7.4), as well as investments in installation, maintenance and repair of renewable energy technologies (activity 7.6) are preferably implemented as separate projects.

Taxonomy-aligned activities

Our assessment is that solely the environmental goal “Climate change mitigation” is relevant to Wihlborgs’ operations. Existing properties and buildings under construction have been assessed within the framework of the technical screening criteria for activity 7.7. All buildings with an energy declaration of Class A are considered to be aligned with the Taxonomy. In Sweden, the industry organisation, the Swedish Property Federation, has published threshold values for the top 15 percent of the most energy efficient buildings under various categories. These values are referenced in a supplementary assessment of the compatibility of Wihlborgs’ Swedish properties with the Taxonomy. In Denmark, there are no corresponding threshold values published and for this reason, only energy class A buildings are considered compatible with the Taxonomy. In cases where Swedish buildings have an energy declaration that includes information on the primary energy figure, the figure has been compared with the Swedish Property Federation’s threshold values. In cases where a property lacks a valid energy declaration, the primary energy usage is instead calculated and compared with the Swedish Property Federation’s threshold values.

For buildings under construction, the calculated primary energy use was assessed in relation to the highest permissible primary energy figures for premises specified under the Boverket’s Building Regulations BBR 29 (70 kWh/m²). Ongoing new constructions are considered aligned with Taxonomy activity 7.7 if the calculated primary energy figure for the building falls below BBR 29 by 10 percent or more.

In addition to the technical screening criteria, the “do no significant harm” (DNSH) criteria for other environmental goals

must also be met. For all activities 7.3–7.7, a climate risk and vulnerability assessment must be performed. In 2021, Wihlborgs performed an analysis at all locations based on the IPCC’ RCP 8.5 scenario, in order to identify the most significant physical climate risks and the most vulnerable properties. In 2022, this analysis was followed up by a special focus on properties that were deemed to have greater climate-related risks and potential customised solutions are being evaluated. Under the Wihlborgs project-based environmental programme, all new-build projects are subject to an analysis of physical climate risks and the need for adaptation.

With these factors in mind, we consider all of Wihlborgs’ existing and newly built properties to be aligned with the DNSH criteria for activities 7.4–7.7. In addition, for activity 7.3, building materials used in connection with the installation of energy-efficient equipment must not contain certain chemicals. We consider this to be fulfilled due to our strict use of construction products approved for the European market, which have been reviewed through the Byggvarubedomningen (BVB).

Our assessment is that the criteria for “minimum protective measures,” have been met for Wihlborgs as a whole, through our Ethical Guidelines and Code of Conduct for Suppliers, as well as the process by which we evaluate the sustainability management of suppliers (see pages 135, 144–145). Furthermore, all new employees are trained in business ethics and Wihlborgs has an independently operated whistle-blower function. There has been no violation or court case regarding human rights, corruption, tax, healthy competition or other areas covered by the OECD Guidelines for Multinational Enterprises or the UN principles and conventions mentioned in Article 18 of the Taxonomy Regulation.

Calculation of performance indicators

The tables show the proportion of net sales, operating expenses and capital expenses that are aligned with the EU Taxonomy for the respective economic activity. “Net sales” refers to Wihlborgs’ rental income that is recognised in profit or loss. All of this income, with the exception of certain service income from restaurant operations in Denmark, is encompassed by EU Taxonomy (see also Note 4 of the financial statements, page 103). The assessment of the share of turnover that is aligned with the Taxonomy is described above and refers to rental income from the properties that meet the criteria for activity 7.7.

Operating expenses solely comprise expenses for the regular maintenance of Wihlborgs’ properties corresponding to the item “Repairs and maintenance” and parts of “Other operating costs” included under “Property costs” in profit or loss (see Note 5 on page 104). The share of operating expenses that are aligned with the Taxonomy pertains to expenses that are attributable to properties assessed as meeting the criteria for activity 7.7 above.

Capital expenditure refers to acquisitions and investments (construction projects) that increase the value of Wihlborgs’ properties included under the item “Investment properties” in the balance sheet and specified in the table in the section “Market valuation” on page 82. The alignment of the acquired properties with the Taxonomy was assessed in relation to the criteria for activity 7.7. Construction projects have been assessed in relation to the criteria for activities 7.3–7.6 in order to identify individual measures (the share of each project) that are aligned with the Taxonomy.

Economic activities	Net revenues		Climate change mitigation	DNSH criteria	Minimum safeguards	Taxonomy-aligned proportion	Category enabling/transitional activity
	SEK m	%					
A. Eligible activities ¹	3,286	98.5					
A.1 Eligible Taxonomy-aligned activities	708	21.2				21.2	
7.7 Acquisition and ownership of buildings	708	21.2	100	Yes	Yes	21.2	–
A.2 Eligible not Taxonomy-aligned activities	2,578	77.3					
7.7 Acquisition and ownership of buildings	2,578	77.3					
B. Non-eligible activities	49	1.5					
Total (A + B)	3,335	100					

Economic activities	Opex		Climate change mitigation	DNSH criteria	Minimum safeguards	Taxonomy-aligned proportion	Category enabling/transitional activity
	SEK m	%					
A. Eligible activities ¹	292	100					
A.1 Eligible Taxonomy-aligned activities	45	15.4				15.4	
7.7 Acquisition and ownership of buildings	45	15.4	100	Yes	Yes	15.4	–
A.2 Eligible not Taxonomy-aligned activities	247	84.6					
7.7 Acquisition and ownership of buildings	247	84.6					
B. Non-eligible activities	0	0.0					
Total (A + B)	292	100					

Economic activities	Capex		Climate change mitigation	DNSH criteria	Minimum safeguards	Taxonomy-aligned proportion	Category enabling/transitional activity
	SEK m	%					
A. Eligible activities	3,956	100					
A.1 Eligible Taxonomy-aligned activities	1,901	48.1				48.1	
7.3 Installation, maintenance and repair of energy efficiency equipment	76	1.9	100	Yes	Yes	1.9	E
7.4 Installation, maintenance and repair of charging stations for electric vehicles in buildings	8	0.2	100	Yes	Yes	0.2	E
7.5 Installation, maintenance and repair of instruments and devices for measuring, regulation and controlling energy performance of buildings	20	0.5	100	Yes	Yes	0.5	E
7.6 Installation, maintenance and repair of renewable energy technologies	48	1.2	100	Yes	Yes	1.2	E
7.7 Acquisition and ownership of buildings	1,750	44.2	100	Yes	Yes	44.2	–
A.2 Eligible not Taxonomy-aligned activities	2,055	51.9					
7.7 Acquisition and ownership of buildings	2,055	51.9					
B. Non-eligible activities	0	0.0					
Total (A + B)	3,956	100					

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Reporting according to the TCFD

This section is reported pursuant to the recommendations of the Task Force for Climate-related Financial Disclosures (TCFD). The structure follows the TCFD and some information is also presented in other sections in the Annual Report, which is indicated with references in the text below.

Governance

The Board bears overall responsibility for Wihlborgs' operations including work with climate-related risks and opportunities. The Board of Directors regularly monitors that work is proceeding to plan and the progress of climate targets set by the management. This takes place, inter alia, in conjunction with the review of the annual report, in strategy meetings during the year and when setting the budget and operational targets. During the year, the Board also held special meetings on the climate and other sustainability topics in which Wihlborgs' Director of Sustainable Business participated.

How Wihlborgs otherwise works in daily operations with climate-related issues is presented in the Sustainable properties section on pages 38–41 and in the Emissions section on page 148. Within Wihlborgs' executive management, it is the CEO and the Director of Sustainable Business who are responsible for climate and sustainability issues and keeping the Board informed of such developments. The Environmental Manager bears the operational responsibility for driving Wihlborgs' climate activities, proposing Group-wide climate targets and following up on and reporting these outcomes to Group Management.

Strategy

As a property owner with a strong geographical focus on the Öresund region, it is natural that Wihlborgs holds a long-term perspective on its operations. Our properties should remain able to offer attractive workplaces for our customers and continue to create value for our owners for many decades ahead.

Climate change means that we must adapt our properties to new physical conditions in the form of more extreme weather conditions, flooding and an increased risk for damp and mould damage, but we must also adapt operations to the changes that take place in the market and in society as a result of climate change.

We can already note that there are greater expectations of Wihlborgs from customers, investors and other players in regards to responsible climate activities. In the short and medium term (the next 3–5 years), this is likely to accelerate, at the same time as we will meet more stringent requirements from regulators and government authorities in terms of what and how we may build. This will result in implications in terms of, for example, which properties we choose to own in different locations and how we will adapt these in order to make them more energy efficient and climate smart.

In the long term (5–10 years and beyond), it is highly likely that we will increasingly take note of physical climate change – increased rain levels and wind strengths resulting in recurring flooding, rising temperatures and water levels – which will result in the need to protect our properties against the climate. This could result in investments in various climate adaptations of the buildings or increased costs for comfort cooling, disposing of rain water and repairs/maintenance to rectify or avoid damage. For more information, refer to the analysis we completed to identify these risks below.

Risk management

The identification and analysis of climate-related risks is an extension of our ordinary risk management – a process that is described on page 84 where we assess the probability and impact of a broad spectrum of risks. At the same time, we note that climate risks currently require separate analysis in order to form a well thought-out long-term risk management strategy.

In light of the climate-related risks that we have identified to date, we have also begun to implement a number of measures to manage these risks. One example is Wihlborgs' project-adapted environmental programme, in which we, inter alia, carry out analyses of each new construction project with the aim of identifying the need for climate adaptation and setting boundaries for the energy performance of the construction. In 2022, we introduced an expanded programme of on-site checks at the properties to assess any need for action arising from elevated risks of extreme weather.

Thanks to careful maintenance work and a daily presence at the properties through Wihlborgs' own property caretakers, we are well aware of the condition of the buildings and any need for adaptations. Energy optimisation and operational optimisation of the properties, as well as an increase in the installation of, for example, solar power systems and modern cooling plant, also contributes to reducing climate impact and operating costs.

Goals and measures

Wihlborgs has adopted short-term (until 2022) and long-term (until 2030) climate goals that aim to markedly reduce our greenhouse gas emissions. Goals and metrics for Wihlborgs' climate impact are presented in the Sustainable properties section on pages 38–41, in the EPRA section on page 142 and in the Emissions section on page 148.

Overall, our metrics and estimations of Wihlborgs' climate-impacting emissions show that we are on the right path to reducing emissions that result from our own operations (Scope 1) or the production of purchased energy (Scope 2), but that significant emissions remain in the value chain related to our construction projects and our tenants' use of electricity in the properties (Scope 3).

Scenario analyses

In order to better understand how the climate might change and what this could entail for our property portfolio, in 2021 we conducted a mapping of climate risks based on an analysis of different climate scenarios.

Climate scenarios shed light on different risks and opportunities for Wihlborgs' operations and help us to adapt our business strategy and assess the need to make climate adaptations to our properties. The risk assessment was based on two primary scenarios developed by the UN Intergovernmental Panel on Climate Change (IPCC) – RCP 8.5 and RCP 2.6.

These scenarios comprise two extremes, where RCP 8.5 describes a future in which we continue to increase GHG emissions substantially and are not able to curb climate change. In the RCP 2.6 scenario, we assume instead that a substantial and global climate policy will lead to a decline in emissions and more limited global temperature increase in line with the Paris Agreement.

Climate-related risks and opportunities

Scenario	Risks	Opportunities	Impact
Severe climate change with considerable impact on society as a result of increased GHG emissions. (RCP 8.5)	<p>Property damage as the result of downpours, rising sea levels, landslides and erosion</p> <p>Shorter technical lifespans of constructions and building production due to weather impact</p> <p>Reduced demand for properties in risk areas</p> <p>Energy shortages as the result of increased societal demand</p>	<p>Climate adaptation leading to more robust and attractive properties</p> <p>The self-production of solar energy and energy enhancements reducing the need of purchased energy</p> <p>Milder winters reducing heating requirements and shortening production times for new construction</p>	<p>Increased costs for the climate adaptation of properties</p> <p>Increased costs for repairs, maintenance and insurance</p> <p>Increased energy and operating costs</p> <p>Reduced value for non-climate adapted properties or properties in risk zones</p> <p>Increased value and higher rent for climate-adapted and energy-efficient properties</p>
Vigorous climate policies reducing GHG emissions and limiting climate change (RCP 2.6)	<p>Increased regulations and taxes concerning energy, emissions, land use and construction norms</p> <p>The need for increased investments in new or renovated energy-efficient properties</p> <p>Reduced demand for older properties with lower energy and climate performance</p>	<p>More energy-efficient properties with new technology reducing energy consumption</p> <p>Collaboration with entrepreneurs leading to more resource efficiency and fewer climate-impacting projects</p> <p>Customers and investors demanding environmentally certified and climate-adapted properties</p>	<p>Increased costs for the transition of operations and climate adaptation of properties</p> <p>Increased costs for energy, building material and transportation</p> <p>Reduced value/increased vacancies in properties with lower energy and climate performance</p> <p>Increased value/higher rent for environmentally certified and climate adapted properties</p>

Climate-related risks and opportunities

Our analysis demonstrates that there are both climate-related risks and opportunities present in these different future scenarios. The risks can, in line with the TCFD, be divided into transition risks – political, technological and regulatory risks as a result of society attempting to limit climate change – and physical climate risks such as floods, heat waves and other types of extreme weather.

Climate-related risks

In the climate scenario with higher average temperatures and emissions (RCP 8.5), we see increased physical climate risks and potential damage to Wihlborgs' properties as the result of an increase in extreme weather. The analysis demonstrates that a number of properties in our portfolio have an elevated risk of local flooding as a result of higher rainfall and intense downpours. Properties in coastal locations in Malmö and Helsingborg are also exposed to the risk of flooding due to rising sea levels.

In the scenario with a lower temperature increase (RCP 2.6), the physical climate risks are lower as the effects of climate change are expected to be more limited. On the other hand, transition risks are assessed to be even greater in the form of political decisions and technological innovations that compel society to reduce its climate impact. For Wihlborgs' operations, this could involve, for example, price hikes for building material, energy and transportation due to political restrictions and taxes.

Climate-related opportunities

Irrespective of the climate scenario, the analysis demonstrates that climate change could also present opportunities for Wihlborgs, largely thanks to the transition of operations that we have already commenced. As mentioned above, the investment of solar power systems to our properties and purchases of renewable electricity and heating are reducing our dependence of fossil energy and contributing to a lower climate footprint. Annual investments in energy saving measures such as more

efficient and less climate-impacting cooling plant are contributing to reducing our energy consumption and, as a result, our operating costs.

In addition, we see opportunities in terms of Wihlborgs' conscious investment in the environmental certification of our property portfolio. Environmental certification efforts are future-proofing our properties, increasing knowledge and developing commitment in our own organisation. These are efforts that are appreciated by tenants as well as financiers, which could potentially lead to higher rental income and market value moving forward.

Wihlborgs' assessment and work moving forward

The aforementioned climate-related risks and opportunities are also likely to lead to certain financial consequences for Wihlborgs. A number of investments that aim to limit our climate impact have already been completed, while other financial effects will be felt further in the future when, for example, new technology becomes accessible, regulations are changed or potential damage to properties incurs.

The completed scenario analysis provides an indication of the potential impact on Wihlborgs and our properties. Our assessment is that climate scenario RCP 8.5 that gives rise to the most significant climate risks overall is less likely than scenario RCP 2.6 that involves greater transition risks. A scenario between these two extremes is probably most likely, and Wihlborgs is preparing for such a future.

We are continuing our efforts to gradually reduce our carbon footprint in own operations and in the value chain. In such a way, we are also limiting the financial consequences of the climate transition that is now taking place in society at large. In parallel, we are also compiling an inventory of climate adaptation requirements on a property level based on the completed assessment of physical climate risks. We are therefore equipping ourselves for a scenario in which extreme weather is on the rise.

Sustainability indicators according to EPRA

In the tables below in this section, we summarise most of the sustainability indicators specified by the European Public Real Estate Association (EPRA) in their Sustainability Best Practice Recommendations (sBPR). Certain indicators concerning societal commitment and corporate governance can also be found in other sections of the Annual Report.

Important definitions and assumptions are provided in connection with each table. Moreover, we have grouped all of the accounting policies for the year's Sustainability Report

on page 149–150, which also includes information on how we have applied important aspects of EPRA sBPR's "Overarching recommendations".

Comments concerning the outcomes reported below are primarily found on pages 144–149. In addition, additional information according to EPRA is also presented on Wihlborgs' website, including a breakdown of performance indicators per region and property type as well as other information that, for the purposes of space, cannot be reported in the Annual and Sustainability Report.

Energy consumption

EPRA	Description	Unit	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2022	2021	2022	2021
Elec-Abs/Lfl	Total electricity consumption	MWh	40,679	39,081	36,842	36,452
DH&C-Abs/Lfl	Total district heating and cooling consumption	MWh	142,841	149,981	129,777	139,339
Fuels-Abs/Lfl	Total fuel consumption	MWh	8,926	9,951	8,926	9,314
Energy-Int	Building energy intensity	kWh/m ²	88.6	96.9	90.6	96.8

The table shows estimated or measured property electricity (not tenants' electricity), district heating/cooling and heating gas. Refer to the section Accounting policies for information about changes to reporting practices. Renewable energy (2022): electricity (100%), district heating/cooling (97%), fuel (90%). Energy intensity has been calculated in relation to the lettable area per property for each year.

GHG emissions

EPRA	Description	Unit	2022	2021
GHG-Dir-Abs	Total direct GHG emissions (Scope 1)	Tonnes CO ₂ e	953	1,007
GHG-Indir-Abs	Total indirect GHG emissions (Scope 2) – market based	Tonnes CO ₂ e	2,052	1,986
	Total indirect GHG emissions (Scope 2) – location based	Tonnes CO ₂ e	10,179	11,012
GHG-Int	GHG emissions intensity (Scope 1 & 2)	kg CO ₂ e/m ²	1.35	1.40

The table displays GHG emissions from fuel and leakage of refrigerants from cooling plant (Scope 1) and energy consumption (Scope 2).

Water consumption

EPRA	Description	Unit	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2022	2021	2022	2021
Water-Abs/Lfl	Total water consumption	m ³	494,529	412,979	452,150	383,325
Water-Int	Building water intensity	m ³ /m ²	0.22	0.19	0.23	0.21

The table shows measured or estimated water consumption. Refer to Accounting policies for information on adjusted values in 2021.

Waste management

EPRA	Description	Unit	Absolute performance (Abs)		Like-for-like performance (Lfl)	
			2022	2021	2022	2021
Waste-Abs/Lfl	Total weight of hazardous waste	Tonnes	19	16	18	12
	Total weight of other waste	Tonnes	5,858	5,673	5,598	4,316
	Waste to material recovery	Tonnes	1,853	1,691	1,769	1,398
	Waste to energy extraction	Tonnes	4,024	3,998	3,847	2,930
	Waste to landfill	Tonnes	0	0	0	0

The table shows the total collected waste (including residual waste and food waste) from the properties reported to Wihlborgs by the recycling companies. The majority of this comprises the tenants' waste. All hazardous waste goes to material recovery. Waste treatment (2022): Recycling/digestion (32%), incineration (68%)

Certification of buildings

EPRA	Description	Unit	Miljöbyggnad		LEED		BREEAM	
			2022	2021	2022	2021	2022	2021
Cert-Tot	Certified buildings	No.	57	37	3	3	1	0
	Certified floor space	m ²	450,088	314,836	59,049	65,696	10,925	–
	Share of the Group's floor space	%	20.2	14.7	2.6	3.1	0.5	–

The table displays current environmental certification status. "Environmentally certified building" includes Miljöbyggnad In-Use (31), and additional certifications, NollCO₂ (1) and WELL (1). Certification level, share of area (2022): Miljöbyggnad Gold (4.3%), Miljöbyggnad Silver (14%), Miljöbyggnad Bronze (0.9%). Total certification status (2022): 509,137 m² = 23% of floor space. One property (10,925 m²) has double certification.

Employees

EPRA	Description	Unit	2022	2021
Emp-Training	Number of training hours per employee	No.	18.2	15.3
Emp-Dev	Percentage of employees who have undergone career development reviews	%	98.3	96.7
Emp-Turnover	Number of new employees during the year	No.	50	63
	Percentage of employees who were new employees during the year	%	18.7	24.0
	Number of employees who have left during the year	No.	44	50
	Percentage of employees who have left during the year	%	16.4	19.1

The table displays indicators for employees. The number of employees on 31 December was 268 (262). The number of employees that began/left per country was (%): 11/7 (Sweden) and 28/28 (Denmark).

Diversity

EPRA	Category	Age	No. of women	No. of men	% women
Diversity-Emp	Board of Directors	<30 years old	0	0	
		30–50 years old.	1	0	
		>50 years old	2	4	
		Total	3	4	43%
	Group Management	<30 years old	0	0	
		30–50 years old.	1	3	
		>50 years old	3	1	
		Total	4	4	50%
	Employees	<30 years old	13	26	
		30–50 years old.	62	66	
		>50 years old	36	65	
		Total	111	157	41%

The table displays indicators for diversity separated by men/women on the Board of Directors, in management (incl. Group Management) and in the total number of employees for different age intervals.

Pay gap

EPRA	Category	Unit	2022	2021
Diversity-Pay	Group Management	% of men's salary level	120	131
	Group Management excl. Chief Executive Officer	% of men's salary level	65	79
	Property managers (Sweden <30 years old)	% of men's salary level	96	92
	Property managers (Sweden 30–50 years old)	% of men's salary level	91	89

The table displays pay gaps for Group Management and the category property managers in Sweden separated by age intervals, since age and experience are important factors behind pay gaps. There are no female property managers in the >50 years old interval.

Health and safety

EPRA	Description	Unit	2022	2021
H&S-Emp	Incident Rate (per 200,000 WH)	Number of claims	4.43	2.52
	Absenteeism rate (per 200,000 WH)	Number of days	17.72	9.25
	Sick leave	%	2.29	1.96
H&S-Asset	Percentage of properties where health & safety is assessed	%	95	95
H&S-Comp	Number of deviations noted from safety inspections	No.	22	27

The table displays indicators for health and safety. No work-related deaths occurred in 2021 or 2022. H&S-Asset refers to safety inspections in the Swedish operations. H&S-Comp refers to the number of remarks from safety inspections irrespective of their level of seriousness. Safety inspections are conducted every second year – the data in the table shows the average per two-year period. For more information, refer to Accounting policies

Other indicators according to EPRA

EPRA	Description	References	Page
Comty-Eng	Societal commitment	Commitment to the region and its community	36–37, 147
Gov-Board	The composition of the Board	Corporate Governance Report	116–123
Gov-Select	The process for nominating members of the Board	Corporate Governance Report	116–123
Gov-Col	Process for managing conflicts of interest	Corporate Governance Report	116–123

The table shows where we report relevant information in the Annual Report that has a bearing on the EPRA indicators regarding societal commitment and corporate governance.

Sustainability information

Responsible business

For Wihlborgs, it is self-evident that our brand should represent sound values. All of the relationships that we have with the stakeholders who are involved in our operations must be maintained in a correct and trustworthy manner and we expect the stakeholders to show us the same level of respect. For Wihlborgs, this is the foundation of responsible business that comprises: anti-corruption and business ethics, local purchases and supplier evaluations.

Anti-corruption

Description and boundaries

This topic regards actions to counter corruption and unethical behaviour, the success of which is a prerequisite for a long-term profitable and sustainable business. Corruption derails markets and benefits a few at the expense of the many. Wihlborgs does not accept any form of corruption, and this is highlighted in all relationships with stakeholders.

The topic encompasses Board members and employees at Wihlborgs as well as the employees of suppliers and contractors engaged by Wihlborgs. We report on how we work to combat corruption in our operations and potential incidents of corruption that have come to our knowledge.

Goals and governance

Governance in this area is based on the legislation that encompasses corruption, including bribery legislation, but also international conventions and frameworks. Wihlborgs has been a member of the UN Global Compact for many years, where one of the ten principles that we support is anti-corruption.

The essential internal steering document for this is Wihlborgs' "Ethical guidelines" that is determined by the Board of Directors and revised annually. These form a Code of Conduct for Wihlborgs' employees and Board members and take a clear position on such matters as bribes, gifts and corruption. For our suppliers, corresponding requirements apply through the Wihlborgs' Code of Conduct for suppliers. For further information, refer to the "Supplier evaluation" section.

The risk of corruption is more or less usual in various business situations and certain categories of employees are more exposed than others, for example, within project development, certain parts of management and the purchasing function. We prevent unethical behaviour and undue influence through, for example, recurring training initiatives, systematic procurement processes and internal authorisation rules.

Wihlborgs' operations must be characterised by openness, transparency and honesty. All stakeholders must be able to safely and easily report any suspicions they may have of a breach of our ethical guidelines, Code of Conduct or other improprieties in our operations. We encourage dialogue and are prefer that the relevant individuals at Wihlborgs are contacted to start with. If this is not possible, a whistle-blower function managed by an external party is available via the Wihlborgs website. The whistle-blower function can be used by employees and people outside the company, and the whistle-blower can choose to remain anonymous.

Our anti-corruption and business ethics goals concern creating awareness of these issues among our employees and emphasising a zero-tolerance approach to unethical behaviour.

- All new employees are to be trained in business ethics and anti-corruption.
- No cases of corruption are to occur at Wihlborgs.

Outcomes and follow-up

With our introduction programme for new employees, we ensure that everyone who is new at Wihlborgs is equipped with a briefing of our ethical guidelines, including discussions covering various ethical dilemmas, during their first year at the company. Aside from the ethical guidelines, all new employees also receive a more tangible guide in business ethics that acts as a guide for how the guidelines can be applied in various situations that they may encounter in their daily tasks. During 2022, we have not handled any cases via our whistle-blower function, which concern suspected corruption, nor are we aware of any such incidents having arisen. Neither has Wihlborgs been subject to any fines or other sanctions for breaching laws or regulations.

Local purchases

Description and boundaries

Wihlborgs purchases products and services that are required for the ongoing maintenance and operations of our properties. We also hire contractors and other suppliers in conjunction with construction projects. Our primary

ambition is to benefit local suppliers that are active in the Öresund region and help the business community grow and develop, thereby creating new business opportunities for Wihlborgs. Another possible positive effect is that transportation routes are shortened, which can result in cost savings and reduced environmental impact.

This topic pertains to Wihlborgs, as far as possible, prioritising purchases from local suppliers. Wihlborgs' definition of a local supplier or contractor is that the company has an office (but not necessarily a head office) and active operations in the Öresund region.

Goals and governance

Governance concerning local purchases is based on Wihlborgs' stated ambition to contribute to the development of the Öresund region, but there are no other particular steering documents for this topic.

The Procurement Director is responsible for ensuring that Wihlborgs prioritises local suppliers in procurements and when signing framework agreements. One natural prerequisite is that local suppliers also meet Wihlborgs' other requirements concerning, inter alia, price, ability to deliver and an acceptable level of sustainability work. The Procurement Director reports on an ongoing basis to Group Management.

The goal concerning local purchases is that:

- The share of local suppliers with framework agreements should be over 90 percent

Outcomes and follow-up

At the end of 2022, Wihlborgs had 438 suppliers with framework agreements. Of these, 404 suppliers, 92 percent (93) had local offices and operations in the Öresund region.

Supplier evaluation

Description and boundaries

Wihlborgs' reputation and brand are not only impacted by our own actions and how we treat our stakeholders. We are closely interconnected with our contractors and other suppliers and dependent on them to meet our customers' expectations. If there are deficiencies of responsibility in any part of the value chain, this also impacts the rest of the chain and often also third parties or the environment.

This topic deals with the requirements that Wihlborgs' places on suppliers and contractors concerning human rights, a good work environment and high safety levels as well as initiatives to minimise environmental impact connected to their operations. To achieve this, Wihlborgs screens suppliers based on the requirements of our Code of Conduct, which is based on our own ethical guidelines for employees and the principles of the UN Global Compact.

Goals and governance

Wihlborgs' purchasing department ensures that the Code of Conduct is distributed to all suppliers covered by framework agreements that are expected to study and follow the Code during the contract period. Wihlborgs has had a digitalised process in place since autumn 2021 for evaluating the sustainability management of suppliers and their application of the Code of Conduct. This process includes all suppliers covered by framework agreements in Sweden and Denmark.

An incoming supplier for Wihlborgs must complete a self-declaration using an external digital platform describing their management and monitoring of such areas as work environment and environmental issues. They must also enclose documents that verify their responses. The self-declaration is based on the requirements we place in the Code of Conduct and the suppliers' responses are allocated points that form the basis of an assessment of their sustainability risk. The outcome of the risk assessment of a supplier helps us to determine if and under what circumstances we can continue to collaborate with said supplier.

In addition to the Code of Conduct, Wihlborgs environmental programme is applied in all construction projects. The environmental programme places a number of tangible requirements on how new building are designed and construction is carried out in order to minimise environmental and climate impact. In accordance with the environmental programme, suppliers are expected, for example, to only use building material that is approved in the Byggarubedömningen (BVB) digital service. Other requirements in accordance with the environmental programme include transportation planning to and from construction sites, efficient energy and material use during the construction process, sorting of construction waste and the reuse of fill materials. Contractors are expected to present plans for these activities before the start of construction and following the completion of statistics concerning the outcomes following construction projects.

By showcasing, examining and assessing our suppliers with respect to the environment, work environment, human rights and other requirements in our

Code of Conduct and environmental programme, we communicate to our business partners the importance of these issues for our operations. We also ensure the existence of a structure and system for our suppliers to manage these issues.

The general goals for the evaluation of suppliers are that:

- All suppliers with whom we sign framework agreements are to sign the Wihlborgs Code of Conduct and complete a self-declaration in our digital platform; and
- The share of suppliers assessed to have a high sustainability risk will gradually decrease over time.

Outcomes and follow-up

Of the new suppliers with whom Wihlborgs signed framework agreements during the year, all (100 percent) approved our Code of Conduct and were evaluated in accordance with the digitalised process for assessing sustainability risks.

The suppliers' responses to the questions in the self-declaration are assigned points that help us evaluate the maturity of their sustainability management and thereby the risk that they cannot live up to the expectations of Wihlborgs' Code of Conduct. The highest possible score is 39 and the average score of the more than 400 suppliers covered by framework agreements who submitted the self-declaration, was 25 – a slight increase from 24.6 in the preceding year, when 240 suppliers responded.

The points are distributed as shown in the table below, where the suppliers are divided into four risk classes based on the points achieved. We see an overall shift compared with 2021, with more suppliers achieving higher scores and thereby being assessed as presenting a relatively lower risk in terms of sustainability. The suppliers with the lowest scores all consist of smaller companies where the documentation of sustainability management is not particularly developed. Based on the results of their self-declaration, Wihlborgs will conduct dialogues with suppliers about how they can strengthen their sustainability management.

Supplier risk assessment

Score	Assessment	2022	2021
30–39	Low risk. Certified management systems and other components of strong sustainability management	36%	33%
20–29	Limited risk. Management systems and policies in place as regards to the environment, work environment, etc.	35%	38%
10–19	Some risk. Management systems/policies in place in certain cases. Dialogue with suppliers may need to be initiated.	26%	25%
0–9	Elevated risk. Lacking systemic sustainability management. Follow-up with suppliers planned.	3%	4%

The table displays the percentage of suppliers that achieved a score within certain intervals of the digital self-declaration for the assessment of sustainability risks that they have been asked to complete.

Attractive employer

With our goal to be the best workplace in our industry, we work with a number of areas, including work environment and health, training and education and equality and diversity. Read more about these issues below.

On 31 December 2022, we had 268 employees in Wihlborgs, of which 119 were in Denmark and 149 in Sweden. All employees in Sweden are covered by collective agreements, which is not the case in Denmark, where collective agreements are not as widespread as in Sweden.

Operations in Denmark are conducted somewhat differently than in Sweden, and as such, we have different personnel categories for our employees. For example, Wihlborgs operates a number of dining facilities in the major office properties where employees can eat lunch, which is customary in Denmark. We also have employees in Denmark who tend to green areas at our properties, while subcontractors are engaged to perform similar duties in Sweden. Overall, this means that we have more employees (relative to floor space) in Denmark than in Sweden, and more of these are operating under temporary or part-time contracts.

Employment contract		Women	Men
Permanent	Sweden	61	84
	Denmark	47	52
Temporary	Sweden	1	3
	Denmark	2	18
	Total	111	157

Type of employment		Women	Men
Full-time	Sweden	56	85
	Denmark	40	51
Part-time	Sweden	6	2
	Denmark	9	19
	Total	111	157

Occupational health and safety

Description and boundaries

It is important to ensure a good working environment in terms of the physical and psychosocial environment for our employees. Our work developing and managing properties that comprise workplaces and meeting places for our customers means that we impact, and have a responsibility for, their work environments. Moreover, our suppliers work in our properties in conjunction with new-build projects, redevelopment or the delivery of functions, such as service and operation. This also entails a responsibility in connection with their work environment. There is no clear line defining where our responsibilities begin or end.

In this chapter, we have limited reporting to primarily encompass our own employees. The physical work environment is limited to the properties we own, our offices and journeys in between. We also report on accident statistics for contractors working on our ongoing projects, even if we have delegated formal responsibility in the turnkey contract.

Goals and governance

The work environment is ultimately the responsibility of the CEO, but work environment efforts are led by the HR function, which formulates targets and frameworks for the area. Implementation is carried out by managers in the organisation and by work environment committees in Sweden and Denmark in which all work groups are represented. The managers together with all of the work environment committee representatives have completed work environment training encompassing legal requirements, regulations and procedures for Systematic Work Environment Management (SAM).

The basis of our work environment efforts is the Swedish Work Environment Act and the Swedish Work Environment Authority's regulations. The work is conducted in accordance with SAM. Wihlborgs has several internal steering documents for this area. These include the work environment policy, the policy and action plan to combat discriminatory treatment and the policy and action plan to combat at-risk use and abuse.

We investigate, measure and follow up physical and psychological work environments through safety inspections, ergonomic checks, career development reviews, employee surveys and health checks. The health checks are carried out by occupational healthcare providers and encompass all employees.

Accidents and near-accidents are reported to HR and addressed by the work environment committees. A risk assessment is made following all incidents and action plans are produced to minimise the risk of similar occurrences in the future. Monitoring takes place at workplace meetings and through recurring evaluations and safety checks.

To further promote employees' health and provide access to care, we offer all employees private health insurance coverage free of charge. Our preventive health care efforts also encompass a wellness contribution and joint healthcare initiatives such as the Wihlborgs Classic wellness initiative, through which employee teams challenge each other to get more exercise for several weeks each year.

Our goals concerning occupational health and safety are aimed at, for example, how employees perceive their work environment and are able to utilise wellness benefits. Of course, we also strive for low sick leave and an accident-free workplace.

- The workplace should be perceived as safe by our employees (>90 percent in the employee survey).
- Absence due to sick leave should be low (under 3 percent).
- The majority of employees should use the wellness allowance and participate in the company's other wellness initiatives.

Outcomes and follow-up

Certain measures for occupational health and safety are presented in the "EPRA" section on page 143. Workplace accidents among our employees are relatively unusual. In 2022, a total of 11 (6) accidents occurred, entailing 44 (22) lost working days.

The most common types of injuries are minor falls. The greatest risk of a serious injury has been identified as traffic-related injuries.

In relation to the goals that we have established, it can be noted that:

- 97 percent (96) of employees stated that they perceive the workplace as safe in the employee survey conducted in 2022.
- Sick leave remains consistently under 3 percent and rose somewhat in 2022 to 2.29 percent, compared with the preceding year (1.96)
- The majority (approximately 80 percent) of employees (in Sweden) have utilised the wellness allowance.

Work injuries at contractors

In 2022, our contractors reported 15 workplace accidents in conjunction with construction projects, of which 11 of these resulted in personal injury. In all projects where near-accidents have occurred, we follow up any deficiency in our or the contractor's work to continuously progress our work environment efforts.

In all of the projects we carry out, the contractor bears full responsibility for acting as the construction work environment coordinator (BAS-U), which also entails responsibility for preparing an occupational health and safety plan as well as for training and follow-up. As the purchaser, we are deeply engaged in work environment efforts and clearly communicate our expectations of partners and suppliers. In our larger redevelopment, new-build and extension projects, we also meet with the respective construction site organisations and present Wihlborgs' perspective on work environment efforts. Even if responsibility for reporting preventive work is incumbent on the contractor, we follow up the work environment and work continuously to improve preconditions for a good work environment in our projects.

Training and education

Description and boundaries

It is important to work with corporate culture and engagement to ensure that we have a climate that supports development and skills supply for the future. Developing employee talents is essential for the employees themselves, and we are to deliver good quality to customers and to create value for society and the region. Skills development is about how we leverage know-how and transform it into new or more well-developed skills.

Reporting is limited to our employees even if, in several areas, we work together with other players to develop jointly, for example, through supplier days and customer networks.

Goals and governance

Securing the skills supply and developing employees' talents in different areas is led by the Group Management. Needs are identified through the company's strategy process and through the annual career development reviews.

Operating plans for the coming year are decided by the Group Management and are implemented by the HR Department.

The framework and policies for this work is on the intranet, as are the procedures for when and how different activities are conducted. Based on the company's overall goals, objectives are set at regional and Group level in the strategy process, and each manager is responsible for ensuring that their respective employees have the resources and skills required to meet their performance and behavioural targets.

There are a number of steering documents that form the basis of our training and education efforts, including Wihlborgs' ethical guidelines, guide for business ethics and guidelines for career development reviews. The career development reviews encompass both performance targets and behavioural targets and document what employees need to reach these targets.

Our digital skills portal – Wihlborgs Academy – enables each employee to follow their own training and managers can gain an overview of how decided development initiatives are implemented. All completed and planned training courses can be found on Wihlborgs Academy. As such, we ensure that all necessary certificates are up-to-date and that the base training that everyone should complete is conducted when employees start their employment.

Our goals related to training and education are that:

- Each employee has at least one career development review per year;
- Our employees recommend Wihlborgs as an employer (>90% in the employee survey); and
- Our employees are convinced that Wihlborgs' customers give us a high rating (>90% in the employee survey).

Outcomes and follow-up

Certain measures for training and education are presented in the "EPRA" section on page 143, including the number of completed training hours per employee via the Wihlborgs Academy.

In 2022, 98.3 percent (96.7) of employees in Sweden and Denmark underwent career development reviews. Those who missed their dialogues were on parental leave or on sick leave during the period the dialogues were held (February to April), but have been offered a follow-up at a later date. Only permanent employees are included in these statistics. Hourly and temporary employees do not have these types of documented career development reviews.

We conduct regular employee surveys as part of Wihlborgs' participation in the "Great Place to Work" evaluation. A measure of a strong corporate culture and employees being proud to work at Wihlborgs is if they are prepared to recommend Wihlborgs as an employer and if they are convinced that customers are satisfied with Wihlborgs as a landlord. We have obtained high scores in this regard for many years, and even if we have seen a slight decline in the past few years, an overwhelming majority of employees are also strong "ambassadors" for Wihlborgs.

Willingness to recommend

	2022	2021	2020	2019	2018
Willingness to recommend – employer	90%	90%	92%	96%	95%
Willingness to recommend – satisfied customers*	86%	92%	89%	–	–

Measures the number of employees who answered "Often" (4) or "Almost always" (5) for the statements "I feel I can recommend my workplace to others" and "Our customers would give us the highest rating" (scale of 1–5).

Equality and diversity

Description and boundaries

We believe that a diversity of perspectives, experience and culture enriches an organisation and creates the prerequisites for a more attractive workplace. One-track thinking when recruiting risks generating work groups that become too homogeneous and which could entail a lack of creativity and dynamism. Moreover, there is the risk that competent candidates could be missed if we do not act proactively to prevent discrimination. For these reasons, we are working on different approaches for inclusion and equal opportunities within Wihlborgs.

This topic concerns diversity and equal opportunity with respect to gender and age of Wihlborgs' employees. For reasons of integrity, we have currently chosen not to follow up on other measures of diversity such as ethnicity. In addition, we monitor salaries in Wihlborgs on an annual basis with the aim of ensuring that there are no ungrounded pay gaps.

Goals and governance

There is comprehensive legislation and government agencies' regulations in both Sweden and Denmark that aim to combat discrimination and ensure equal opportunity in the workplace. Regulation of this area is a natural starting point for Wihlborgs' work with diversity and equal opportunity.

In addition, we have our own policies such as our equality policy, in which we, inter alia, lay down that all work groups must have an equal distribution of men and women and that women and men are both provided with full opportunity to take parental leave as well as absence to take care of a child.

Wihlborgs' policy and action plan to combat discriminatory treatment is based on the idea that no individual should be exposed to any form of harassment or discrimination. This also entails that no individual should feel offended or experience discomfort as a result of a statement, image and/or text.

If a situation were to arise where an employee feels unjustly treated or offended to any degree, the first step is for that individual to talk to their line manager. If for any reason this does not yield the desired result, the employee may address the issue to the HR department.

Wihlborgs' diversity and equal opportunity work is led by Group Management, and the HR Department sets goals and activities and follows up on results.

Our goals within diversity and equal opportunity include:

- Equal pay for equal and equivalent work – no erroneous grounds for potential pay gaps
- Equal development opportunities – equal gender distribution for both employees and managers

Outcomes and follow-up

Certain metrics for equal opportunity and diversity are presented in the "EPRA" section on page 143, including the number of men and women respectively in Group Management, among managers and the total number of employees. We are proud to have an equal gender distribution across all groups and continue to work to maintain an allocation between men and women within the interval of 40–60 percent.

For the compilation of salaries, we have chosen to present information for Group Management and the Property manager category (where we currently only have data available for Sweden). New members have joined Group Management and others have left, which impacts the comparison between the years. Compared with 2021, salary differences among property managers have decreased somewhat and among younger managers, the difference is now very small. On the whole, pay comparisons show that, irrespective of gender, a higher age and more career experience translates to higher pay.

A supplementary measure of gender equality is the ratio between the CEO's total remuneration (the person with the highest combined salary, benefits and pension) and the average for other employees at Wihlborgs. Based on the information in Note 6 (page 104), this ratio is calculated at approximately 10.18 for 2022 and 10.16 for 2021. The increase in remuneration for the CEO is approximately 3.4 percent and for other employees, about 3.2 percent.

Commitment to the region and its community

Wihlborgs is highly committed to the Öresund region and those cities in which our properties are located. We see ourselves as a region-builder that contributes to the development of business and the community by offering sustainable workplaces and meeting places, but also through the support we provide to various initiatives focusing on work, inclusion and education, particularly for the young people of the region.

Societal commitment

Description and boundaries

Socially prosperous cities together with positive and vibrant urban environments are vital in terms of creating healthy and sustainable development for both individuals and companies. Through sponsorship and other forms of support, we promote initiatives within the areas of work, education, inclusion and regional development. We also take our own initiatives in these areas. It is also important for the region to have the right preconditions for business start-ups and for entrepreneurs to receive help when setting up dynamic businesses.

This topic is limited to Wihlborgs and the partners we have collaboration agreements with. The goal is for our activities to have a positive effect on individuals and society at large and we are happy to see the organisations that we sponsor being able to display the results of their commitment.

Goals and governance

Wihlborgs' community involvement sponsorship policy comprises the governing document for this area. Group Management bears overall responsibility for the focus of Wihlborgs' societal commitment. Our regional directors undertake the day-to-day work of maintaining our societal commitments, often in consultation with a business developer with separate responsibility for identifying and following up on sponsorship collaborations with community involvement.

When we sign collaboration agreements with partners, we clearly state in the agreement which part of the organisation's operations our contribution is to be used for – preferably initiatives with community involvement. We also expect our partners to have sound values and to adhere to the principles of Wihlborgs' ethical guidelines. We maintain ongoing dialogues with our partners and follow up on outcomes of their operations, where we would like to see that they are able to report the impact that their operations have had.

Our goal is for more than 50 percent (in SEK) of our sponsoring to have community involvement. By community involvement, we refer to initiatives within areas connected to work, education and inclusion.

Outcomes and follow-up

During the year, we have initiated a number of collaborations but also concluded some others. We also held negotiations with some other partners to strengthen the community involvement in existing collaborations and the share of community focused sponsorship has further increased as a result.

We sponsor organisations that conduct sporting, cultural and other operations in all of our regions and our sponsorship program therefore consists of 100 percent of our property portfolio. The organisations we sponsor and the scope of our sponsorship varies from city to city depending on local needs and conditions.

In 2022, Wihlborgs sponsored some 30 organisations with a total of about SEK 3.3 million, of which 53 percent financed initiatives with community involvement. In 2022, we reviewed which engagements count as sponsorships and applied a somewhat narrower definition than in previous years. We excluded all direct membership fees, customer events and other marketing commitments that were primarily of a commercial nature. This has entailed a recalculation of our historical data and as a consequence, we now surpass the goal that at least 50 percent of our sponsorships should have community involvement. Although our ambition is to further increase this percentage, we are yet to decide on a new target level.

In addition to these sponsorships, Wihlborgs takes part in different collaborations and partnerships to develop the region and those cities in which we have properties. Read more about Wihlborgs' commitment to the region and its community on pages 36–37.

Sponsorship with community involvement

	2022	2021	2020	2019	2018
Share of sponsorship	52.9%	52.3%	50.4%	40.6%	38.0%

The previous reporting method measured sponsorship with community involvement at 39.5 percent for 2022 (43.4 percent 2021).

Sustainable properties

Work with sustainable properties is fundamental to our sustainability strategy and is of particular interest to our tenants and shareholders. These efforts focus on resource optimisation and the environmental certification of properties, thus striving for a low environmental and climate impact. This also takes into consideration the impact arising from, for example, our construction projects. We strive to influence our suppliers and tenants based on our position in the value chain. We set requirements and assess our suppliers in our procurement process. In partnership with tenants, we work with green leases as a platform for shared environmental ambitions.

Energy consumption

Description and boundaries

The consumption of energy at Wihlborgs' properties is one of our most significant environmental topics. We work on an ongoing basis with energy efficiency projects at our properties, but these efforts must be made in collaboration with our tenants in order to produce a real impact. The tenants use of the properties also determines energy demand.

Our reporting of energy consumption includes estimated or measured property electricity (electricity used for basic property functions), district heating or heating gas, and district cooling. Some renewable energy is produced locally at selected buildings in Wihlborgs' property portfolio via solar panels or geothermal energy. Our own locally produced energy is included in the statistics by reducing the need to purchase energy for the properties concerned.

Goals and governance

Wihlborgs' efforts to improve the energy efficiency of its properties is based on legislation, building regulations and, in particular, the EU Taxonomy for sustainable investments. Rising energy prices and the risk of energy shortages are driving our efforts toward energy optimisation.

The internal governance is based on Wihlborgs' Environmental Policy and the environmental management system containing, inter alia, instructions for monthly energy follow-ups in the property. We are also working to ensure that our energy declarations (legal requirement) are updated and perform energy audits when needed. For our construction projects, we ensure that we build in an energy-efficient manner and purchase energy-optimised products for new construction and redevelopments.

Wihlborgs' Environmental Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, property directors, project managers and operators. Wihlborgs' property directors are responsible for legal compliance in accordance with the Swedish Environmental Code and optimising and managing the energy performance in their respective properties.

Energy and climate is one of the highest priority areas in Wihlborgs' environmental programme, and we have set several targets (for 2022) that aim to reduce our energy consumption and climate impact.

- Total energy consumption in our properties of a maximum of 95 kWh/m²;
- Energy consumption to reduce at least 1% per year (like-for-like); and
- Own solar power systems installed that have at least a max. output of 3,000 kWp.

Outcomes and follow-up

Energy consumption in Wihlborgs' properties in 2022 is presented in the "EPRA" section on page 142. Total energy consumption decreased just under 3 percent in 2022, mainly due to less usage of district heating (down 5 percent) and heating gas (down 10 percent). In consultation with our tenants, we lowered the indoor temperature by one degree in many properties during the winter, which has been noticeable in the overall energy consumption.

We amended the accounting policy for energy data (see more under Accounting policies on page 149) and the goal of reducing energy consumption to 95 kWh/m² is based on the previous reporting method for all purchased energy. In accordance with this accounting method, energy consumption per square metre totalled 102 kWh in the preceding year and approximately 96 kWh in 2022, corresponding to a decrease of just over 6 percent, which is just short of the set target.

Wihlborgs has continued to expand its solar system capacity during the year and several new plants have been installed and commissioned. We installed a total max. output of approximately 3,325 kWp by late 2022 (compared with 2,840 kWp in 2021), which means that we have achieved and exceeded our set target. Our goal is to build significantly more solar power systems aimed at achieving a total capacity of 10,000 kWp by 2025.

GHG emissions

Description and boundaries

The property sector's total climate impact is significant, particularly when a building's entire lifecycle is taken into account. The climate is a high priority issue for Wihlborgs, and as we procure increasing amounts of renewable energy for our properties, focus is gradually shifting to the climate impact from other parts of our value chain, particularly from the construction process.

Reporting on Wihlborgs' climate impact covers the operations' direct and indirect GHG emissions based on defined areas in the Greenhouse Gas Protocol (GHG) standard. We present the most comprehensive climate report possible containing Scope 1 emissions (direct emissions from operations), Scope 2 emissions (indirect emissions from purchased energy), and Scope 3 emissions (other indirect emissions in the value chain) that we assess to be relevant considering our operations.

Goals and governance

A conscientious societal focus on climate issues is prevailing, and Wihlborgs has signed several external climate initiatives – including the Fossil-free Sweden Initiative, the plan for a climate neutral value chain in the construction and engineering sectors by 2045 and Malmö's local roadmap LFM30 – highlighting our commitment to reducing our carbon footprint.

The internal governance is based on Wihlborgs' Environmental Policy and environmental management system, which includes procedures to reduce climate impact in operations, management and maintenance, for example through procurement requirements for renewable energy and products.

We use Wihlborgs' project-tailored environmental programmes to ensure that we build with the lowest climate impact possible, in part by assessing the climate effects of our building material. All major new builds and redevelopment projects are subject to a climate calculation to assess their climate impact. Climate adaptation is a key issue that is evaluated for all new builds.

Our policies and guidelines for service vehicles and company cars ensure that we exclusively use service vehicles that run on renewable fuels and place an upper limit for CO₂ emissions (50g CO₂/km) when selecting company cars. Our travel policy focuses on sustainable alternatives, such as public transport and bicycles.

Wihlborgs' properties in Sweden exclusively use energy from renewable sources and in Denmark, all the electricity and an increasingly large share of district heating and gas are fossil-free. Our long-term goal is for our entire operations to be climate neutral (net-zero by 2045), including all construction projects.

Wihlborgs' Environmental Manager is responsible for managing by objectives (MBO), coordinating and following up energy performance together with Group Management, property directors, project managers and operators per region. Wihlborgs' Group Management, property directors, purchasing managers and project managers are responsible for realising measures to reduce climate impact and to proactively implement climate change adaptations in their properties or projects.

We have set climate goals in the short term (by 2022) and the long term (by 2030). Our long-term climate goals are aligned with the Paris Agreement's goal to limit global warming to 1.5°C, and are approved by the Science-Based Targets Initiative (SBTi). The goals are that:

- GHG emissions (scopes 1 and 2) to amount to a maximum of 1.5kg CO₂e/m² (per 2022)
- GHG emissions (scopes 1 and 2) to reduce 50 percent by 2030 compared with 2018
- GHG emissions (Scope 3) – with a focus on project operations – to reduce 50 percent by 2030 compared with 2020.

Outcomes and follow-up

Overall, direct emissions of greenhouse gases (scope 1 and 2) from Wihlborgs operations remained more or less unchanged between 2021 and 2022 – refer to the EPRA section on page 142.

Emissions were reduced by lower energy consumption, a higher proportion of electric service vehicles and company cars, and a greater share of biogas usage in Wihlborgs' Danish properties. However, we have also had some extensive leakage of refrigerants and slightly increased emissions from district heating due to more accurate life-cycle calculations (EPDs) of energy products. Relative emissions per square metre fell slightly to 1.35 kg CO₂e/m², which was still below our target for 2022. By 2025, we will be tightening this target to 1.0 kg CO₂e/m².

We have updated our analysis of emissions in the value chain (scope 3) with the guidance of the Swedish Property Federation. Our assessment is that the most significant emissions occur in connection with construction projects involving the maintenance and adaptation of our properties (category 1, pursuant to the Greenhouse Gas Protocol), as well as new production and major redevelopment projects (category 2). Moreover, emissions occur from fuel production and from the distribution of the energy we purchase (category 3), and from the energy consumption of tenants at our properties (category 13). Consequently, we are discontinuing our calculations and reporting of emissions from business trips (category 6) and the transport of waste (category 5), which in 2021 only amounted to about 0.5 percent of the emissions under scope 3.

Scope 3 GHG emissions, tonnes CO₂e

		2022	2021
Category 1	Purchased goods and services	5,785	8,292
Category 2	Capital goods	4,130	19,803
Category 3	Fuel- and energy-related activities	1,941	2,028
Category 13:	Downstream leased assets	3,640	6,031
Total Scope 3 emissions		15,496	36,154

Emissions from construction projects are divided into categories 1 and 2 (only category 1 in the preceding year). A new policy for reporting energy consumption has entailed a change to the data in category 3 for 2021 (2,223 tonnes in the preceding year). The policy on standard calculations for electricity consumption by tenants (category 13) has also been changed and the data for 2021 has been adjusted accordingly (3,120 tonnes in the preceding year under the previous calculation method). Refer to Accounting policies (pages 149–150) for further information.

The most significant scope 3 emissions occur in our construction projects, primarily related to new construction (category 2). These emissions are reported only when the building is completed, which means that emissions vary from year to year depending on the number of completed square metres. In 2022, fewer new-build projects were completed and consequently, lower emissions were reported. Average emissions in category 2 from 2020 to 2022 amounted to approximately 10,000 tonnes of CO₂e per year. We estimate that current new-build projects generate emissions corresponding to 350 kg of CO₂e/m² and have set a target threshold value of 270 kg of CO₂e/m² for these projects, which we aim to achieve by 2025.

Certified properties

Description and boundaries

An environmentally certified property is evidence of a generally well-run property with verified environmental performance that meets prevailing legislation and other requirements. Environmental certification is an important tool in Wihlborgs' sustainability strategy and focuses on the efficient use of resources, risk management and optimisation of the indoor climates and work environments. This lays the foundation for a systematic working method in the management of our properties that is an asset for the entire operation.

This aspect includes Wihlborgs' properties that are certified by external parties pursuant to an established standard. Wihlborgs' property portfolio includes new builds and renovated older properties that are primarily certified under the Sweden Green Building Council standard, and in some cases, LEED or BREEAM. We are working intensively to certify existing properties in accordance with the Miljöbyggnad In-Use standard.

Goals and governance

Efforts to certify the properties are a central part of our environmental programme and environmental management system, which are accessible for all employees. These also contain more detailed information on our ambitions and instructions concerning the choice of environmental certification and how the process is carried out.

Miljöbyggnad developed by Sweden Green Building Council is our main certification standard and requires recurrent verifications to retain certification. A certification places stringent requirements on documentation, including documentation for building material. Wihlborgs also uses the external service "Byggarubedömningen," where we assess the environmental and health hazards of building materials prior to procurement in construction and tenant improvement projects. It is also possible to document volume and placement in a logbook (a basic requirement for all of our environmentally certified buildings).

Wihlborgs' certification specialist is responsible for management by objectives, and coordinating and following up environmental certification and acts as SGBC's contact point. The certification specialist manages, supports and monitors environmental certification efforts. Wihlborgs' property directors and project managers are responsible for developing and managing environmental certification in their properties or projects.

Wihlborgs aims to certify all new production in accordance with Miljöbyggnad Gold. Larger redevelopments and extensions costing over SEK 5 million should also generally be certified. We aim to increase certification of existing properties and have established clear quantitative targets in line with this. These have been established by us with our own personnel, contributing to increased internal competence.

- 80 percent of our office properties in Sweden in terms of lettable floor space to be environmentally certified by the end of 2022.
- The long-term target is for 100 percent of the properties within the Group to be environmentally certified.

Outcomes and follow-up

The share of environmentally certified properties in accordance with Miljöbyggnad and other certification systems is presented in the "EPRA" section on page 142. Which properties are certified is presented in the property lists on pages 152–162.

In 2022, we focused intensely on the certification of existing properties in our efforts to achieve the goal of 80 percent certified office properties in Sweden. Despite the record number of new certificates – 22, all of which were Miljöbyggnad In-Use Silver level – awarded to Wihlborgs during the year, the percentage of certified office properties remained at 49 percent of total floor space.

Our certification efforts will continue unabated in the future, and we have already succeeded in increasing our certification level by a few percentage points in early 2023. Our ambition is to continue the environmental certification of office properties and our target for 2025 is to increase the share of certified office spaces in Sweden to 90 percent. In the next few years, we will commence the certification of logistics properties.

We are also continuing to certify all new builds according to Miljöbyggnad Gold when possible, as well as other certification standards such as NollCO₂ (certificate for net zero climate impact) and WELL, with the aim of promoting the health and well-being of tenants. In 2022, Wihlborgs was awarded the first NollCO₂ and WELL certificates through the Kvar tetten property in Hyllie.

Green leases

Description and boundaries

Green leases are the sector's standard for introducing an environmental focus to the relationship between tenant and landlord. What is known as the green appendix ensures mutual commitment to issues such as energy, the indoor

environment, choice of materials and waste management. The parties should work together to optimise aspects such as operating times for heating, cooling and ventilation, which are becoming increasingly relevant as energy prices rise.

The green appendix is currently only used in Sweden, in which we report the share of leases in Swedish operations containing a green appendix.

Goals and governance

Wihlborgs' ambition is to gradually increase the number of green leases, and the target for 2022 was for 50 percent of total leases to include a green appendix. With each renegotiation of a lease, we endeavour to agree with the tenant to include a green appendix.

Outcomes and follow-up

We achieved our goal that at least 50 percent of our leases should include a green appendix – the percentage of green leases (for premises) at the close of 2022 was 51 percent. Our ambition is to continue increasing the percentage of new leases with green appendices in the next year, but we are yet to formulate a new target for now.

The increase in the proportion of green leases is slowed, inter alia, by the fact that the lease turnover rate is relatively low and that green leases have historically mainly been used for office premises, and not to the same extent for our logistic and production properties.

Leases with green appendices

	2022	2021	2020	2019	2018
Share of green leases	51%	44%	38%	30%	26%

Accounting principles for sustainability information

Wihlborgs prepares the Sustainability Report based on GRI Standards 2022 and EPRA Sustainability Best Practice Recommendations (sBPR). Metrics concerning GHG emissions are calculated in accordance with the Greenhouse Gas (GHG) Protocol. Below, important principles and assumptions that form the bases of the performance indicators that are reported in the Sustainability Report are presented.

Scope and boundaries

Unless otherwise stated, Wihlborgs' Sustainability Report pertains to the entire Group, including all subsidiaries according to Note 35, but not joint ventures/associated companies.

For environmental-related metrics, the basic principle is that these include the properties where we have operational control" and agreements regarding the supply of energy, water or the collection of waste. For properties where the tenant is responsible for these agreements or Wihlborgs lacks data for other reasons, estimates are made based on average consumption for other properties. For reporting emissions and energy associated with district heating, Wihlborgs does not have the opportunity to separate what originates from the tenants' consumption and thus reports all heating as scope 2 instead of scope 3 as advocated by the Greenhouse gas protocol.

Properties are included in the report during the time that they are owned and managed by Wihlborgs. This means that the metrics also cover properties that were purchased or divested during the year, but excludes properties classed as Projects & Land. When calculating "like-for-like portfolios," project properties and properties acquired/divested during the current and preceding years are excluded. At the end of 2022, Wihlborgs owned 264 (159) investment properties that were operational, and the metrics cover all of these properties unless otherwise stated.

For personnel-related metrics, all employees are covered that have been employed at Wihlborgs in Sweden and Denmark during the year. For certain metrics, information is also reported concerning suppliers, for example, with health and safety statistics.

Data collection

Most of the data used for the metrics originates from our internal finance, personnel and property-management systems. For most of our properties, the energy data is transferred from the energy companies to our property-management system. Water consumption is read manually by Wihlborgs' property caretakers and registered in the property system. Data on waste-removal volumes, refilling of refrigerants, and the use of service vehicles/company cars are collected directly

from the companies that provide these services. The sustainability risk of suppliers is evaluated through an external cloud-based tool, where their responses to the self-declaration are also stored.

Assumptions and calculations

Energy consumption

The methodology for reporting energy data was changed as of 2022 and Wihlborgs generally uses data in its own systems, instead of requesting data on the total amount of energy purchased from energy companies. The data for 2021 was adjusted in accordance with this reporting practice.

The consumption of district heating, district cooling and gas is measured using the energy companies' meters at the properties and transferred to Wihlborgs property-management system on a monthly basis. In cases where such measurement values are missing for any property or period, standard values are applied based on the average consumption of Wihlborgs' other properties. District heating energy has been normalised using national degree days data.

The reported electricity consumption presently refers strictly to the property's electricity. Although in some cases this is measured using meters at the properties, it is usually based on a qualified assessment by Wihlborgs' technical/operations department. Our ambition is to gradually install sub-meters at the properties and thereby measure the actual amounts of property electricity.

Scope 1 – direct GHG emissions

Service vehicles and company cars

The calculation of the climate impact of Wihlborgs cars is based on manufacturer data on CO₂ emissions per kilometre multiplied by the respective car's mileage during the year. Biofuel and electric cars are calculated to have zero Scope 1 climate impact. The data is compiled and provided by Autoplan.

Refrigerants

The climate impact of refrigerants used by Wihlborgs is calculated based on the amount of leakage measured during the year in the case of incidents or service checks. This is calculated based on the amount of refrigerants that are filled in refrigeration units multiplied by standard emission factors for each refrigerant.

Gas

In Sweden, we purchase biogas to heat a few properties. In Denmark, we purchase an increasing amount of biogas, but also fossil gas (natural gas) mixed with some biogas. Biogas is considered to have zero Scope 1 climate impact. Otherwise, we use the suppliers' environmental values for the gas mix that we purchase in Denmark.

Scope 2 (indirect GHG emissions)

Energy consumption

We have agreements for certificate of origin renewable electricity in Sweden and Denmark, which means zero emissions of Scope 2 fossil CO₂ (market-based). In Sweden, we have also procured renewable district heating. In Denmark, fossil fuel is used to a greater extent for district heating, and a mixture of natural gas and biogas for heating. For district heating in Denmark, we apply an emission factor of 70 g CO₂e/kWh (62 g CO₂e/kWh in 2021); for gas, we apply 148 g CO₂e/kWh (157 g CO₂e/kWh in 2021), in accordance with data provided by energy companies and calculations based on the Danish Energy Agency's data on the percentage of biogas used.

We also report on the estimated emissions we would have had in the absence of an agreement on renewable energy or climate-friendlier energy with location-based emissions. For Swedish electricity, we apply an emission factor from the SGBC NollCO₂ framework (22 g CO₂e/kWh – the same as for 2021) and for Danish electricity, we use data from the national environmental declarations of the state-owned energy company, Energinet. As of 2022, Denmark has been divided into eastern and western Denmark – emissions in the Copenhagen region are significantly lower than in western Denmark, where more fossil fuels are used. The location-based factor for Danish district heating in Wihlborgs' reporting was thereby lowered from 145 g CO₂e/kWh in 2021 to 65 g CO₂e/kWh in 2022.

Scope 3 (other indirect GHG emissions)

Purchased goods and services (category 1) and capital goods (category 2)

As of 2022, scope 3 emissions from construction projects have been divided into category 1 (modifications) and category 2 (new-build and redevelopment projects). Emissions are calculated in the same way for all construction projects and the methodology remains unchanged compared with 2021.

Emissions are calculated based on data about completed floor spaces (square metres) during the year, multiplied by an estimate of CO₂ emissions that arise during the construction stage (equivalent to phases A1–A5 in the LCA standard SS-EN 15978:2011). We use an environmental value of 350kg CO₂e/m² for new-build and extension projects, 200kg CO₂e/m² for redevelopments and 50kg CO₂e/m² for modifications. These templates are based on reference values presented in reports by the IVL Swedish Environmental Institute, benchmarks of other property owners, and dialogues with experts within the field. The principal rule is that we report the climate emissions of projects in the year that the building or premises are completed.

Fuel-related and energy-related activities (category 3)

Emissions that arise from the production and distribution of the fuel used by Wihlborgs or our energy suppliers is calculated based on a standard rate of 10g CO₂e/kWh, apart from the mix of natural gas and biogas that is used for heating in Denmark, for which we calculate 30g CO₂e/kWh.

Downstream leased assets (category 13)

This category encompasses the electricity consumption of tenants of Wihlborgs properties. Other energy usage (heating/cooling) is included under actually measured or estimated volumes in scope 2.

As of 2022, only electricity used for the daily operation of the properties (for example, for fans, pumps, lighting in public areas) is reported under scope 2. Other electricity usage in the properties depends on the manner in which tenants use the premises and is attributed to scope 3. In some cases, Wihlborgs holds all of the electricity contracts in the property, including for the tenants' electricity, but in many cases, the tenants have their own electricity contracts and therefore, we do not have access to this data. In cases where Wihlborgs holds the electricity contracts, the tenants' electricity consumption is estimated using a template based on the property type (44 kWh/m² for offices/shops and 22 kWh/m² for logistics/production properties), and calculated based on an average for the properties for which there is actual data. For calculating emissions, we have used the same location-based emission factors as for Scope 2.

Recalculations

We recalculate metrics for previous years including in cases where we have changed a reporting principle or managed to collect data of a superior quality. Where possible, such recalculations are reported in connection with the respective metric in the Sustainability Report. In certain cases, where a recalculation of historical data is not possible a statement is included that metrics across several years are not comparable.

In 2022, our accounting policies were subjected to a number of changes and we have recalculated several metrics for 2021, which have been on an ongoing basis in the annual report. Below, we summarise some of the more significant changes.

Metrics	Value 2021	New value	Reasoning (Note)
Total electricity consumption (MWh)	73,444	39,081	New calculation method (1)
Total district heating/cooling (MWh)	135,563	149,981	Supplementary data (2)
Water consumption (m ³)	403,220	412,979	Supplementary data (3)
H&S Asset (%)	88	95	New calculation method (4)
H&S-Comp (number)	42	27	New calculation method (5)
Sponsorship with community involvement (%)	43	52.3	Updated definition (6)
Downstream leased assets (tonnes CO ₂ e)	3,120	6,031	New calculation method (7)

Notes to table

1. Total electricity consumption. The reporting policy for electricity consumption was amended and now, only property electricity for the daily operation properties is reported. Previously, all purchased electricity was reported, including the tenants' electricity usage, if the electricity was purchased via a Wihlborgs account.

2. Total district heating and cooling consumption Data that was previously unavailable for some properties has been supplemented with estimated data based on the average consumption of district heating per square metre at other properties. Consequently, our reported usage of district heating/district cooling is now more complete and presents a fairer view. This also has an impact on the reporting of similar portfolios and the calculation of GHG emissions. District heating is now also normalised using degree days.

3. Total water consumption. Data for water consumption has also been supplemented with standard calculations for properties where data was previously unavailable.

4. H&S Asset (percentage of completed safety inspections). Safety inspections are carried out at the properties every two years. Therefore, our reporting has been updated to reflect the average percentage of completed safety inspections over a two-year period instead of stating yearly data, to allow for true and fair reporting.

5. H&S Comp (number of remarks during safety inspections). The safety inspections are now reported as the average over a two-year period; the number of remarks during these safety inspections is also distributed over two years.

6. Sponsorship with community involvement A review of the commitments classified as sponsorship has resulted in a narrower definition of sponsorship activities. Purely customer-related activities and marketing engagements with a clear business purpose have been excluded, resulting in a higher proportion of the remaining sponsorships considered to have community involvement.

7. Downstream leased assets The calculation of the tenants' electricity consumption has been updated and now includes a template for all properties (in the event that no actual measurement data is available). On the whole, this is resulting in a more complete and higher figure and consequently, a higher estimate of emissions.

In addition, the composition of the "like-for-like portfolio" was adjusted to comprise more properties than before, due to a different assessment of the project properties. This has resulted in different values than previously reported for energy, water and waste in 2021.

Auditor's Limited Assurance Report on Wihlborgs Fastigheter ABs Sustainability Report and statement regarding the Statutory Sustainability Report

To Wihlborgs Fastigheter AB (publ), corporate identity number 556367-0230.

Introduction

We have been engaged by the Board of Directors of Wihlborgs Fastigheter AB (publ), to undertake a limited assurance engagement of the Wihlborgs Fastigheters ABs Sustainability Report for the year 2022. The Company has defined the scope of the Sustainability Report on page 79 in this report and the Statutory Sustainability Report on page 133.

Responsibilities of the Board of Directors and the Executive Management

The Board of Directors and the Executive Management are responsible for the preparation of the Sustainability Report including the Statutory Sustainability Report in accordance with the applicable criteria and the Annual Accounts Act respectively. The criteria are defined on page 133 in this report, and are part of the Sustainability Reporting Guidelines published by GRI (Global Reporting Initiative), which are applicable to the Sustainability Report, as well as the accounting and calculation principles that the Company has developed. This responsibility also includes the internal control relevant to the preparation of a Sustainability Report that is free from material misstatements, whether due to fraud or error.

Responsibilities of the auditor

Our responsibility is to express a conclusion on the Sustainability Report based on the limited assurance procedures we have performed and to express an opinion regarding the Statutory Sustainability Report. Our engagement is limited to historical information presented and does therefore not cover future-oriented information.

We conducted our limited assurance engagement in accordance with ISAE 3000 (revised) *Assurance Engagements Other than Audits or Reviews of Historical Financial Information*. A limited assurance engagement consists of making inquiries, primarily of persons responsible for the preparation of the Sustainability Report, and applying analytical and other limited assurance procedures. Our examination regarding the Statutory Sustainability Report has been conducted in accordance with FAR's accounting standard RevR 12 *The auditor's opinion regarding the Statutory Sustainability Report*. A limited assurance engagement and an examination according to RevR 12 is different and substantially less in scope than an audit conducted in accordance with International Standards on Auditing and generally accepted auditing standards in Sweden.

The firm applies International Standard on Quality Management 1, which requires the firm to design, implement and operate a system of quality management including policies or procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements. We are independent of AB SKF in accordance with professional ethics for accountants in Sweden and have otherwise fulfilled our ethical responsibilities in accordance with these requirements.

The limited assurance procedures performed and the examination according to RevR 12 do not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. The conclusion based on a limited assurance engagement and an examination according to RevR 12 does not provide the same level of assurance as a conclusion based on an audit.

Our procedures are based on the criteria defined by the Board of Directors and the Executive Management as described above. We consider these criteria suitable for the preparation of the Sustainability Report.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion below.

Conclusion

Based on the limited assurance procedures we have performed, nothing has come to our attention that causes us to believe that the Sustainability Report, is not prepared, in all material respects, in accordance with the criteria defined by the Board of Directors and Executive Management.

A Statutory Sustainability Report has been prepared.

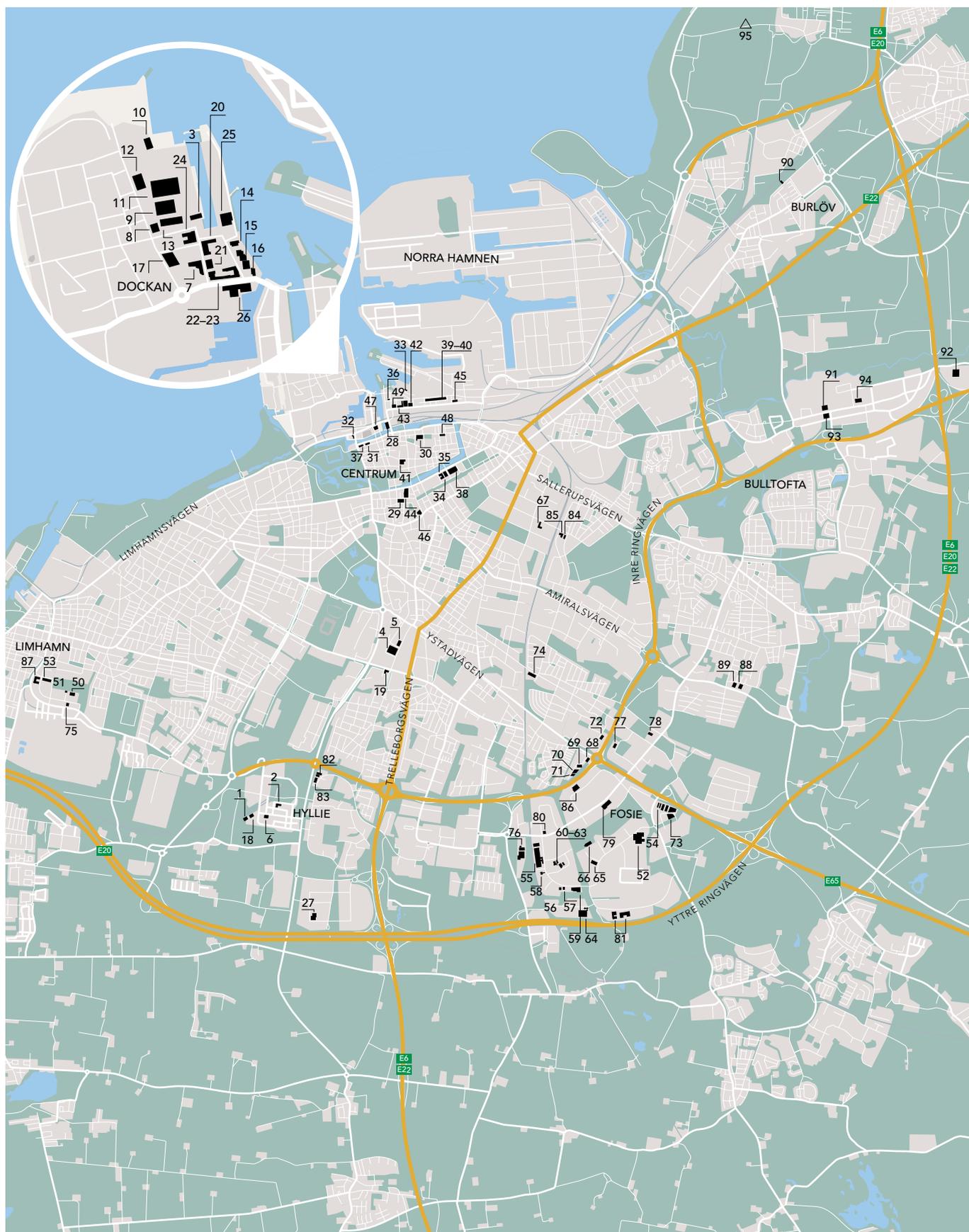
Malmö 20 March 2023.

Deloitte AB

Richard Peters
Authorized Public Accountant

Property lists

Malmö



Malmö, Dockan and Hyllie												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease-hold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
1	Bläckhornet 1	Pulpetgatan	Malmö	Projects & Land	74							0
● 2	Bure 2	Bures g. 7-11, Friggs gränd 2	Malmö	Office/Retail	237		7,276		12			7,288
3	Dockporten 1	Dockgatan 1 A-F	Malmö	Office/Retail	122		4,120	450				4,570
● 4	Forskaren 1	PA Hanssons väg 35	Malmö	Office/Retail	282		14,910	225	1,694		593	17,422
5	Forskaren 4	PA Hanssons väg 35	Malmö	Office/Retail	0		2,730					2,730
● 6	Gimle 1	Hyllie Allé 36-40/Nannas g 1-7	Malmö	Office/Retail	293		8,502	159	504			9,165
● 7	Gångtappen 2	Hallenborgs gata 4-12	Malmö	Office/Retail	273		9,165	680	19			9,864
8	Hordaland 1	Östra Varvsgatan 7 B	Malmö	Office/Retail	47			157				157
9	Kranen 2	Östra Varvsgatan 11 A-F	Malmö	Office/Retail	0			0	685	18,687		19,372
10	Kranen 4	Östra Varvsgatan 23	Malmö	Office/Retail	49		1,144		64	3,177		4,385
11	Kranen 6	Östra Varvsgatan 13 A-D	Malmö	Office/Retail	0				5,399	2,830	3,050	11,279
12	Kranen 7	Östra Varvsgatan 15	Malmö	Projects & Land	1		650		3,449			4,099
● 13	Kranen 8	Ö Varvsgatan 9 A-B/Dockg 2	Malmö	Office/Retail	323		15,070	375	41			15,486
● 14	Kranen 9	Isbergs gata 15	Malmö	Office/Retail	168		6,000	177				6,177
15	Kranen 14	Isbergs gata 3-13	Malmö	Office/Retail	147		7,650	562				8,212
16	Kranen 15	Stora Varvsgatan 1	Malmö	Office/Retail			569			702		1,271
17	Naboland 3	Östra Varvsgatan, Läkatan	Malmö	Projects & Land	17							
18	Pulpeten 5	Skrivaregatan	Malmö	Projects & Land	160							0
19	Ritaren 1	Stadiongatan 10	Malmö	Office/Retail	21	L	2,713					2,713
● 20	Skrovet 3	Dockplatsen 10-18	Malmö	Office/Retail	246		7,526	1,599	144	1,115		10,384
21	Skrovet 4	Hallenborgs gata 7 A-B	Malmö	Office/Retail	64							0
● 22	Skrovet 5	Hallenborgs gata 1A-5	Malmö	Office/Retail	216		7,430	1,242				8,672
23	Skrovet 6	Stora Varvsgatan 3-7	Malmö	Office/Retail	316		12,147	284				12,431
● 24	Skåneland 1	L Varvsg 53	Malmö	Office/Retail	217		11,206	325				11,531
25	Torrdockan 6	Dockplatsen 1	Malmö	Office/Retail	245		10,613	451			1	11,065
● 26	Ubåten 2	Stora Varvsgatan 2-6 A-B	Malmö	Office/Retail	188		12,172	369				12,541
27	Urnes 3	Långhusgatan 4	Malmö	Office/Retail	39		4,600					4,600
Malmö, Dockan and Hyllie total					3,745		146,193	7,055	12,011	26,511	3,644	195,413

Malmö City												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease-hold	Offices, m ²	Retail, m ²	Industrial/warehousing, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
28	Börshuset 1	Skeppsbron 2	Malmö	Projects & Land	123		4,357	934	36			5,327
29	Elefanten 40	Storgatan 20/S Förstadsg 12-14	Malmö	Office/Retail	338		10,578	2,742	8			13,328
30	Erik Menved 37	M Nilsg 2-24/Kattsundsg 7-27	Malmö	Office/Retail	407		16,059	3,952	2,603		203	22,817
31	Fisken 18	N Vallg 100-102/Västerg 35	Malmö	Office/Retail	148		5,193		119	1,508		6,820
32	Flundran 1	Gibraltargatan 2	Malmö	Office/Retail	0					2,451		2,451
33	Hamnen 22:188	Hans Michelsensgatan 8-10	Malmö	Office/Retail	169		6,587	700	1,151			8,438
34	Karin 13	Fänriksgratan 2/Drottningg. 18	Malmö	Office/Retail	90		6,171		749		181	7,101
35	Karin 14	Kungsgatan 13	Malmö	Office/Retail	99		7,219		1,199			8,418
36	Kolga 4	Jörgen Kocksgatan 4	Malmö	Office/Retail	62		2,244		42			2,286
37	Neptun 6	Västergatan 43-47/Slottsg. 2	Malmö	Office/Retail	89		3,190		290	1,486		4,966
● 38	Nora 11	Kungsgatan/Drottningg.	Malmö	Office/Retail	409		27,186		1,471			28,657
39	Polstjärnan 1	Jupiterg 4/Jörgen Kocksg 35	Malmö	Projects & Land	16							0
40	Polstjärnan 2	Jupiterg 4/Jörgen Kocksg 35	Malmö	Projects & Land	2				11,055			11,055
41	Sankt Jörgen 21	Söderg 22-24/Baltzarg 26-34	Malmö	Office/Retail	365		7,816	3,457	61			11,334
● 42	Sirius 3	Carlsg 14A-F/Navigationsg.	Malmö	Office/Retail	262		6,828	325	30			7,183
43	Slagthuset 1	Carlsg 10, 12/Utställng 1B	Malmö	Office/Retail	566		6,878	8,000	43	1,267	10,275	26,463
44	Sparven 15	V Kanal 2-8/Storg 15	Malmö	Office/Retail	89		8,118		6,026	6,419		20,563
45	Söderhavet 4	Carlsgatan 54/Elbegatan	Malmö	Office/Retail	15			2,832				2,832
● 46	Uven 9	Diskontogången 2	Malmö	Office/Retail	97		7,590					7,590
● 47	Väktaren 3	Hjälmareg 3/Nordenskiöldsg 2B	Malmö	Office/Retail	212		8,276		30			8,306
48	Österport 7	Drottningtorget 14	Malmö	Office/Retail	161		10,925					10,925
● 49	Östersjön 1	Carlsgatan 6-8/Storgatan 5	Malmö	Office/Retail	259		7,935		80			8,015
Malmö City total					3,977		153,150	22,942	24,993	13,131	10,659	224,875

Outer Malmö												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Leasehold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
50	Balken 10	Ringugnsgratan 3	Malmö	Logistics/Prod	22				3,725			3,725
51	Balken 7	Schaktugnsgratan 5	Malmö	Logistics/Prod	8		618		1,202			1,820
52	Benkammen 16	Kantyxegatan 14	Malmö	Logistics/Prod	38				5,870			5,870
53	Blocket 1	Limhammsgårdens Allé 3–37	Malmö	Logistics/Prod	39		3,363		2,768		721	6,852
54	Boplatsen 3	Boplatsgratan 4–8	Malmö	Office/Retail	147		20,732	660	2,859		228	24,479
55	Bronsdolken 3	Stenyxegatan 13–15	Malmö	Logistics/Prod	58			4,242	7,332			11,574
56	Bronsdolken 10	Stenyxegatan 27	Malmö	Logistics/Prod	6				1,271			1,271
57	Bronsdolken 11	Stenyxegatan 29	Malmö	Logistics/Prod	6		432		521			953
58	Bronsdolken 18	Stenyxegatan 17	Malmö	Office/Retail	9				1,311			1,311
59	Bronsdolken 25	Stenyxegatan 33–35	Malmö	Logistics/Prod	42		480	6,872	2,881			10,233
60	Bronsspannen 5	Trehögsgratan 7	Malmö	Logistics/Prod	3				735			735
61	Bronsspannen 8	Flintyxegatan 3	Malmö	Logistics/Prod	6				1,067			1,067
62	Bronsspannen 9	Flintyxegatan 5	Malmö	Logistics/Prod	10				2,069			2,069
63	Bronsspannen 13	Trehögsgratan 3	Malmö	Logistics/Prod	8				1,765			1,765
64	Bronsåldern 2	Bronsåldersgratan 2	Malmö	Logistics/Prod	64				12,485			12,485
65	Dubbelknappen 15	Kantyxegatan 23	Malmö	Office/Retail	12		1,541		78			1,619
66	Dubbelknappen 23	Risyxegatan 3	Malmö	Logistics/Prod	38				5,179			5,179
67	Grytan 3	Industrigratan 21	Malmö	Logistics/Prod	12		1,263		1,100			2,363
68	Hindbygården 7	Ö Hindbyvägen 70	Malmö	Projects & Land	10		1,844					1,844
69	Hindbygården 8	Ö Hindbyvägen 74	Malmö	Office/Retail	13		1,630					1,630
70	Hindbygården 9	Ö Hindbyvägen	Malmö	Projects & Land	2							0
71	Hindbygården 10	Ö Hindbyvägen	Malmö	Projects & Land	1							0
72	Hundlokan 10	Cypressvägen 21–23	Malmö	Logistics/Prod	41				5,985			5,985
73	Hällristningen 5	Boplatsgratan 5	Malmö	Projects & Land	4							0
74	Mandelblomman 5	Lönngatan 75	Malmö	Logistics/Prod	7		640		1,992			2,632
75	Muren 5	Ringugnsgratan 8	Malmö	Logistics/Prod	7				1,593			1,593
76	Olgård 8	Olgårdsgatan 3	Malmö	Logistics/Prod	64				8,189			8,189
77	Revolversvarven 11	Jägerhillsgatan 20	Malmö	Office/Retail	10	L		1,650				1,650
78	Rosengård 130:403	Agnesfridsvägen 113 A	Malmö	Office/Retail	63		7,520	559	196			8,275
79	Spännbucklan 9	Agnesfridsvägen 182	Malmö	Logistics/Prod	39				6,800			6,800
80	Stenyxan 20	Stenyxegatan 16	Malmö	Office/Retail	9		1,415		175			1,590
81	Stenåldern 7	Stenåldersgratan	Malmö	Logistics/Prod	110				13,976			13,976
82	Sufflören 3	Axel Danielssons väg 259	Malmö	Logistics/Prod	3		828		1,470			2,298
83	Sufflören 4	Axel Danielssons väg 261	Malmö	Office/Retail	25		4,098				1,043	5,141
84	Syret 12	Industrigratan 33 B	Malmö	Logistics/Prod	10	L			1,803			1,803
85	Syret 13	Industrigratan 31–33	Malmö	Logistics/Prod	9		788		778			1,566
86	Trindyxan 3	Bronsyxegatan 9	Malmö	Logistics/Prod	38		576		7,064			7,640
87	Valvet 1	Krossverksgatan 5 A–M	Malmö	Logistics/Prod	21		2,818		645			3,463
88	Vårbuketten 2	Husievägen 19	Malmö	Logistics/Prod	15				2,837			2,837
89	Vårbuketten 4	Husievägen 17	Malmö	Projects & Land	7							0
90	Arlöv 19:133	Hantverkaregatan 18	Burlöv	Office/Retail	16		1,662					1,662
91	Sunnanå 12:26	Staffanstorpsvägen 103	Burlöv	Projects & Land	1							0
92	Sunnanå 12:27	Mor Marnas Väg 6–10	Burlöv	Logistics/Prod	72				14,525			14,525
93	Sunnanå 12:53	Vattenverksv./Toftanäsv. 232	Burlöv	Logistics/Prod	21				2,332			2,332
94	Sunnanå 12:54	Staffanstorpsvägen 104	Burlöv	Logistics/Prod	53				5,972			5,972
95	Borgeby 15:14, etc.	Norra Väst kustvägen	Lomma	Projects & Land	0							0
Outer Malmö, total					1,198		52,248	13,983	130,550	0	1,992	198,773
Malmö, total					8,921		351,591	43,980	167,554	39,642	16,295	619,061

Lund



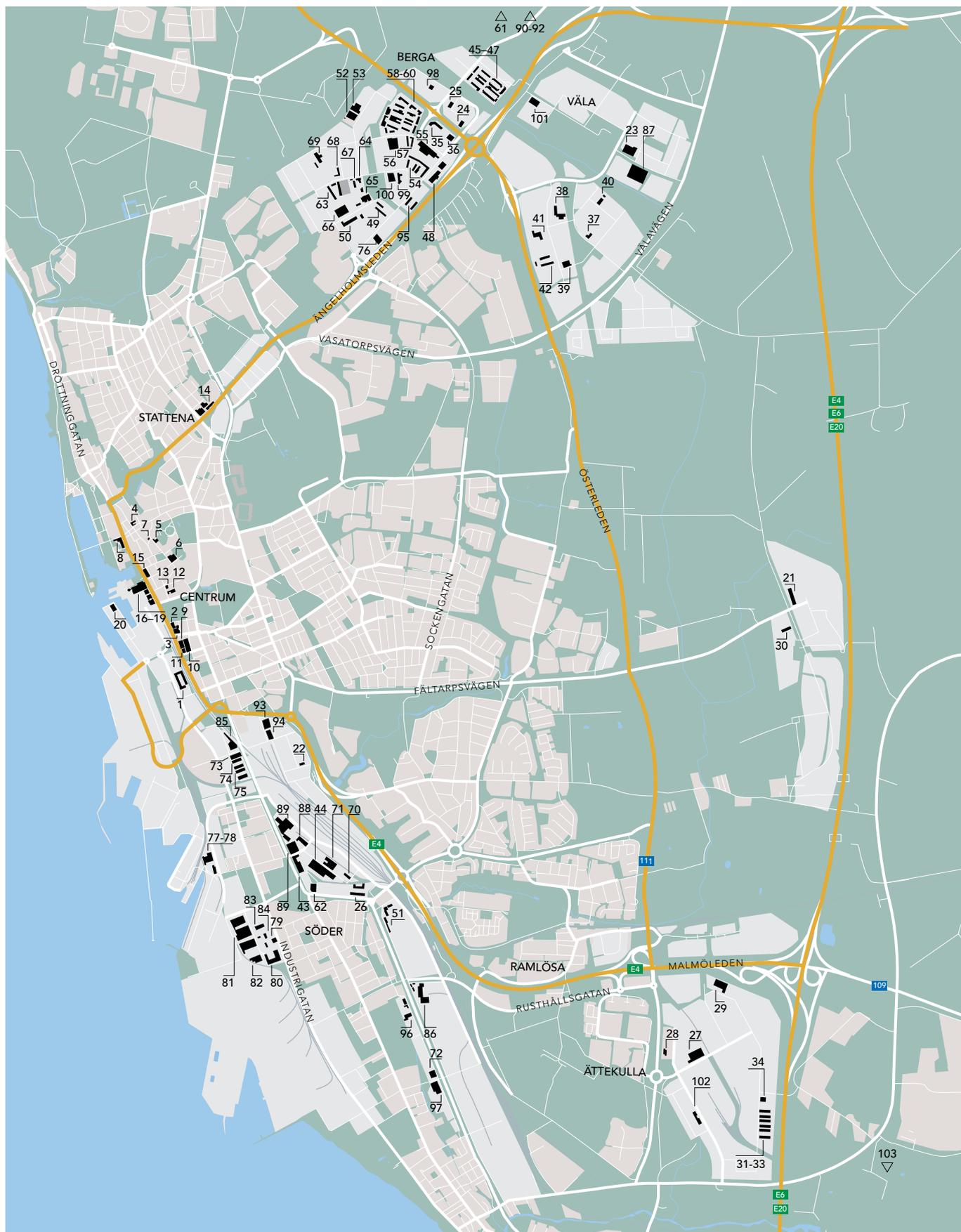
Central Lund/Gastelyckan

No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Leasehold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/healthcare, m ²	Other, m ²	Total, m ²
1	Armaturen 4	Trollebergsv 1/Gasverksg 1–9	Lund	Office/Retail	78		6,650		175		208	7,033
2	Bytarebacken 39	Bang. 10–12/Clemenstorget 5	Lund	Office/Retail	297		4,421	6,920	1,057	3,078	167	15,643
● 3	Diabasen 1	Skiffervägen 26 A–B	Lund	Logistics/Prod	36		661		5,217			5,878
4	Diabasen 3	Skiffervägen 30–86	Lund	Logistics/Prod	42		2,250		5,870			8,120
5	Flintan 3	Skiffervägen 24	Lund	Logistics/Prod	27				5,979			5,979
● 6	Landstinget 2	Byggmästaregatan 4	Lund	Office/Retail	67		3,215				4	3,219
7	Länsmannen 1	Åldermansg. 2/Måsvägen 23,	Lund	Logistics/Prod	32		220		7,740			7,960
● 8	Måsen 17	Starvägen 19/Grisslev. 15–19	Lund	Office/Retail	54		3,828		452			4,280
● 9	Posthornet 1	Bruksgratan 8/Vävareg. 21–23	Lund	Office/Retail	355		10,588	197	103			10,888
10	Raffinaderiet 3	Fabriksgatan 2 A–F	Lund	Projects & Land	77							0
● 11	Raffinaderiet 5	Kung Oskars Väg 11 A–D	Lund	Office/Retail	49		1,865		42			1,907
12	Skiffern 2	Skiffervägen 14/Porfyrvägen 7	Lund	Logistics/Prod	11				2,910			2,910
● 13	Spettet 11	Byggmästaregatan 5	Lund	Office/Retail	28		1,486		41			1,527
14	Töebacken 7	Bondev 2/Fjeliev 68	Lund	Office/Retail	51		2,845	1,482	448			4,775
Central Lund/Gastelyckan, total					1,203		38,029	8,599	30,034	3,078	379	80,119

Lund Ideon

No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Leasehold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/healthcare, m ²	Other, m ²	Total, m ²
● 15	Forskaren 3	Scheelevägen 24–26	Lund	Office/Retail	252		11,253					11,253
16	Kunskapen 1	Partikelgatan	Lund	Projects & Land	7							0
● 17	Nya Vattentornet 2	Mobilvägen 10/Ideongatan 51	Lund	Office/Retail	404		21,540	209	1,243		355	23,348
● 18	Nya Vattentornet 3	Mobilvägen 1	Lund	Office/Retail	499		18,533	1,231	1,118			20,882
● 19	Nya Vattentornet 4	Mobilvägen 4–6	Lund	Office/Retail	570		20,624	1,477	1,651		200	23,952
20	Studentkåren 2 (Alfa)	Scheelevägen 15	Lund	Office/Retail	72		9,315	1,183	280		22	10,800
21	Studentkåren 5	Scheelevägen 15 B–D	Lund	Office/Retail	0		8,150					8,150
● 22	Studentkåren 6	Scheelevägen 15 A	Lund	Office/Retail	35		4,510		21			4,531
23	Syret 1 (Delta P-hus)	Molekylvägen 3	Lund	Office/Retail	17							0
● 24	Syret 3 (Gateway)	Scheelevägen 27	Lund	Office/Retail	422		9,097		257		8,217	17,571
25	Syret 4 (Delta 2)	Scheelevägen 25	Lund	Projects & Land	2							0
26	Syret 5 (Delta 3)	Scheelevägen 23	Lund	Office/Retail	39		7,050					7,050
● 27	Syret 6 (Delta 4)	Scheelevägen 21	Lund	Office/Retail	48		8,050		406			8,456
28	Syret 7 (Delta 5)	Scheelevägen 19	Lund	Office/Retail	42		6,078		205			6,283
29	Syret 8 (Gamma)	Ideongatan 1A–D	Lund	Office/Retail	44		10,091		87			10,178
30	Syret 9 (Delta 6)	Ideongatan 3A–B	Lund	Office/Retail	21		3,322		41			3,363
31	Vetskapen 1	Partikelgatan	Lund	Projects & Land	7							0
32	Vätet 1 (Beta 1–6)	Scheelevägen 17	Lund	Office/Retail	159		21,799	710	1,157	1,016	5	24,687
33	Vätet 3 (Minideon)	Ole Römers väg 5	Lund	Office/Retail	0					335		335
Lund Ideon, total					2,639		159,413	4,810	6,466	1,351	8,799	180,839
Lund, total					3,843		197,442	13,409	36,500	4,429	9,178	260,958

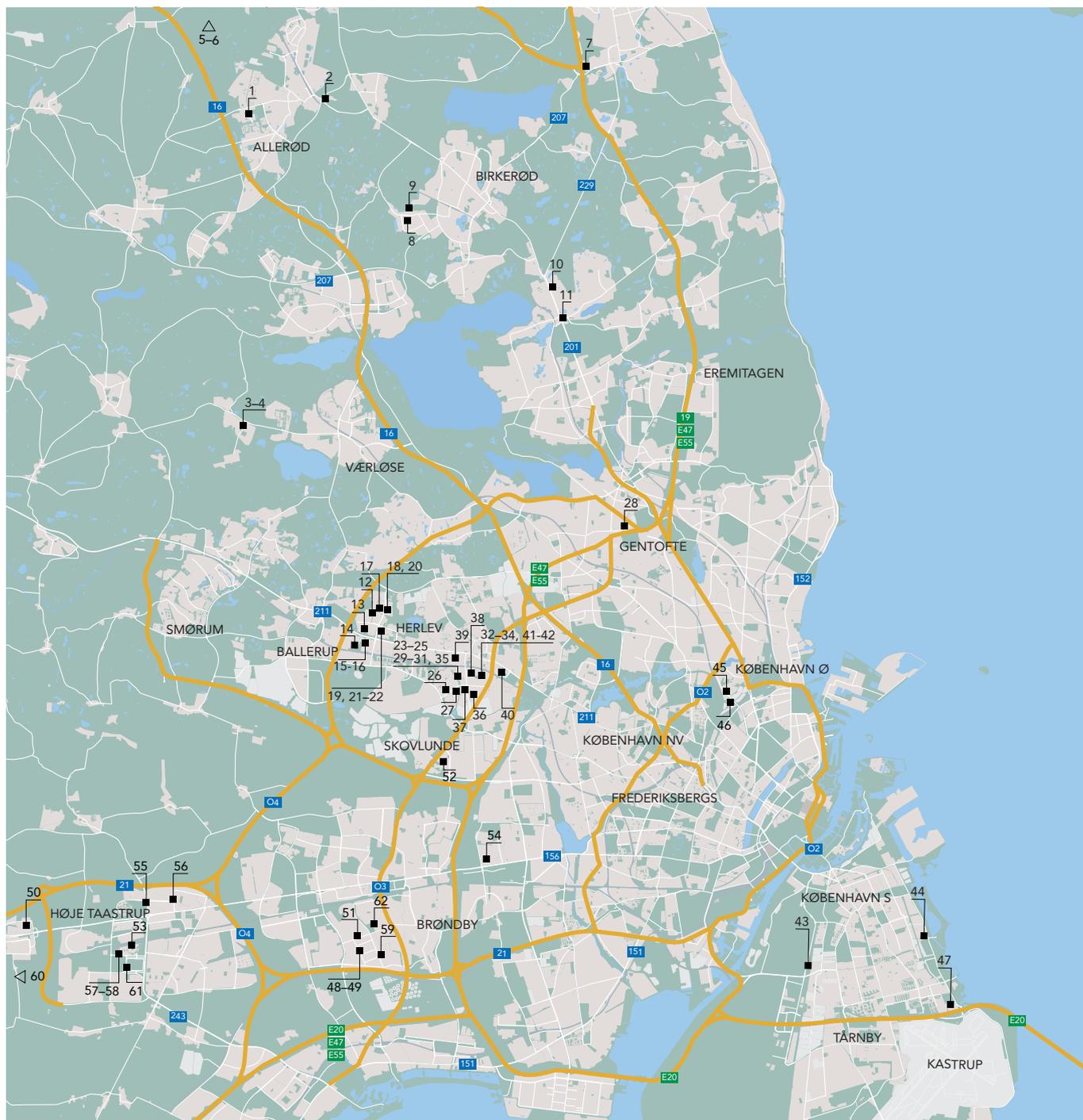
Helsingborg



Central Helsingborg												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease- hold	Offices, m ²	Retail, m ²	Logistics/ Prod, m ²	Education/ healthcare, m ²	Other, m ²	Total, m ²
1	Hermes 10	Rönnowsg 4–12, Bredg 7–11	Helsingborg	Office/Retail	375		29,100	886	1,500	19,190	579	51,255
2	Kalifornien 10	Järnvägsgatan 35–37	Helsingborg	Office/Retail	86		5,831				77	5,908
3	Kalifornien 11	Gasverksq 9 Järnvägsg 39&41	Helsingborg	Office/Retail	88		3,092		29	1,334	2,010	6,465
4	Kullen Västra 19	Kullagatan 30	Helsingborg	Office/Retail	33		1,108	402			372	1,882
5	Kärnan Norra 21	Stortorget 17/Norra Storg 6	Helsingborg	Office/Retail	39		2,309	303	159			2,771
6	Kärnan Södra 9	Södra Storg 9	Helsingborg	Office/Retail	0		184	884	46	2,830	2,641	6,585
7	Magnus Stenbock 7	Strömgränd 3/N Storgatan 7	Helsingborg	Office/Retail	9		393	200				593
8	Najaden 14	Drottningg. 7, 11/Sundstor. 2–6	Helsingborg	Office/Retail	194		8,635	1,552	602	2,775	45	13,609
● 9	Polisen 5	Konsul Perssons plats 1	Helsingborg	Office/Retail	218		8,987					8,987
10	Polisen 6	Carl Krooksgatan 24	Helsingborg	Office/Retail	162		6,896		132	1,479		8,507
11	Polisen 7	Nedre Holländaregatan 1	Helsingborg	Projects & Land	20							0
● 12	Ruuth 23	Bruksqatan 29	Helsingborg	Office/Retail	0		1,145	313		2,740		4,198
13	Ruuth 35	Bruksqatan 25/Prästgatan 10	Helsingborg	Office/Retail	0			589	136	1,730		2,455
14	Stattena 7	StattenaCent. NellyKrooksg.2	Helsingborg	Office/Retail	65		1,858	4,838		124	2,766	9,586
15	Svea 7	Järnvägsg. 7–11/S.Strandg. 2–6	Helsingborg	Office/Retail	127		5,000	2,013	62		313	7,388
● 16	Terminalen 1	Järnvägsg. 10/Kungstorg. 8	Helsingborg	Office/Retail	630	L	16,643	6,951	354	1,088	1,211	26,247
17	Terminalen 3	Järnvägsgatan 14	Helsingborg	Office/Retail	80	L	2,951	135		1,076		4,162
● 18	Terminalen 4	Järnvägsgatan 18	Helsingborg	Office/Retail	68	L	3,348				5	3,353
19	Terminalen 5	Järnvägsgatan 22–24	Helsingborg	Office/Retail	105	L	5,591	142				5,733
● 20	Ursula 1	Redareg. 48–50/Henckels trg 3	Helsingborg	Office/Retail	317		10,969		0		46	11,015
Central Helsingborg, total					2,617		114,040	19,208	3,020	34,366	10,065	180,699
Outer Helsingborg												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease- hold	Offices, m ²	Retail, m ²	Logistics/ Prod, m ²	Education/ healthcare, m ²	Other, m ²	Total, m ²
21	Ackumulatörn 17	Knut Påls väg 1	Helsingborg	Logistics/Prod	25				4,214			4,214
22	Afrika 18	Verkstadsg. 13/Rågångsg. 7	Helsingborg	Office/Retail	11		1,434					1,434
23	Ametisten 5	Porfyrgatan 1	Helsingborg	Logistics/Prod	42		619		7,050			7,669
24	Armborstet 4	Lilla Garnisonsgatan 31	Helsingborg	Logistics/Prod	12		899	1,970				2,869
25	Armborstet 6	Lilla Garnisonsgatan 41	Helsingborg	Logistics/Prod	13		421	3,798				4,219
26	Brottaren 15	Kapplöpningsgatan 14, 16	Helsingborg	Logistics/Prod	22		3,255	100	1,014			4,369
27	Bunkagården V. 8	Bunkalundsvägen 5	Helsingborg	Logistics/Prod	14		30		10,653			10,683
28	Bunkagården 6	Torbornavägen 6	Helsingborg	Logistics/Prod	5				556			556
29	Bunkalund Östra 8	Bunkagårdsgatan 13	Helsingborg	Logistics/Prod	20				6,300			6,300
31	Cylindern 2	Fältarpsvägen 396	Helsingborg	Logistics/Prod	15				2,173			2,173
31	Flintyxan 1	Stenbrovägen 40–42	Helsingborg	Logistics/Prod	11				3,107			3,107
32	Flintyxan 3	Stenbrovägen 36–38	Helsingborg	Logistics/Prod	11				3,138			3,138
33	Flintyxan 5	Stenbrovägen 32–34	Helsingborg	Logistics/Prod	18		324		4,720			5,044
34	Flintyxan 6	Stenbrovägen 30	Helsingborg	Projects & Land	2							0
35	Floretten 3	Garnisonsgatan 25 A–C	Helsingborg	Office/Retail	56		5,392	44	484			5,920
● 36	Floretten 4	Garnisonsgatan 23	Helsingborg	Office/Retail	92		4,647	138				4,785
37	Grusbacken 1	Mogatan 12	Helsingborg	Logistics/Prod	12				1,278			1,278
38	Grusgropen 3	Grustagsgatan 22	Helsingborg	Logistics/Prod	30		1,067		4,776			5,843
39	Grushögen 2	Makadamgatan 1	Helsingborg	Logistics/Prod	12				3,150			3,150
40	Grusplanen 2	Blockgatan 8	Helsingborg	Logistics/Prod	13		405		2,756			3,161
41	Grustaget 1	Grustagsgatan 35–37	Helsingborg	Office/Retail	17		4,008					4,008
42	Grustaget 2	Grustagsgatan 11–15	Helsingborg	Logistics/Prod	21		1,316		2,376			3,692
43	Gymnasten 4	Planteringsvägen 11	Helsingborg	Office/Retail	35		65	3,048	2,787		60	5,960
44	Gymnasten 9	Kapplöpningsgatan 6	Helsingborg	Logistics/Prod	42		2,248		15,703			17,951
45	Hakebössan 1	Karbingatan 28–32	Helsingborg	Logistics/Prod	22		997		3,888			4,885
46	Hakebössan 2	Karbingatan 10–20	Helsingborg	Logistics/Prod	42		823	366	8,185			9,374
47	Hakebössan 3	Karbingatan 22	Helsingborg	Logistics/Prod	24		1,123		4,201			5,324
48	Hillebarden 1	Garnisonsgatan 16	Helsingborg	Logistics/Prod	38		2,014	2,732	4,285			9,031
49	Huggjärnet 12	Garnisonsgatan 7a	Helsingborg	Office/Retail	44		4,622		860			5,482
50	Huggjärnet 13	Kastellgatan 2	Helsingborg	Logistics/Prod	10			600	130			730
● 51	Hästhagen 7	La Cours gata 2–6	Helsingborg	Office/Retail	47		7,418	1,289	1,062	1,297	320	11,386
52	Kniven 2	Mörsaregatan 17	Helsingborg	Logistics/Prod	21				3,515			3,515
53	Kniven 3	Mörsaregatan 19	Helsingborg	Logistics/Prod	18		200		4,591			4,791
54	Kroksabeln 11	Muskötg.17–27/Garnisonsg 17	Helsingborg	Logistics/Prod	30		488	1,202	6,277			7,967
55	Kroksabeln 12	Garnisonsgatan 19	Helsingborg	Logistics/Prod	77		2,810	3,982	8,260			15,052
56	Kroksabeln 19	Florettgatan 14	Helsingborg	Logistics/Prod	24		931	720	6,543			8,194
57	Kroksabeln 20	Florettgatan 16	Helsingborg	Office/Retail	29		972	2,463	842			4,277
58	Lansen 1	Florettgatan 15–29 B–C	Helsingborg	Logistics/Prod	126		9,562		13,740			23,302
59	Lansen 2	Florettgatan 31–39	Helsingborg	Logistics/Prod	23		1,248		4,425		30	5,703
60	Lansen 3	Florettgatan 29 A	Helsingborg	Office/Retail	8		1,340					1,340
61	Lövsbogen 3	Ekvåndan	Helsingborg	Projects & Land	0							0
62	Manövern 3	Hästhagsvägen 1	Helsingborg	Office/Retail	21		616	3,621	762			4,999
63	Musköten 9	Muskötgatan 4	Helsingborg	Office/Retail	16		975	2,805	1,360			5,140
64	Musköten 13	Muskötgatan 8 B	Helsingborg	Office/Retail	31				6,807			6,807
65	Musköten 17	Kastellgatan 5	Helsingborg	Logistics/Prod	53		676	4,181	3,907			8,764
66	Musköten 19	Bergavägen 6	Helsingborg	Office/Retail	84		4,369		2,380			6,749
● 67	Musköten 20	Muskötgatan 6–8	Helsingborg	Logistics/Prod	17		404		3,566			3,970
68	Mörsaren Västra 5	Muskötgatan 5	Helsingborg	Logistics/Prod	8				1,701			1,701
69	Mörsaren Västra 13	Florettgatan 4	Helsingborg	Logistics/Prod	17		404		3,566			3,970

Outer Helsingborg												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Leasehold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/healthcare, m ²	Other, m ²	Total, m ²
70	Olympiaden 7	Kapplöpningsgatan 5	Helsingborg	Logistics/Prod	8		900		930			1,830
71	Olympiaden 8	Kapplöpningsgatan 3	Helsingborg	Logistics/Prod	20		1,190		5,910			7,100
72	Orkanen 5	Landskronavägen 18	Helsingborg	Logistics/Prod	8		498		2,681			3,179
73	Persien 1	V Sandg. 10–12, Cindersg 11	Helsingborg	Logistics/Prod	7		104		3,113		515	3,732
74	Persien 14	Cindersgatan 13–15	Helsingborg	Logistics/Prod	12		44		2,800	1,022		3,866
75	Persien 15	Cindersgatan 17–19	Helsingborg	Logistics/Prod	0					4,026		4,026
76	Pilbågen 6	Garnisonsgatan 6A–B, 10	Helsingborg	Logistics/Prod	76		4,272	8,069	4,084			16,425
77	Planteringen 1:8	V Tallgatan 32	Helsingborg	Logistics/Prod	6		540		1,312			1,852
78	Planteringen 1:9	V Tallgatan 32	Helsingborg	Logistics/Prod	17		979		5,217			6,196
79	Plåtförädlingen 7	Strandbadsvägen 11	Helsingborg	Logistics/Prod	5				1,230			1,230
80	Plåtförädlingen 8	Strandbadsvägen 13	Helsingborg	Logistics/Prod	47		10,792		1,236			12,028
81	Plåtförädlingen 11	Strandbadsvägen 19–21	Helsingborg	Logistics/Prod	76		3,600	276	17,898			21,774
82	Plåtförädlingen 13	Strandbadsvägen 15–17	Helsingborg	Logistics/Prod	68		1,674		15,193			16,867
83	Plåtförädlingen 15	Strandbadsvägen 7	Helsingborg	Logistics/Prod	21				2,496			2,496
84	Plåtförädlingen 18	Strandbadsvägen 9	Helsingborg	Logistics/Prod	11		70		2,438			2,508
85	Posten 1	Västra Sandgatan 7	Helsingborg	Office/Retail	0		3,051		2,949			6,000
86	Rausgård 21	Landskronavägen 9	Helsingborg	Logistics/Prod	52		2,263		815			3,078
87	Rubinen 1	Basaltgatan 9	Helsingborg	Logistics/Prod	53		1,525		9,117			10,642
88	Sadelplatsen 10	Fäktmästaregatan 5	Helsingborg	Logistics/Prod	13		350		2,725			3,075
● 89	Sadelplatsen 13	Planteringsv 5–9	Helsingborg	Logistics/Prod	83		728	5,680	11,344	1,270	520	19,542
90	Snårskogen 1	Kanongatan 155–159	Helsingborg	Office/Retail	56		2,365	5,600	663			8,628
91	Snårskogen 4	Ekvåndan 5	Helsingborg	Logistics/Prod	16				3,015			3,015
92	Snårskogen 5	Ekvåndan	Helsingborg	Projects & Land	2							
93	Spanien 5	Gåsebäcksv. 6/Motorg. 1	Helsingborg	Projects & Land	1		0					0
94	Spanien 11	Kvarnstensg 6–8/Motorg 5–7	Helsingborg	Office/Retail	30		2,253	451	2,841			5,545
95	Spjutet 1	Garnisonsgatan 12	Helsingborg	Logistics/Prod	14		168	1,328	1,512			3,008
96	Stormen 13	Landskronavägen 2–12	Helsingborg	Logistics/Prod	18		1,480		2,746			4,226
97	Tyfonen 1	Landskronavägen 20	Helsingborg	Logistics/Prod	19		1,272		2,621		524	4,417
98	Visiret 5	Garnisonsgatan 47 A	Helsingborg	Logistics/Prod	11				3,270			3,270
99	Värjan 12	Muskötgatan 12	Helsingborg	Office/Retail	19		1,871					1,871
100	Värjan 13	Muskötgatan 10	Helsingborg	Logistics/Prod	23				5,350			5,350
101	Zirkonen 2	Andesitgatan 16	Helsingborg	Office/Retail	32			4,628				4,628
102	Ättehögen 6	Torbornavägen 22	Helsingborg	Logistics/Prod	11		385		2,221			2,606
103	Pedalen 16 & others	Rattgatan 48	Landskrona	Projects & Land	0							0
Outer Helsingborg, total					2,221		112,179	59,091	285,249	7,615	1,969	466,103
Helsingborg, total					4,838		226,219	78,299	288,269	41,981	12,034	646,802

Copenhagen



North Copenhagen

No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease- hold	Offices, m ²	Retail, m ²	Logistics/ Prod, m ²	Education/ Healthcare, m ²	Other, m ²	Total, m ²
1	Engholm Parkvej 8	Engholm Parkvej 8	Allerød	Office/Retail	377		9,156				1,871	11,027
2	Sortemosevej 2	Sortemosevej 2	Allerød	Office/Retail	57		7,252				2,005	9,257
3	Lejrvej 1	Lejrvej 1	Furesø	Logistics/Prod	9		183		1,219		0	1,402
4	Lejrvej 15-19	Lejrvej 15-19	Furesø	Office/Retail	40		7,980		770		68	8,818
5	Bymosevej 4	Bymosevej 4	Gribskov	Office/Retail	125		2,943		0		1,029	3,972
6	Munkeengen 22-32	Munkeengen 22-32	Hillerød	Office/Retail	46		4,211			4,937		9,148
7	Slotsmarken 10-18	Slotsmarken 10-18	Hørsholm	Office/Retail	176		24,937		2,141		596	27,674
8	Blokken 84	Blokken 84	Rudersdal	Logistics/Prod	40		8,616		522		33	9,171
9	Bregnerødvej 140-144	Bregnerødvej 140-144	Rudersdal	Office/Retail	16		7,216					7,216
10	Kongevejen 400	Kongevejen 400	Rudersdal	Office/Retail	201		4,568		60		0	4,628
11	Røjelskær 11-15	Røjelskær 11-15	Rudersdal	Office/Retail	47		4,358				0	4,358
North Copenhagen, total					1,133		81,419	0	4,712	4,937	5,601	96,669

West Copenhagen												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease-hold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
12	Borupvang 2	Borupvang 2/Lautrupcentret	Ballerup	Office/Retail	71		7,785	5,298	1,040		5,600	19,723
13	Borupvang 5	Borupvang 5	Ballerup	Office/Retail	74		10,553				233	10,786
14	Brydehusvej 30	Brydehusvej 30	Ballerup	Office/Retail	28		4,325		333			4,658
15	Industriparken 21	Industriparken 21	Ballerup	Office/Retail	23		4,786		5,264		0	10,050
16	Industriparken 29	Industriparken 29	Ballerup	Office/Retail	27		3,118		0		0	3,118
17	Lautruphøj 8-10	Lautruphøj 8-10	Ballerup	Office/Retail	183		15,603		373			15,976
18	Lautrupvang 1 A+B	Lautrupvang 1 A+B	Ballerup	Office/Retail	220		11,619		2,939		0	14,558
19	Lautrupvang 12	Lautrupvang 12	Ballerup	Office/Retail	90		9,396		0		0	9,396
20	Lautrupvang 2	Lautrupvang 2	Ballerup	Office/Retail	74		11,398		1,220			12,618
21	Lautrupvang 3	Lautrupvang 3	Ballerup	Projects & Land			12,617		0			12,617
22	Lautrupvang 8	Lautrupvang 8	Ballerup	Office/Retail	93		9,074		0		2,672	11,746
West Copenhagen, total					882		100,274	5,298	11,169	0	8,505	125,246
East Copenhagen												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease-hold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
23	Literbuen 6-10	Literbuen 6-10	Ballerup	Office/Retail	45		2,098		9,625		0	11,723
24	Literbuen 16-18	Literbuen 16	Ballerup	Office/Retail	26		4,708		3,648		0	8,356
25	Meterbuen 27	Meterbuen 27	Ballerup	Office/Retail	71		17,255				0	17,255
26	Mileparken 9 A	Mileparken 9 A	Ballerup	Logistics/Prod	30		2,272		2,704		0	4,976
27	Mileparken 22	Mileparken 22	Ballerup	Office/Retail	40		8,668		2,089		723	11,480
28	Sandtoften 9	Sandtoften 9	Gentofte	Office/Retail	41		4,970				0	4,970
29	Ellekær 2-4	Ellekær 2-4	Herlev	Office/Retail	17				4,828			4,828
30	Ellekær 6	Ellekær 6	Herlev	Office/Retail	32		3,872		859		1,107	5,838
31	Ellekær 9	Ellekær 9	Herlev	Office/Retail	73		5,982		1,167			7,149
32	Hørkær 12	Hørkær 12	Herlev	Office/Retail	31		11,733		464			12,197
33	Hørkær 14 & 26	Hørkær 14 & 26	Herlev	Office/Retail	245		4,191		817		371	5,379
34	Hørkær 16-28	Hørkær 16-28	Herlev	Office/Retail	49		20,817		5,896	6,149	1,662	34,524
35	Knapholm 7	Knapholm 7	Herlev	Office/Retail	55		3,977		528		1,120	5,625
36	Lyskær 9	Lyskær 9	Herlev	Office/Retail	28		4,923		623		0	5,546
37	Marielundvej 28-30	Marielundvej 28-30	Herlev	Office/Retail	45		2,122		7,634		0	9,756
38	Marielundvej 29	Marielundvej 29	Herlev	Logistics/Prod	20		803		3,639		0	4,442
39	Smedeholm 10	Smedeholm 10	Herlev	Office/Retail	26		3,010		196		79	3,285
40	Stationsalleen 40-46	Stationsalleen 40-46	Herlev	Office/Retail	23		1,857	2,773	1,447		0	6,077
41	Vasekær 7	Vasekær 7	Herlev	Projects & Land	7							0
42	Vasekær 10-12	Vasekær 10-12	Herlev	Office/Retail	48		7,660					7,660
43	Digevej 114	Digevej 114	Copenhagen	Office/Retail	263		6,709		680			7,389
44	Hedegaardsvej 88	Hedegaardsvej 88	Copenhagen	Office/Retail	60		23,798				2,570	26,368
45	Lersø Park Alle 103-105	Lersø Park Alle 103-105	Copenhagen	Office/Retail	88		9,859		0		0	9,859
46	Lersø Parkalle 107	Lersø Parkalle 107	Copenhagen	Office/Retail	31		3,310					3,310
47	Amager Strandvej 390	Amager Strandvej 390	Tårnby	Office/Retail			25,431					25,431
East Copenhagen, total					1,393		180,025	2,773	46,844	6,149	7,632	243,423
South Copenhagen												
No.	Name of property	Address	Municipality	Type of property	Tax ass. val. SEK m	Lease-hold	Offices, m ²	Retail, m ²	Logistics/Prod, m ²	Education/Healthcare, m ²	Other, m ²	Total, m ²
48	Abildager 8-14	Abildager 8-14	Brøndby	Logistics/Prod	68		528		13,931			14,459
49	Abildager 16	Abildager 16	Brøndby	Logistics/Prod					7,683			7,683
50	Baldersbuen 5	Baldersbuen 5	Høje-Taastrup	Logistics/Prod	41		1,289		5,639			6,928
51	Banemarksvej 50	Banemarksvej 50	Brøndby	Office/Retail	130		19,636					19,636
52	Ejby Industrivej 41	Ejby Industrivej 41	Glostrup	Projects & Land	15		25,480		23,695			49,175
53	Girostrøget 1	Girostrøget 1	Høje-Taastrup	Office/Retail	46		46,758				15,153	61,911
54	H.J. Holst vej 3-5	H.J. Holst vej 3-5	Brøndby	Office/Retail	30		7,283		722			8,005
55	Helgeshøj Alle 9-15 & 49-55	Helgeshøj Alle 9-15 & 49-55	Høje-Taastrup	Office/Retail	298		13,347					13,347
56	Husby Alle 8	Husby Alle 8	Høje-Taastrup	Office/Retail	111		2,446					2,446
57	Høje-Taastrup Blvd 33-39	Høje-Taastrup Blvd 33-39	Høje-Taastrup	Office/Retail	8		4,280	129	987	1,108	0	6,504
58	Høje-Taastrup Blvd 52-58+	Høje-Taastrup Blvd 52-58+	Høje-Taastrup	Office/Retail	82		2,584	196	0		1,499	4,279
59	Midtager 35	Midtager 35	Brøndby	Logistics/Prod	46				7,960		0	7,960
60	Ny Østergade 7-11	Ny Østergade 7-11	Roskilde	Office/Retail	137		14,609		142	314	684	15,749
61	Oldenburg Alle 1-5	Oldenburg Alle 1-5	Høje-Taastrup	Office/Retail	69		13,023		1,121		542	14,686
62	Park Allé 363	Park Allé 363	Brøndby	Logistics/Prod	28		4,000				0	4,000
South Copenhagen, total					1,108		155,263	325	61,881	1,422	17,879	236,770
Copenhagen, total					4,516		516,981	8,396	124,606	12,508	39,617	702,108



Annual General Meeting 2023

The Annual General Meeting of Wihlborgs Fastigheter AB (publ) will be held on Wednesday, 26 April 2023. Information about notification and postal voting instructions are available in the notice of the Annual General Meeting, which was published as a press release and is available on www.wihlborgs.se.

Financial Information 2023

Wihlborgs' annual reports and interim reports are available from its website www.wihlborgs.se. Moreover, the annual report is printed in Swedish and distributed to shareholders who have requested this service. The actual publication dates for interim reports in 2023 are as follows:

Interim Report, Jan–Mar **25 April 2023**
Interim Report, Jan–Jun **10 July 2023**
Interim Report, Jan–Sep **24 October 2023**

Malmö – Head Office

Wihlborgs Fastigheter AB
Box 97, SE-201 20 Malmö,
Sweden
Visitors: Stora Varvsgatan 11A
Tel: +46 (0)40 690 57 00

Helsingborg

Wihlborgs Fastigheter AB
Terminalgatan 1
SE-252 78 Helsingborg,
Sweden
Tel: +46 (0)42 490 46 00

Lund

Wihlborgs Fastigheter AB
Ideon Science Park
Scheelevägen 17
SE-223 70 Lund, Sweden
Tel: +46 (0)46 590 62 00

Denmark

Wihlborgs A/S
Mileparken 22A
DK-2740 Skovlunde, Denmark
Tel: +45 396 161 57



Room for more

The Öresund region continues to win people over and at Wihlborgs, we demonstrate daily how genuine commitment and engagement creates scope for more possibilities. For our tenants. In cities and neighbourhoods. And for all of our fantastic region. Welcome, and discover more with us.



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