

# Rikshem's Six-month report

January–June 2024



## The period in brief

- Rental income increased by SEK 117 million to total SEK 1,823 (1,706) million, an increase of 6.8 percent compared to the previous period.
- Rental income for the like-for-like portfolio rose SEK 98 million or 6.9 percent.
- Net operating income was SEK 1,017 (920) million, up 10.5 percent from the previous period.
- Profit from property management totaled SEK 607 million (561), an increase of SEK 46 million or 8.2 percent.
- The change in value of the investment properties was SEK 84 (-2,087) million, of which SEK 95 million was unrealized and SEK -11 million was realized. Unrealized change in value was 0.2 (-3.5) percent.

- The net change in value of derivative instruments and exchange rate effects from loans in foreign currency was SEK -299 (-381) million.
- Profit before tax for the period was SEK 371 (-2,047) million. Profit after tax was SEK 292 (-1,664) million.
- Property investments in the period totaled SEK 516 (1,052) million.

## Events during the second quarter

- During the second quarter Rikshem vacated 14 properties for public use in Sigtuna, five residential properties in Södertälje, and one residential property in Sollentuna.
- Rikshem has signed an agreement to divest a building right in Solna. The sale is conditional on a legally binding decision by the Solna municipal council.

Rikshem in brief	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023– Jun 2024	2023 Jan-Dec
Rental income, SEK million	915	865	1,823	1,706	3,590	3,473
Net operating income, SEK million	545	500	1,017	920	2,057	1,960
Income from property management, SEKm	348	315	607	561	1,235	1,189
Profit for the period/year, SEKm	221	-812	292	-1,664	-1,965	-3,921
Fair value of properties, SEK million	55,754	58,312	55,754	58,312	55,754	56,139
Leasable area, 1,000 sqm	2,221	2,258	2,221	2,258	2,221	2,245
Economic occupancy rate, percent	95.8	96.8	95.8	96.8	95.8	96.3
Loan-to-value ratio, percent	52	51	52	51	52	52
Interest-coverage ratio, multiple (R12M)	2.6	2.9	2.6	2.9	2.6	2.6
Equity, SEKm	25,456	27,421	25,456	27,421	25,456	25,164
Total return incl. joint ventures, percent (R12M)	-1.3	-4.0	-1.3	-4.0	-1.3	-4.9
Return on equity, percent (R12M)	-7.4	-10.1	-7.4	-10.1	-7.4	-14.5

# Strong performance and good pace of development

The near future may not be exactly as bright as the students sing about, but more and more figures point in the right direction even from a macro perspective. Inflation figures and energy prices continue to fall, and the fact that US inflation figures also fell was good news. Interest rates are coming down, financing opportunities are good, and real estate values, after declining for six quarters, have been stable in the first half of the year. The residential segment, which has been depressed for some time, is recovering, which is positive. Rikshem's own pace of development is good, and we have delivered good results in the three areas on which we are focusing particularly hard – customer work, business acumen, and developing and investing in existing properties.

## Net operating income increases

The operational part of our results remains strong, which is important as financial costs continue to increase as refinancing is done at higher interest rates. Rental income increased by just under seven percent to SEK 1,823 million, but increased market vacancies in the residential segment had a negative impact. Property expenses are slightly higher compared to the first half of 2023. Water tariffs have increased significantly while electricity costs have fallen. Maintenance costs have also fallen. Overall, the net operating income increased by more than ten percent to SEK 1,017 million, and the income from property management by over eight percent to SEK 607 million.

## Continued investment in the portfolio

I am proud that, in these challenging times, we have continued to invest and renovate to ensure that our properties last over time and create good living environments for our tenants. We are continuously starting major renovations, most recently in Östersund. Renovations are mainly carried out with tenants remaining in the building during the renovation period. Of course, this is stressful for tenants, but it is still more beneficial than having to move out for a longer period. At Hagalund in Solna, we celebrated the completion of the first renovation phase together with the tenants in mid-June. This means that 177 tenants, out of almost 450, now have new bathrooms and that the more than 50-year-old plumbing has been replaced.

In May, we also signed an agreement to divest our part of Hagalund center. Such facilities are not part of our core business, and we are pleased that the new owners are now taking over the property and developing a safe and pleasant area that will benefit tenants in the area. The sale is conditional on a legally binding decision by the Solna municipal council and handover is planned for the third quarter.

## Fully leased new buildings

We continue to complete new buildings, although we currently have only a few ongoing new construction projects. Probably Uppsala's tallest apartment building, "Grafikern", with 162 new residential units,

is now both completed, fully let and occupied, and many of our tenants can enjoy a fantastic view of Uppsala. After the summer, we will also begin leasing the next new production project, also in Uppsala.

## Working together for safer neighborhoods

Slower economic times, combined with the high level of residential construction in some locations around the country, continue to affect housing vacancies. Waiting times generally range from a few years to around 15 years in our market. In Norrköping, however, the situation for us, as well as for other property owners, is different. There is an oversupply of housing at the same time that the city has been hit by a wave of violence that has created insecurity among residents and concerns about where they want to live. While the security work we do as property owners is important, creating and maintaining a safe society requires the joint efforts of all societal actors. The work in one of our largest areas, Gränby in Uppsala, is a good example of positive development. Our own major investment in the area with greater resources within what we can influence as property owners, combined with local cooperation and collaboration with the police and municipal authorities, has resulted in our customers feeling much better and safer in the area than two years ago, according to our data.

## Quick and easy for new customers

In the public use property segment, we are



seeing increased interest in our premises and have two new lease agreements in Norrtälje to the Region Stockholm authority and to a veterinary clinic. The latter was carried out in just six weeks to meet our customer's requirements for a successful establishment – completely in line with our goal that it should be easy to be a customer of Rikshem. Refurbishing, extending and making existing properties for public use more energy-efficient, instead of building new ones, is often both economically and environmentally advantageous. This is something we see becoming increasingly important as the demand for different types of public-use properties changes due to changes in the population structure. As a long-term property owner, we develop our rental properties and our public-use properties to be attractive for the future.

## Anette Frumerie, CEO

# One of Sweden's largest private real estate companies

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

The market value of the properties totals **SEK 58,516 million** (including Rikshem's share of the property value in joint ventures)

Rikshem has approximately **30,000 apartments** consisting of rental apartments, senior accommodation, nursing homes, student accommodation and youth apartments. **Twenty-nine percent** of Rikshem's portfolio consists of properties for public use, such as preschools and schools.

**Breakdown of fair value of investment properties (percent)**



## Our biggest property management areas



### Uppsala/Knivsta 27% of the property value

Number of apartments: 7,153  
Properties for public use: 32%  
Total area (sqm): 456,074



### Greater Stockholm 18% of the property value

Number of apartments: 3,813  
Properties for public use: 48%  
Total area (sqm): 383,501



### Helsingborg 10% of the property value

Number of apartments: 3,544  
Properties for public use: 4%  
Total area (sqm): 254,353



### Norrköping 10% of the property value

Number of apartments: 3,638  
Properties for public use: 6%  
Total area (sqm): 246,178

### Västerås

6% of the property value  
Number of apartments: 2,059  
Properties for public use: 32%  
Total area (sqm): 143,255

### Luleå

5% of the property value  
Number of apartments: 2,000  
Properties for public use: 14%  
Total area (sqm): 161,174

### Halmstad and Ale

5% of the property value  
Number of apartments: 1,428  
Properties for public use: 83%  
Total area (sqm): 108,605

### Kalmar

5% of the property value  
Number of apartments: 1,641  
Properties for public use: 49%  
Total area (sqm): 148,432

### Umeå

5% of the property value  
Number of apartments: 1,764  
Properties for public use: 6%  
Total area (sqm): 119,860

### Malmö

4% of the property value  
Number of apartments: 963  
Properties for public use: 14%  
Total area (sqm): 62,264

### Östersund

4% of the property value  
Number of apartments: 1,902  
Properties for public use: 0%  
Total area (sqm): 137,006

# Income, costs and profit

## Rental income

Rental income increased by SEK 117 million or 6.8 percent compared to the previous period, totaling SEK 1,823 (1,706) million. The increase is related mainly to the annual rent adjustment and completed projects. Rental income for the like-for-like portfolio rose SEK 98 million or 6.9 percent.

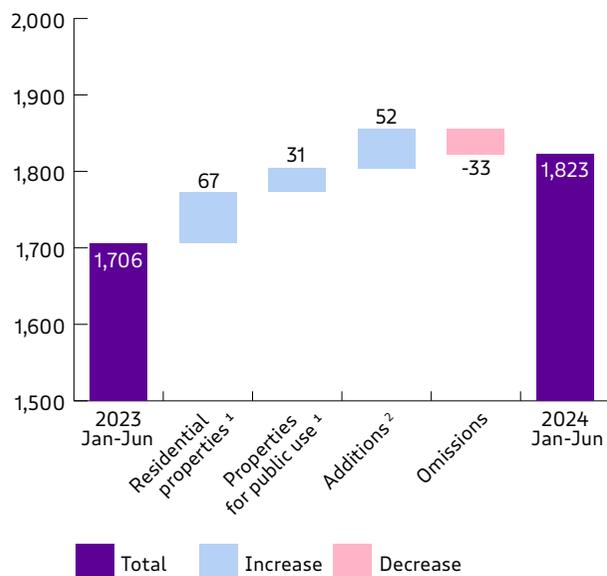
## Property expenses

Property expenses increased by SEK 20 million or 2.6 percent, compared with the previous period, and totaled SEK 806 (786) million. Expenses for the like-for-like portfolio were up SEK 20 million or 3.0 percent. The increase is mainly due to higher operating and tariff-based costs, while maintenance costs decreased.

## Net operating income

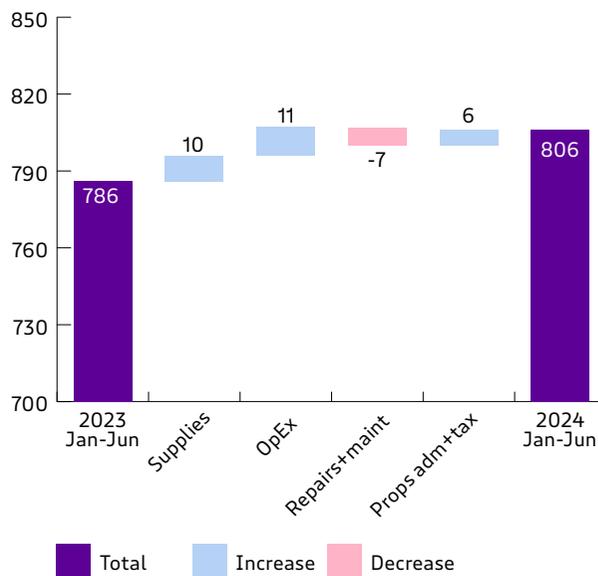
All in all, net operating income increased by SEK 96 million, or 10.5 percent, compared to the previous period, totaling SEK 1,017 (920) million. Net operating income for the like-for-like portfolio increased by SEK 79 million or 10.2 percent to total SEK 850 (771) million.

Rental income (SEKm)



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

Property expenses (SEKm)



Condensed income statement, SEKm	2024 Jan-Jun	2023 Jan-Jun
Rental income	1,823	1,706
Property expenses	-806	-786
<b>Net operating income</b>	<b>1,017</b>	<b>920</b>
Central administration	-77	-78
Earnings from participations in joint ventures	-10	-127
<b>Operating profit/loss</b>	<b>930</b>	<b>715</b>
Financial income and expense	-344	-294
<b>Profit after financial items</b>	<b>586</b>	<b>421</b>
of which income from property management	607	561
Change in value of properties	84	-2,087
Change in value of derivatives and foreign exchange fluctuation on loans	-299	-381
<b>Profit before tax</b>	<b>371</b>	<b>-2,047</b>
Tax	-79	383
<b>Profit for the period</b>	<b>292</b>	<b>-1,664</b>

**Vacancies and occupancy rate**

The vacancy rate for residential properties was 4.1 percent, which is higher than at the same point in the previous year (3.2). Adjusted for apartments that were vacated for renovation, the market vacancy rate was 2.1 (1.1) percent. The increase mainly concerns markets with a structural oversupply. The economic occupancy rate for properties for public use decreased to 97.2 (98.5) percent. Most of the decrease relates to a nursing home contract where the property will be developed for new leasing. The occupancy rate for the portfolio as a whole was 95.8 (96.8) percent.

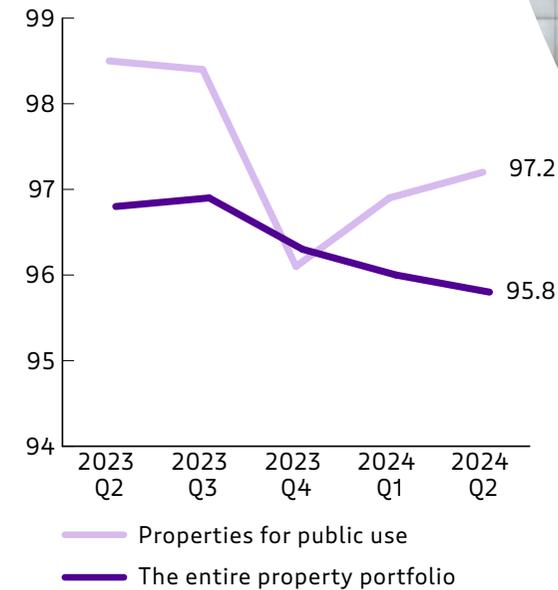
**Lease duration properties for public use**

The average remaining lease term for properties for public use was 7.1 (7.6) years. A high proportion of the leases were signed for 15–20 years in conjunction with acquisitions of the properties. When leases are renewed, it is normally for shorter periods.

**Vacancy rate residential properties (percent)**



**Economic occupancy rate (percent)**



### Central administration

Central administration costs totaled SEK -77 million, which is in line with the previous year (-78).

### Financial income and expenses

Net financial income and expenses consists primarily of the company's external interest expenses and totaled SEK -344 (-294) million. The increase in expenses is mainly due to the rise in the short-term market interest rate Stibor 3 months and credit margins. The increase gradually affects interest costs, as the loan portfolio has a long interest and debt duration. Capitalized interest for the period amounted to SEK 24 (30) million. Read more about Rikshem's financing on pages 12-13.

### Earnings from participations in joint ventures

Earnings from participations in joint ventures totaled SEK -10 (-127) million. More information is available in the Joint ventures section on page 11.

### Change in value of properties

The change in value of the investment properties was SEK 84 (-2,087) million, of which SEK 95 million was unrealized and SEK -11 million was realized. Unrealized change in value was 0.2 (-3.5) percent. The average effective yield requirement in the valuation was 4.54 percent, an increase of 0.05 percentage points relative to the yield requirement as at December 31, 2023. More information about property valuations can be found on page 9.

### Derivative instruments and loans in foreign currency

The Company's financial derivative instruments are interest-rate swaps, which extend interest-rate duration, and combined currency and interest-rate swaps, which have been included in order to eliminate currency risk on interest payments and repayments of loans raised in foreign currencies. As the duration of the derivatives becomes shorter and the number of remaining cash flows decreases, the fair value of the derivatives is reduced and will be zero at maturity. Changes in the value of interest-rate derivatives during the period amounted to SEK -8 (-107) million. Longer-term market interest rates rose in the first quarter, before falling back in the second quarter and ending the period slightly higher than at the start of the year. The change in value of combined currency and interest rate swaps amounted to SEK -400 (-295) million and was caused by changes in interest rates and exchange rate fluctuations. Exchange rate fluctuations also give rise to currency effects on the value of loans in foreign currencies, which totaled SEK 109 (21) million. If loans and derivative instruments are held to maturity, previously reported unrealized earnings impacts are neutralized.

### Tax

Reported tax for the period was SEK -79 (383) million, of which SEK -144 (-51) million was current tax and SEK 65 (434) million was deferred tax. The deferred tax is mainly related to unrealized changes in the value of investment properties and financial instruments.

### Profit for the period

Profit for the period totaled SEK 292 (-1,664) million.

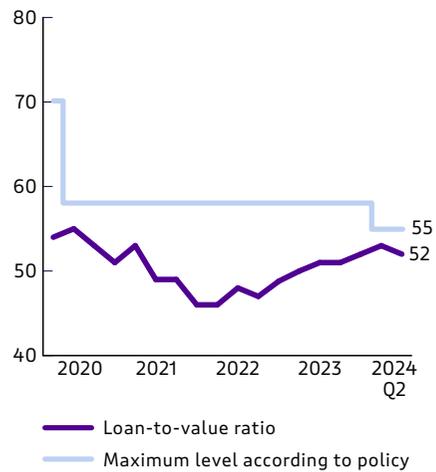


# Financial key figures

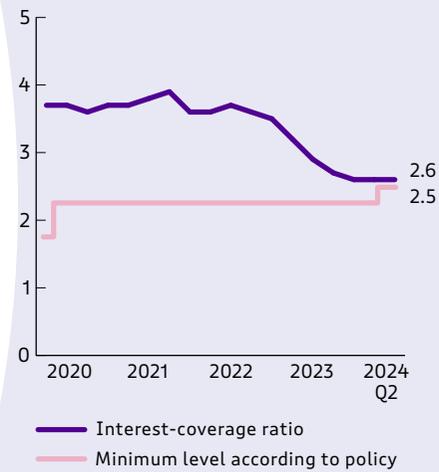
**Equity/assets ratio (percent)**



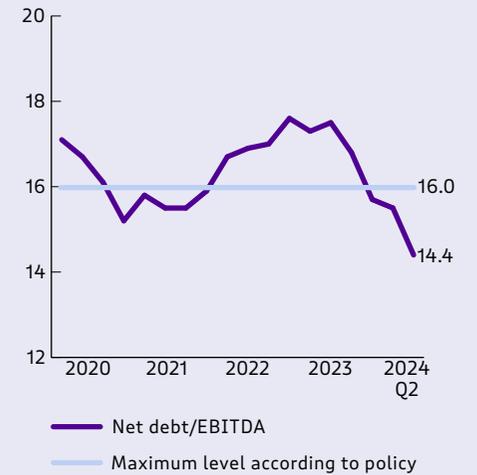
**Loan-to-value ratio (percent)**



**Interest-coverage ratio (multiple)**



**Net debt/EBITDA (multiple)**



For definitions of key figures, see page 23.

# Segment report and property portfolio

## Segment reporting

	RESIDENTIAL		PUBLIC USE		TOTAL	
	2024 Jan-Jun	2023 Jan-Jun	2024 Jan-Jun	2023 Jan-Jun	2024 Jan-Jun	2023 Jan-Jun
Rental income, SEK million	1,274	1,178	549	528	1,823	1,706
Property expenses, SEK million	-624	-607	-182	-179	-806	-786
Net operating income, SEK million	650	571	367	349	1,017	920
Unrealized change in value of properties, SEK million	-11	-1,592	106	-495	95	-2,087
Total return, SEK million	639	-1,021	473	-146	1,112	-1,167
Fair value of properties, SEK million	39,505	40,780	16,249	17,532	55,754	58,312
Total return excl. joint ventures, percent (R12M)	-1.6	-4.7	0.6	-1.8	-0.9	-3.9
Share of fair value of properties, percent	71	70	29	30	100	100
Area, 1,000 sqm	1,634	1,637	587	621	2,221	2,258
Fair value, SEK/sqm	24,183	24,904	27,677	28,251	25,107	25,824
Investments, SEK million	463	938	53	114	516	1,052

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

TYPE	VALUE, SEKm	PERCENTAGE	AREA, 1,000 SQM	MARKET VALUE, SEK/SQM	RENTAL VALUE, SEKm	ANNUAL RENT BROKEN DOWN BY TYPE OF TENANT (PERCENT)				
						Residential leases	Public sector	Private sector	Total	
<b>Residential properties segment</b>										
- Residential properties	38,823	70	1,605	24,188						
- Commercial*	647	1	27	23,554						
- Schools	36	0	1	32,197						
<b>Residential properties</b>	<b>39,505</b>	<b>71</b>	<b>1,634</b>	<b>24,183</b>	<b>2,602</b>	<b>88</b>	<b>4</b>	<b>8</b>	<b>100</b>	
<b>Properties for public use segment</b>										
- Nursing homes	13,425	24	467	28,756						
- Schools	2,641	5	101	26,238						
- Commercial*	183	0	20	9,328						
<b>Properties for public use</b>	<b>16,249</b>	<b>29</b>	<b>587</b>	<b>27,677</b>	<b>1,070</b>	<b>0</b>	<b>84</b>	<b>16</b>	<b>100</b>	
<b>Total</b>	<b>55,754</b>	<b>100</b>	<b>2,221</b>	<b>25,107</b>	<b>3,672</b>	<b>63</b>	<b>27</b>	<b>10</b>	<b>100</b>	

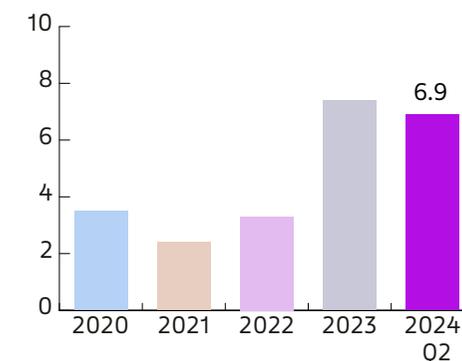
\* Commercial premises for neighborhood services or areas of use for future residential properties or properties for public use.

Rikshem's property portfolio at the end of the second quarter comprised 491 properties (512). The fair value of the properties was SEK 55,754 (56,139) million.

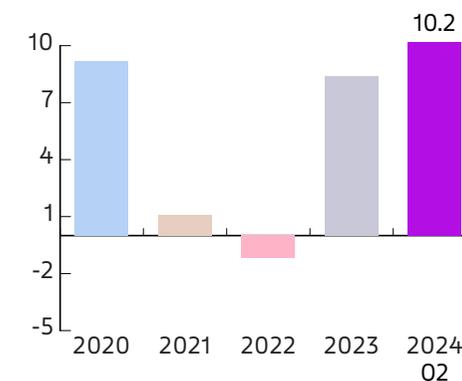
SEK 38,823 million of the fair value pertained to residential properties, SEK 13,425 million to nursing homes, SEK 2,677 million to schools and SEK 829 million to commercial properties.

The property portfolio includes building rights valued at SEK 696 million. Properties representing 46 percent of fair value are located along the Greater Stockholm-Uppsala axis.

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



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



# Property valuation

Rikshem reports investment properties at fair value in accordance with IAS 40. External property valuations of the whole property portfolio are made on a quarterly basis.

A small proportion of the portfolio is also valued internally. Internally valued properties consist primarily of properties with major ongoing or future projects. The valuation is made according to level 3 in the IFRS 13

fair value hierarchy. The change in value of the investment properties was SEK 84 (-2,087) million, of which SEK 95 million was unrealized and SEK -11 million was realized. Unrealized change in value was 0.2 (-3.5) percent. The average effective yield requirement decreased by 0.05 percentage points, relative to the value as at December 31, 2023, to 4.54 percent.

## Fair value of investment properties

Amounts in SEKm	Jan-Jun 2024	Jan-Jun 2023	Jan-Dec 2023
Fair value at the beginning of the period	56,139	59,423	59,423
Unrealized change in value	95	-2,087	-4,776
Investments	516	1,052	1,918
Acquisitions	-	27	101
Divestments	-995	-102	-527
Fair value at the end of the period	55,754	58,312	56,139
<b>Fair value incl. Rikshem's share of properties in joint ventures</b>	<b>58,516</b>	<b>61,278</b>	<b>58,835</b>

Property yield requirement* Property type, percent	Jun 30, 2024	Dec 31, 2023	Change
Residential properties	4.43	4.37	0.06
Properties for public use:	4.67	4.64	
Nursing homes	4.63	4.60	0.04
Schools	4.86	4.82	0.04
Commercial	6.46	6.53	-0.08
<b>Total</b>	<b>4.54</b>	<b>4.49</b>	<b>0.05</b>

\* From 2023, the average yield requirement will be calculated based on a like-for-like portfolio.

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

Property type	RENTAL VALUE (SEK/SQM)			YIELD REQUIREMENT (PERCENT)		
	min.	average	max.	min.	average	max.
Residential properties	952	1,597	3,039	3.12	4.43	5.75
Properties for public use:					4.67	
Nursing homes	936	1,865	3,635	3.64	4.63	6.30
Schools	1,042	1,857	2,882	4.50	4.86	6.00
Commercial	978	1,448	2,178	5.90	6.46	7.35
<b>Average</b>		<b>1,674</b>			<b>4.54</b>	

## Sensitivity analysis

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

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

## Sensitivity analysis change in SEKm

Property type	PROPERTY YIELD REQUIREMENT**			MARKET RENT		COSTS
	+0.25%	-0.25%	+/-	1.0%	+/-	1.0%
Residential properties	-2,101	2,359	+/-	605	+/-	205
Properties for public use:						
Nursing homes	-678	756	+/-	136	+/-	48
Schools	-127	141	+/-	28	+/-	11
<b>Total</b>	<b>-2,906</b>	<b>3,256</b>	<b>+/-</b>	<b>769</b>	<b>+/-</b>	<b>264</b>

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

# Transactions and investments

## Transactions

During the period, 21 properties were divested for a total value of SEK 995 million.

The largest single transaction concerned 14 properties for public use in Sigtuna. Other divestments included residential properties, five in Södertälje and two in Sollentuna.

## Investments and projects

Investments for the period totaled SEK 516 (1,052) million. SEK 263 (570) million of this figure was related to refurbishment and renovation, SEK 204 (398) million to new construction projects, and SEK 49 (84) million to energy projects.

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

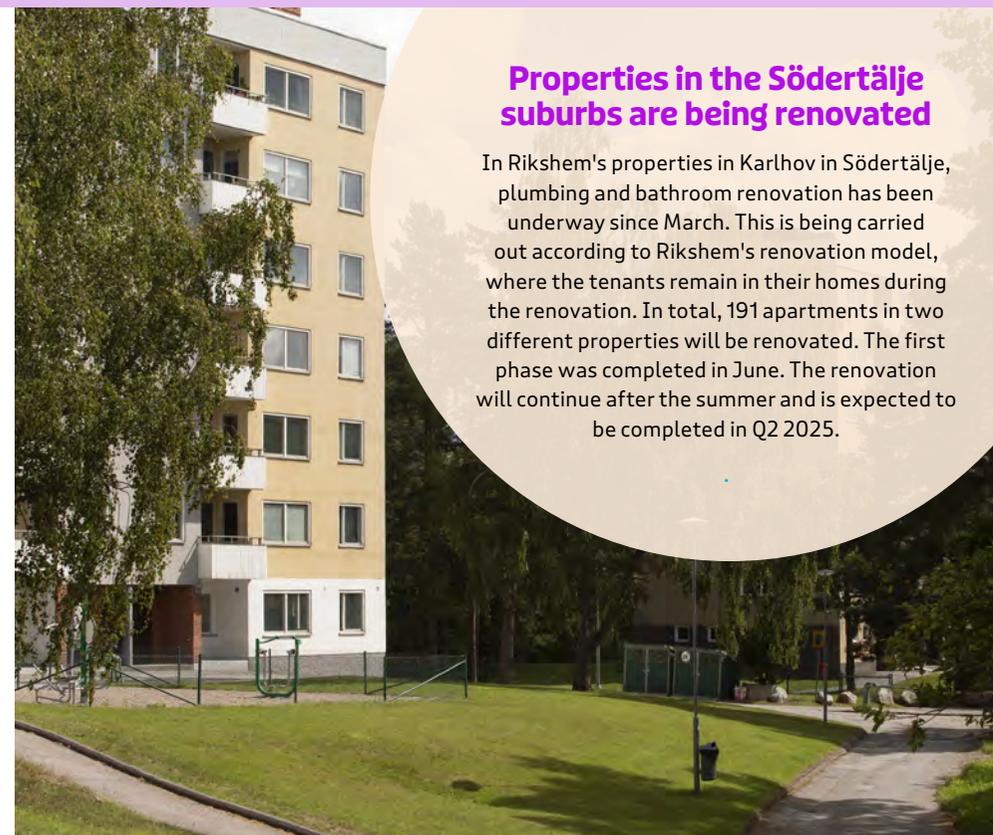
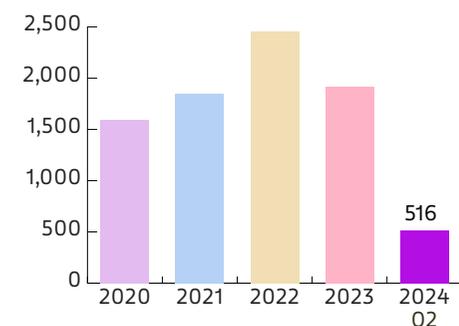
Larger renovation projects are ongoing in five residential properties and include 1,194

apartments, with completion occurring on an ongoing basis.

Tenant adaptation is underway of a nursing home for Nacka municipality with a 20-year lease.

During the period, 974 newly constructed and newly renovated apartments have been completed.

## Investments (SEKm)



Fasanen 1, Södertälje

## Properties in the Södertälje suburbs are being renovated

In Rikshem's properties in Karlhov in Södertälje, plumbing and bathroom renovation has been underway since March. This is being carried out according to Rikshem's renovation model, where the tenants remain in their homes during the renovation. In total, 191 apartments in two different properties will be renovated. The first phase was completed in June. The renovation will continue after the summer and is expected to be completed in Q2 2025.

## Major projects in progress

Project	Municipality	Area	Project category	Property type	No. of apartments before	No. of apartments after	Investment amount, SEKm	Outstanding investment amount, SEKm	Estimated completion date
Gränby Energy	Uppsala	Gränby	Energy project	Residential properties	0	0	133	23	Q3 2024
Gränby upgrade	Uppsala	Gränby	Renovation	Residential properties	75	75	25	8	Q3 2024
Körfältet	Östersund	Körfältet	Renovation	Residential properties	64	64	34	29	Q4 2024
Porsön	Luleå	Porsön	Renovation	Residential properties	426	426	331	45	Q1 2025
Tallidsgården	Nacka	Sickla	Tenant adaptation	Nursing home	0	0	151	52	Q1 2025
Lärjungen	Uppsala	Kvarngärdet	New construction projects	Residential properties	0	139	305	49	Q1 2025
Karlhov	Södertälje	Karlhov	Renovation	Residential properties	191	191	144	89	Q2 2025
Virket	Lund	Västerbro	New construction projects	Residential properties	0	323	702	472	Q2 2026
Hagalund	Solna	Hagalund	Renovation	Residential properties	438	438	248	149	Q2 2026

# Joint ventures

## Stakes in joint ventures

Rikshem owns shares in joint ventures with a total value of SEK 1,605 (1,624) million. The largest joint venture holding of SEK 1,083 million pertains to 49 percent of VärmdöBostäder (the remainder is owned by Värmdö Municipality). The second-largest holding of SEK 521 million pertains to Farsta Stadsutveckling (Telestaden), with Rikshem and Ikano Bostad each owning 50 percent. Other participations in joint ventures totaling SEK 2 million relate to a project development company owned and operated together with Huseriet. The value of Rikshem's share of the property holdings in joint ventures, which is reported according to the equity method, is SEK 2.7 billion. The joint venture Bergagårdshöjden JV AB was terminated in the second quarter of 2024.

## Earnings from participations in joint ventures

Rikshem's share of profit after tax was SEK -10 (-127) million.

## Rikshem's joint ventures

VärmdöBostäder AB  
Farsta Stadsutveckling AB  
Huseriet Riks AB

## Earnings from joint ventures

Amounts in SEKm	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023- Jun 2024	2023 Jan-Dec
Income from property management	9	10	12	13	27	28
Change in value of properties	-15	-166	-15	-164	-210	-359
Change in value of derivatives	-1	1	0	0	-3	-3
Profit on sale of shares	-1	-	-1	-	-20	-19
Tax	-3	24	-6	24	20	50
<b>Total</b>	<b>-11</b>	<b>-131</b>	<b>-10</b>	<b>-127</b>	<b>-186</b>	<b>-303</b>
<b>Carrying amount in joint ventures, shares</b>	<b>1,605</b>	<b>1,961</b>	<b>1,605</b>	<b>1,961</b>	<b>1,605</b>	<b>1,624</b>

# Financing

## Goals and strategy

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

## Market outlook

In June, the Swedish central bank, the Riksbank, decided to keep the policy rate unchanged at 3.75 percent, but at the same time lowered its policy rate forecast, which now indicates two to three cuts during the second half of the year, provided that the inflation outlook remains unchanged. The Riksbank points out that there are still risks linked to, for instance, inflation abroad, geopolitical unrest, the Swedish krona exchange rate and the recovery of the Swedish economy that could lead to a higher or lower policy rate than in the forecast.

In the United States, inflation has proved more difficult to bring down than previously assumed by the Federal Reserve. However, inflation fell more than expected in May, which also led to a downward trend in longer-term market interest rates. At its last meeting in June, the Fed chose to keep the key interest rate unchanged at 5.25 percent to 5.50 percent, but does not rule out a cut later in the year. The European Central Bank (ECB) chose to cut its key interest rate to 3.75 percent in June and communicated that further cuts would depend on how the inflation and wage outlook develops. Inflation in the eurozone has fallen at a slightly slower pace in recent months,

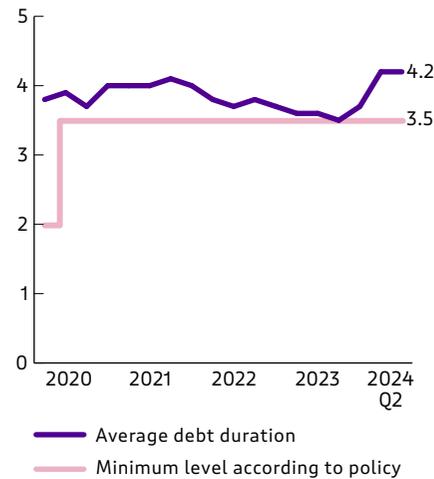
reflecting the continued rapid rise in service prices. Growing concerns ahead of the French elections have contributed to higher credit margins on French government bond yields in particular, which has also had some impact on Swedish yields.

## Interest-bearing liabilities

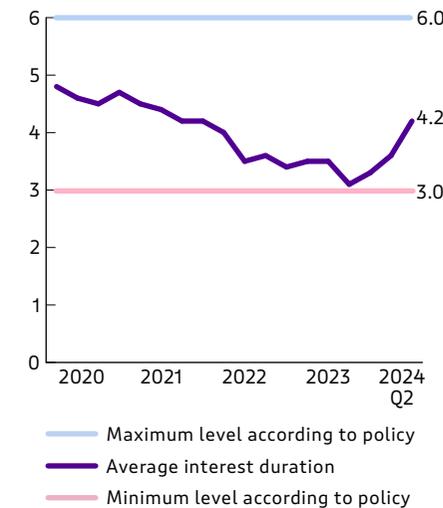
Bond market activity has remained strong. During the second quarter, Rikshem issued SEK 800 million in green bonds in Swedish kronor. In addition, a green bond of SEK 399 million with a maturity of eight years has been issued in Norwegian kroner. During the quarter, SEK 2.2 billion in bonds were repaid, of which SEK 1.7 billion related to repayment at maturity of a eurobond and SEK 500 million related to early repurchase of a bond maturing in October 2024. Refinancing has contributed to maintaining an average debt duration of 4.2 years, including unutilized credit facilities, at the end of the period.

Interest-bearing liabilities totaled SEK 28,926 (29,422) million, of which the short-term portion is approximately 24 percent, including outstanding commercial papers. Net debt adjusted for CSA decreased by SEK 945 million after divestments during the period. Secured financing accounted for 10 (10) percent of the fair value of the investment properties. The average interest rate increased in the past year due to rising market interest rates and higher credit margins. At the end of the period, the average interest rate was 2.7 percent. Fees for unutilized backup facilities are included in the average interest rate.

Average debt duration (years) \*



Average interest-rate duration (years)



\* From 2024 onwards, unutilized credit facilities are included in the calculation of average debt maturities.

### Cash and backup facilities

Cash and cash equivalents totaled SEK 1,225 (766) million. At the end of the period, collateral relating to the Credit Support Annexes (CSAs) for combined interest-rate and currency swaps amounted to SEK 446 million. This type of collateral is settled on a monthly basis and aims to reduce the counterparty risk in the hedging contracts, thereby contributing to a lower cost of hedging exchange rate risk. To reduce the refinancing and liquidity risk, Rikshem has taken up backup facilities from the owners (SEK 10 billion with an equal share each) and from Swedish banks totaling SEK 3 billion. There is also an overdraft facility of SEK 500 million.

### Financial derivative instruments

The Company's interest-rate risk is managed on an ongoing basis mainly through interest-rate swaps. At the end of the period, the net nominal amount of the interest rate derivatives

portfolio was SEK 20,585 million. During the period, new interest-rate durations were raised, which contributed to an increase in the average interest-rate duration to 4.2 years (3.3) at the end of the period. The share of loans with an average interest-rate duration of more than 12 months was 77 percent. The Company also has so-called combined currency and interest-rate swaps to hedge loans raised in foreign currency. The net fair value of the derivative portfolio was SEK 71 (480) million.

### Green and sustainable financing

For many years, Rikshem has had a framework for issuing green bonds. The framework is based on the ICMA:s Green Bond Principles and, as with Rikshem's previous green bond frameworks, the independent Center for International Climate Research (Cicero) has reviewed the framework. Cicero awarded the framework a Medium Green classification for its green credentials and rated it Excellent for governance.

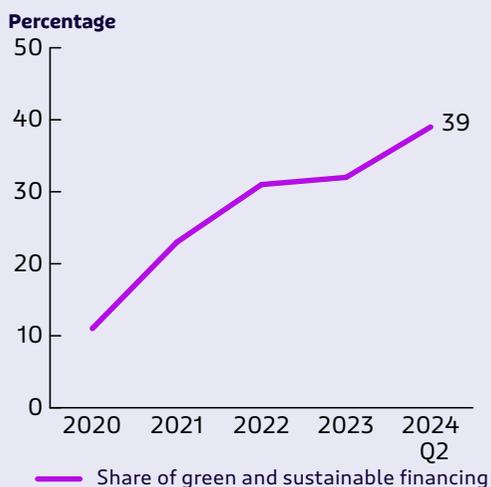
Rikshem's framework for sustainability-linked bonds was launched during the period and is based on Rikshem's KPIs for feeling of safety in the living environment, sustainable supply chains and targets for energy efficiency in the existing portfolio and new construction. The framework is based on the Sustainability-Linked Bond Principles and has been reviewed by the independent institute Sustainalytics.

Read more about Rikshem's framework and sustainability work, and read the latest investor report at rikshem.se.

### Rating

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

### Share of green and sustainable financing



### Interest-bearing external liabilities

Maturity Year	INTEREST RATE DURATION		AVERAGE DEBT DURATION	
	Amount (SEKm)	Percentage	Amount (SEKm)	Percentage
2024	2,745	9	3,535	12
2025	4,882	17	4,859	17
2026	3,300	11	4,404	15
2027	2,949	10	3,156	11
2028	3,300	11	2,591	9
2029	1,950	7	3,279	11
2030	2,400	8	1,748	6
2031	2,300	8	800	3
2032	1,800	6	1,462	5
2033-	3,300	11	3,092	11
<b>Total</b>	<b>28,926</b>	<b>100</b>	<b>28,926</b>	<b>100</b>

### Interest-bearing liabilities by type of financing

Financing type	Outstanding amount (SEKm)	Percentage of interest-bearing liabilities
Commercial papers, SEK	2,185	8
Secured bank loans, SEK	5,580	19
Unsecured loans, SEK	1,144	4
Bonds, SEK	12,542	43
Bonds, NOK	5,274	18
Bonds, EUR	1,407	5
Bonds, AUD	563	2
Bonds, JPY	231	1
<b>Total</b>	<b>28,926</b>	<b>100</b>

## Consolidated statement of comprehensive income

Amounts in SEKm	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023- Jun 2024	2023 Jan-Dec
<b>Rental income</b>	<b>915</b>	<b>865</b>	<b>1,823</b>	<b>1,706</b>	<b>3,590</b>	<b>3,473</b>
Operating expenses	-219	-222	-516	-499	-901	-884
Repairs and maintenance	-77	-71	-143	-146	-339	-342
Property administration	-62	-60	-124	-118	-246	-240
Property tax	-12	-12	-23	-23	-47	-47
<b>Total property expenses</b>	<b>-370</b>	<b>-365</b>	<b>-806</b>	<b>-786</b>	<b>-1,533</b>	<b>-1,513</b>
<b>Net operating income</b>	<b>545</b>	<b>500</b>	<b>1,017</b>	<b>920</b>	<b>2,057</b>	<b>1,960</b>
Central administration	-38	-41	-77	-78	-171	-172
Earnings from participations in joint ventures	-11	-131	-10	-127	-186	-303
<b>Operating profit/loss</b>	<b>496</b>	<b>328</b>	<b>930</b>	<b>715</b>	<b>1,700</b>	<b>1,485</b>
Financial income	21	8	35	11	59	35
Financial expenses	-188	-162	-379	-305	-736	-662
<b>Profit after financial items</b>	<b>329</b>	<b>174</b>	<b>586</b>	<b>421</b>	<b>1,023</b>	<b>858</b>
of which income from property management	348	315	607	561	1,235	1,189
Change in value of investment properties	176	-1,084	84	-2,087	-2,605	-4,776
Change in value of interest-rate derivatives	-178	146	-8	-107	-776	-875
Change in value of foreign exchange derivatives	-330	34	-400	-295	-461	-356
Foreign exchange effect on financial liabilities	267	-242	109	21	453	365
<b>Profit before tax</b>	<b>264</b>	<b>-972</b>	<b>371</b>	<b>-2,047</b>	<b>-2,366</b>	<b>-4,784</b>
Tax	-43	160	-79	383	401	863
<b>Profit for the period/year</b>	<b>221</b>	<b>-812</b>	<b>292</b>	<b>-1,664</b>	<b>-1,965</b>	<b>-3,921</b>
Other comprehensive income that is not to be reclassified to the income statement in subsequent periods						
Revaluation of pensions	-	-	-	-	0	0
Tax, pensions	-	-	-	-	0	0
<b>Other comprehensive income for the period/year, net after tax</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>0</b>
<b>Total comprehensive income for the period/year</b>	<b>221</b>	<b>-812</b>	<b>292</b>	<b>-1,664</b>	<b>-1,965</b>	<b>-3,921</b>

Comprehensive income fully attributable to the Parent Company's shareholders.

## Consolidated statement of financial position

Amounts in SEKm	2024 Jun 30	2023 Jun 30	2023 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Capitalized development expenditure	19	19	21
<b>Total intangible fixed assets</b>	<b>19</b>	<b>19</b>	<b>21</b>
<b>Property, plant and equipment</b>			
Investment properties	55,754	58,312	56,139
Leaseholds and other right-of-use assets	195	182	175
Fixtures and fittings	5	6	5
<b>Total property, plant and equipment</b>	<b>55,954</b>	<b>58,500</b>	<b>56,319</b>
<b>Financial assets</b>			
Participations in joint ventures	1,605	1,961	1,624
Financial derivative instruments	1,002	1,823	1,053
Noncurrent receivables	199	61	196
<b>Total financial assets</b>	<b>2,806</b>	<b>3,845</b>	<b>2,873</b>
<b>Total fixed assets</b>	<b>58,780</b>	<b>62,364</b>	<b>59,213</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	34	35	33
Financial derivative instruments	0	323	223
Other receivables	647	516	651
Prepaid expenses and accrued income	39	91	75
<b>Total current receivables</b>	<b>720</b>	<b>965</b>	<b>982</b>
Cash and cash equivalents	1,225	592	766
<b>Total current assets</b>	<b>1,945</b>	<b>1,557</b>	<b>1,748</b>
<b>TOTAL ASSETS</b>	<b>60,725</b>	<b>63,921</b>	<b>60,961</b>

Amounts in SEKm	2024 Jun 30	2023 Jun 30	2023 Dec 31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Share capital	100	100	100
Other paid-in capital	4,874	4,874	4,874
Retained earnings incl. profit for the period/year	20,483	22,447	20,190
<b>Total equity</b>	<b>25,456</b>	<b>27,421</b>	<b>25,164</b>
<b>Liabilities</b>			
<b>Noncurrent liabilities</b>			
Deferred tax liability	4,167	4,755	4,232
Interest-bearing liabilities	21,848	21,913	22,398
Interest-bearing liabilities to Parent Company	145	145	145
Financial derivative instruments	931	810	762
Lease liability	169	156	150
Other provisions for pensions and similar obligations	1	2	1
<b>Total noncurrent liabilities</b>	<b>27,261</b>	<b>27,781</b>	<b>27,688</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	6,933	7,644	6,879
Accounts payable	130	145	155
Tax liabilities	118	137	151
Lease liability	21	20	21
Financial derivative instruments	0	27	34
Other current liabilities	99	56	49
Accrued expenses and deferred income	707	690	820
<b>Total current liabilities</b>	<b>8,008</b>	<b>8,719</b>	<b>8,109</b>
<b>Total liabilities</b>	<b>35,269</b>	<b>36,500</b>	<b>35,797</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>60,725</b>	<b>63,921</b>	<b>60,961</b>

## Consolidated statement of changes in equity

Amounts in SEKm	Share capital	Other paid-in capital	Retained earnings incl. profit for the year	Total equity
<b>Opening balance Jan 1, 2023</b>	<b>100</b>	<b>4,874</b>	<b>24,111</b>	<b>29,085</b>
Profit for the period Jan-Jun			-1,664	-1,664
Other comprehensive income Jan-Jun			-	-
<b>Closing balance, Jun 30, 2023</b>	<b>100</b>	<b>4,874</b>	<b>22,447</b>	<b>27,421</b>
Profit for the period Jul-Dec			-2,257	-2,257
Other comprehensive income Jul-Dec			-	-
<b>Closing balance, Dec 31, 2023</b>	<b>100</b>	<b>4,874</b>	<b>20,190</b>	<b>25,164</b>
<b>Opening balance, Jan 1, 2024</b>	<b>100</b>	<b>4,874</b>	<b>20,190</b>	<b>25,164</b>
Profit for the period Jan-Jun			292	292
Other comprehensive income Jan-Jun			-	-
<b>Closing balance, Jun 30, 2024</b>	<b>100</b>	<b>4,874</b>	<b>20,483</b>	<b>25,456</b>

## Consolidated statement of cash flows

Amounts in SEKm	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023-Jun 2024	2023 Jan-Dec
<b>Operating activities</b>						
Profit after financial items	329	174	586	421	1,023	858
Adjustment for noncash items	11	132	11	128	190	307
Reversal of net interest income	167	154	344	294	677	627
Interest paid	-189	-149	-378	-286	-720	-628
Interest received	20	9	31	11	56	36
Tax paid	-40	16	-177	29	-206	0
<b>Cash flow from operating activities before changes in working capital</b>	<b>299</b>	<b>336</b>	<b>418</b>	<b>597</b>	<b>1,021</b>	<b>1,200</b>
Decrease (+)/increase (-) in operating receivables	60	16	140	12	85	-43
Decrease (-)/increase (+) in operating liabilities	15	-4	-124	-114	4	14
<b>Cash flow from operating activities</b>	<b>374</b>	<b>348</b>	<b>434</b>	<b>495</b>	<b>1,110</b>	<b>1,171</b>
<b>Investing activities</b>						
Investment in investment properties	-253	-576	-516	-1,052	-1,382	-1,918
Acquisition of investment properties	-	-2	-	-27	-74	-101
Divestment of investment properties	979	99	995	102	1,420	527
Investment in other fixed assets	0	-4	-1	-7	-3	-9
Investment in financial assets	-59	-35	-59	-35	-48	-24
Dividend from financial assets	-	-	-	-	5	5
Divestment of financial assets	-	-	-	-	20	20
<b>Cash flow from investing activities</b>	<b>668</b>	<b>-518</b>	<b>420</b>	<b>-1,019</b>	<b>-61</b>	<b>-1,500</b>
<b>Financing activities</b>						
Loans raised	2,993	4,895	6,387	8,556	14,214	16,383
Repayment of loans	-3,752	-4,618	-6,771	-7,855	-14,533	-15,617
Change in collateral	201	48	-9	-366	-97	-454
Redemption of financial instruments	1	-	1	-	1	0
Amortization of lease liability	1	-3	-2	-2	0	0
<b>Cash flow from financing activities</b>	<b>-557</b>	<b>322</b>	<b>-395</b>	<b>333</b>	<b>-416</b>	<b>312</b>
<b>Cash flow for the period/year</b>	<b>486</b>	<b>152</b>	<b>459</b>	<b>-191</b>	<b>633</b>	<b>-17</b>
Cash and cash equivalents at the beginning of the period/year	739	440	766	783	592	783
<b>Cash and cash equivalents at the end of the period/year</b>	<b>1,225</b>	<b>592</b>	<b>1,225</b>	<b>592</b>	<b>1,225</b>	<b>766</b>

## Parent Company income statement

Amounts in SEKm	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023- Jun 2024	2023 Jan-Dec
<b>Income</b>	<b>80</b>	<b>81</b>	<b>163</b>	<b>157</b>	<b>324</b>	<b>318</b>
Other external costs	-46	-46	-87	-82	-185	-180
Personnel expenses	-65	-69	-140	-141	-279	-280
Depreciation	-2	0	-3	-1	-5	-3
<b>Operating profit/loss</b>	<b>-33</b>	<b>-34</b>	<b>-67</b>	<b>-67</b>	<b>-145</b>	<b>-145</b>
Earnings from Group companies	22	-1	35	-24	54	-5
Financial income	308	271	612	519	1,202	1,109
Financial expenses	-161	-156	-323	-299	-653	-629
Change in value of interest-rate derivatives	-178	146	-8	-107	-776	-875
Change in value of combined interest rate and interest-rate derivatives	-330	34	-400	-295	-461	-356
Foreign exchange effect on financial liabilities	267	-241	109	22	452	365
<b>Profit after financial items</b>	<b>-105</b>	<b>19</b>	<b>-43</b>	<b>-251</b>	<b>-328</b>	<b>-536</b>
Appropriations, Group contribution	-	-	-	-	-40	-40
Appropriations, profit to principal	486	18	430	16	345	-69
Tax	-68	-17	-82	46	-31	97
<b>Profit for the period/year</b>	<b>313</b>	<b>20</b>	<b>306</b>	<b>-189</b>	<b>-53</b>	<b>-548</b>

### Parent Company

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

## Parent Company statement of comprehensive income

Amounts in SEKm	2024 Apr-Jun	2023 Apr-Jun	2024 Jan-Jun	2023 Jan-Jun	Jul 2023- Jun 2024	2023 Jan-Dec
Profit for the period/year as shown in the income statement	313	20	306	-189	-53	-548
Other comprehensive income	-	-	-	-	-	-
<b>Total comprehensive income for the period/year</b>	<b>313</b>	<b>20</b>	<b>306</b>	<b>-189</b>	<b>-53</b>	<b>-548</b>

## Parent Company statement of financial position

Amounts in SEKm	2024 Jun 30	2023 Jun 30	2023 Dec 31
<b>ASSETS</b>			
<b>Fixed assets</b>			
<b>Intangible fixed assets</b>			
Capitalized development expenditure	19	19	21
<b>Total intangible fixed assets</b>	<b>19</b>	<b>19</b>	<b>21</b>
<b>Property, plant and equipment</b>			
Fixtures and fittings	5	6	5
<b>Total property, plant and equipment</b>	<b>5</b>	<b>6</b>	<b>5</b>
<b>Financial assets</b>			
Participations in subsidiaries	2,875	2,690	2,875
Receivables from Group companies	31,592	32,943	31,941
Financial derivative instruments	1,002	1,823	1,053
Noncurrent receivables	16	17	17
<b>Total financial assets</b>	<b>35,485</b>	<b>37,473</b>	<b>35,886</b>
<b>Total fixed assets</b>	<b>35,509</b>	<b>37,498</b>	<b>35,912</b>
<b>Current assets</b>			
<b>Current receivables</b>			
Accounts receivable	0	1	1
Financial derivative instruments	-	-	223
Other receivables	618	759	596
Prepaid expenses and accrued income	13	10	14
<b>Total current receivables</b>	<b>631</b>	<b>770</b>	<b>834</b>
Cash and cash equivalents	1,225	592	766
<b>Total current assets</b>	<b>1,856</b>	<b>1,362</b>	<b>1,600</b>
<b>TOTAL ASSETS</b>	<b>37,365</b>	<b>38,860</b>	<b>37,512</b>

Amounts in SEKm	2024 Jun 30	2023 Jun 30	2023 Dec 31
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
<b>Restricted equity</b>			
Share capital	100	100	100
Revaluation reserve	143	143	143
	<b>243</b>	<b>243</b>	<b>243</b>
<b>Nonrestricted equity</b>			
Retained earnings	7,777	8,324	8,324
Share premium reserve	841	841	841
Profit for the period/year	306	-189	-548
	<b>8,924</b>	<b>8,976</b>	<b>8,617</b>
<b>Total equity</b>	<b>9,166</b>	<b>9,219</b>	<b>8,860</b>
<b>Provisions</b>			
Deferred tax liability	241	395	302
Other provisions for pensions and similar obligations	1	1	1
<b>Total provisions</b>	<b>242</b>	<b>396</b>	<b>303</b>
<b>Liabilities</b>			
<b>Noncurrent liabilities</b>			
Interest-bearing liabilities	17,646	18,419	18,167
Interest-bearing liabilities to Parent Company	145	145	145
Financial derivative instruments	931	810	762
<b>Total noncurrent liabilities</b>	<b>18,722</b>	<b>19,374</b>	<b>19,074</b>
<b>Current liabilities</b>			
Interest-bearing liabilities	6,183	7,644	6,120
Accounts payable	9	8	11
Liabilities to Group companies	2,780	1,926	2,772
Tax liability	94	116	155
Financial derivative instruments	0	27	34
Other liabilities	14	10	12
Accrued expenses and deferred income	154	140	171
<b>Total current liabilities</b>	<b>9,234</b>	<b>9,871</b>	<b>9,275</b>
<b>Total liabilities</b>	<b>28,198</b>	<b>29,641</b>	<b>28,652</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>37,365</b>	<b>38,860</b>	<b>37,512</b>

### Board of Directors

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

### Employees

The number of employees in the Rikshem Group at the end of the period was 317 (308): 162 men and 155 women.

### Risks

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

### Accounting policies

The consolidated financial statements are prepared in accordance with International Financial Reporting Standards (IFRS) and interpretations issued by the IFRS Interpretations Committee (IFRIC), as approved by the European Union (EU). The Swedish Annual Accounts Act and RFR 1 Supplementary Accounting Rules for Groups have also been applied. This interim report has been prepared according to IAS 34 Interim Financial Reports and the Annual Accounts Act. The Parent Company's accounting policies comply with the Annual Accounts Act and RFR 2. The accounting policies, valuation principles and calculation methods applied are consistent with the most recent annual report.

### New standards and interpretations

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

### Related-party transactions

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

### Affirmation of the Board of Directors and the CEO

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

**This report has not been reviewed by the Company's auditors.**

## Stockholm, July 12, 2024

Kerstin Lindberg Göransson  
Chair of the Board Of Directors

Pernilla Arnrud Melin  
Board member

Siv Malmgren  
Board member

Zdravko Markovski  
Board member

Frida Olsson  
Board member

Per-Gunnar Persson  
Board member

Peter Strand  
Board member

Anette Frumerie  
CEO

## Quarterly data

Amounts in SEKm	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2	2023 Q1
<b>Income statement</b>						
Rental income	915	908	868	899	865	841
Property expenses	-370	-436	-403	-324	-365	-421
Net operating income	545	472	465	575	500	420
Central administration	-38	-39	-58	-36	-41	-37
Earnings from participations in joint ventures	-11	1	-181	5	-131	4
Net financial income and expenses	-167	-177	-163	-170	-154	-140
Profit after financial items	329	256	63	374	174	247
of which income from property management	348	259	246	382	315	246
Change in value of investment properties	176	-92	-1,509	-1,180	-1,084	-1,003
Change in value and exchange rate effects on financial instruments	-241	-58	-498	13	-62	-319
Profit before tax	264	106	-1,944	-793	-972	-1,075
Tax and other comprehensive income	-43	-36	327	153	160	223
Comprehensive income for the quarter	221	70	-1,617	-640	-812	-852
<b>Statement of financial position</b>						
Investment properties	55,754	56,305	56,139	57,366	58,312	58,918
Participations in joint ventures	1,605	1,625	1,624	1,965	1,961	2,092
Other assets	2,140	2,827	2,432	2,827	3,056	2,772
Cash and cash equivalents	1,225	739	766	575	592	440
Total assets	60,725	61,496	60,961	62,733	63,921	64,222
Equity	25,456	25,234	25,164	26,781	27,421	28,233
Deferred tax	4,167	4,242	4,232	4,562	4,755	4,944
Interest-bearing liabilities	28,926	29,955	29,422	29,326	29,702	29,181
Other liabilities	2,176	2,064	2,143	2,064	2,043	1,864
Total equity and liabilities	60,725	61,496	60,961	62,733	63,921	64,222
<b>Key figures</b>						
Loan-to-value ratio, percent	52	53	52	51	51	50
Equity/assets ratio, percent	42	41	41	43	43	44
Interest-coverage ratio, multiple (R12M)	2.6	2.6	2.6	2.7	2.9	3.2
Return on equity, percent (R12M)	-7.4	-11.2	-14.5	-13.7	-10.1	-4.7
Property yield, percent (R12M)	3.6	3.5	3.4	3.2	3.1	3.0
Surplus ratio, percent	60	52	54	64	58	50

## Key figures

Amounts in SEKm	Jan-Jun 2024	2023	2022	2021	2020
<b>Income statement</b>					
Rental income	1,823	3,473	3,169	3,062	3,032
Net operating income	1,017	1,960	1,760	1,768	1,760
Profit after financial items	586	858	1,068	1,526	1,279
of which income from property management	607	1,189	1,198	1,230	1,245
Change in value of properties	84	-4,776	-1,935	5,509	1,825
Profit for the period/year	292	-3,921	228	5,931	2,481
<b>Statement of financial position</b>					
Equity	25,456	25,164	29,085	28,855	22,921
External liabilities	28,926	29,422	29,021	26,922	26,315
Fair value of properties	55,754	56,139	59,423	58,780	51,750
Total assets	60,725	60,961	64,922	62,411	55,271
<b>Financial key figures</b>					
Equity/assets ratio, percent	42	41	45	46	41
Loan-to-value ratio, percent	52	52	49	46	51
Interest-coverage ratio (R12M)	2.6	2.6	3.5	3.6	3.7
Net debt/EBITDA, multiple	14.4	15.7	17.6	15.9	15.2
Loan-to-value ratio, secured loans, percent	10	10	8	6	9
Average interest rate, percent	2.7	2.6	2.0	1.5	1.7
Interest-rate duration, years	4.2	3.3	3.4	4.2	4.7
Debt duration, years*	4.2	3.7	3.7	4.0	4.0
Return on equity, percent (R12M)	-7.4	-14.5	0.8	22.9	11.4
Property yield, percent (R12M)	3.6	3.4	3.0	3.2	3.5
Total return excl. joint ventures, percent (R12M)	-0.9	-4.7	-0.3	13.9	7.2
Total return incl. joint ventures, percent (R12M)	-1.3	-4.9	-0.4	13.9	7.0

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

Amounts in SEKm	Jan-Jun 2024	2023	2022	2021	2020
<b>Property-related key figures</b>					
Number of properties	491	512	519	514	540
Leasable area, 1,000 sqm	2,221	2,245	2,240	2,216	2,232
Number of apartments	29,905	29,650	29,230	28,514	28,730
Share of properties for public use (fair value), percent	29	30	30	29	30
Vacancy rate, residential properties, percent	4.1	2.9	3.1	5.1	4.0
Market vacancy rate, residential properties, percent	2.1	1.0	0.8	1.5	1.4
Remaining lease term for properties for public use, years	7.1	7.3	7.6	8.3	8.8
Fair value, SEK/sqm	25,107	25,008	26,525	26,522	23,181
Growth in revenue, like-for-like portfolio, percent	6.9	7.4	3.3	2.4	3.5
Growth in net operating income, like-for-like portfolio, percent	10.2	8.4	-1.2	1.1	9.2
Surplus ratio, percent	56	56	56	58	58
<b>Employees</b>					
Number of employees	317	308	316	286	271

## Key figures – calculations

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

Amounts in SEKm	Jul 2023– Jun 2024	2023 Jan–Dec	Jul 2022– Jun 2023	2022 Jan–Dec
<b>Return on equity</b>				
Profit for the period/year	-1,965	-3,921	-2,927	228
Average equity	26,439	27,125	28,884	28,970
<b>Return on equity, percent</b>	<b>-7.4</b>	<b>-14.5</b>	<b>-10.1</b>	<b>0.8</b>
<b>Net operating income</b>				
Rental income	3,590	3,473	3,304	3,169
Property expenses	-1,533	-1,513	-1,491	-1,409
<b>Net operating income</b>	<b>2,057</b>	<b>1,960</b>	<b>1,813</b>	<b>1,760</b>
<b>Surplus ratio</b>				
Net operating income	2,057	1,960	1,813	1,760
Rental income	3,590	3,473	3,304	3,169
<b>Surplus ratio, percent</b>	<b>57</b>	<b>56</b>	<b>55</b>	<b>56</b>
<b>Property yield</b>				
Net operating income	2,057	1,960	1,813	1,760
Opening property value	58,312	59,423	60,705	58,780
Closing property value	55,754	56,139	58,312	59,423
Average property value	57,033	57,781	59,509	59,102
<b>Property yield, percent</b>	<b>3.6</b>	<b>3.4</b>	<b>3.1</b>	<b>3.0</b>
<b>Total return</b>				
Net operating income	2,057	1,960	1,813	1,760
Unrealized change in value of properties	-2,594	-4,776	-4,198	-1,935
<b>Total</b>	<b>-537</b>	<b>-2,816</b>	<b>-2,385</b>	<b>-175</b>
Opening property value	58,312	59,423	60,705	58,780
Closing property value	55,754	56,139	58,312	59,423
Minus unrealized change in value	2,594	4,776	4,198	1,935
<b>Adjusted average property value</b>	<b>58,330</b>	<b>60,169</b>	<b>61,608</b>	<b>60,069</b>
<b>Total return, percent</b>	<b>-0.9</b>	<b>-4.7</b>	<b>-3.9</b>	<b>-0.3</b>

Amounts in SEKm	Jul 2023– Jun 2024	2023 Jan–Dec	Jul 2022– Jun 2023	2022 Jan–Dec
<b>Interest-coverage ratio</b>				
Net operating income	2,057	1,960	1,813	1,760
Central administration	-171	-172	-170	-156
Financial income	59	35	15	5
<b>Total</b>	<b>1,945</b>	<b>1,823</b>	<b>1,658</b>	<b>1,609</b>
External interest	-757	-693	-580	-456
<b>Interest-coverage ratio, multiple</b>	<b>2.6</b>	<b>2.6</b>	<b>2.9</b>	<b>3.5</b>
<b>Loan-to-value ratio</b>				
External interest-bearing liabilities	28,926	29,422	29,702	29,021
Fair value of investment properties	55,754	56,139	58,312	59,423
<b>Loan-to-value ratio, percent</b>	<b>52</b>	<b>52</b>	<b>51</b>	<b>49</b>
<b>Loan-to-value ratio, secured loans</b>				
Outstanding secured debt	5,580	5,609	4,528	4,530
Fair value of investment properties	55,754	56,139	58,312	59,423
<b>Loan-to-value ratio, secured loans, percent</b>	<b>10</b>	<b>10</b>	<b>8</b>	<b>8</b>
<b>Net debt/EBITDA</b>				
External interest-bearing liabilities	28,926	29,422	29,702	29,021
Cash and cash equivalents	-1,225	-766	-592	-783
Collateral relating to CSA agreements	-446	-456	-368	-2
<b>Net debt</b>	<b>27,255</b>	<b>28,200</b>	<b>28,742</b>	<b>28,236</b>
Net operating income	2,057	1,960	1,813	1,760
Central administration	-171	-172	-170	-156
Depreciation	5	3	2	2
<b>EBIDTA</b>	<b>1,891</b>	<b>1,791</b>	<b>1,645</b>	<b>1,606</b>
<b>Net debt/EBITDA, multiple</b>	<b>14.4</b>	<b>15.7</b>	<b>17.5</b>	<b>17.6</b>

# Definitions

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

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

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

## Financial calendar

Interim report January–September 2024	November 6, 2024
Year-end report January–December 2024	February 7, 2025

## Rikshem

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

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