

Q2 2024

JohnMattson

Presentation Q2

12 Julv 2024



Per Nilsson,
CEO



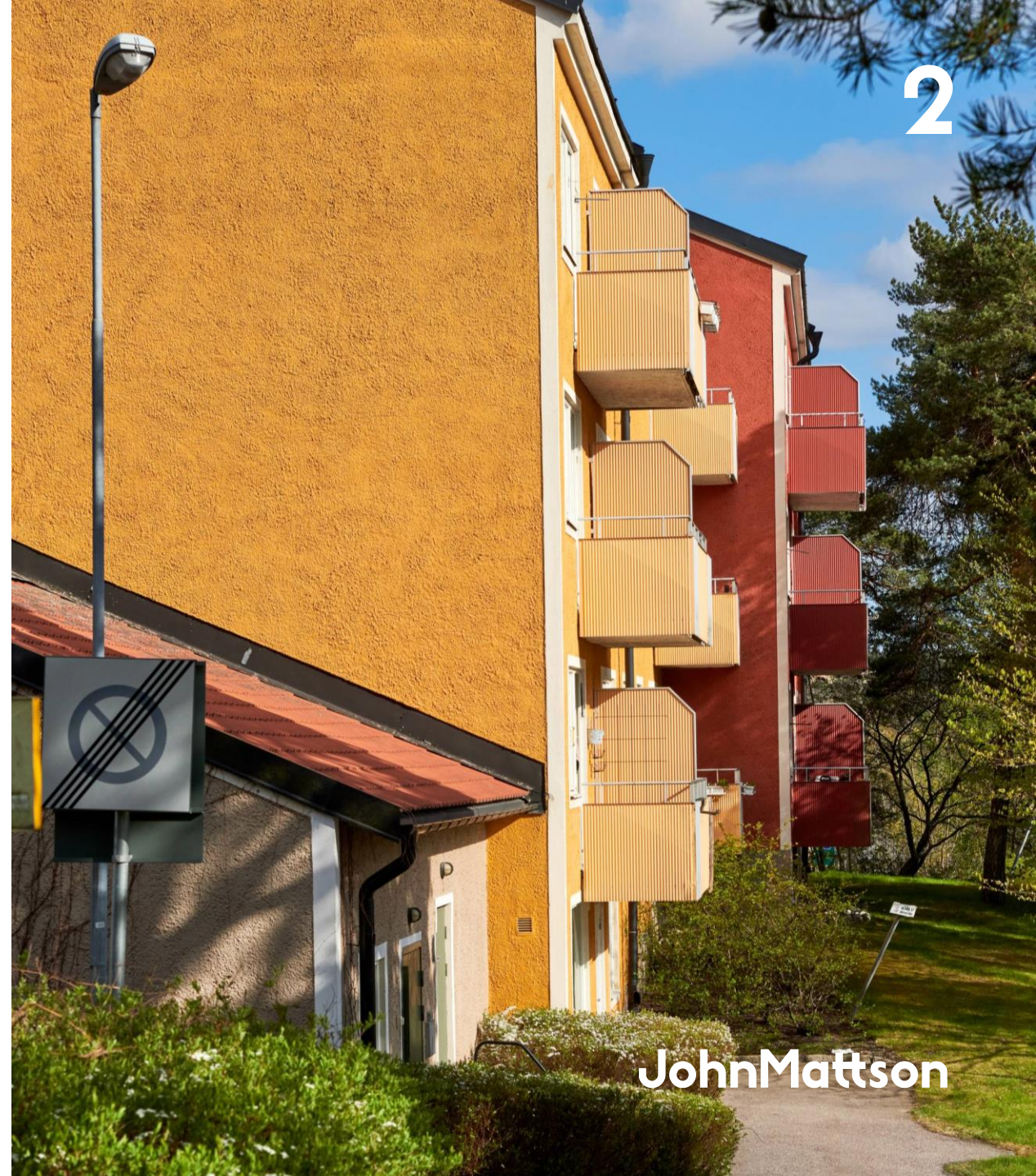
Ebba Pilo Karth
CFO

Summary Q2 2024

- Continued strong growth in income from property management
 - year-on-year growth of 50.8%
- Change in property values returns to positive trend
 - up 1.1% for the quarter
- Sale of the residential property Fulufjället 1 in Alvik based on an underlying property value of SEK 93 million before deduction for latent tax.
- Plan agreement signed for our Ekporten project on Lidingö

Events after the end of the period

- Partnership with the energy company Stockholm Exergi

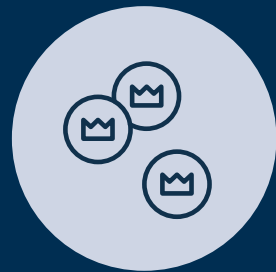


Partnership with Stockholm Exergi for a sustainable energy system in Stockholm 3



Sustainability

- Investment to support the transition of Stockholm Exergi's district heating production to net-zero emissions
 - Initially, by phasing out fossil fuels
 - Ultimately through carbon capture.
- Annual reduction of 10 percentage points in John Mattson's district heating climate emissions by using Stockholm Exergi
 - Target of net-zero emissions by 2033



Financials

- Initial investment of SEK 57 million
 - Encompasses one third of the properties
 - Lowers heating costs by SEK 6 million per year
 - Total surplus ratio of +0.9 percentage points
- Option to invest a total of about SEK 120 million over five years

Property portfolio

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property
management
areas

4,324
apartments

82%

of the lettable
area
is housing

345
thousand sq m
lettable area



Development projects

Project	Area	Number of apartments ¹⁾	Status	Estimated plan date ²⁾
Geografiboken, Abrahamsberg	City/Bromma	80	Detailed Devel. plan in force	
Finnboda, Nacka	South Stockholm/Nacka	40	Detailed Devel. plan in force	
Juno, Käppala	Lidingö	50	Detailed Devel. plan in force	
Pincetten, Örnberg	South Stockholm/Nacka	210	Detailed Devel. plan in progress	2026
Ekporten, Larsberg/Dalénum	Lidingö	90	Detailed Devel. plan in progress	2026
Hjälpslaktaren, Slakthusområdet	City/Bromma	210	Detailed Devel. plan in progress	2026
Total development portfolio		680		

1) The number of apartments is an assessment by John Mattson and is therefore only preliminary. The figures could change during the course of the project.

2) Estimated plan date is the date when a detailed development plan enters force. An assessment is then made for when the project planning can start for the development rights.





Goal fulfilment

Q2 2024 compared with Q2 2023

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Growth in income from property management

50.8% in total

down 24.6% per share

- Net operating income up 5.3%
 - Rent negotiations completed for all housing
 - Positive commercial net lettings of approx. SEK 7 million
 - Lower costs from energy optimisation
- Net financial items down 15% – result of sales and share issues



Growth in net asset value

11.8% in total

down 44.1% per share

- The yield requirement for our properties has stabilised
- Change in value up 1.1% for properties quarter-on-quarter
- The net reinstatement value (NRV) increased 3% quarter-on-quarter

Consolidated income statement

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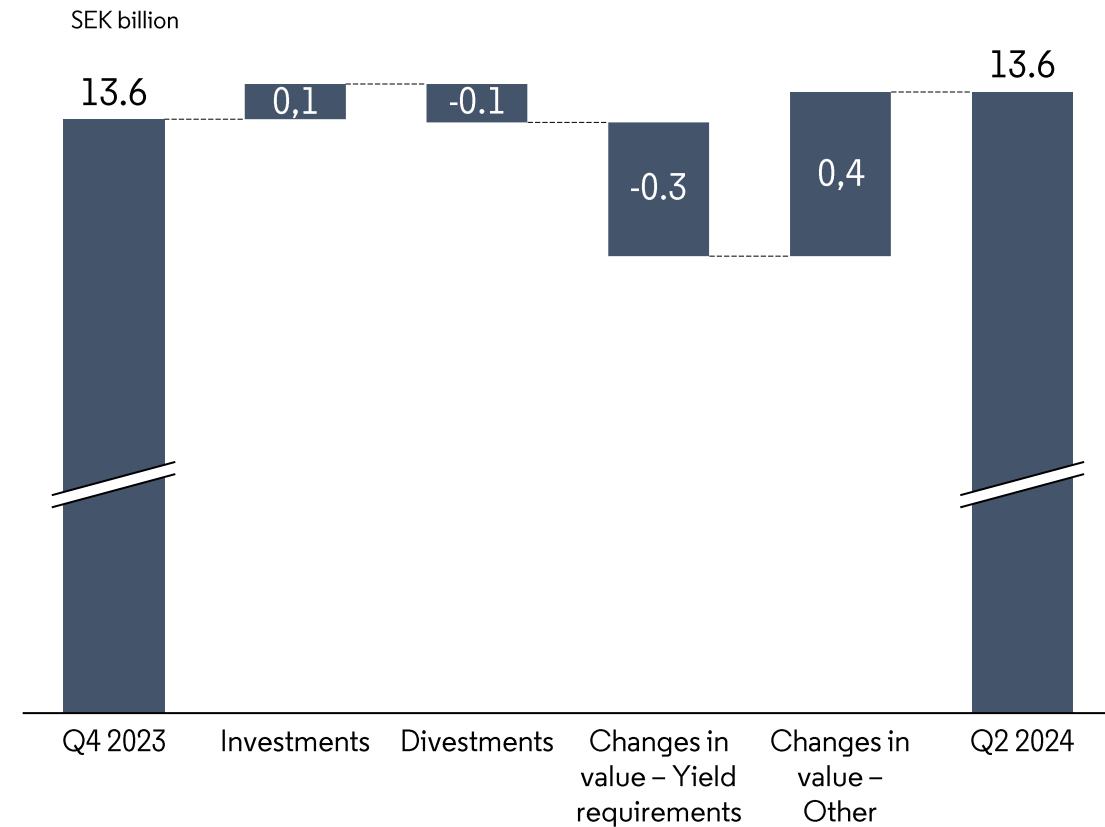
Amounts in SEK m	2024	2023	2024	2023 Rolling 12 months		2023
	Apr–Jun	Apr–Jun	Jan–Jun	Jan–Jun	Jul 2023–Jun 2024	Jan–Dec
Rental revenues	161.3	155.7	318.8	309.5	619.7	610.4
Property expenses	-38.4	-43.4	-94.3	-96.1	-171.2	-173.1
Net operating income	123.0	112.3	224.6	213.4	448.5	437.3
Central administration costs	-13.7	-13.2	-25.5	-23.8	-52.7	-51.0
Net financial items	-54.2	-70.2	-111.3	-131.3	-233.2	-253.2
Income from property management	55.1	28.9	87.8	58.3	162.6	133.1
Change in property values	145.5	-63.0	72.5	-617.9	-667.0	-1,357.4
Change in the value of interest-rate derivatives	23.0	47.7	67.6	8.6	-111.4	-170.4
EBT	223.6	13.6	227.9	-551.0	-615.8	-1,394.7
Current tax	-10.6	-1.2	-10.8	-1.2	-9.5	0.1
Deferred tax	2.6	15.4	4.1	87.7	55.6	139.2
Profit/loss for the period	215.6	27.8	221.2	-464.5	-569.7	-1,255.4
Interest coverage ratio during the period, multiple	2.1	1.5	1.8	1.5	1.7	1.6
Surplus ratio during the period, %	76.2	72.1	70.4	68.9	72.4	71.6
Average interest rate at the end of the period, %	3.2	3.1	3.2	3.1	3.2	3.4

97.1%
economic
occupancy rate

70.4%
surplus ratio
Q2

Change in property value

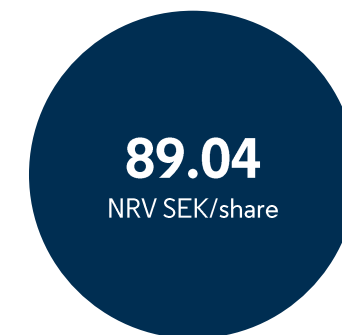
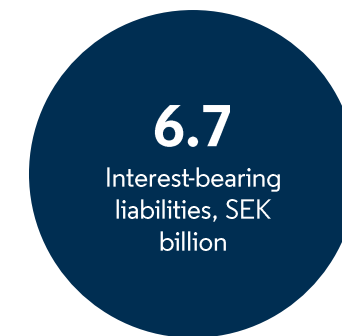
Amounts in SEK m	2024		2023		2023	
	% of opening property value	Jan-Jun	% of opening property value	Jan-Jun	% of opening property value	Jan-Dec
Opening property value		13,567.60		15,695.50		15,695.50
+ Acquisitions		0		0		0
+ Investments in new builds	0%	33.7	1%	88.3	1%	169
+ Investments in upgrades	0%	15.3	1%	87.3	1%	131.2
+ Other investments	0%	36.5	0%	14.5	0%	48.6
- Divestments	-1%	-93.0	-5%	-790.6	-7%	-1,153.80
Unrealised changes in value	1%	73.9	-4%	-599.5	-8%	-1,322.80
<i>of which, Change in net operating income</i>	3%	424.2	5%	829.7	7%	1,049.90
<i>of which, Ongoing projects/development rights</i>	0%	-25.6	1%	161.2	1%	185.6
<i>of which, Yield requirement</i>	-2%	-324.7	-10%	-1,590.40	-16%	-2,558.20
<i>of which, Acquisitions/divested properties</i>		0.0		0.0		0.0
Closing property value		13,634.01		14,495.50		13,567.60



Consolidated balance sheet

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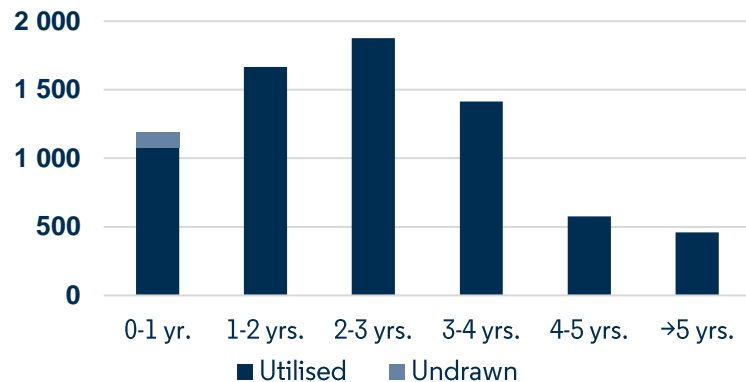
Amounts in SEK m	30 Jun 2024	30 Jun 2023	31 Dec 2023
ASSETS			
Investment properties	13,634.0	14,495.50	13,567.60
Derivatives	136.6	248	69.0
Other assets	571.4	447.4	492.1
Cash and cash equivalents	371.2	154.6	433.7
TOTAL ASSETS	14,713.3	15,345.5	14,562.4
EQUITY AND LIABILITIES			
Equity attributable to Parent Company shareholders	5,735.0	5,075.1	5,515.6
Non-controlling interests	81.4	78.9	80.5
Total equity	5,816.4	5,154.0	5,596.2
Interest-bearing liabilities	7,075.5	8,441.5	7,192.7
Deferred tax liabilities	1,150.1	1,210.3	1,154.2
Other liabilities	671.3	539.6	619.3
Total liabilities	8,896.9	10,191.4	8,966.2
TOTAL EQUITY AND LIABILITIES	14,713.3	15,345.4	14,562.4
Net interest-bearing liabilities at the end of the period, SEK m	6,704.3	8,286.9	6,759.0
LTV ratio at the end of the period, %	49.2	57.2	49.8
Net reinstatement value (NRV), SEK m	6,748.4	6,037.4	6,600.8
Net reinstatement value, SEK/share	89.04	159.31	87.09
No. of shares outstanding at the end of period, million	75.8	37.9	75.8



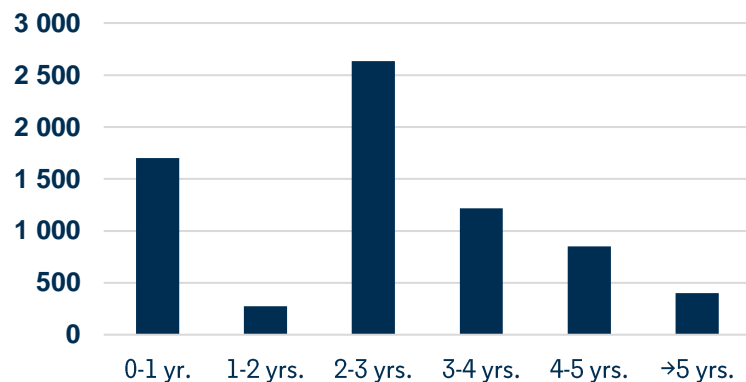
Financing



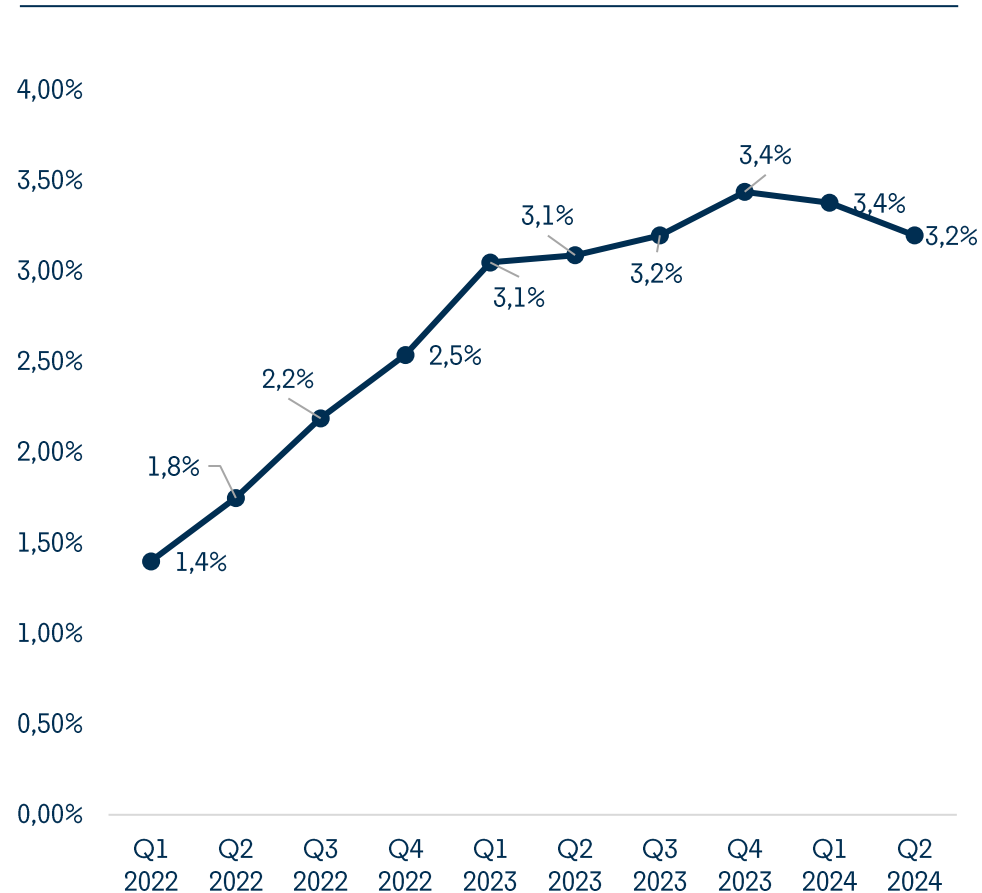
Loan-to-maturity



Fixed-interest period



Average interest rate at the end of the quarter



2.7 years
average loan-to-maturity

2.7 years
average fixed-interest tenor

Earnings capacity

Amounts in SEK m	30 Jun 2024
Rental value	660.1
Vacancies and discounts ¹⁾	-19.0
Rental revenues	641.1
Operating expenses	-132.0
Maintenance expenses	-15.1
Property tax	-13.5
Property administration	-18.5
Net operating income	462.0
Central administration costs	-49.7
Net financial items	-228.5
<i>Of which ground rent</i>	-14.2
Less non-controlling interests	2.5
Income from property management	186.3



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Outlook

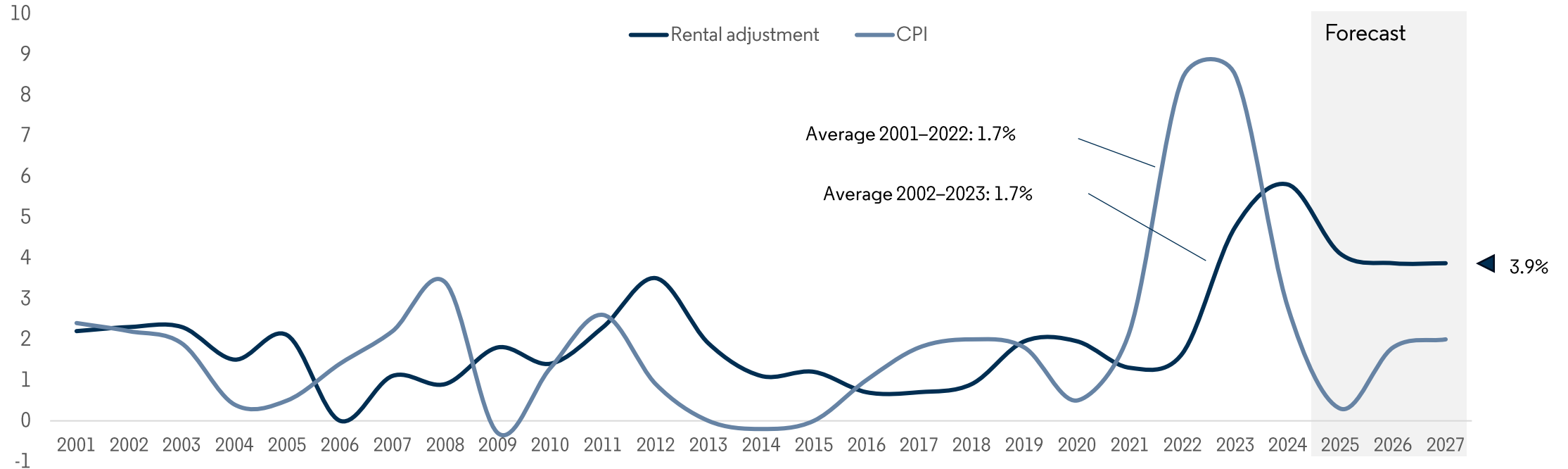
- Much suggests that housing in attractive locations has regained its strength.
 - Rent trend
 - Rental potential
 - Conversion potential



Historically, housing has been compensated for inflation

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Comparison of historical and forecast rent adjustments¹ and CPI²
- % -



1. Rent adjustments for the 2025-2028 period comprise the average rent adjustment needed to compensate for the difference between inflation (CPI) and rent adjustments in the 2022-2024 period
2. The CPI for the 2024-2028 period comprises the National Institute of Economic Research's forecast from March 2024

Willingness to pay substantially exceeds John Mattson's average rent levels

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Comparison of willingness to pay and John Mattson's average standardised rent for new production and existing housing¹ – SEK per sq m –

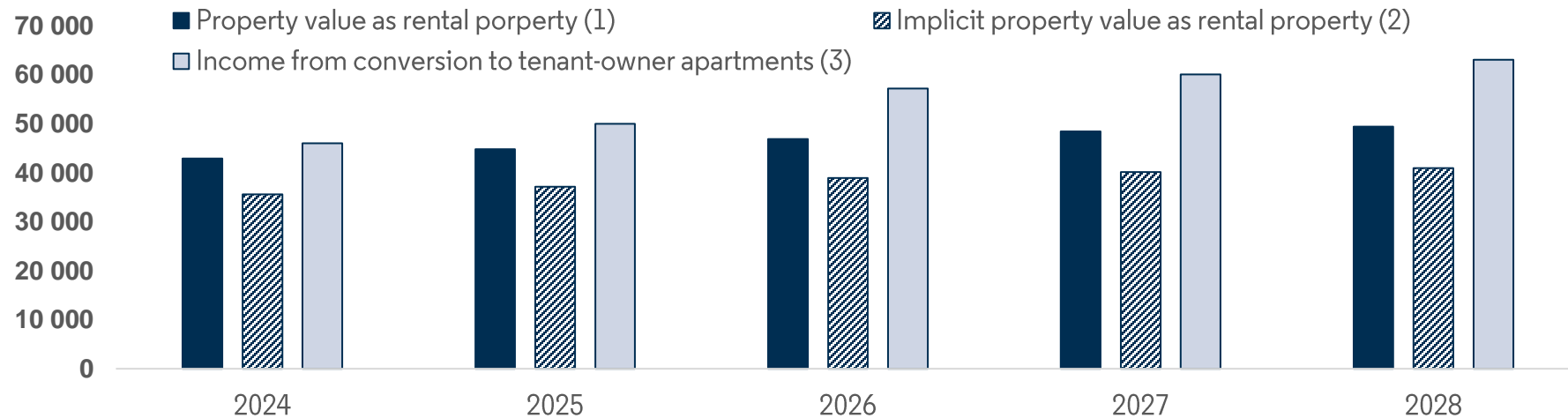


1. All rents comprise standardised rents (2 bedrooms, 77 square metres). Source willingness to pay: Evidens

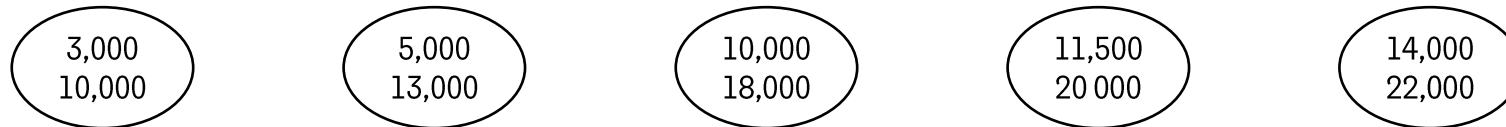
Likely increase in profitability for conversions

EXAMPLE

Profitability forecast for conversion of rental properties to tenant-owner apartments in Hägersten
– SEK per sq m –



Profitability on conversion
[Actual/Implied]



1. Assuming that the yield requirement remains unchanged and a rent trend aligned with inflation
 2. The implied property value is calculated based on a share price of SEK 57 per share and a net reinstatement value per share of SEK 86.53 (Q1 2024)
 3. Revenue from the conversion assumes a discount of 30% on the market price for tenant-owner apartments and a conversion rate of 90% from rental to tenant-owner apartments. An assumption has also been made of association loans amounting to SEK 10,000 per square metre in 2024, SEK 11,000 per square metre in 2025, SEK 12,000 per square metre in 2026 and SEK 13,000 per square metre in 2027–2028. Source: Evidens

Great neighbourhoods across generations

Questions

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